

Annual Report
2018-19



Rebalancing for Value Creation





Annual Report

2019

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Our Enterprise



Max Financial Services (MFS), a multi-business corporate, is part of the US \$3.2 billion Max Group. Focussed on Life Insurance, it owns and actively manages a 71.8% stake in Max Life Insurance, India's largest non-bank, private life insurance company. MFS earned a revenue of ₹ 17,538 crore in FY 2019. The company is listed on NSE and BSE. Besides a 28.3% holding by Analjit Singh sponsor family, some other shareholders include KKR, New York Life, Baron, Vanguard, Aberdeen, First Voyager, Jupiter and the Asset Management Companies of Reliance, HDFC, ICICI Prudential, Motilal Oswal, Aditya Birla Sun Life, Mirae, and Kotak.



Launched in 2000, Max Life is a joint venture with Mitsui Sumitomo Insurance, a Japan-headquartered global insurance leader. Max Life is India's largest non-bank private life insurer and the fourth largest private life insurance company, with revenues of ₹ 14,575 crore, a claims paid ratio of 98.74% and a customer base of 4 million with more than 322 offices across India.



Max India Limited, a multi-business corporate, is part of the US \$3.2 billion Max Group. Focused on Healthcare and Allied business, it owns and actively manages a 49.7% stake in Max Healthcare, a 51% stake in Max Bupa Health Insurance and a 100% stake in Antara Senior Living. Max India earned revenue of ₹ 3,688 crore in FY 2019, having a customer base of 7 million. The Company is listed on NSE and BSE. Besides a 40.9% holding by Analjit Singh sponsor family, some other shareholders include New York Life, Briarwood Capital, IFC, Nomura, Doric Capital, HDFC Standard Life and Asset Management Companies of L&T and UTI Mutual Fund.



Launched in 2008, Max Bupa, a subsidiary of Max India, is a 51:49 JV with Bupa Finance Plc., UK. It is one of India's leading standalone health insurance companies with Gross Written Premium (GWP) of ₹ 947 crore. It has a customer base of nearly 2.5 million people, offering individual and family-oriented health insurance policies across all age groups through its 31,000+ agents and 12 bank relationships.



Launched in 2000, Max Healthcare is India's leading provider of standardised, seamless and world-class healthcare services, focussed on tertiary and quaternary care. Max Healthcare has revenues of ₹ 2,921 crore. from over 2,500 beds across 14 hospitals. With a base of more than 3,000 doctors offering services in 30 specialities across a network of 14 hospitals, Max Healthcare remains completely committed to the highest standards of medical and service excellence, patient care, and scientific and medical education.



Launched in 2013, Antara Senior Living is a 100% subsidiary of Max India. It is pioneering the concept of 'Age in Place' for people over 55 years of age, by developing Senior Living communities in India. The first Antara community was launched in April 2017 near Dehradun, Uttarakhand with 190 apartments spread over 14 acres of land.



Incorporated in 2015, Max Ventures & Industries Limited (MaxVIL), is a part of US \$3.2 billion Max Group. The Company owns and operates real estate business through its 100% subsidiary, Max Estates, and a packaging films business through Max Speciality Films, a 51:49 joint venture with Toppan, Japan. MaxVIL also has an investment subsidiary, Max I., MaxVIL is listed on NSE and BSE. Besides a 47.1% holding by Analjit Singh sponsor family, some other shareholders include New York Life and First State Investments



Established in 2016, Max Estates Limited is the real estate arm of the Max Group and a subsidiary of MaxVIL. Its vision is to bring the Group's values of Excellence, Credibility and Sevabhav to the Indian real estate sector. Its marquee projects include a one-of-its-kind commercial office space Max Towers, on the edge of South Delhi that opened its doors in 2019 and 222 Rajpur, a luxury residential villa community in Rajpur, Dehradun. It aims to create, build and operate Grade A+ office spaces in Delhi-NCR.



Launched in 1988, Max Speciality Films, a subsidiary of MaxVIL., is an innovation leader in the Speciality Packaging Films business. It has a strategic partnership with Japan's Toppan Printing Co. Ltd., a leading global printing company. Max Speciality Films is a top supplier of speciality packaging, labels, coating and thermal lamination films for the India and overseas markets.



Max I. Limited is MaxVIL's wholly-owned subsidiary, which facilitates Intellectual & Financial Capital to promising and proven early-stage organisations across identified sunrise sectors. Its investment model is a hybrid of accelerators and venture funding, providing both mentoring and growth capital for the organisations it invests in.



Launched in 2008, Max India Foundation (MIF) represents the Max Group's social responsibility efforts. The Foundation's work has been focussed on healthcare for the underprivileged and has benefitted more than 34 lakh people in over 800 locations since its inception.

Measures of Success

Max Healthcare
Network Gross
Revenues

₹ 2,921 CR

↑ 5%

Max Healthcare's
EBITDA

₹ 242 CR

↑ 9%

Max Bupa
Gross Written
Premium

₹ 947 CR

↑ 26%

Max Bupa
New Business
Premium

₹ 355 CR

↑ 38%



Max Healthcare's
New Business
Lines

Max@ Home

 **58%**

Max Labs

 **86%**



**Max India
Foundation**
benefitted over

34 LAKH

lives across India

**Antara Senior
Living** pursuing
an Operating &
Maintenance-led
asset-light model
in Delhi NCR



Investor base
comprising
marquee global
financial institutions
such as **New York
Life, Briarwood
Capital, IFC, Nomura,
Doric Capital, HDFC
Standard Life AMC's
of and L&T & UTI
Mutual Fund**

All figures as on March 31, 2019

Our Path



Our Vision

To be the most admired company for protecting and enhancing the financial future of its customers.



Our Mission

- Be the most preferred category choice for customers, policy holders, shareholders and employees
- Do what is right for our customers, and treat them fairly
- Lead the market in quality and reputation
- Be the go-to standard for partnerships and alliances with all distributors and partners
- Maintain cutting-edge standards of governance

Our Values



Sevabhav

We encourage a culture of service and helpfulness so that our actions positively impact society. Our commitment to Seva defines and differentiates us.



Excellence

We gather the experts and the expertise to deliver the best solutions for life's many moments of truth. We never settle for good enough.



Credibility

We give you our word. And we stand by it. No matter what. A 'No' uttered with the deepest conviction is better than a 'Yes' merely uttered to please, or worse, to avoid trouble. Our words are matched by our actions and behaviour.

Board Of Directors



Dr. S.S. Baijal

Mentor

Dr. S.S. Baijal served ICI (India) Limited for over 35 years and was the Chairman of ICI companies in India from 1983 to 1987. He then played an active role on the erstwhile Max India Board from 1988 to 2009, where he added immense value to the Company. He was the Chairman of the erstwhile Max India during the years 1998-2000. On his retirement from the Board in 2009, he was elevated to the position of 'Chairman Emeritus' in 2009 and to 'Mentor' of new Max India in January 2016 after the demerger of the erstwhile Max India.



Analjit Singh

Chairman

Mr. Analjit Singh is the Founder & Chairman of the Max Group, a US\$ 3 billion multi-business enterprise, with interests in life insurance (Max Life), healthcare (Max Healthcare), health insurance (Max Bupa), real estate (Max Estates), senior living (Antara) and speciality packaging (Max Speciality Films). Max Group is renowned for service excellence and has successful joint ventures with some of the pre-eminent firms, including Mitsui Sumitomo and Toppan from Japan, Life Healthcare from South Africa and Bupa Plc. from the United Kingdom. Earlier partners include DSM, Netherlands; New York Life Insurance Company; Hutchison Whampoa; Motorola; Lockheed Martin and others.

Amongst privately held family businesses, Mr. Analjit Singh is the founder of Leeu Collection, a group of leisure boutique hotels in Franschhoek, South Africa (SA); The Lake District, UK; and soon to be opened in Florence, Italy. Leeu Collection also includes a significant presence in wine and viticulture through Mullineux Leeu Family Wines; an active F&B portfolio of restaurants in partnership with Azure Hospitality, Ritu Dalmia, The La Colombe Group in Cape Town, SA and the Alajmo Group in Italy. Art and landscaping are significant

differentiators in the hospitality businesses aided by a strong relationship with Everard Read, SA and Franchesca Watson.

A self-made entrepreneur, Mr. Analjit Singh was awarded the Padma Bhushan, India's third highest civilian honour, by the President of India in 2011. An alumnus of The Doon School and Shri Ram College of Commerce, University of Delhi, Mr. Analjit Singh holds an MBA from Graduate School of Management, Boston University. He has been conferred with an honorary doctorate by Amity University.

Professionally, he is the Non-executive Chairman of multiple Max Group companies - Max Financial Services, Max India, Max Ventures & Industries, Max Life and Antara Senior Living. He is also a Director on the Board of Sofina NV/SA, Belgium. Till October 2018, he was the Non-executive Chairman of Vodafone India.

Mr. Analjit Singh is a member of the Founder Executive Board of the Indian School of Business (ISB), India's top ranked B-School, and has served as the Chairman of the Board of Governors of Indian Institute of Technology (IIT), Roorkee - India's oldest and most prestigious engineering college, and Doon School, a premier Indian boarding school.

Mr. Analjit Singh has also served on the Prime Minister's Indo US CEO Council. He also served as the co-chair of Prabodhan, a unique forum for facilitating closer and more effective engagement between European and Indian decision makers and opinion leaders.

He has been felicitated by Senator Hillary Clinton, former US Secretary of State, on behalf of the Indian American Centre for Political Awareness for his outstanding achievement in presenting the international community with an understanding of a modern and vibrant India and for creating several successful JVs with leading American companies and promoting business ties with the USA.

He has been honoured with the Ernst and Young Entrepreneur of the Year Award (Service Category) and the Golden Peacock Award for Leadership and Service Excellence. In 2014, he was awarded with Spain's second highest civilian honour, the Knight Commander of the Order of Queen Isabella, and the Distinguished Alumni Award from Boston University. He also served as the Honorary Consul General of the Republic of San Marino in India.



Mohit Talwar

Managing Director

Mohit Talwar is the Vice Chairman of the Max Group. He is also the Managing Director of Max Financial Services Limited and Max India Limited, and Vice Chairman of Max Ventures & Industries Limited (MaxVIL). In addition, he serves on the Boards of Max Life Insurance, Max Healthcare, Max Bupa Health Insurance and Antara Senior Living.

In his earlier role as the Deputy Managing Director of the erstwhile consolidated Max India Limited, he successfully leveraged his strong relationships with institutional investors, hedge funds, banks and private equity firms, and led several complex corporate finance and financial structuring deals to ensure adequate investment and liquidity for the Group's operations. He has played a central role in executing key transactions, including the setting up of Max Bupa Health Insurance, bringing on board MS&AD Insurance Group Holdings as the new JV partner for Max Life and Life Healthcare's entry as JV partner in Max Healthcare, and later the equalisation of its stake in the business, and completing the mega restructuring of the erstwhile Max India into three new listed companies, which received a significantly positive reaction from capital markets. Mr. Talwar was instrumental in executing a stake repurchase transaction with IDFC Limited, and a transaction with IFC to repurchase its stake in Max Healthcare. He has also overseen key transactions in Max Ventures & Industries Limited, including the induction of Toppan Group as a JV partner in Max Speciality Films, and a 22.5% stake sale to New York Life's subsidiary.

A veteran in the Corporate Finance and Investment Banking industry, Mr. Mohit Talwar has a wealth of experience in Corporate Finance and Investment Banking, having spent 24 years in wholesale banking across global organisations such as Standard Chartered, ANZ Grindlays and Bank of Nova Scotia, prior to joining the Max Group.



Ashok Kacker

Independent Director

Mr. Kacker, M. Sc. (Physics), University of Allahabad (topper of the 1972 batch), has more than 3 decades of experience in the Government as an Indian Revenue Service (IRS) Officer. He has served as Chief Commissioner of Income Tax and held senior positions both in executive capacities and policy formulation roles.

He has also served as the Executive Director with the Securities Exchange Board of India (SEBI) and in various capacities in committees set up by SEBI. He is the Founder and Managing Partner of A.K. Advisors and Consultants, an Advisory Company in the area of financial services, and Group Advisor with the India Bulls Group of Companies.



Ashwani Windlass

Director

Mr. Ashwani Windlass was part of the founding team at Max India, having served the Max Group in different capacities including as its Joint MD as well as MD, Hutchison Max Telecom from 1994 until 1998.

He has continued as a Board member of the Company ever since. He has been the Chairman, MGRM (Asia-Pac) and Vice Chairman, and the MD of Reliance Telecom.

He serves on leading advisory and statutory Boards, including MGRM Inc., USA, Hitachi MGRM Net Ltd., Vodafone Idea Ltd., Hindustan Media Ventures Ltd and Jubilant Foodworks Ltd.

He holds degrees in B.Com (Gold Medal), Bachelor of Journalism and MBA from Faculty of Management Studies, Delhi University.



D.K. Mittal

Independent Director

Mr. D. K. Mittal is a former Indian Administrative Service (IAS) officer from the batch of 1977 and has served the Government of India in various capacities, including Secretary, Department of Financial Services, Secretary, Ministry of Corporate Affairs and Additional Secretary, Department of Commerce.

Mr. D.K. Mittal has hands-on experience in Infrastructure, International Trade, Urban Development, Renewable Energy, Agriculture Development and Micro-Credit, Corporate Governance, Banking, Insurance, Pension and Finance. He holds a master's degree in physics with specialisation in Electronics from the University of Allahabad, India.



K. Narasimha Murthy

Independent Director

Mr. K. Narasimha Murthy entered the profession of Cost & Management Accountancy in 1983. He has been associated with the development of Cost & Management Information Systems for more than 150 companies across more than 45 industries. In addition, he has been closely involved in turning around multiple large corporates, focussing on systems improvement with a cost optimisation approach.

He has been associated with more than 28 High Level Committees as Chairman/Member both at the National and State level, including Prasara Bharati Restructuring Committee, Expert Committee on Common Wealth Games, Restructuring Committee of State Level PSUs, Expert Committee on Co-op. Credit Institutions, Fiscal Reforms Implementation Committee, TTD Investment Committee – Tirupati, among others.

He is also associated with the development of Cost Accounting Record Rules for many industries as a member of Informal Advisory Committee, Department of Corporate Affairs, Government of India. His contribution to the Costing & Management Accounting profession in India has been recognised by the Institute of Cost & Works Accountants of India (ICWAI), which honoured him with a citation in October 2007.

Mr. K.N. Murthy, has previously held Board positions at Oil and Natural Gas Corporation Ltd., IDBI Bank Ltd., LIC Housing Finance Ltd., UTI Bank Ltd., Unit Trust of India, AP State Finance Corporation, NABARD Board of Supervision, among others.



Sharmila Mansur Ali Tagore

Independent Director

Mrs. Sharmila Tagore is a highly experienced senior actress of the Indian Film Industry. She started her career in films in the year, 1957. She has won National Film Awards and Filmfare Awards for her various performances. The ministry of Culture and Communications of the Government of France had honoured her, in the year 1999, by making her an 'Officer de L'Ordre des Arts et des Lettres' (Officer of the Order of Arts and Letters).

Apart from acting, she has been and remains actively involved in social work both in India and abroad. She is UNICEF's goodwill ambassador in the cause of HIV/AIDS, works for the corneally challenged at the Venu Eye Institute, and is a Board member of the PSB trust. She gives general support for socio-cultural and community projects, e.g. communal harmony and for 'Katha', and organisation for under-privileged women and children that translates regional literature into English. In 2013, she was awarded Padma Bhushan by the Government of India.



Tara Singh Vachani

Director

Mrs. Tara Singh Vachani is the MD & CEO of Antara Senior Living. She is driven by the passion to create an enriching and fulfilling lifestyle for seniors that is unique to India. Her knowledge is backed by over 3 years of extensive research of senior living communities. Before creating Antara, Mrs. Tara Singh Vachani worked with the Corporate Development team at Max India Ltd. She has also been actively engaged in philanthropy through her involvement with Max India Foundation, the CSR arm of the Group.

Tara is a Non-Executive Director on the Board of Max India Ltd., the parent company of Max Healthcare, Max Bupa and Antara Senior Living. Additionally, she is also a Director at Max Healthcare. She is actively involved in The Leeu Collection, which is her family's international hospitality business with hotels in U. K., South Africa and Italy.

Tara has a diverse academic background and learning. She majored in Politics and South Asian studies at the National University of Singapore followed by courses in Strategy Management at the London School of Economics, and Hospitality Business Strategy and Management at Ecole Hotelier de Lausanne, Switzerland.

Tara is the youngest child of Mr. Analjit Singh, a well-known business leader and visionary, and she is married to Mr. Sahil Vachani. In her free time, she likes to engage herself in theatre and cinema, reading, playing with her dogs and most of all, spending time with close family and friends.

Max Healthcare



Max Bupa



Mr. Rahul Khosla

Chairman and Non-Executive Director

Dr. Pradeep Kumar Chowbey

Executive Vice Chairman

Mr. Rajit Mehta

Chief Executive Officer
& Managing Director

Mr. Adam Mills Pyle

Non-Executive Director

Mr. K. Narasimha Murthy

Independent Director

Mr. Mohit Talwar

Non-Executive Director

Dr. Omkar Goswami

Independent Director

Mr. Pieter Phillippus Van Der Westhuizen

Non-Executive Director

Ms. Roshini Bakshi

Independent Director

Dr. Shrey Balaguru Viranna

Non-Executive Director

Mrs. Tara Singh Vachani

Non-Executive Director

Mr. Yogesh Kumar Sareen

Executive Director

Mr. Rajesh Sud

Chairman and Non-Executive Director

Mr. Rahul Khosla

Co-Vice Chairperson and
Non-Executive Director

Mr. David Martin Fletcher

Co-Vice Chairperson and
Non-Executive Director

Mr. Ashish Mehrotra

Managing Director and
Chief Executive Director

Dr. Burjor Phiroze Banaji

Independent Director

Mr. Dinesh Kumar Mittal

Independent Director

Ms. Joy Linton

Non-Executive Director

Mr. K. Narasimha Murthy

Independent Director

Ms. Marielle Theron

Non-Executive Director

Mr. Mohit Talwar

Non-Executive Director

Mr. Pradeep Pant

Independent Director

Mr. Simeon Preston

Non-Executive Director

Antara Senior Living



Max SkillFirst



Mr. Analjit Singh
Chairman

Mrs. Tara Singh Vachani
Chief Executive Officer
& Managing Director

Mr. Mohit Talwar
Non-Executive Director

Mr. Pradeep Pant
Independent Director

Mr. Rahul Khosla
Non-Executive Director

Mr. Rohit Kapoor
Non-Executive Director

**Mrs. Sharmila Mansur
Ali Tagore**
Independent Director

Dr. Shubnum Singh
Non-Executive Director

Mr. Sahil Vachani
Chairman

Ms. Marielle Theron
Director

Mr. Rajit Mehta
Director

Mr. V. Viswanand
Director

Strategic Review

The background is a solid orange color with several large, overlapping, organic shapes in a lighter shade of orange. These shapes are positioned in the lower half of the page, creating a layered, abstract effect.



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**STRATEGIC
REVIEW**

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Chairman & MD's Letter



Dear Shareholders,

This year has truly been transformative in the journey of Max India, as we embarked upon a corporate restructuring exercise of your company in our two significant businesses, namely Max Healthcare (MHC) and Max Bupa. The key objective behind this restructuring has been to reinvigorate the Max India growth story by seeking new horizons and seeding new businesses with fresh growth potential.

Referring to MHC first, the regulatory landscape has become extremely challenging and inevitably led to shrinking margins and profitability. Further, with advances in medicine and science, the way forward requires huge infusion of capital for updating technology and equipment, thereby putting pressure on capital allocation. Decreasing length of stay in hospitals has also led to stagnating revenues per bed per night, adding to profitability challenges.

To counterbalance and mitigate the impact of the above trends, significant capital infusion will be required for both organic and inorganic growth. Hence, it was prudent to induct a leading private equity firm such as KKR into the

fold which, apart from capital, will bring scale through their existing hospital platform of Radiant Life Care.

The transaction, when completed, will create a listed entity that will become one of the top three hospital chains in India, attractively positioned in two large healthcare markets, with well-recognised local brands and a vintage mix of hospitals. In addition, it will lead to significant cost benefits as MHC and Radiant possess complementary set of capabilities in running healthcare establishments while KKR brings its extensive experience and expertise in healthcare investments.

Max Bupa's divesture will provide a cash inflow of over ₹ 500 crore to Max India, in addition to freeing up the future capital commitment for the business

Coming to Max Bupa, our Health Insurance business, we announced the divesture of our majority stake in Max Bupa to the private equity firm True North, as Max Bupa also required significant capital infusion in the immediate future to break-even and sustain its rapid growth in a highly competitive health insurance market. True North has deep knowledge and expertise on Indian markets, having invested in more than 40 businesses over the past 19 years through six funds with a corpus of over US\$ 2.8 billion across financial services and healthcare. Max Bupa's divesture will provide a cash inflow of over ₹ 500 crore to Max India, in addition to freeing up the future capital commitment for the business.

As a result of the two above mentioned transactions, the current shareholders of Max India Limited will be entitled to corresponding shares in Max Healthcare-Radiant Merged Entity once it becomes listed. Max India will thereafter remain the parent company of Antara Senior Living and Max SkillFirst. The plan thus far is to deploy funds from Max Bupa divesture for growing Max India's existing businesses as well as for seeding new initiatives which will have adjacencies to the Group's focus areas of life insurance, real estate, hospitality and senior living. In addition, we also plan to offer an exit opportunity through a capital reduction process to those shareholders who may not be keen about Max India's investment in such new growth businesses. This will be subject to requisite approvals.

Our other two businesses, Antara and Max SkillFirst, have continued to perform well during the year and our growth focus for these businesses will continue in the future.

Antara has gained valuable institutional learning during the process of operationalising its first community in Dehradun, which as per our belief, is India's best senior living commune. Antara is now well positioned not just to start additional senior living communities in Delhi-NCR and North India, but also to experiment with innovative service formats to cater to India's seniors; a segment which will see rapid growth in our otherwise young country.

Max SkillFirst has identified innovative opportunities through its partnership with Cohen Brown, an international leader whose courseware and tools have been utilised in more than 50 countries and translated into 15 languages. The company will also initiate work towards tech-led skilling in the customer-facing sector.

Since the time we went public, our choice of businesses and sharp capital management have resulted in a 23% IRR for Max India investors. As we progress with the beginning of a new era for Max India, we look forward to your unwavering support through this phase of transformation, which will provide a fresh impetus to growth and shareholder returns. We are confident that by the time the above restructuring is complete, it will be an appropriate time to share details about the new business plan that will power the growth in the next decade for Max India.

We thank each and every one of you for your continued belief in the Company and its vision. We are grateful to all our employees across the Group, our business partners, investors as well as the government and its various agencies with whom we engage actively for their support.

With Best Wishes,

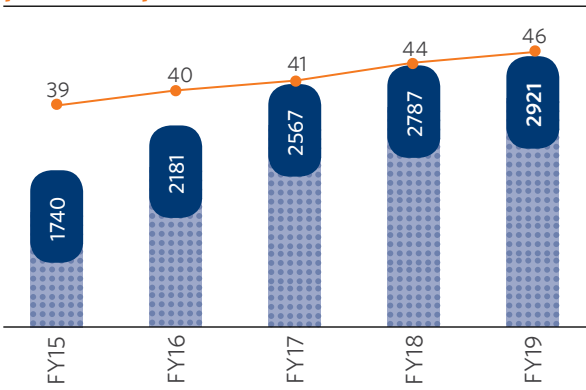
Analjit Singh
Founder & Chairman

Mohit Talwar
Managing Director

Business Review



Gross Revenue and Average Revenue per Occupied Bed*

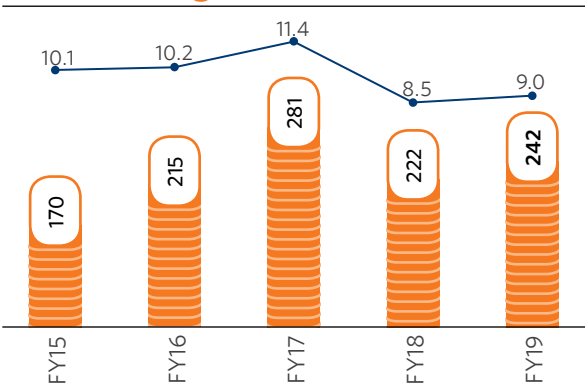


Revenue growth was impacted due to some carryover of Max Shalimar Bagh disruption and turbulence in international markets.

■ Gross Revenue (₹ Cr) ● Average Revenue per Occupied Bed (₹000)

* Figures for Max Healthcare network of hospitals.

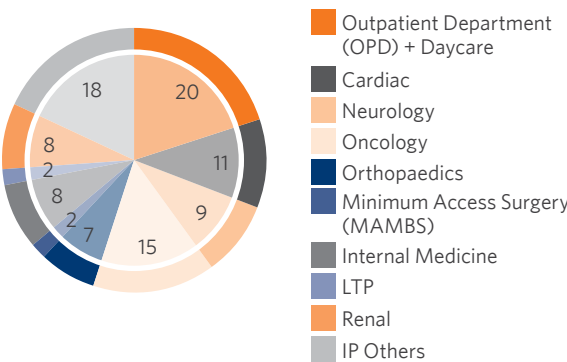
EBIDTA and EBIDTA Margin



Sharp improvement in EBIDTA and EBIDTA Margins due to structural cost optimisation which drove efficiencies.

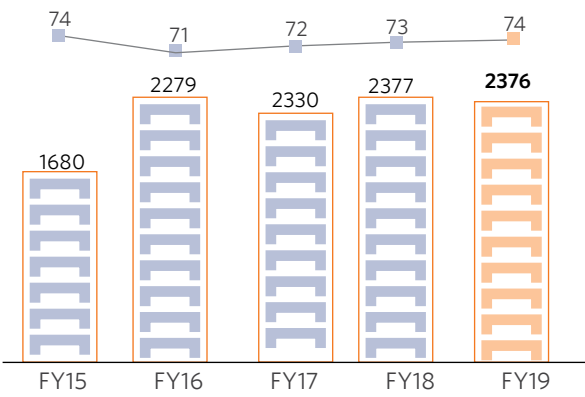
■ EBIDTA (₹ Cr) ● EBIDTA Margin (%)

Revenue Split (%)



Oncology witnessed the highest growth owing to clinician hiring, technology improvement and increasing patient loyalty and confidence.

Bed Occupancy

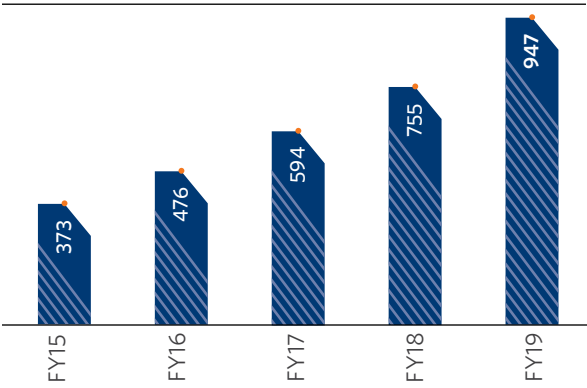


After a low occupancy of 70.9% in Q1 FY2019 due to international factors and clinician exits in Max Mohali and Max Smart, occupancy improved to 76.0% in Q4 FY2019, increasing the annual Occupancy Ratio.

■ Number of Operational Beds ■ Occupancy Ratio (%)



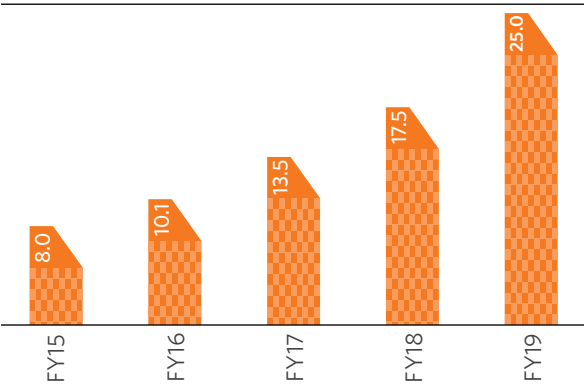
Gross Written Premium



GWP increase has been due to healthy growth in new sales as well as renewals.

(₹ crore)

Lives in Force*

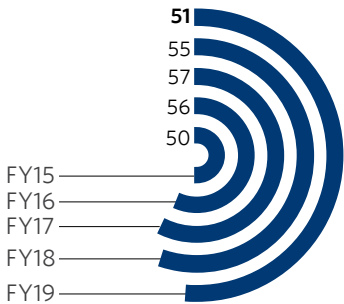


Healthy growth in customer base, driven by a multi-channel distribution strategy.

(lakh)

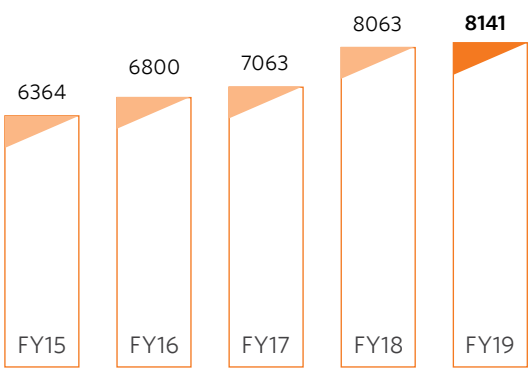
*Excludes lives covered under RSBY

B2C Claims Ratio (%)



Healthier Claims Ratio achieved primarily through focus on retail business and strengthening underwriting and fraud prevention controls.

Premium Per Life



Consistent growth in Average Premium Per Life, driven by higher sum assured penetration across customer segments.

(₹)

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Management Discussion and Analysis
Max India Limited



Mohit Talwar
Managing Director



Dharmender Kumar
Associate Director - External Relations



Dilbagh Singh Narang
Director - Taxation



Jatin Khanna
Chief Financial Officer



Nitin Thakur
Director - Brand & Communications



P Dwarakanath
Head - Group Human Capital



Prashant Hoskote
Senior Director - Quality &
Service Excellence



V Krishnan
Company Secretary

Management Discussion and Analysis

Max India Limited



About the Company

Max India Limited ('Max India' or 'the Company'), a multi-business corporate, is a part of the \$3 billion Max Group. Max India operates in the Health & Allied Services space through Max Healthcare Institute Limited (MHC), Max Bupa Health Insurance Company Limited (MBHI), Antara Senior Living Limited and Max SkillFirst Limited.

The Company was incorporated on January 1, 2015 as a result of the demerger of the erstwhile Max India Limited (now renamed as 'Max Financial Services Limited' or 'MFSL'). The investments held by MFSL in MHC, MBHI, Antara Senior Living Limited, Max SkillFirst Limited, Pharmax Corporation Limited, Max Ateev Limited and Max UK Limited stood transferred to the Company w.e.f. April 1, 2015.

The Company's key operating businesses include:

Max Healthcare Institute Limited (MHC) is an equal Joint Venture (JV) between MHC and Life Healthcare, South Africa's second-largest healthcare chain. This unit provides standardised, seamless and world-class healthcare services, especially focused on tertiary and quaternary care.

Max Bupa Health Insurance Company Limited (MBHI) a Max India subsidiary, is a 51:49 JV with Bupa Finance Plc., UK, and offers individual and family-oriented health insurance policies across all age groups.

Antara Senior Living Limited is Max India's wholly-owned subsidiary and offers highly differentiated, world-class senior living communities that fulfill lifestyle, wellness and health-related requirements of senior citizens.

Max SkillFirst Limited (Max SkillFirst) is Max India's wholly-owned subsidiary. It operates as a shared service centre that offers learning and development solutions as well as training services to companies in the Max Group as well as to external clients.

Corporate Developments

On December 24, 2018, the Company announced that KKR-Radiant Life Care will acquire a majority stake in MHC by purchasing MHC's JV partner, Life Healthcare's, stake and subsequently merging Radiant with MHC. The combination of Radiant and MHC will create the largest hospital network in North India. The network is expected to be among the top three hospital networks in India by revenue and the fourth largest in terms of operating beds. The transaction will result in the demerger of Max India into two listed companies, one created by the merger of MHC and Radiant and the other demerged entity, currently named Advaita, which will own the Senior Living Business.

A record date for the completion of this transaction will be set in due course by the Board of Max India.

On February 26, 2019, the Board of Max India approved the sale of its 51% stake in MBHI to the leading private equity firm True North. The transaction will lead to a cash inflow of more than ₹ 500 crore for Max India. The Company intends to utilise the proceeds to invest in both existing and new business opportunities, while also offering an exit opportunity to uninterested shareholders through a capital reduction process, subject to regulatory approvals.

Effective April 1, 2019, Mr. Rahul Khosla, who joined the Max Group in August 2011, transitioned from his role as the Max Group President to a non-executive position. As a part of the transition, Mr. Analjit Singh, Founder and Chairman of the Max Group, took on the position of the Chairman of Max India, previously held by Mr. Khosla, who will also demit his role as Chairman, MHC once regulatory approvals for the transaction with KKR-Radiant are received. This position will then be filled by KKR-Radiant.

Industry Overview

Max India's key businesses operate in the Health & Allied Services sector. Indian healthcare is one of the fastest growing sectors and is expected to reach ~\$370 billion by 2022. The growth fundamentals of the healthcare delivery segment remain strong, although the sector has been facing significant margin pressure for the past couple of years, driven by regulatory interventions such as capping of trade margins of many important medicines, capping of stent and knee implant prices and a potential National Essential Diagnostic List, amongst others. The government launched the Ayushman Bharat scheme, which is a step in the right direction towards increasing health coverage. The sector has witnessed increasing Mergers and Acquisitions (M&A) activity of late, with announcements of IHH Healthcare buying controlling stake in Fortis, Manipal-TPG buying Medanta and Everstone Capital purchasing Sahaydri Hospitals. Much like healthcare, the Indian health insurance sector is also upbeat with gross written premiums witnessing a growth of 22% since FY2018.

Finally, senior living as an industry category is now witnessing a growth phase with existing players developing higher value products as well as new entrants trying to launch their first senior living ventures. However, most of these projects continue to be 'real estate' offerings by

traditional real estate players and lack the sharp focus and world-class service standards of Antara's product offering.

Financial Highlights

Max India's flagship entity MHIL reported consolidated revenues worth ₹ 1,748 crore in FY2019 for its network of owned and managed hospitals, with an EBITDA of ₹ 212 crore and an EBITDA margin of 12.1%. The Company reported a revenue de-growth of 2%, EBITDA growth of 27% and EBITDA margin expansion of 276 bps. MHC's performance was adversely impacted in Q4 FY2018 due to an incident at its Shalimar Bagh hospital and other regulatory interventions. Subsequently, a Transformation Programme with multiple revenue and cost initiatives was undertaken in FY2019, which has seen MHC regain its growth and profitability trajectory, thus exiting Q4 FY2019 on a with a quarter-on-quarter revenue growth of 3% and an EBITDA growth of over 2.1 times from ₹ 28 crore in Q4

Max India announced the acquisition of a majority stake in Max Healthcare by Radiant-KKR, subsequently merging MHC and Radiant. The merged entity is expected to create the largest hospital network in North India.

Management Discussion and Analysis

Max India Limited

of FY2018 to ₹ 58 crore in Q4 FY2019 and EBITDA margin expanded by 654 bps to 13%.

MBHI's Gross Written Premium in FY2019 was recorded at ₹ 947 crore, growing 2.6% over FY2018. MBHI's performance was a result of healthy growth in new sales as well as renewals, and strong channel performance in bancassurance as well as proprietary channels such as agency and digital.

In April 2017, Antara Senior Living commenced operations at its first community near Dehradun, Uttarakhand. Since then, more than half of the apartments in the community have been sold out. In FY2019, Max SkillFirst reported revenues of ₹ 53 crore, which were 17% higher than FY2018, and a positive EBITDA (excluding a one-off expense) of ₹ 4 crore primarily due to better efficiencies. During the year, Max SkillFirst imparted over 3.9 lakh hours of training to more than 1 lakh learners through 90,000+ sessions.

Human Resources

The number of permanent employees in Max India as on March 31, 2019 is 48.

Max India remained steadfast in its focus on building effective corporate governance, a diverse work culture and a pipeline of talented and motivated individuals. This was primarily done through innovative methods of employee learning and development. Some of these efforts include multiple talent management interventions, in-house training programmes as well as sponsoring employees to attend external training and career development programmes for improving their functional and managerial effectiveness.

Communication is key to a well-functioning organisation. To ensure transparent communication, a refreshed purpose and the Company values of SevaBhav, Credibility and Excellence were disseminated to the entire management. The Company also maintains a fluid and agile organisational structure that allows for effective communication channels to ensure they all are aligned to the common business goals and strategy.

Opportunities and Threats

Each of Max India's businesses presents its unique challenges and opportunities. Its youngest business Antara Senior Living focuses on population in India over 60 years. Currently at 116 million, this segment is growing at 3.8% per annum. As Antara continues to transform its business from an investment-heavy to a capital-light operating model, it is

Max India's new business lines will be complementary to the Max Group's focus areas, such as life insurance, real estate, senior care and lifestyle

ready to leverage new opportunities in the Delhi NCR and Mohali regions.

Max SkillFirst has identified an opportunity to grow aggressively in the financial services sector in India through its partnership with Cohen Brown, an international leader whose courseware and tools have been utilised in more than 50 countries and translated into 15 languages. The Company will also initiate the work towards tech-led skilling in the B2C Sector.

At this juncture, while Max India is confident of seeding new businesses after completing the sale of its hospitals and health insurance arms, a renewed start always poses the risk of uncertainties such as a delay in transactions beyond the expected time frame due to extraneous factors such as clearances and approvals. As Max India decides the businesses it wants to enter by next year, it is of utmost importance to create significant value for those who chose to remain invested with the Company. The new businesses will be complementary to the Group's focus areas, including life insurance, real estate, senior care and lifestyle.

Outlook

One of the key focus areas of the Company will be to conclude the MHC and MBHI transactions in a timely manner. The Company will also initiate the process of identifying value-accretive new businesses to fruitfully utilise some of the funds generated from the transactions.

Management Discussion and Analysis

Max India Limited



Max India deploys innovative methods of employee learning such as talent management interventions, in-house training programmes and career development initiatives

At the same time, it is incumbent on the Company to ensure that all its existing portfolio companies continue to be run effectively and efficiently as per their business plans. Hence, it will continue to focus on strengthening MHC's existing operations, taking suitable cost actions and expanding outreach in India and abroad to achieve profitable growth. MHC will also add new clinical programmes and sub segment existing programmes. It will oversee a judicious management of cash flows while awaiting funding from the new shareholders.

Even as regulatory changes continue to put pressure on margins, it will ensure that cost optimisation efforts do not impact patient safety or medical quality but are focused on increasing the productivity of spend, ensuring better negotiations with vendors and eliminating non-value-adding activities. MBHI will aim to retain and boost its sales momentum with the right product and channel mix while adding more customers through its innovative product and service proposition. Antara Senior Living will strive towards the swift and successful launch of new growth projects in Delhi NCR and North India, while continuing to improve sales velocity and collections at its Dehradun location.

Management Discussion and Analysis
Max Healthcare



Rajit Mehta
Managing Director & CEO



Anas Abdul Wajid

Senior Director - Chief Sales & Marketing Officer



Anil Vinayak

Senior Director & Zonal Head - NCR1



Atulya Sharma

Director - Legal Compliance & Regulatory Affairs



Dr. Sandeep Budhiraja

Group Medical Director



Sumit Puri

Director- IT & Chief Information Officer



Vinita Bhasin

Director - Service Excellence & Customer Operations



Yogesh Sareen

Executive Director & Chief Financial Officer

General Medical Advisory Council



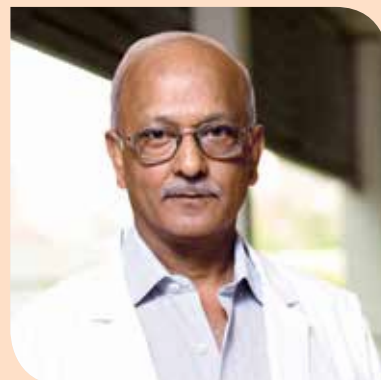
Rajit Mehta

Managing Director & CEO



Dr. Anant Kumar

Chairman - Urology Renal Transplant,
Robotics & Uro-Oncology (Max Saket &
Max Smart)



Dr. Anil Kumar Singh

Chairman - MIND, Dehradun & Max
Neurosciences Forum



Dr. Anurag Krishna

Director - Paediatrics &
Paediatric Surgery



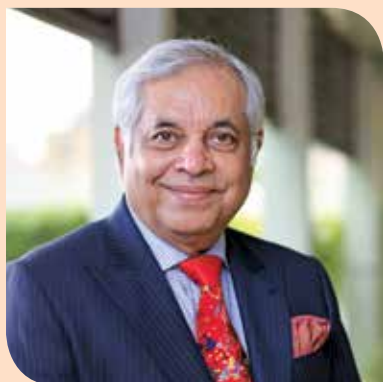
Dr. Harit Kumar Chaturvedi

Chairman - Max Institute of Oncology &
Director - Surgical Oncology



Dr. Kewal Krishan Talwar

Chairman - Cardiac Sciences & Cardiology



Dr. Pradeep Chowbey

Chairman - MAMBS & Allied Surgical
Specialities



Dr. Sandeep Budhiraja

Group Medical Director



Dr. Subhash Gupta

Chairman - Max Centre for Liver &
Biliary Sciences

The Indian healthcare industry is expected to grow at a CAGR of 22% till 2022, achieving a revenue of \$372 billion. Factors such as an increasing and ageing Indian population, growing disease burden, and increasing government focus, rising awareness and insurance penetration among the populace are expected to drive this growth further. Additionally, increasing investments, growing innovation and entrepreneurship are expected to increase the market size, thereby boosting the contribution of healthcare to the country's GDP.

The low cost of medical services and presence of world-class hospitals have resulted in a rise in the country's medical tourism, attracting patients from across the world. The medical tourism market in India is growing at a CAGR of ~25% and is expected to have a market value of \$9 billion in 2020. An additional striking aspect of Indian healthcare is the growing popularity of traditional and alternative medicine techniques such as Yoga, Ayurveda, Siddha, Unani and Homeopathy. With India being projected as one of the frontrunners in quality healthcare services today, it is estimated that the number of medical tourists would only increase in the coming years.

The Indian healthcare sector is expected to generate close to 7.5 million direct employment opportunities by 2022. With a shift in focus towards quality of service, particularly with the rising demand for tertiary and quaternary care, the industry requires specialised and highly skilled resources.

The Government of India has announced two major initiatives under the Pradhan Mantri Jan Arogya Yojana (PMJAY, popularly known as Ayushman Bharat) and the move to bring healthcare closer to homes via health and wellness centres. The National Health Protection Scheme is the largest government-funded healthcare programme in the world, which is expected to benefit 100 million poor families in the country by providing a cover of up to ₹ 5 lakh per family per year for secondary and tertiary care hospitalisation. In the long run, Ayushman Bharat shall become the universal health scheme for majority of the population.

The Central Government has made a budgetary allocation of ₹ 61,398 crore for the health sector for FY2020, with ₹ 6,400 crore earmarked for the ambitious PMJAY health insurance scheme launched on September 23, 2018. The outlay is one of the highest and reflects a 16 % increase over the allocation of ₹ 52,800 crore in FY2019.

About Max Healthcare

Max Healthcare has a network of 14 facilities in North India, offering services across all 30 specialities. Of these, 11 facilities are located in Delhi-NCR and the others in the cities of Mohali, Bathinda and Dehradun. The Max network includes state-of-the-art tertiary care hospitals in Saket, Patparganj, Vaishali, Smart, Shalimar Bagh, Mohali, Bathinda and Dehradun; secondary care hospitals at Gurugram, Noida & Greater Noida; and an outpatient facility and speciality centre at Panchsheel Park, Pitampura and a cancer care centre at Lajpat Nagar. The Super Speciality Hospitals in Mohali and Bathinda are under Public-Private Partnership (PPP) arrangement with the Government of Punjab. Max Healthcare has a base of over 3,000 doctors, 10,000 employees and over 2.8 million patients from over 130 countries, across the network of 14 hospitals.

During the year, the Noida hospital was temporary closed for a complete revamp of the facility and the hospital is expected to reopen in Q1 of FY2020. Further, the construction work for the addition of 90 beds (Tower B, Oncology Block) at Vaishali hospital was completed in Q4 FY2019 at the cost of ~ ₹ 100 crore. We are expecting to receive the Occupancy Certificate and other approvals for commercial launch of the Tower. The hiring of doctors and staff is presently underway.

Major Achievements and Awards for FY2019

Due to the steadfast focus on Clinical Safety and Service Excellence, Max Healthcare has an impeccable track record and high success rate in terms of complex surgeries and patient care parameters. In lieu of the same, Max Healthcare has received several awards and accolades in various service areas:

A) Clinical Safety

- a) Max Smart received Gold for Project 'Suraksha' – sepsis-related patient care outcomes – at the Asian Hospital Management Awards ceremony
- b) Max Hospital Patparganj received the first award for Maximizer Quality Project for 'Reduction of Medication Administration Error' at NABH National Healthcare Quality Conclave

B) Operational Excellence

- a) People's Choice Award for Persistency in Project Management for Project Uday – to improve patient retention from Outpatient Department (OPD) – at ASQ conference, Seattle

Management Discussion and Analysis

Max Healthcare



A team of Max Healthcare doctors receives the CEO's award for exemplary display of Max Healthcare's core values

- b) Max Hospital Saket was awarded 'Gold' at QCI DL Shah National Quality awards for 'Improving Patient Experience' and 'Reduction of TAT in Emergency'

C) Service Excellence

- a) Bronze award for Life Savers Project (Max Bike Responder) at ASQ conference, Seattle
- b) People's Choice Award for Best Use of Data in Project Management through Project AGILE - to reduce patient discharge Turnaround Time (TAT) - at ASQ conference, Seattle
- c) Max Hospital Saket was the winner of 'Nursing Excellence Award' at Business Standards awards

D) Others

- a) People's Choice Award for Community Impact through Project Go Green - to reduce the hospital's air conditioning cost - at ASQ conference, Seattle

Operational Performance

Max Healthcare did reasonably well with respect to the growth across operational parameters owing to strong

operational control and focus on growth areas. Some of the parameters are defined below:

IP Occupancy % - Bed occupancy for FY2019 has been 71.4% as compared to 69.8% for the last financial year. The occupancy has increased marginally this year owing to positive improvement in the East and North zones. South and Outside NCR zones showed a dip due to clinician exits in Max Smart and Max Mohali. Occupancy was low in the first quarter i.e., 68.1% due to certain international factors such as turbulence in Afghanistan, the previously mentioned clinician exits in Mohali in Orthopaedics and Cardiothoracic and Vascular Surgeons (CTVS), and some unanticipated clinician leaves in June. However, occupancy has increased significantly in the last quarter to 74.0%, thereby improving the full year occupancy. The operational bed capacity increased marginally to 1,382 as against 1,343 in FY 18 since the last two years.

COE Revenue Share - Revenue for key clinical specialties or Centres of Excellence (COEs) (i.e., Cardiac Sciences, Orthopaedics, Neuro Sciences, Oncology, MAS, Liver and Biliary Sciences, and Renal Sciences) has increased by 3% compared to last year. Growth is largely driven by Oncology in medical and radiation sub-specialties owing

to new clinician hiring, technology improvement, internal referrals between sub-specialties, and increasing patient loyalty and confidence. Other specialties that have shown remarkable growth of around 7-11% compared to last year are Neurosciences, Renal Sciences, and Liver and Biliary sciences. Orthopaedic revenue has de-grown by 28% compared to last year primarily due to the exit of a senior clinician along with his team at Max Mohali. New clinicians have been hired and revenues are slowly recovering. Overall share of COE specialties has improved slightly, by 51%, in FY2019 compared to 50.4% in FY2018.

Average Length of Stay (ALOS) and Average Revenue Realised (ARR) – ALOS or patient TAT has increased from 3.11 in FY2018 to 3.20 in FY2019 due to an increased complexity of case mix. The inpatient ARR declined by 1.6% while the hospital ARR improved by 4.6% during FY2019.

Financial Performance

MHIL achieved Consolidated Revenue of ₹ 1,748 crore in FY2019 and recorded a de-growth of ~2% compared to last year. The consolidated operating margin (before interest and depreciation) has increased from 9.4% in FY2018 to 12.1% in FY2019, resulting in total EBIDTA of ₹ 212.2 crore in FY2019. Net loss stood at ₹ 0.5 crore as compared to loss of ₹ 17.4 crore in the previous year.

Max Healthcare has achieved slightly higher revenues than last year, but is much lower than expected for FY2019 due to clinician exits in Max Mohali & Max Smart, dip in upcountry business performance due to temporary factors and international factors such as political unrest in Afghanistan, currency issues in Ethiopia and Turkmenistan, etc. The Company launched an Max Extended Care (MEC) programme to extend the reach of Max tertiary care to upcountry patients by ethically promoting services in various specialties through continuing medical education, upcountry patient assistance centres and OPD centres.

During the year, the revenues from the walk-in and third-party administrators / insurance channels grew by 7%. Similarly, the revenue growth from institutional revenues stood at 7.6%. However, the revenues from international patients were static due to the reasons mentioned above.

Further, government regulations such as trade margin capping on oncology drugs in February 2019 impacted the revenue and margins. However, Max Healthcare did exceedingly well on managing costs. It improved EBIDTA margins through strict cost control actions under the umbrella of project 'Transformation 3.0'. The focus on driving efficiencies and re-engineering of processes across the network hospitals has led to the improvement of gross

margin by 46 bps, more than 51% reduction in deductions from credit bill by Public Sector Units (PSUs), and lower power and fuel costs than the previous year despite increase in occupancies and footfalls.

Going forward, Max Healthcare expects to continue to drive efficiencies from process optimisation powered by a stronger set of tools, technological investments, automation and analytics. Further, with pressure on margin consequent to the regulatory actions in the later part of the year, the cost optimisation through procurement efficiencies, material usage and bed usage throughout will be the focus area for the organisation. We also strive to continually focus on investing in the latest medical technology, attracting skilled physicians and surgeons, and developing our expertise in high-growth tertiary care areas to serve the increasing demand for sophisticated clinical care and procedures.

Information and Medical Technology and Quality Certifications

Max Healthcare is constantly leveraging technological advancements to enable timely access of information to patients and clinicians, leading to enhanced patient safety, care and outcomes. In FY2019, there were several notable technology interventions at Max Healthcare covering aspects such as patient safety, data tracking, employee communication and better customer engagement. Some of the initiatives that were launched include enhancements to the Customer Relationship Management platform for business growth, new version of e-prescription with

In FY2019, Max Healthcare launched 'Transformation 3.0', which helped drive EBIDTA margins through strict cost control actions and enabled re-engineering of processes across the network hospitals, resulting in an EBITDA of ₹ 212 crore and an EBITDA Margin of 12%.

Management Discussion and Analysis

Max Healthcare



#MoreToHealthcare campaign highlights the unrelenting efforts of doctors, surgeons, nurses & guards

improved user interface and speciality specific templates to further enhance patient safety and doctor adoption. Bar Coded Medication Administration (BCMA) has been launched in Oncology to help in reducing medication errors. Vios - the IoT-based platform for step-down care is live in all Delhi NCR units with the capability of real-time continuous monitoring of key vitals. 'Anurakshan', a tool for recording live updates of equipment maintenance schedule, breakdown time, etc., has been successfully deployed across Max Healthcare units for better preventive and predictive maintenance, and improved uptimes and utilisation of critical bio medical and engineering equipment.

Patient Portal and App 2.0 - A one-stop portal for healthcare services, serving as a digital locker for all patients' records, has been launched with the facility to book appointments and check in, online payments and discounts, family linkage and to order emergency and Max@Home services. Further, the Max@Home digital platform that was launched to enable seamless service delivery and continuum of care to patients has been further enhanced with deployment of all service lines, including physiotherapy, nursing and pathology. Also, the Lab Information Management System has been successfully launched across all Max hospitals, seven Hospital Lab Management contracts, and 550+ collection centres in FY2019.

Significant progress has been made in enhancing operational performance and analytics through deployment of new analytical dashboards that can provide real time data

visualisation, alerts and reports. Predictive analytics for diagnosing readmission risk of cardiac patients with acute Myocardial Infarction condition has also been successfully deployed. In all, these initiatives during the year helped to elevate the quality of medical care and decision-making process while keeping the cost of care in check.

During the year, Max Healthcare has completed the construction of its new Oncology tower at Max Vaishali to cater to the growing needs of cancer patients in East Delhi and Uttar Pradesh. State-of-the-art Operation Theatres (OTs) and diagnostics have been installed with new technologies such as 3D Laparoscopy System with 3D Imaging, which ensures a more accurate view with superior image quality and depth perception. Also, a high-end ultrasound machine was installed at Max Vaishali, with single-crystal transducers to enable images to be captured at greater depth in the body.

Max Patparganj commissioned its first Advanced ExacTrac System with Frameless SRS to enable highly accurate Radiosurgery treatments with advanced 6D correctional accuracy. Digital Radiography Systems for Max Dehradun, Shalimar Bagh, Gurugram, Vaishali and Noida has been procured for better time efficiency through bypassing chemical processing and enhanced Images.

Max Healthcare's clinical governance framework, capably led by the Clinical Directorate, Physician and Nursing Leadership, has worked relentlessly to implement safe, effective and efficient systems for patient care. Our unending

focus is to strive for the best possible clinical outcomes and minimise clinical risks for our patients. Eleven hospitals under the Company's network are NABH accredited, in addition to JCI accreditation for Saket. New facilities are being continuously brought under the umbrella of quality accreditations. The Max Oncology Centre in Lajpat Nagar has successfully completed NABH accreditation, Blood Bank at Max Mohali is NABH certified and IVF centre at Max Panchsheel is now ISAR accredited. This helps keep the mission of establishing Max Healthcare medical facilities, clinical expertise, technology, safety standards and medical research at the highest level, comparable to the best-known institutions of the globe.

Some of the other key initiatives and achievements in the field of quality improvement are:

- (i) Combined Hospital Acquired Infection Rate, including Central Line Associated Blood Stream Infection (CLABSI), Catheter Associated Urinary Tract Infections (CAUTIs), Ventilator Associated Pneumonia (VAP) and Surgical Site Infections (SSIs) have reduced significantly, from 0.61 in FY2018 to 0.45 in FY2019
- (ii) Door-to-needle time: 92% of stroke patient were thrombolysed in less than 60 minutes in FY2019
- (iii) Category 2 and 3 death rates have dropped from 15% in FY2018 to 11% in FY2019
- (iv) Venous Thromboembolism (VTE) compliance rate has also shown continuous y-o-y improvement, from 72% in FY2016 to 89% in FY2019
- (v) Indian Market Research Bureau (IMRB) Emergency Satisfaction scores have risen from 54% in FY2018 to 64% in FY2019.

Service Excellence

Service Excellence is the core premise around which our healthcare operations are structured. Our group continues to deliver highest standards of service for our patients and takes learning from global institutions, elevating standards of healthcare delivery across network. The path to Service Excellence was paved with various initiatives such as Sanchay, i.e., a service-to-sales transformation journey, Sevabhav training for all supporting cadre and process re-engineering projects. Transparent goals, robust governance mechanism and encouragement through reward and recognition helped the cause.

Our group continues to deliver the highest standards of service for our patients. On a global platform, at the ASQ conference held at Seattle, Washington in May 2018, Max

Healthcare won the Bronze award for Life Savers Project, Max Bike Responder. This win makes us the only healthcare organisation in the last decade to win at this prestigious conference. To continue our quality improvement journey, we plan to further strengthen the processes in both clinical and non-clinical areas.

Human Resources

The evolving socio-economic environment and market changes have redefined the people function within healthcare organisations. Max Healthcare has proactively adapted and aligned itself to these reforms by ensuring that human resources is equipped to manage changes in the workforce as well as prepare itself for the future. We strongly believe that an improved employee experience is the key to a workplace that fosters productivity and belongingness. In line with these values, we launched *Saarthi*, the HR Helpdesk to address and resolve employee queries on attendance, benefits, etc. across platforms such as phone, email and the Web with flexible times and locations. In order to enhance employee experience in the initial duration of tenure, we also conceptualised and implemented a robust assimilation programme for new hires at General Manager (GM) and above levels on an organisational scale. Clinicians are the mainstay of the hospital and to inculcate the values of Sevabhav, Excellence and Credibility at grassroots, *MedInduct* was institutionalised as an introductory session about life at Max Healthcare. This year, the consolidation of the *MedInduct* programme led to new modules aimed at consultants and higher levels of clinicians in collaboration with our Learning and Development partners. At Max Healthcare, it is our constant endeavour to put forth employee views and promote excellence and team work. Based on employee feedback on various formal and informal forums, we have been working towards a fair and transparent performance management system. The most significant and unprecedented change was discontinuing the process of relative ranking for OL1 and OL2 cadres in Nursing and Front Office. Instead, a linear scale performance review process coupled with roll out of quarterly incentive program for rewarding top talent was introduced, based on clear data-driven parameters.

We pioneered apprentices in the hospital industry through *Vidyarthee*, an initiative that serves as a launchpad for creating a talent pipeline at a massive scale while optimising costs. In its second lap, *Vidyarthee* saw an even higher participation. We had 470 Vidyarthee apprentices on our rolls as on March 31, 2019 and the number is increasing every day.

Management Discussion and Analysis

Max Healthcare

To create a happy workplace that emphasises camaraderie, collaboration and credibility, *I Appreciate You* was launched as a *Sampark* app to foster appreciation and congeniality at work. Since its launch in February 2019, it has given employees an opportunity to thank their colleagues.

The *We Can* ideation app was also launched to encourage new ideas on cost optimisation, revenue enhancement and improving patient safety. Many such ideas are now being implemented and the second edition is under evaluation by a panel consisting of top leadership and subject matter experts. *Saarthi-Do You Know* Series helped familiarise employees with various facets of people processes and tools at their disposal.

Max Group's core value of Sevabhav was exemplified through *Pankh*, our flagship Corporate Social Responsibility (CSR) umbrella. Through our marquee activities focused on helping special and underprivileged kids, women and senior citizens, we touched 8,000+ lives in the last financial year. The units that created the most impact with their initiatives were identified and felicitated by our senior leadership. Several initiatives to strengthen bonds and increase engagement with clinicians took force this year. *Doc Talk*, training with *Pragati* and initiatives such as Chintan ensured that we remain nimble and adjust to the ever-changing business and legal landscape.

To promote excellence, Max Healthcare automated some of its HR processes, including generation of appointment letters for all new joiners. We also launched a database management tool for visiting consultants, which enabled real-time data updates and comprehensive dashboards as well as Management Information Systems.

At Max Healthcare, we understand that our most important asset is our talent. Through increased efforts and teamwork, we were able to exceed our retention targets for both clinical and non-clinical key talent this year. These results are an impetus for us to achieve new milestones in our areas of specialisation through collaborative participation and innovation.

Regulatory Environment

The regulatory changes in FY2019 are outlined as below:

Minimum Wages in Delhi

On March 3, 2017, the Delhi government, by its notification dated March 3, 2017, enhanced the minimum wages for all classes of workmen/ employees in all scheduled employments under the Minimum Wages Act, 1948 (MW Act). Max Healthcare complied with the change in law

Max Healthcare witnessed several notable technological interventions in FY2019 covering crucial aspects such as patient safety, data tracking, employee communication and better customer engagement.

and paid the wages at enhanced rates as per the March 2017 Notification. On August 4, 2018, the March 2017 Notification was quashed by the Delhi High Court (HC) for violating Article 14 of the Constitution, the MW Act, natural justice and due process principles. Max Healthcare again complied with change in law and reduced the minimum wages to the applicable level that existed prior to the March 2017 Notification. On September 13, 2018, the Delhi government moved the Supreme Court against the Delhi HC judgement quashing, inter alia, the March 2017 Notification. With effect from October 31, 2018, the Supreme Court, as an interim measure during the pendency of the proceedings, restored the MW Act, fixed as per the March 2017 Notification. The Supreme Court also made it clear that no recovery of amount already paid shall be made by employer(s).

National Essential Diagnostics List

A draft note on National Essential Diagnostics List had been released by the Indian Council of Medical Research (ICMR) (similar to the Pharmaceutical List) for public comments by January 31, 2019. The pricing guidelines and their implications are not yet known fully. We are keeping a close track to determine their impact on the Company.

Anti-Cancer Drug Price Control

In February 2019, the National Pharmaceutical Pricing Authority (NPPA) brought 42 non-scheduled anti-cancer drugs under price control through trade margin rationalisation. The trade margin has been capped at 30%. The NPPA currently fixes prices of drugs placed in National

List of Essential Medicines (NLEM) under Schedule I of the Drug Price Control Orders (DPCO). So far, around 1,000 drugs have been brought under price control under the initiative. Non-scheduled drugs are allowed an increase of up to 10% in prices every year, which is monitored by the NPPA. This is likely to adversely impact the economics of cancer treatment therapies, which involve high-end equipment and a specialised controlled environment.

CSR and Community Initiatives

The Max India Foundation (MIF) founded in 2008, is the CSR arm of Max Group, with a mission to provide quality healthcare to the underprivileged, provide holistic and focused wellbeing of underserved communities through village adoption, facilitate awareness of health-related issues and work for an eco-friendly environment. This is done by engaging Max Group employees and partnering with reputed NGOs in the execution of projects. The details of the activities of MIF have been provided in the Business Responsibility Review section of this Annual Report.

Outlook

In FY2019, Max Healthcare was focused on strengthening its existing operations, taking stringent cost actions and expanding the outreach in India and abroad to achieve financial gains. The business will continue to identify and implement initiatives to achieve sustained revenue growth. This will involve adding new clinical programmes and sub-segmenting existing programmes. Further, with pressure on margin consequent to some of the regulatory actions detailed above, the cost optimisation efforts will be accelerated and this will continue to be an ongoing focus area for the organisation. However, it will be ensured that no cost rationalisation impacts patient safety or medical quality, and will be more focused on increasing the productivity of spend, eliminating waste, better negotiations with the vendors and weeding out non value-added activities. Patient Centricity, Medical Excellence and Service Excellence will continue to be an integral part of Max Healthcare's vision of building an admirable institution. In three to four years, we want to become the most trusted name in healthcare, with dominance in the areas of tertiary and quaternary care segments.

As announced on December 24, 2018, Radiant Life Care Private Limited (Radiant), a leading Indian hospital



Max Smart Super Speciality Hospital, Saket bags the 'Excellence Award' for project 'Suraksha' at the Asian Management Hospital Awards (AMHA) 2018

management company, acquired a majority stake in Max Healthcare, purchasing 49.7% stake from the South Africa-based hospital operator, Life Healthcare. This combined entity of Max Healthcare and Radiant will create the largest hospital network in North India, which will become among the top three hospital networks in India by revenue and the fourth largest in India in terms of operating beds. Max Healthcare will immensely benefit from the merged entity as it will go on to operate over 2,204 beds throughout 12 hospitals across India, including tertiary and quaternary care facilities, offering high-end critical and super speciality care supported by strong local brands such as BLK Hospital, Max Saket Hospital, Max Smart Hospital, Max Patparganj Hospital and Nanavati Hospital. The combined business is expected to provide significant growth potential and compelling business synergies. By providing best-in-class patient care, the combined business plans to address India's growing demand for quality medical treatment.

The financial numbers reported above are as per Ind AS standards. This is considered a hugely positive move since Ind AS is substantially closer to the accounting followed by the global companies under International Financial Reporting Standards (IFRS).

Management Discussion and Analysis
Max Bupa



Ashish Mehrotra
Managing Director & CEO



Anika Agarwal

SVP & Head-Marketing
Digital & Direct Sales



Anurag Gupta

SVP & Head - Agency Channel



Aseem Gupta

SVP & Head - Portfolio Management &
Affinity Channels



AV Ramanan

SVP - Actuarial



Partha Banerjee

Director & Head - Legal, Compliance &
Regulatory Affairs



Rahul Ahuja

Chief Financial Officer



Tarun Katyal

Director & Chief Human Resources Officer



Vikas Gujral

Chief Operating Officer

Management Discussion and Analysis

Max Bupa



Max Bupa celebrates its top performers in sales at the coveted 'League of the Extraordinary' event with MD & CEO Ashish Mehrotra

Max Bupa Health Insurance Company Ltd. (MBHI), a Max India subsidiary came into being in 2010 through the formalisation of a 51:49 joint venture between Max India Limited, a specialist in the life insurance and healthcare sectors, and Bupa, UK'S 70-year-old healthcare giant with presence across 190 countries.

Max Bupa was the third standalone health insurance company to be launched in India at a time when the health insurance penetration in India was abysmally low. Over the years, Max Bupa, besides establishing itself as one of the most trusted names in its chosen segment, has helped make a contribution towards propelling the growth of the health insurance sector through customer education programmes and proactive outreach across social media platforms.

What sets Max Bupa apart from other health insurers in the Banking, Financial Services and Insurance (BFSI) segment is its laser-sharp focus on driving 'customer-centric' profitable growth. Our purpose of helping our customers lead healthier, more successful lives, unifies us as an organisation and forms an integral part of our DNA. Our constant endeavour is to put our customers at the forefront of everything we do – be it our product design, our service promise, our claims philosophy or our brand promise. We continue to delight our customers everyday at each touch point and are deeply committed to helping them lead healthier, more successful

lives. This has helped us build a loyal base of 2.5 million customers, persistent best-in-class rates and a strong market reputation.

- Max Bupa has designed innovative, customer-centric health insurance offerings, in line with its customers' evolving health needs and across life stages. We have pioneered several customer-centric features such as any age enrollment and lifelong renewability in the industry, which later became a part of the regulatory framework.
- Service excellence is embedded in Max Bupa's DNA and we provide a hassle-free experience at each customer touch point, be it the point of sale, claim, service or renewal. We were the first ones to own the moment of truth by introducing the 30-minute cashless claims promise. At Max Bupa, we are committed to paying genuine claims. Our entire claims philosophy has been built keeping in mind the criticality of the moment in the lives of our customers.
- We continue to lay deep emphasis on customer-centric innovations. Last year, we introduced the AnyTimeHealth machine, a completely automated, technology-based model that offers an instant awareness-to-purchase journey. We also introduced 'Point of Care', which is in line with our 'customer-first' agenda.

The following are some of our key differentiators:

1. Customer-centric product offerings

Over the last nine years, Max Bupa has built a rich legacy of providing customer-centric, digitally enabled new-age offerings, which are designed to meet customers' health and wellness needs across various life stages. Our portfolio consists of indemnity and fixed benefit plans. Our bouquet of offering include the following:

- Heartbeat, Max Bupa's flagship product, is one of the most compelling products in the industry and is synonymous with the introduction of several industry-first features such as any-age enrolment and lifelong renewability, both of which later became a part of the regulatory framework. The latest version of Heartbeat offers unique benefits such as international cashless treatment for critical illnesses and medical evacuation facility globally, flexibility in sum assured up to ₹ 1 crore, lower waiting periods on pre-existing diseases and coverage for up to 19 relationships under a single policy. Other benefits include maternity benefits and coverage for new borns, lifelong coverage for day-care procedures and tapering co-pay benefit for senior citizens.
- Over the years, Health Companion, our second indemnity offering with a wide spectrum of customer-centric features, has become popular and is among the most recommended health plans by industry experts. Its distinguishing features include no-claim bonus, refill benefit and cover for alternative treatments such as Ayurveda, Unani, Siddha and Homeopathy.
- Health Assurance is our fixed benefit plan that offers a lump sum amount to customers in case they are detected with a critical illness or in case of an unforeseen personal accident. The product offers a triple advantage; it covers up to 20 critical illnesses, provides personal accident cover up to ₹ 5 crore and comes with a hospital cash benefit.
- GoActive, the latest entrant in our indemnity product portfolio, is a digitally enabled new-age product from Max Bupa that caters to the 'daily health needs' of Indians. It is a holistic health insurance plan that has been designed to give customers 360-degree coverage for their daily health needs including inpatient hospitalisation and on-the-go access to OPD, diagnostics, personalised health coaching, second medical



Max Bupa's latest offering GoActive is a digitally enabled comprehensive health plan that helps consumers fulfill their everyday health & wellness needs

opinion, behavioural counseling and much more. In a short span of time, GoActive is one of the first few offerings in the market that enables customers to access a digitally enabled ecosystem for all their health needs.

- Health Recharge is a super top-up plan that fulfills the needs of those who are inadequately insured and need a financial buffer during a medical emergency. It comes in sum insured range of ₹ 2 lakhs to ₹ 25 lakhs, with a deductible value between ₹ 1 lakh to ₹ 10 lakhs.

2. Service as a key differentiator

One of the most important aspects that sets Max Bupa apart from other insurers is its laser-sharp focus on service excellence. It is our continuous effort to provide the best services to our customers. Some of our differentiators are:

- Max Bupa has created a service proposition in the health insurance industry through cashless claims pre-authorisation within 30 minutes, which is the real moment of truth for any health insurance company. Over 80% of our cashless claims pre-authorisation is done within 30 minutes.
- Max Bupa has leveraged the latest tools to provide a seamless experience to our customers during the entire customer journey. Our self-service apps for our agents and partners - Instainsure and SARAL - help customers enroll and issue policies faster, thereby creating customer delight at the point of sale.

Management Discussion and Analysis

Max Bupa

- Max Bupa has a robust and hassle-free Customer Relationship Management (CRM) tool that helps in faster claims processing for our customers, agents and partners.

3. Legacy of introducing customer-centric 'industry-first' offerings

Over the years, Max Bupa has created a strong market reputation of introducing many 'industry firsts', ranging from its innovative product offerings to its service experience. Besides GoActive, our recent innovations include AnyTimeHealth (ATH) and Point of Care (POC) desks at leading hospitals, which help customers navigate with ease through the otherwise complex and tiring hospitalisation procedures and protocols. Max Bupa plans to expand POC desks to more network providers in FY2020 to deliver a more personalised experience to its customers.

Max Bupa offers both individual and family health insurance plans and has a robust network of over 4,500 leading healthcare providers and 31,000+ agent partners in India. The Company offers high-quality services through a dedicated team of over 2,300 people spread over 42 offices across 30 cities in the country.

With a compelling customer-centric product proposition, coupled with a strong market reputation and deep thrust on innovation, Max Bupa has carved a niche for itself in the health insurance sector.

Industry Overview

In India, the health insurance sector continues to grow exponentially – it is the most rapidly growing segment in the BFSI sector, with Gross Written Premium (GWP) increasing to ₹ 50,891 crore in FY2019. On account of the low percentage of the Indian population having any form of health insurance coverage, the sector presents a huge opportunity of growth and thus continues to attract new players, the most recent being Reliance Health Insurance, which started its operations in FY2018. The rise in lifestyle and chronic diseases such as Cancer, Diabetes and Cardiovascular ailments over the past few years is contributing towards the necessity to be aware of health insurance. According to industry experts, the health insurance market is likely to continue the same growth trajectory for the next 3-5 years.

Max Bupa continues to cater to the Business to Customer (B2C) health insurance sector. Its GWP in FY2019 grew by 26%, higher than the industry's B2C segment growth

of 16%. The health insurance industry continues to be dominated by four public sector companies, which together constitute 49% market share. In addition, there are 25 private general insurance players and seven standalone health insurers. While new players enter, there have also been signs of consolidation, with prominent players looking at selling their majority stake.

Operations - Highlights

Max Bupa has further fortified its footprint across the length and breadth of India with a growing base of ~2.5 million customers, serviced via its diverse distribution channels, including a network of 31,000+ agents spread across the country, a telesales team and deep partnerships with leading web aggregators such as Policybazaar. The Company also has strong enduring distribution partnerships with Indian and international banks such as HDFC Bank, Bank of Baroda, Standard Chartered Bank, Federal Bank, Deutsche Bank, South Indian Bank, Karur Vysya Bank, Sarv UP Gramin Bank, Bajaj Finserv and Rattan India, which provide it access to millions of customers across India.

Max Bupa offers both indemnity and fixed benefit categories of products serving retail, affinity/bank groups and government-sponsored health insurance programmes. Our indemnity product offerings, including our flagship product Heartbeat, Health Companion and the recently launched GoActive plan, continue to be well received in the market and contribute to steady sales growth. The fixed benefit product Health Assurance comes with varied features including higher sum insured options, up to 3 years of policy tenure and flexible combinations between the three different sub products – AccidentCare, CritiCare and HospiCash. Health Recharge, which was launched last fiscal, a Super Top-up plan, is one of the most competitively priced policies under this category and has played a pivotal role in further enhancing our overall customer base, while giving us an opportunity to upsell to our existing customers.

We also launched a number of customised offerings for our group customer segments, including a 5-year group critical illness policy and a 2-year group health secure cover. We will continue to innovate and expand our retail portfolio in FY2020 to provide our customers with a wider choice of products and services.

Max Bupa continues to heavily invest in technologically enabled solutions to provide exemplary service and seamless processes to all its customers. A robust CRM system, the Agent self-service app, the Instant policy issuance app and the customer self-service app are some of the technologically enabled services that are a part of our



Top 100 leaders of Max Bupa at the company's annual All India Business Meet 2018

offerings. We are investing in new-age technology such as chatbots and artificial intelligence to further enhance and automate customer experience.

In line with the goal of making Max Bupa a truly customer-centric organisation, the 'Max Bupa HERO Program' was introduced in FY2018. It was designed to embed service excellence in the organisational matrix and coach each employee to collectively achieve significant business outcomes. Keeping this objective in mind, we encouraged our employees to demonstrate the four core characteristics of a Max Bupa HERO - Helpful, Empathetic, Responsive and Ownership - in their day-to-day business.

Awards and accolades won in FY2019

- Awarded 'Digital Innovator of the Year 2018-19' by India Insurance Awards for pioneering industry-first digital

innovations such as GoActive and ATH

- Felicitated with the Economic Times Brand Equity Award in 'Best Consumer Health & Fitness Campaign 2018-19' for GoActive
- Ranked among 'Hottest 50 brands' by Paul writer alongside renowned consumer brands

Max Bupa continued to strengthen its brand equity in FY2019

- Over the last nine years, we have deeply invested in building a brand that is true to its purpose of helping customers lead healthier, more successful lives. Moving away from the popular perception of health insurance being a mere low-involvement tax-saving transactional instrument, we have differentiated ourselves by being

Key performance indicators for FY2019

- GWP increased by 26% to ₹ 947 crore in FY2019 from ₹ 754.5 crore in FY2018.
- Provider network increased to more than 4,500, spanning over ~500 cities in India.

- Max Bupa emerged as the fifth-largest B2C player among private insurers with an estimated market share of 6.3% in the private B2C segment (as on March 2019).

Management Discussion and Analysis

Max Bupa



Max Bupa's CSR campaign with Cuddles Foundation - 'Donate Your Weight' helps cancer-afflicted children lead healthier lives

a brand that is able to drive meaningful conversations with customers regarding what matters to them the most i.e., their health.

- This has helped us create a strong brand connect and has resonated in all our brand campaigns to date, including our most recent GoActive campaign, which showcases health insurance as a wellness product that helps customers stay healthy and out of the hospital vis a vis a product used only at the time of hospitalisation.
- We have been recognised among the most trusted and well-known health insurance players in India by multiple consumer surveys, including the coveted Superbrands, for three consecutive years - 2016, 2017 and 2018. Superbrands is one of the most renowned and oldest global accolades that recognises top brands across various sectors by conducting a countrywide consumer survey on brand perception and recall. We were recently conferred with the Economic Times Best Brands Award 2018-19.
- Max Bupa has strengthened its brand equity in the market with its annual flagship event - 'Walk for Health' - which has been running successfully for the last six years and has encouraged many to take up walking for a healthier future. Max Bupa was the first brand in

India to take up the cause of walking and advocate its benefits to people across age groups on a national scale. Our 'Walk for Health' is a testament to our commitment towards keeping India's healthy.

FY2019 Marketing Highlights

- Max Bupa secured one of the highest brand awareness scores among Standalone Health Insurers (SAHIs)
- In order to maintain a consistent brand presence, we invested in an 'Always On' brand strategy during the last fiscal wherein we were present through the year on various digital platforms and radio channels. This was particularly beneficial in building our brand presence in new markets, including Tier 2 and 3 markets that we entered last year.
- Max Bupa had the highest PR Share of Voice i.e., maximum number of news impressions (in print, digital and electronic media) compared to competitors in the fiscal (evaluated by a third-party media monitoring agency called IMPACT)

Changes in Key Financial Ratios

The Underwriting Balance Ratio for the year is (12.8)% compared to (4.8)% in the previous year. The Operating

Profit Ratio for the year is (7.7)% compared to 0.4% in the previous year. The variance in the Underwriting Balance Ratio and Operating Profit Ratio is attributed towards a one-time revision in the methodology for calculation of Unearned Premium Reserve (UPR) from 1/365 to 50% of Net Written Premium from September 2016 onwards. This had a one-time impact on Net Earned Premium during FY2018 due to movement in UPR. The Net Earnings Ratio for the year is (6.6)% compared to 3.9% in the previous year. Return on Net Worth for the year is (18.4)% compared to 8.9% in the previous year due to change in the UPR methodology.

Strategy

At Max Bupa, our aim is to achieve 'customer-centric profitable growth' and to become the most trusted health insurer in the country. This can only be achieved by strengthening our trust equity among our customers and people, delivering value to all stakeholders and remaining at the helm of innovation and digitisation at each customer touch point.

The Company is building a gamut of service offerings to become the preferred health and wellness partner of customers across segments. We are deeply focussed on creating seamless customer-centric products that can be distributed through our diverse base of partners across the country. Additionally, our exemplary customer service is a key differentiator and continues to help the Company foster long-term relationships with its customers.

Our endeavour is to become a digital-first health insurer through integration of technology with our existing processes. We have a long-term focus on fortifying its digital offerings to improve customer experiences through digital processes, platforms and tools. We are also investing in building a digitally enabled ecosystem, high-class analytical capabilities and automating underwriting and claims and further improving our operational efficiencies. We are also developing partnerships with health-tech and insure-tech companies.

In order to deliver value to all stakeholders, Max Bupa continues to focus on profitable urban segments. However, to build regional relevance, we are expanding to new geographies in Tier 2 cities. Aligned to this goal, we are strengthening our direct tie-ups with over 4,500 hospitals across 500 cities. We support our customers through our in-house team of dedicated professionals, including doctors and clinical experts.

Max Bupa will continue to invest in the overall growth and development of its employees through its 'People-First'

agenda, including the preparation of a forward-looking roadmap, so that it can build itself as an employer of choice and a great place to work.

Regulatory Environment

FY2019 was an interesting year for the Indian insurance industry. It saw the addition of new categories of insurance intermediaries, diversity in the products on offer and evolving business processes. From a regulatory perspective, the year continued to overhaul the existing insurance regulatory framework with new regulations being introduced and existing guidance being amended and updated.

- The Insurance Regulatory and Development Authority of India (IRDAI) issued 'Modified Guidelines on Standards and Benchmarks' for hospitals in the provider network and directed all insurance companies and Third-party Administrators (TPAs) to ensure that all the existing network providers register with the Registry of Hospitals in the Network of Insurers (ROHINI) maintained by the Insurance Information Bureau (IIB). They are also required to obtain either pre-entry level certificate or higher level of certificate issued by the National Accreditation Board for Hospitals and Healthcare Providers (NABH), or state-level certificate or higher level of certificate under National Quality Standards (NQAS) issued by the National Health Systems Resources Center (NHSRC). This would help the insurers have arrangement with quality hospitals, which will, in turn, benefit customers.
- Regulator issued a communication regarding the automation of BAP General Insurance Product Module to include the generation of an automatic Unique Identification Number upon insurers filing information in Form A and uploading documents made accessible with effect from August 1, 2018. This helped in reducing the effort and time involved in the manual filings.
- In reference to the Mental Health Act, 2017, the Regulator had directed all insurance companies to comply with the provisions of the Act, thus ensuring mental illness is covered under medical insurance policy, proposal forms are drafted accordingly and underwriting manuals are put in place with effect from August 16, 2018.
- Regulator also directed all insurance companies to comply with the provision of Human Immuno Deficiency Virus and Acquired Immune Deficiency Syndrome (Prevention and Control) Act, 2017. The Act clearly directs that no person is to be discriminated against the protected person on any ground unless supported by actuarial studies for denial or unfair treatment.

Management Discussion and Analysis

Max Bupa

Max Bupa emerged as the fifth-largest B2C player among private insurers with an estimated market share of 6.3% in the private B2C segment.

- IRDAI also advised the insurers to immediately inform the concerned policyholder on his mobile number by an automatic SMS on the receipt of premium under a policy. This will help the customer know the premium amount and when the policy is issued based on the confirmation.
- Prevention of Money Laundering (Maintenance of Records) Amendment Rules, 2019 were released. Changes were made to Rule 9 of the Prevention of Money Laundering (Maintenance of Records) Rules, 2005. While the previous requirements for KYC documents continue, for companies, partnership firms, trusts and unincorporated bodies, an addition was made to acceptable documents; Board resolution authorising the authorised signatories, PAN / Form 60 and a photograph of the authorised signatory of the above entities are required.
- The Supreme Court of India, in its order in The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors, on February 28, 2019, has held that special allowances will be included within the ambit of the term 'basic salary' for the purpose of calculation of the contribution to the employee's provident fund. This is a big change across corporates and requires detailed evaluation to implement.
- Insurers have been advised not to mandatorily seek Aadhaar and PAN/Form 60 from the proposer/policyholder as part of KYC. This provides a relaxation on mandatory documents. The Regulator has also directed that the insurers will under no circumstance do the authentication using either the e-KYC facility or the Yes/No authentication facility of Unique Identification Authority of India (UIDAI).

Outlook and Risks

Indian health insurance continues to remain a fundamentally attractive industry with growth projections of ~16% over the next 3-5 years. The industry is witnessing the entry of multiple new players in the SAHI space, thus increasing the options of products and providers available to customers. The industry is also going through consolidation (of older players), with prominent players looking at selling their majority stake. With a growth of 16% over last year, the industry is still favouring the B2C segment as witnessed over the last few years and is expected to continue this trend. Max Bupa, now the fifth-largest B2C player in the private insurance industry, plans to continue building on its expertise in the retail segment and add more families through its innovative product and service proposition. With established processes, a stable sales team and growing reputation, Max Bupa will continue to capitalise on its market differentiation with its customer-centric orientation and build long-term customer relationships.

Max Bupa's overall approach to managing risk is based on the 'three lines of defence' model with a clear segregation of roles and responsibilities for all the lines. Business Managers are part of the first line of defence and have the responsibility to evaluate their risk environment and set up appropriate controls to mitigate such risks or avoid them. The Risk Management Function, along with the Compliance Function, Fraud & Risk Control Unit and Chief Information Security Officer, forms the second line of defence. The Internal Audit Function guided by the Audit Committee is the third line of defence and provides an independent assurance to the Board. The Statutory Auditors and regulatory oversight aided by the Appointed Actuary and Panel Actuary in his/her fiduciary capacity is also construed to provide an additional line of defence.

Max Bupa has an operationally independent Risk Management Function in place, headed by a Chief Risk Officer. The function is responsible for the supervision of all risk management activities in the Company, including developing the risk appetite, maintaining an aggregated risk view across the Company and monitoring the residual risks to ensure that they remain within tolerance levels. It also reviews the appropriateness and adequacy of the risk management strategy and develops recommendations to the Risk Committee as necessary. The Risk Management Function also ensures that through various management submissions, the Board is adequately informed on key emerging risk-related issues and if necessary, provides

supplementary advice to the Board through the Risk Committee. All important risk-related matters are discussed, reviewed and monitored by this Committee on a periodic basis.

Risk management activities are supervised on behalf of the Board by the Risk Committee, whose responsibilities conform to those prescribed by the IRDAI.

'People-first' Philosophy

At Max Bupa, we believe that people are our biggest organisational assets and hence, it is our continuous endeavour to create a 'People-First' culture through employee-friendly policies and practices. Our Purpose and Vision are reinforced through various initiatives that keep people at the heart of everything we do. All interventions to engage our employees are driven by the management and extended leadership team.

We are committed towards embedding the organisational values in all our people processes such as recruitment, performance management, talent development initiatives, career progression, rewards & recognition, etc. Our aim is to build a high-performance culture driven by pure meritocracy. Hence, we have taken significant steps towards streamlining all processes and policies related to employee performance through a robust performance management exercise that includes regular feedback from managers and subsequent action to be taken by both the employee and the manager.

We also encourage a holistic personal development plan for our people to develop into dynamic professionals. Our business rests on six Core Values - Caring, Respectful, Ethical, Accountable, Trustworthy and Enabling (CREATE). This value system is a key step towards realising our long-term vision of becoming the most admired health insurance company in India.

The deployment of multiple communication tools to effectively engage and communicate with the employees helps propagate an open and two-way communication between the leadership team and the people within Max Bupa. Several key initiatives such as CEO town halls, CEO Red Carpet, function-wise town halls, Company newsletter, employee engagement survey, employee engagement & health-wellness initiatives, etc. serve as a platform to cascade key organisational information and connect with the employees. To analyse and understand the effectiveness of these tools, periodic reviews are held during the year.

Max Bupa has distribution partnerships with Indian and international banks such as HDFC Bank, Bank of Baroda, Standard Chartered Bank, Federal Bank, Deutsche Bank, South Indian Bank, Karur Vysya Bank, Sarv UP Gramin Bank, Bajaj Finserv and Rattan India, which provide it access to millions of customers across India.

This involves assessment of Key Result Areas (KRAs) of each team and the feedback provided in the employee engagement survey.

Last fiscal, we strengthened our employees' learning and development journey by introducing more streamlined and effective learning platforms to keep them engaged and help them upgrade their skills to build long-standing careers with us.

In FY2019, one of the most important metrics - Employee Engagement and Satisfaction Score - witnessed a significant increase and participation rate compared to the previous year. The enhanced score and the participation rate are testimony to our commitment to keep our 'people first' in everything that we do at Max Bupa.

Management Discussion and Analysis
Antara Senior Living



Tara Singh Vachani
Managing Director & CEO



Ajay Agrawal

Chief Financial Officer



Ambica Chaturvedi

Director - Human Capital & Special
Initiatives



Ashish Loach

General Manager - Community
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Badar Afaq

Head - IT



Deepa Sood

Company Secretary & Legal Counsel



Kenneth Sannoo

Director - Community Development



Renuka Dudeja

Head - Marketing & Communications



Sanjay Bhatia

Director - Community Development

Management Discussion and Analysis

Antara Senior Living



A picturesque view of the Antara Senior Living facility at Dehradun

Antara Senior Living Limited, part of the Max Group, is based on the idea of creating an active, vibrant residential concept for progressive seniors. Antara is a seamless extension of Max India's core ethos of Sevabhav, Credibility and Excellence. Common interests, beliefs and enthusiasm shall bond our residents together in inexplicable threads that help friends become family. We believe in building a community where like-minded people can find each other and call it their home. Based on the belief that there is no age limit on a life of activity and significance, Antara has set some benchmarks for other senior living communities.

Industry Outlook

Senior living as an industry category is witnessing a growth phase with existing players trying to step up and develop higher value products as well as new entrants trying to launch their first senior living ventures. While most of the offerings in the market are still being delivered by traditional real estate developers, there are instances where non-real estate players have started venturing into this sector. At

present, the market has a well-developed senior home care segment as well, which directly provides clinical and non-clinical services to seniors at their home.

With the concept gaining popularity in the senior space, the new generation of senior living projects are targeting a price segment of ₹ 50-85 lakhs as opposed to earlier projects in the ₹ 20-25 lakhs price segment, ranging from one-bedroom to three-bedroom apartments.

While most of the projects continue to be in the southern part of India, there are new projects that are coming up in East and North India as well. Currently, there are 37 players in the Indian senior living industry, out of which 15 are serious players.

As per a recent study done by the Confederation of Indian Industry (CII), the current senior population in India is 116 million, constituting ~9% of the total population. Population above 60 years in India is the fastest growing demographic segment in the world, growing at 3.8% per annum. There are 90 senior living communities under development, of which 57 are operational. Current senior housing demand from urban and rural sectors is ~2.4 lakh houses and 51,500 houses, respectively, of which High Income Group (HIG) accounts for 60,000 houses and Middle Income Group (MIG) for 70,000 houses. The current senior housing supply from 37 senior living players across all formats and economic segments totals 20,000 units. 53% of senior living units are operational, which translates to around 10,500 functional units, followed by 40% under construction, which comes to 8,000 units, and 7% under planning and designing, comprising 1,400 units.

Our Concept and Positioning

1. Antara Dehradun

India has an increasing population of senior citizens who are well-travelled and are accustomed to a certain quality of life and infrastructure. Antara is a community that enables them to maintain the lifestyle they are habituated to.

Its flagship project named 'Antara Purukul' is spread over 14 acres of lush greenery in Dehradun. Antara is a luxurious, fully-integrated community designed around the safety, wellness and lifestyle requirements of progressive seniors above the age of 55. The promise of a better life at Antara for our residents is built on the pillars of a unique location, thoughtful design, a curated community and holistic wellbeing.

Antara thus is a 'continuous care' proposition – a comprehensive ecosystem that embraces and encourages the idea that life can be magical post 55. With a fulfilling lifestyle and myriad opportunities to explore, engage and enjoy, Antara is an impeccably designed, rigorously serviced community where life is savoured in the luxury of nature with like-minded people.

Antara has been carefully crafted by internationally renowned architects Perkins Eastman from New York



A resident enjoys a game of golf at Antara Dehradun



Drinks made better with a view of the valley at The Bar, Antara Dehradun

and Esteva & Esteva from Spain, with design execution support from Arcop Architecture Inc. and Studio Lotus. With construction partners such as Shapoorji Pallonji, Suri & Suri Constructions (civil works), Vadhera Builders (finishing works), Sterling Wilson (plumbing and fire fighting) and Jakson (electricals), Antara has been created with a unique design philosophy to encourage the utmost quality of living. This has been woven into the fabric of the community through an adherence to international standards of specific design intervention. With over 60,000 square feet of recreational and wellness spaces, and 197 apartments, Antara Senior Living brings a unique dimension to senior living in the Indian subcontinent.

A typical day at Antara starts with waking up to the picturesque views of Mussourie, going for a morning

Management Discussion and Analysis

Antara Senior Living



A community spiritual session with Vidyalohe at Antara Dehradun.

walk on jogging trail, followed by yoga/meditation. Residents like to enjoy breakfast at Antara's restaurant - Avika. Pre-lunch activities include a creative workshop of pottery and aqua aerobics at 'The Pool'. Residents also have the option of going for a trip to Dehradun in a shuttle. Evening activities include enjoying a movie at 'The Theatre', language learning in 'The Library' or social engagement activities facilitated by the Resident Engagement Team at Antara, in which residents can volunteer. Antara is equipped with sports facilities such as tennis and badminton courts, and golf lawns, which motivates residents to stay fit while playing their favourite sport. Antara offers various cuisine options in diverse spaces such as Avika, The Bar, The Veranda and Community Kitchen. We prioritise the Health of our residents and have set up The Antara Wellness Centre, which is managed by our in-house team and offers clinical as well as holistic wellness services to the residents.

2. Antara 2.0

In line with the Board's advice to work on a low-risk and investment-light business model, Antara has been working towards a development management/joint development model. Based on the learnings from Dehradun pertaining to cost, space efficiencies, design,

pricing and ownership models, the team has been able to curate a more efficient model at a competitive pricing while retaining the vision of providing quality of life to its residents, called Antara 2.0.

There are presently two such opportunities that Antara is exploring. The Company is confident of further improving and replicating this new business model in times to come.

Key Developments of FY2019

The key focus of the Company over the course of FY2019 has been twofold:

1. Antara Dehradun

- a. To achieve financial sustainability for community operations by improving operational efficiencies and attracting customer footfall to create additional revenues.
- b. To market and promote the 'Antara' brand and book apartments for its first residential senior living community at Dehradun ('Dehradun Community'). This is being done through an increased focus on acquiring clients through experiential tours supported by well-planned campaigns in print and digital media, advertorials

that have residents sharing their experiences and events at the Dehradun Community.

2. Growth initiatives

- a. To identify the right growth opportunities in line with the Board's mandate i.e., low-risk, capital-light opportunities based on the operator/joint development model. Such opportunities are being explored primarily in Delhi NCR and Mohali with credible developers. Antara will contribute in areas of its core strength i.e., sales & marketing, design development, project management and operations to ensure that the end product is in line with the Company's vision.



A panoramic view of Antara Dehradun

Business Performance: FY2019

Antara achieved the following results in FY2019:

1. **Sales:** By March 2019, Antara achieved 108 sales net of cancellations.
2. **Collection:** Antara's collections at the end of FY2019 totalled ₹ 290 crores.
3. **Resident Satisfaction (RSAT) Score:** Antara achieved an impressive 89.59% RSAT score in FY2019. The Resident Satisfaction Survey was launched in July 2017 and is conducted on a quarterly basis. The above performance is basis the weighted average score of four surveys conducted during the financial year.
4. **Team Engagement Score:** Antara's employee engagement score in FY2019 stood at 85.40%.

- II. While in one model, developer partners are responsible for the land and construction, in the other model, developer partners are only responsible for the land and Antara takes care of all other responsibilities.
- III. Antara's responsibility will be to provide design, quality assurance, sales and marketing support, and program management during the project and sales phase and independently run the community operations after handing over the apartments to the residents.
- IV. Antara will get fee and/or share of profit for services provided during the project phase as a percentage of revenue.

The focus of the Company will be to launch the sales of such opportunities under advanced stages of agreement signing and also achieve headway on the new growth ideas currently under evaluation.

Outlook for FY2020

Over the course of FY2020, Antara plans to work towards sales launch of the equity-light opportunities mentioned earlier and towards building a robust pipeline for future growth.

The broad contours of the new operator model are as under:

- I. Antara plans to invest ₹ 25-40 crore in Special Purpose Vehicles (SPVs) as reimbursable investment to kick-start sales and early construction needs, while taking care of its corporate cost expenses.

Antara's focus in FY2020 will remain on launching two equity-light models in Delhi NCR and Chandigarh and on building a robust pipeline for future growth.

Management Discussion and Analysis
Max SkillFirst



Rajender Sud
Chief Executive Officer



Anshuman Kamthan

VP & Key Account Manager- Max Bupa



Pushkar Saran

SVP & Head- Business Operations & Strategy



Sarika Swarup

VP & Head- Content



Simardeep Kaur

VP & Head - Human Resources



Sudhir Nair

VP & Key Account Manager - Max Healthcare



Sunil Solanki

VP & Key Account Manager - Max Life

Management Discussion and Analysis

Max SkillFirst

Max SkillFirst Limited (Max SkillFirst) is a wholly-owned subsidiary of Max India, founded with the vision of impacting the sales and service culture in India by being the most admired learning and development organisation. The Company employs 470 professionals and over 424 freelance trainers.

FY2019 Highlights

- In FY2019, Max SkillFirst imparted over 3.9 lakh hours of training to more than 1 lakh learners through 90,000+ sessions to both Max Group and other accounts.
- Max SkillFirst received the prestigious 'Great Place To Work' certification from the Great Place To Work Institute, India.
- During the fiscal, the Company reported revenues worth ₹ 52.9 crore (17% increase over FY2018) with Loss After Tax of ₹ 2.5 crore mainly due to impairment provision for investment held in Max SkillFirst's fully owned subsidiary, Max One (without impairment, Profit After Tax is ₹ 3.1 crore).
- Some of the Max SkillFirst's key financial ratios have changed significantly (more than 25%) in FY 2019 (without considering the impairment impact). For instance, debt to equity ratio (Loan/ Shareholders Fund) changed from -3.8 last year to -9.7 this year due to change in shareholders' fund because of positive net profits (without impairment) this year. Similarly, Return on Net Worth (Net Profit/Shareholders Fund) has also changed from -45% last year to -157% due to change in shareholders' fund because of positive net profits this year (without impairment). Operating profit Margin (Operating Profit/Operating Revenue) changed from 5.3% to 7.1% this year due to increase in operating profit on account of reduction in operations cost.

Content as Business Driver

Max SkillFirst has developed over 1,560 hours of content across all accounts by using instructional design principles and leveraging technology and innovation to create high business impact. Some of the accounts for which the Company curated content in FY2019 are as follows:

Max Life: Developed customised content for different channels – Agency, Insurance Marketing Firm (IMF), Customer Advisory Team (CAT), e-Commerce, Associate Partner Channel (APC) and Defence Channel in different formats, via classroom sessions, videos, simulation role plays, etc.

MBHI: Created e-learning content through videos for a mobile app and e-assessment modules on Health Recharge, Health Companion, Upselling and Cross-selling, and HDFC Net Banking for different channels – agency, bancassurance, Direct Sales Team (DST), tele-sales and renewals

MHC: Customised content by incorporating stakeholder's feedback and by adopting diagnostic methodology and infographics for need-based and frequently occurring scenarios for nursing, front office, Max Lab and pharmacy

B2B: Structured content for higher retention through e-learning platforms on topics such as sales and leadership skills, business processes and common induction programmes.

B2C: Created the Allied Healthcare lab technician digital course on the app with 100+ in-house learning videos and assessments

Technology

In FY2019, Max SkillFirst App-based self-learning modules and online knowledge assessment were launched for 1,700+ Agency Development Managers (ADMs), out of which more than 80% have successfully completed either one or more courses at Max Life. To replace classroom training for IC38 examination (IRDAI conducts IC38 examination and only successful candidates become agents) and Selling Skills Workshop (SSW) trainings for candidates and agents, respectively, at select offices, an initiative called 'Prayas' was launched to make these available online through the app. Through the CAT channel of Max Life, the Company launched online tests for producers and leaders, which were attempted by 80% of the users. At India Shelter, a leading housing finance company in the NBFC sector, an automated Interactive Voice Response (IVR) feedback mechanism through mobile calls was launched in October 2018 across all channels.

The Company also won the Brandon Hall Group Excellence Awards 2018 for the third year in a row – a Silver Award in the category of 'Best Use of Blended Learning' for 3D Smart Classroom for best-in-class user experience and learning

in Allied Healthcare Diploma Programme. These awards, often called the 'Academy Awards of Learning', are the most prestigious global awards in the learning and development domain and recognises the top organisations across the world.

People Culture

The organisation grew by 34% in terms of the headcount from 350 employees to 470 employees in FY2019. As part of its people-first culture, Max SkillFirst continued to build on the 4Cs of the Employee Value Proposition (EVP) – Career, Certification, Culture and Compensation. To drive the values, the Company strengthened the value-based Reward and Recognition (R&R) programme through a technology platform called Karma Notes where the organisation recorded more than 1,500 recognitions for its employees. Also, a communication series called 'Above & Beyond' was introduced to recognise the success stories of employees who demonstrate our core values – Excellence, Credibility, Sevabhab, Collaboration and Innovation.

In order to strengthen the quality of talent hired and link it to our EVP of 4Cs, the Company re-trained all the hiring managers on the methodology of value-based hiring and also launched a value-based psychometric tool for hiring and development of talent. Max SkillFirst launched a structured Organisation & Talent Review (OTR) for all the high performers (110 employees) with the objective of nurturing the future talent pipeline and developing key talent for retention and engagement. Through this process, a total of 30 'Best Bets' were identified. Their future career path was clearly mapped and they were given visibility about their next-level career role with clearly defined Individual Development Plan (IDPs).

New Training Initiatives

In FY2019, the Associate Partner Channel (APC) and Defence Channel trainings of Max Life were acquired and training roadmaps for these accounts were integrated and rolled out. Max SkillFirst supported the MLIC Agency in its 'office-in-office' and greenfield initiatives by hiring 86 new trainers as a part of its proprietary channel expansion plan. Max SkillFirst launched a vintage-based learning roadmap for front office and nursing personnel to equip them with role-specific challenges for MHC. Max SkillFirst on-boarded six new partners at the Bancassurance Channel of MBHI – HDFC Bank, HDFC Security Limited (HSL), HDFC Tele, Karur Vysya Bank, Ujjivan and Rattan India.

New Growth Initiatives

The Company entered into an exclusive partnership with Cohen Brown, an international leader whose courseware and tools have been utilised in more than 50 countries



Max SkillFirst receives the prestigious "Great Place to Work" certification from the Great Place to Work Institute, India

and translated into 15 languages, to deliver its leader-led and technology-enabled trainings through the ProPractice tool in prospective banks in India. Cohen Brown specialises in sales-and-service, cultural and behavioural change consultative and training processes for management, front-line, support/customer service units, and call centres.

Max SkillFirst also signed a three-year contract with India Shelter as the second external B2B client. In the B2C Allied Healthcare business, the Company launched its second direct-to-customer training facility of in FY2019 at Saket and also successfully achieved the student enrolment targets.

Outlook

Max SkillFirst has prepared itself to grow through different channels. After demonstrating success in the captive business from the Max Group, the Company is now gearing up to capture training assignments for both B2B and B2C markets externally. Max SkillFirst will also open the third B2C Allied Healthcare Centre in FY2020 to achieve growth in the financial year. In addition, the Company will grow aggressively in the financial services industry in India, with its exclusive partnership with Cohen Brown. The Company will also foray further into the B2C sector with imparting tech-led skills training.

Business Responsibility Review



Mohini Daljeet Singh, Chief Executive, Max India Foundation

For India to count itself as a progressive nation, access to quality healthcare for all sections of the society is a vital requirement. The government has sharpened its focus on public healthcare, which is evident from the increase in the healthcare allocations in the last union budget as well as from the launch of its flagship healthcare scheme, Pradhan Mantri Jan Arogya Yojana (PMJAY), also known as Ayushman Bharat. However, India's health needs are so enormous that they need support from other institutions such as NGOs, charities, corporates and so on. To aid this cause, Max India Foundation (MIF), the Corporate Social Responsibility (CSR) arm of the Max Group, has undertaken a series of successful healthcare and immunisation initiatives over the last 11 years. MIF's healthcare activities, in collaboration with 457 NGOs across 837 locations, have touched 34,41,689 individual beneficiaries until March 31, 2019.

MIF's journey has been characterised by the ethos of Sevabhav and Giving with Dignity to make a difference to the lives of the underprivileged. The Foundation has adopted a holistic solution model that hinges on four key pillars.

In FY2019, 45,282 individuals including women and children, benefitted from MIF's awareness programs on issues such as menstrual hygiene, hand washing, healthy eating, health and hygiene, dengue, vector-borne diseases, cancer and tobacco-related diseases

Awards & Accolades

- The 'Child Health Brand Award for the year 2018' at the India Health and Wellness Summit for FY2019
- The 'Swachh Bharat Award for Sustainable Sanitation and Waste Management' during the National Swachhata Summit and Awards 2019 on February 19, 2019
- MIF's CEO Mohini Daljeet Singh was awarded the 'CSR Leadership Award' at the 8th Edition of World CSR Day
- 'Asia's Greatest CSR Brand Award' at the Indo-Singapore Business & Social Forum 2018; Awards & Business Summit at Marina Bay Sands, Singapore
- The Award of 'Responsible Corporate for valuable contribution towards the environment' at the Global Environmental Conclave organised by Sunday Guardian in June 2018

PILLAR 1 PROVIDING QUALITY HEALTHCARE

Health needs are often immediate, yet there is a huge gap in accessibility and affordability for the underprivileged. Over the years, MIF has perfected various health interventions, which have been strategically designed with a blend of curative, preventive and promotive aspects to support the underprivileged sections of the society.

Immunisation Camps

This programme is meant for children in the age group 0-12 years who are 'Not Immunised' or are 'Partially Immunised'. Children are vaccinated against Measles, Mumps and Rubella (MMR), Diphtheria, Pertussis and Tetanus (DPT), Hepatitis-B and Typhoid as per the guidelines of the World Health Organisation (WHO).

Through its pan-India immunisation programme, MIF has administered 17,265 immunisation shots against nine diseases through 130 camps in five states across India.

Health Camps

Often, underprivileged people ignore niggling symptoms of ill health due to reasons such as losing a day's wage, travelling long distances or lack of funds for even a basic consultation. Women and the elderly are the worst affected.

MIF organises general and multi-speciality health camps for the underprivileged across urban slums and rural areas with the objective of providing quality healthcare in an accessible and affordable manner. A team of qualified doctors and paramedical staff conducts these camps where free consultations and medicines are provided.



Kids learn the importance of dental hygiene with MIF's awareness programs and health check-up camps

Business Responsibility Review

So far, 1,58,700 patients have been treated through 743 such camps across India.

Surgeries and Treatment

Escalating expenses make it impossible for the underprivileged to undergo expensive surgeries. MIF helps

Six months after Alka was born, her father, a low-income farmer from Bihar, detected a lump in her hand. Alarmed, he rushed her to a local doctor who prescribed a homeopathic treatment. When this didn't work, Alka's family tried allopathic medicines but to no avail. Finally, when Alka was rushed to a health camp in Nalanda, a tumor was confirmed. The infant was taken to AIIMS Patna where she underwent surgery on December 17, 2018. Because of her tender age, chemotherapy and radiation were ruled out and post-surgery, the lump returned. Determined to get rid of the tumor, the father cobbled all his resources and approached MIF through Cankids, a non-profit organisation dedicated to treatment and care for children with cancer in India. MIF facilitated the surgery and today, Alka is tumour free.



Little Alka gets a renewed lease on life through a surgery facilitated by MIF

them get a new lease of life by supporting 1,300 high-end surgeries, such as pediatric, cardiac, brain tumour, reconstructive, neuro, orthopedic and cataract surgeries, besides oncology care and renal transplants. This has helped beneficiaries lead comfortable and healthier lives with quality medical support, thus preventing further poverty.

Health Centres

In pursuance of providing quality healthcare to the underprivileged, MIF has set up health centres in Uttarakhand and Punjab in partnership with like-minded NGOs. Approximately 11,138 patients have been treated so far at these health centres this year.

Provision of Free Artificial Limbs and Polio Callipers to the Needy

The Artificial Limbs & Polio Callipers (ALC) camps aim to improve the mobility of physically challenged individuals. This enhances their self-confidence and has a positive impact on their economic well-being, thereby enabling them to live their lives with dignity.

Through this year's ALC camp organised by MIF at Ropar in Punjab, 162 underprivileged patients received prosthetic limbs and free treatment. This camp was organised in collaboration with the NGO Manav Seva Sannidhi. So far, MIF has provided 5,588 deprived patients with artificial limbs and polio callipers, thus transforming their lives.

For Para Commando Havaldar Hans Raj of Samba, Jammu, the journey to Ropar was one of hope and healing. This brave soldier lost his leg during an army operation in Sri Lanka 22 years ago. Though the Army had provided an artificial limb,



MIF's Artificial Limbs & Polio Callipers camp in Ropar, Punjab helped 162 patients receive prosthetic limbs

it had been giving Hans Raj trouble. When he heard about MIF's Camp in Ropar, he decided to undertake this life-transforming journey. Recalling the landmine blast incident that rendered him physically challenged, Havaladar Hans Raj said, "I'm proud to have served the nation as a soldier. The Army took care of all my financial and physical needs, but

over time, I realised that I needed to replace my artificial limb. Today, I'm glad I decided to make this journey because I am now pain free and as independent as before. It is the efforts of camps like these that make you proud to be a part of this country."

PILLAR 2 CREATING AWARENESS ON HEALTH AND HYGIENE

General Health Awareness

MIF believes that awareness is the first step towards achieving wellness and good health, which yields better outcomes while saving huge expenses on treatment. Hence, health awareness has formed an integral part of MIF's work on Preventive Healthcare. MIF has been proactively running awareness programmes in different areas. In the last financial year, 45,282 beneficiaries, including women and children, benefitted from awareness on issues such as menstrual hygiene, hand washing, healthy eating, health and hygiene, dengue, vector-borne diseases, cancer and tobacco-related diseases. These are effectively addressed through multiple infotainment approaches such as films, flip books, talks, demonstrations, puppet shows, etc.

Conducting Breast Cancer Awareness Campaigns

Aimed at fostering a spirit of courage, grit and determination, MIF and Diva restaurants, Delhi, partnered for a month-long 'Celebrate Me' campaign. This campaign highlighted the courage of women who fought the dreaded disease of cancer and emerged victorious. It stressed the importance of timely treatment and preventive measures against the disease.

Walking/Running for Good Health

MIF collaborated with CanSupport to bat for cancer survivors and spread awareness via 'Walk for Life' in February 2019 at Janpath, New Delhi. In the same month, MIF also sponsored Ropar Half Marathon in Punjab. Centenarian marathon runner Mr. Fauja Singh graced the occasion with his presence and encourage the participants to exercise for good health.

MIF Scores High with Anti-tobacco Campaign

MIF, together with Sambandh Health Foundation and Delhi Police, worked towards building awareness on the perils of tobacco and strived to end the tobacco menace. MIF's anti-tobacco display boards were put up at New Delhi Railway Station last December to alert the masses.

The Impact so far in Delhi NCR

- A total of 42,415 challans have been issued
- 394 police officers have been trained
- 397 principals have been sensitised to the Cigarettes and Other Tobacco Products Act (COTPA)
- Anti-tobacco puppet shows were organised in schools for 1,113 underprivileged children

PILLAR 3 PROMOTING A SUSTAINABLE AND ECO-FRIENDLY ENVIRONMENT

Environment Tips

Good environment is a prerequisite for good health. MIF has been spearheading structured monthly awareness campaigns, which serve the dual purpose of sensitising people about the issue as well as suggesting various practical action points to improve the environment. Environment tips are shared with key stakeholders including NGO partners as well as employees of the Max Group. The objective is to increase awareness on improving green cover, enhancing

oxygen supply as well as arresting soil erosion, thereby leaving a greener planet for future generations.

Drug De-addiction Initiative

It is estimated that around 7.21 crore people in India are affected by drugs. Drug abuse is emerging as a major health hazard, with a sizeable number of youth caught in this menace. MIF has been supporting a drug de-addiction counselling centre for the youth of Baramulla in Jammu & Kashmir since April 2016. Started and anchored by the

Business Responsibility Review

Indian Army, MIF organises seminars, recreational activities, individual and group counselling sessions, motivational talks and occupational rehabilitation. In FY2019, the drug de-addiction programme benefitted 938 youth.

Nutrition

India is home to over one-third of the world's stunted children. Some of the partners MIF works with are engaged with malnourished children for whom getting two meals a day is a huge struggle. The mid-day meal or nutritious snack offered through MIF's support may be the only wholesome meal of the day for them. The Foundation made over 283 meals possible in FY2019.

Sanitisation Drive in Noida

As part of our initiative to usher good health and sanitisation, a sanitisation drive was initiated across a slum in Sector 16

Noida. The following actions were undertaken:

- 2,000 dustbins were distributed, and garbage collection was facilitated in the area, benefitting 10,000 people
- 300 children were given anti-Typhoid vaccine
- Five health camps were conducted, including general, dental and gynecological check-ups, benefitting 395 people

Tree Plantation Drive in Delhi-NCR

Approximately 2,256 saplings were planted by MIF in the Delhi-NCR region to create a more pollution-free and sustainable environment.

PILLAR 4 ADOPTING VILLAGES

MIF has adopted three villages – Rail Majra in Punjab, and Dhakrani and Purukul in Dehradun district, Uttarakhand. The Village Adoption Programme aims at creating model villages to enhance the quality of life of the underprivileged in the area.

Health Facilities

Due to inadequate health facilities in these villages, appropriate interventions in the form of health camps, health centres, eye check-ups and immunisation camps were provided at regular intervals. The range of health services helps villagers avail quality services from specialists, otherwise beyond their reach. MIF's nine multi-speciality health camps impacted 2,394 beneficiaries. MIF also donated 350 blankets to underprivileged beneficiaries in the presence of local Panchayat members, giving them warmth during the severe winter months.

Environment Conservation and Preservation

MIF has been sensitising villagers about environment conservation and preservation. Tree plantation drives are almost an annual affair across all three villages. In particular, MIF has planted 2,500 fruit saplings of Mango, Lychee, Guava,

Banana, etc. in Dhakrani village with the help of the NGO Sustainable Green Initiative. The fruit trees planted will further be nurtured and maintained by the residents themselves.

Hygiene Improvement through Solid Waste Management

Waste management continues to be an issue of serious concern. MIF initiated activities for the solid waste management system by implementing clean-up drives, awareness programmes and a solid waste collection and disposal system. The villagers were regularly sensitised on the importance of cleanliness and segregation of waste. As part of this project, a composting unit was set up in Dhakrani with 8,000 kg of compost produced this year. Segregation of waste was done to ensure that the organic waste does not end up in landfills but can be composted and used by farmers in the village.

Additionally, 97 bi-weekly health camps for women and children with the NGO Bella Healthcare were conducted, which helped 5,478 beneficiaries in total.

Financial Education and Volunteer Activity

Under the village adoption project, Max Life Insurance employees and agent advisors visited a total of 900 households at Dhakrani village, re-iterating the benefits of health, hygiene, waste management and sanitation, while simultaneously introducing the residents to financial literacy. Further, the importance of 'Swachh Raho, Swasth Raho' was highlighted during these visits.

Sanitary Pad Production Unit for local women

With the objective of promoting menstrual health and hygiene among women from poor/marginal economic backgrounds, MIF set up a sanitary napkin manufacturing unit for the local women in Dhakrani by donating relevant machinery and materials required. The unit made it easy and convenient for women to access hygienically produced pads. Manufactured by women and for women, these sanitary pads are low cost and easily available. So far, 45,000 sanitary napkins have been produced by the unit.

Sanitation and Sewage Project

Dhakrani village had no sewage system in place. Wastewater spilled onto the garbage spread on streets and polluted the sources of drinking water supply. To address the issue, a Sewage Treatment Project is underway. Around 1,30,000 ft of pipeline has been laid. Sand filters and septic tanks are being built from which wastewater will be treated to be fit for agricultural purpose. Four phases of this project have been completed. In phase five of this project, bio-digester technology tanks are being connected to 400 individual households.

Skill Development for the Youth

MIF has set up a Life Skills Training Centre at Dhakrani in partnership with the NGO Head Held High (HHH) Foundation. The initiative provides life skills training to rural school dropouts through a six-month intensive programme. Besides basic English speaking, Math and Computer skills, the local youth are trained in social and soft skills. Their confidence is further boosted with a concurrent personality development course. With the third batch of 22 youth completing this course by June 2019, MIF has successfully trained 74 youngsters as a part of this initiative.

Purukul Village Adoption

Four multi-speciality health camps were held at Purukul Gram Sabha with Max Super Speciality Hospital, Dehradun.

Max Hospital doctors, marketing and nursing staff helped 265 patients at the camps.

A cleaning vehicle continues to be operational in Purukul Gramsabha, along with cleaning staff who work daily to keep the streets and area clean.

MIF also provides food and nutrition support to the children of Purukul Youth Development Society (PYDS), an English-medium day school for underprivileged children. This has helped students get a balanced diet and stay healthy and active.

Rail Majra Village Adoption

As part of its healthcare initiatives, MIF founded the Health Centre at village Rail Majra near the Max Speciality Films factory in Punjab in 2008. This is the oldest and the first health centre that caters to the medical needs of the villagers of Rail Majra and surrounding villages. Through this initiative, MIF has been able to provide access to quality healthcare to 5,280 beneficiaries. In addition, MIF also organised multi-speciality health camps, which impacted 1,048 beneficiaries.

The bane of drug abuse in Punjab, with over 2.3 lakh drug users, has acquired the proportion of a pestilence that has shaken the entire society in the state. To address this critical issue, MIF, in collaboration with United Nations Office on Drugs and Crime (UNODC), organised a drug de-addiction awareness drive in Rail Majra in August 2018. Dr. Rekha Gupta and Dr. SMS Sidhu conducted the session on drug abuse for school children, factory workers, antenatal mothers and general population to sensitise them to this issue and its preventive measures.

An interactive science lab was set up for students of the Rail Majra Government School. The first batch of 12th class students passed with flying colours, with girls topping the class. As a token of encouragement, the Top 4 girl students were rewarded by MIF.

THE MIF IMPACT

MIF, with its 360-degree approach towards holistic healthcare, has been able to make a genuine difference in the lives of the underprivileged. The decade-long interventions on ground have been successful in addressing key challenges of low-quality care, lack of health awareness and limited access to health facilities. Further, the focus on health awareness has significantly

helped in inculcating behavioural change in the beneficiaries, who are now adopting healthy practices to safeguard their health. Today, MIF has been able to win the trust and confidence of the community and bring smiles on their faces. In its own small way, MIF has been able to make a humble contribution towards nation building through a healthier population.

Corporate Governance Report

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Corporate Governance Report

Our Corporate Governance Philosophy

Max India Limited is committed towards maintaining the highest standards of Corporate Governance and recognises that in today's environment, it is a critical driver for achieving excellence, attracting high-quality talent, and optimising capital sourcing and allocation across the Group.

To ensure strong discipline in capital management, robust performance management of its businesses and sustained value creation across all stakeholders, Max Group embarked upon a journey a few years ago to implement a comprehensive governance framework across its companies, including Max India. This entailed implementation of various transformational initiatives across three key facets of governance:

■ Board Architecture

The Boards in each of the Group's operating companies were re-configured to create the right composition with an ideal number of independent Directors, ensuring board diversity with respect to functional and industry expertise, having an active and engaged lead Director on each Board, and separating the role of the CEO and the Chairman. In addition, a clear role for the Board has been articulated in areas such as strategy formulation, monitoring financial health, leadership development, risk management and succession planning.

■ Board Processes

Various people processes of the Board have been optimised (viz. on-boarding of Directors, Board education and business engagement, enabling independence, adherence to the code of conduct etc.). Key operational aspects such as ensuring a comprehensive and well-balanced meeting agenda, timely and adequate flow of information to the Board, inviting external speakers to conduct sessions for the Board, are in place to ensure that the Board time is spent optimally on all critical areas of the business. In addition, detailed Standard Operating Procedures are in place to ensure that the Board materials are comprehensive, crisp and relevant for strategic discussions.

All material matters to be considered by the Board are reviewed in specific sub-committees of the Board that are composed of a balanced mix of executive, non-executive and independent Directors, who add value to, and are specifically qualified for the particular sub-committee. Detailed charters are published for every sub-committee of each Board.

■ Board Effectiveness

To enhance 'Board Effectiveness' and assess the Board's performance, an annual evaluation of Board Members is conducted and inter-Company Board movements are effected to ensure that each Board is well-equipped and engaged to take the right decisions for the business. In addition, various mechanisms have been implemented to improve the performance of the Board, such as establishing clear standards of conduct & behaviour, setting a calendar of key governance interventions such as strategy setting sessions, risk management sessions, consequence management etc.

Board of Directors

The Board of Directors of your Company as on March 31, 2019, comprised of 8 (eight) members with 1 (one) Executive Director and 7 (seven) Non-Executive Directors of which 4 (four) are Independent Directors including 1(one) Woman Independent Director. Mr. Analjit Singh, Promoter of the Company was appointed as a Non Executive Director as well as the Chairman of the Company with effect from April 1, 2019. Mr. Rahul Khosla, who was Chairman of the Company, has resigned from the Board of Directors of the Company effective on the closing of business hours on March 31, 2019. Board has evaluated the independence of directors and opines that the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and are independent of the management.

None of the Director is a member in more than ten committees or the Chairman of more than five committees, across all public companies in which he / she is a Director.

The details of the Directors and their attendance at the Board meeting during the year 2018-19 and at the last annual general meeting, including the details of their Directorships and Committee Memberships as of March 31, 2019 are given below:

Name of Director	Number of Board meetings held during the year 2018-19		Attendance at last AGM held on September 25, 2018	Number of Directorships in other companies as on March 31, 2019*	Number of committee positions held in other public companies as on March 31, 2019**		Directorships in other listed Companies along with category of directorship
	Held	Attended			Chairman	Member	
Mr. Rahul Khosla [^] [Chairman] DIN:03597562	7	6	Yes	5	-	-	NIL
Mr. Mohit Talwar [Managing Director] DIN:02394694	7	7	Yes	7	1	3	a) Max Financial Services Limited, Managing Director b) Max Ventures and Industries Limited, Non-Executive Director & Vice Chairman
Mr. Ashok Kacker [Independent Director] DIN:01647408	7	7	Yes	8	1	1	a) KSS Limited, Independent Director b) Max Ventures and Industries Limited, Independent Director
Mr. Ashwani Windlass [Non-Executive Director] DIN:00042686	7	6	No	6	4	-	a) Hindustan Media Ventures Limited, Independent Director b) Jubilant Foodworks Limited, Independent Director c) Max Financial Services Limited, Non-executive Director d) Vodafone Idea Limited, Independent Director

Corporate Governance Report

Name of Director	Number of Board meetings held during the year 2018-19		Attendance at last AGM held on September 25, 2018	Number of Directorships in other companies as on March 31, 2019*	Number of committee positions held in other public companies as on March 31, 2019**		Directorships in other listed Companies along with category of directorship
	Held	Attended			Chairman	Member	
Mr. Dinesh Kumar Mittal [Independent Director] DIN:00040000	7	7	Yes	12	1	7	a) Balrampur Chini Mills Limited, Independent Director b) Max Financial Services Limited, Independent Director c) Bharti Airtel Limited, Independent Director d) Max Ventures and Industries Limited, Independent Director e) Trident Limited, Independent Director
Mrs. Tara Singh Vachani @ [Non Executive Director] DIN:02610311	7	3	No	11	—	—	NIL
Mr. K. Narasimha Murthy# (Independent Director) DIN:00023046	4	2	N.A.	9			Max Ventures and Industries Limited, Independent Director
Mrs. Sharmila Mansur Ali Tagore # (Independent Director) DIN:00244638	2	1	N.A.	3	—	1	NIL

* Excluding Foreign Companies and Companies formed under Section 8 of the Companies Act, 2013

** Represents Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies, other than companies formed under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956.

Mr. K. Narasimha Murthy and Mrs. Sharmila Tagore were appointed as Additional Directors holding the position of Independent Directors on the Board with effect from December 24, 2018 and February 26, 2019, respectively.

^ Mr. Rahul Khosla resigned from the Board effective closing business hours on March 31, 2019.

@ Belongs to persons forming part of promoter group of the Company.

Details of Board meetings held during the year ended March 31, 2019:

There were seven Board Meetings held during the financial year, details of which are as under:

S.No.	Date	Board Strength	No. of Directors present
1	May 29, 2018	6	5
2	August 10, 2018	6	6
3	November 2, 2018	6	6
4	December 24, 2018	7	6
5	February 11, 2019	7	6
6	February 26, 2019	8	3
7	March 22, 2019	8	7

There were no inter-se relationships between our Board members, as on March 31, 2019. Mr. Analjit Singh who was appointed as director with effect from April 1, 2019 and Mrs. Tara Singh Vachani are related to each other – Mrs. Tara Singh Vachani is daughter of Mr. Analjit Singh.

The details of equity shares of ₹ 2/- each held by Directors of the Company as on March 31, 2019 are: (a) Mr. Rahul Khosla – 1,94,292 (One lakh ninety four thousand two hundred ninety two) shares (b) Mr. Ashwani Windlass – 1,62,850 (One lakh sixty two thousand eight hundred and fifty) shares, (c) Mr. Mohit Talwar – 3,15,467 (Three lakhs fifteen thousand four hundred sixty seven) shares, (d) Mrs. Tara Singh Vachani – 1,00,000 (One lakh) shares and Mr. K. Narasimha Murthy – 5,000 (Five thousand) shares. Apart from this, none of the non-executive directors of the Company hold any shares of the Company.

How do we make sure our board is effective?

The calendar for the Board and Committee meetings is fixed in advance for the whole year, along with significant agenda items. At least one Board meeting is held within 45 days from the close of first three quarters and within 60 days from the close of last quarter to review financial results and business performance and the gap between two Board meetings does not exceed 120 days, as required by law. Apart from the aforesaid four meetings, additional Board meetings are also convened to meet business exigencies. Matters of exigency are approved by the Directors by resolutions passed by circulation as permissible under the provisions of the Companies Act, 2013 and Secretarial Standards on meetings of the Board of Directors (SS-1) and the same are also duly noted in the next meeting.

Generally, meetings of Committees of Board are held prior to the Board meeting. The Chairpersons of the respective Committees brief the Board about the proceedings of the Committee meetings and its recommendations on matters that the Board needs to consider and approve.

All Agenda items are accompanied by comprehensive notes on the related subject and in certain areas such as business plans/business reviews and financial results, detailed presentations are made to the Board members. The materials for the Board and committee meetings are generally published (electronically in a secure dedicated portal) seven days in advance. The Board is regularly updated on the key risks and the steps and process initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process with the Company.

To enable the Board to discharge its responsibilities effectively, members of the Board are apprised on the overall performance of the Company and its subsidiary(ies)/joint ventures at every Board meeting. Senior Management is invited to attend the Board meetings to provide detailed insight into the items being discussed.

Key Board qualifications, skills, expertise, competence and attributes

Max India's Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensuring that the Company is in compliance with the highest standards of corporate governance.

The table below summarises the key qualifications, skills, expertise, competence and attributes identified by the board of directors as required in the context of its business and sector for it to function effectively.

Corporate governance	Maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices

Corporate Governance Report

Leadership	Leadership experience in developing talent, planning succession, and driving change and long-term growth. Practical understanding of managing organisations, processes, strategic planning, and risk management.
Strategic thinking	Forming strategies to analyze the marketplace and identify opportunities to stimulate growth, considering the impact of key decisions, offer contingency plans and risk mitigation, bearing in mind the stakeholders' best interests.
Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide
Financial acumen	Proficiency in financial management, financial reporting processes, or experience in actively supervising the finance function.
Business Growth	Identifying market trends, developing strategies for growth of business. Building brand awareness and equity and enhancing enterprise reputation. Ability to assess investment or acquisition decisions, evaluation of operational integration plans.
Mergers and Acquisitions	Experience acquisitions and other business combinations, with the ability to assess 'build and buy' decision, accurately valuing the transactions and evaluating operational integration plans.

Code of Conduct

In compliance with Regulation 26(3) of "Listing Regulations", the Company had adopted a Code of Conduct for the Directors and senior management of the Company ('the Code').

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the aforesaid code was amended by the Board of Directors in its meeting held on March 22, 2019 w.e.f. April 01, 2019, a copy of which is available on the Company's website www.maxindia.com.

All the members of the Board of Directors and senior management personnel had affirmed compliance with the above mentioned regulation including the Code for the financial year ended March 31, 2019 and a declaration to this effect signed by the Managing Director forms part of

this report as Annexure- I.

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted an Insider Trading Policy for prevention of insider trading, which is applicable to all Designed Persons including Promoters, Directors, Key Managerial Personnel, Designated employees and other Connected Persons. Pursuant to SEBI (Prohibition of Insider Trading (Amendment) Regulations, 2018, the aforesaid policy was amended by the Board of Directors in its meeting held on March 22, 2019 w.e.f. April 01, 2019. The said policy is available at Company's web-site at www.maxindia.com

Committees of the Board

The Board of Directors of the Company had constituted the following Committees:

Audit Committee:

As on March 31, 2019, this Committee comprised of Mr. Ashok Kacker (Chairman), Mr. D.K. Mittal and Mr. Mohit Talwar as members of the Committee. All members of the Committee, except Mr. Mohit Talwar, are Independent Directors. Mrs. Tara Singh Vachani is a permanent invitee to the Committee. All the members of Audit Committee are financially literate and the Chairman possesses the required accounting and financial management expertise. Mr. V. Krishnan, Company Secretary of the Company acts as the Secretary to this Committee.

The scope of the Audit Committee has been defined by the Board of Directors in accordance with Regulation 18 and Part C of Schedule II of the Listing Regulations and applicable provisions of the Companies Act, 2013. This Committee inter alia, recommends appointment and remuneration of statutory auditors, secretarial auditors and internal auditors; reviews Company's financial reporting processes and systems and internal financial controls, financial and risk management policies, Company's financial statements, including annual and quarterly financial results and financial accounting practices & policies, approval or any subsequent modification of transactions with related parties, scrutiny of inter-corporate loans and investments and reviews the functioning of the whistle blower mechanism.

Representatives of Internal Auditors and Statutory Auditors are invited to the meetings of the Committee, as and when required. Mr. Ashok Kacker the Chairman of the Audit Committee, was present at the last Annual General Meeting.

Six Committee meetings were held for the year ended March 31, 2019 and all the members of the Committee attended the said meetings.

Nomination and Remuneration Committee:

As on March 31, 2019, this Committee comprised of Mr. Ashok Kacker (Chairman), Mr. D.K. Mittal and Mr. Rahul Khosla as members of the Committee. All the members were Independent Directors, except Mr. Rahul Khosla, who was a Non-executive non-independent Director. Mr. Mohit Talwar, Managing Director of the Company is an invitee to the Committee. Consequent to the resignation of Mr. Rahul Khosla from the Board of Directors of the Company with effect from March 31, 2019, he ceased to be a member of this Committee as on that date. Mr. Analjit Singh, who has been appointed as a Non Executive Director and Chairman of the Board of Directors of the Company, was co-opted as a member to the Nomination and Remuneration Committee with effect from April 1, 2019.

The scope of the Nomination and Remuneration Committee has been defined by the Board of Directors in accordance with Regulation 19 and Part D of Schedule II to the Listing Regulations and applicable provisions of the Companies Act, 2013. This Committee inter alia, evaluates the compensation and benefits for Executive Directors and Senior Management personnel at one level below the Board, recruitment of key managerial personnel and finalisation of their compensation, induction of Executive and Non-Executive Directors and fixing the method, criteria and quantum of compensation to be paid to the Non-Executive Directors. It also administers the ESOP Scheme(s) of the Company including allotment of equity shares arising from exercise of stock options.

Six Committee meetings were held for the year ended March 31, 2019 and all the members of the Committee attended the said meetings.

Remuneration policy & Criteria of making payments to Executive and Non-Executive Directors including Independent Directors

During the year 2018-19, the Company paid sitting fees of ₹ 1,00,000/- (Rupees One lakh only) per meeting to its Non Executive Directors for attending the meetings of Board and Committees of the Board and separate meeting of Independent Directors.

The Company does not have any pecuniary relationship or transactions with the Non-Executive Directors of the Company other than payment of the sitting fees for

attending meetings and certain ESOP granted to Mr. Rahul Khosla, Non-executive Director, pursuant to the Scheme of Arrangement described in detail in subsequent paragraphs.

Details of the sitting fees paid to Non Executive Directors of the Company during 2018-19 are as under:

S. No.	Name of Director	Sitting Fee paid (In ₹)
1	Mr. Rahul Khosla	17,00,000/-
2	Mr. Ashwani Windlass	18,00,000/-
3	Mr. Ashok Kacker	33,00,000/-
4	Mr. D.K. Mittal	27,00,000/-
5	Mrs. Tara Singh Vachani	7,00,000/-
6	Mr. K. Narasimha Murthy	2,00,000/-
7	Mrs. Sharmila Tagore	1,00,000/-

The remuneration payable to the Managing Director of the Company, including performance incentives and grant of ESOPs, were determined from time to time by the Nomination and Remuneration Committee and approved by the Board of directors within the limits approved shareholders of the Company in terms of applicable provisions of the Companies Act, 2013 read with the Company's remuneration policy. The details of the remuneration policy are part of the Board's Report attached as part of this Annual Report.

Details of the remuneration paid to Mr. Mohit Talwar as the Managing Director for the period from April 1, 2018 to March 31, 2019 are as under:

Description	Amount in ₹
Salary	79,56,168
Benefits (Perquisites)	23,58,642
Performance Incentive/special payments	98,67,506
Retirals	-
Service contract	5 years
Notice period	3 months
Stock options granted (in numbers)	61,200

The severance fee, if any, shall be payable to him as per the provisions of the Companies Act, 2013. The Variable Compensation/ Performance Incentive shall be paid to him basis his performance rating and company's performance within the limits approved by the shareholders of the Company.

In terms of the Scheme of Arrangement amongst Max Financial Services Limited (formerly Max India Limited), the Company (formerly Taurus Ventures Limited) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited) as sanctioned by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its Order dated

Corporate Governance Report

December 14, 2015, following directors were entitled to receive stock options, proportionate to the unvested stock options held by them in Max Financial Services Limited as of Effective Date:

- Mr. Rahul Khosla -19,46,278 (Nineteen lakh forty six thousand two hundred and seventy eight)
- Mr. Mohit Talwar - 5,22,282 (Five lakh twenty two thousand two hundred and eighty two)

Further, the Company had granted (i) 25,394 options on November 9, 2016, (ii) 22,155 options on April 1, 2017 and 61,200 options on April 1, 2018 with graded vesting to Mr. Mohit Talwar.

Out of 19,46,278 options vested with Mr. Rahul Khosla, he has exercised 12,81,278 options and 12,81,278 shares were allotted as of date of this report. Remaining 6,65,000 options, which were not exercised by him, lapsed in terms of ESOP plan of the Company after he ceased to be the director of the Company effective from March 31, 2019.

Similarly, out of 4,76,021 options vested with Mr. Mohit Talwar, he has exercised 3,65,271 options and 3,65,271 shares were allotted as of date of this report.

No other Director was granted any stock options during the year 2018-19.

The performance evaluation of Independent Directors is detailed in the Board's Report attached as part of this Annual Report.

Stakeholders Relationship Committee:

As on March 31, 2019, this Committee comprised of Mr. Ashwani Windlass, Non-Executive Director (Chairman), Mr. Ashok Kacker and Mr. Mohit Talwar as members of the Committee. Key responsibilities of this Committee are formulation of procedures, in line with the statutory guidelines, for ensuring speedy disposal of various requests received from shareholders from time to time and redressal of shareholders' and investors' complaints/grievances. The Committee also approves the transfer and transmission of securities; and issuance of duplicate certificates etc.

Six Committee meetings were held for the year ended March 31, 2019 and all the members of the Committee attended the said meetings.

Mr. V. Krishnan, Company Secretary is the designated Compliance Officer.

The Committee has delegated the authority to effect transfer and transmission of shares upto 1000 per folio to Company Secretary / Compliance Officer, and such transfers are subsequently ratified in next meeting of the Committee. The Company has normally attended to the Shareholders'/Investors complaints within a period of 7 (seven) working days except in cases which were under legal proceedings/disputes. During the financial year ended March 31, 2019, One (1) complaint/query was received by the Company, which was general in nature and the same had resolved to the satisfaction of the shareholder. There is no pending complaint in the Company

Investment & Finance Committee:

This Committee currently comprised of Mr. Ashwani Windlass (Chairman), Mr. Ashok Kacker, Mrs. Tara Singh Vachani, Mr. D.K. Mittal and Mohit Talwar. The responsibilities of this Committee are to review financial performance of businesses carried on by the Company, its subsidiaries and Joint Venture Company, review and recommend revenue and capital budgets of the Company and its subsidiaries and Joint Venture Company, review and recommend various fund raising options and financial resources allocation to Company's subsidiaries and Joint Venture Company and to review proposals on business restructuring, mergers, consolidations acquisitions, investments, establishment of joint ventures and divestments of any businesses, etc.

Meetings & attendance during the year ended March 31, 2019:

Director	Number of meetings held	Number of meetings attended
Mr. Ashwani Windlass	06	06
Mr. Rahul Khosla *	06	06
Mr. Ashok Kacker	06	06
Mrs. Tara Singh Vachani	06	03
Mr. D. K. Mittal	06	06
Mr. Mohit Talwar	06	06

* Mr. Rahul Khosla ceased to be a member of this Committee effective March 31, 2019.

Corporate Social Responsibility Committee

As on March 31, 2019, this Committee comprised of Mr. Ashok Kacker, Mr. D.K. Mittal and Mrs. Tara Singh Vachani. The Chairman of the CSR committee is elected by the members at the meeting. The responsibilities of this

Committee are as enshrined in the Companies Act, 2013 read with Company's CSR Policy, as amended from time to time. During the year under review, this Committee met once on August 10, 2018, in the presence of all its members.

Meetings of Independent Directors

Independent Directors had a separate meeting on May 29, 2019 whereat the following agenda items were considered, in terms of Schedule IV to the Companies Act, 2013 and provisions of the Listing Regulations:

- (a) Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- (b) Evaluation of the performance of Chairperson of the

Company; and

- (c) Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board.

Further, the Company has made familiarisation programmes to familiarise Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The detail of such familiarisation programme is available at the following link of website of the Company www.maxindia.com/wp-content/uploads/2017/04/Details-of-familiarisation-programmes-for-Independent-Directors.pdf

General Body Meetings

The details of General Body Meetings held during last three financial years and Special Resolutions passed by the shareholders at the said meetings are as under:

Type of meeting	Date & Time	Special Resolutions passed
AGM	September 27, 2016 11:30 AM	■ Approval for appointment of Mr. Mohit Talwar as Managing Director of the Company for a period of five years from January 15, 2016 upto January 14, 2021 and approval for the payment of the remuneration to him for initial period of three years from January 15, 2016 upto January 14, 2019. ■ Approval for "Max India Employee Stock Plan - 2016".
EGM	June 10, 2017 2:30 PM	■ Issuance of Convertible Warrants to Promoter / Promoter Group entities on preferential basis
AGM	September 26, 2017 11:30 AM	■ Approval for partial modification of the special resolution passed at the first AGM held on September 27, 2016 for revision in the remuneration payable to of Mr. Mohit Talwar Managing Director of the Company for the period until March 31, 2020
AGM	September 25, 2018 11:30 AM	■ No special resolution passed in the AGM

The aforesaid general body meetings were held at the Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab- 144 533.

Corporate Governance Report

Postal Ballot and Postal Ballot Process

From April 1, 2018 till the date of this report, the Company had passed following two Special Resolutions through postal ballot processes:

Date of declaration of Postal Ballot Result	Resolution No.	Subject matter of the resolution (s)	Votes in favour of the resolution		Votes against the resolution	
			No. of votes	% of total votes	No. of votes	% of total votes
February 11, 2019	1	Shifting of Registered Office of the Company from the State of Punjab to the State of Maharashtra and carrying other consequential changes in Memorandum of Association of the Company	19,64,72,379	99.99	6,880	0.00
May 23, 2019	2	Divestment of equity shares of Max Bupa Health Insurance Company Limited, a material subsidiary of the Company.	20,83,85,359	94.13	1,29,88,721	5.87

During the conduct of the Postal Ballot, the Company had in terms of Regulation 44 of the Listing Regulations provided e-voting facility to its shareholders to cast their votes electronically through the National Securities Depository Limited (NSDL) e-voting platform. Postal ballot forms and business reply envelopes were sent to shareholders to enable them to cast their vote in writing on the postal ballot. The Company also published notices in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the Companies Act, 2013 and applicable Rules. Further, the Company has also complied with other regulatory requirements for conducting such Postal Ballot as prescribed under the Companies Act, 2013 and Listing Regulations.

The Company had appointed Mr. Sanjay Grover (Membership No. FCS 4223; C.P. No. 3850), Company Secretary in Whole Time Practice and Managing Partner of M/s. Sanjay Grover & Associates, Company Secretaries having office at B-88, 1st Floor, Defence Colony, New Delhi as the Scrutiniser for conducting the Postal Ballot process in a fair and transparent manner.

The Scrutiniser submitted his report to the Chairman of the Company, after completion of the scrutiny and the results of voting by postal ballot were then announced by persons authorised by the Chairman of the Company. The results were also informed to the BSE Limited (BSE) and

National Stock Exchange of India Limited (NSE), where the Company's shares are listed and made accessible on Company's website at www.maxindia.com

No resolution requiring postal ballot as required by the Companies (Management and Administration) Rules, 2014, is proposed to be placed for the shareholders' approval at the ensuing Annual General Meeting.

Means of communication

Timely disclosure of reliable information and corporate financial performance is the core of good Corporate Governance. Towards this direction, the quarterly/annual results of the Company were announced within the prescribed period and published in Economic Times, Mint and Desh Sewak. The results can also be accessed on the Company's website www.maxindia.com. The official news releases and the presentations made to the investors/analysts are also displayed on the Company's website. The Company made presentations to financial analysts and institutional investors after the quarterly/annual financial results were approved by the Board.

Disclosures

a) Related party transactions

During the year under review, there were no materially significant related party transactions with its promoters, the Directors or the management, their

subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

The Company has formulated a policy for transacting with related parties, which is available at the following link on the website of the Company www.maxindia.com/shareholder-information/Transactions entered with the related parties are disclosed in Notes to the financial statements in the Annual Report.

b) Compliance by the Company

The Company has complied with all the mandatory requirements of the Listing Agreement entered into with the stock exchanges, Listing Regulations, SEBI and other statutory authorities on all matters relating to capital markets since the date of its listing on Stock Exchanges. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI, or any other statutory authorities on any matter relating to capital markets since its listing.

c) Whistle Blower Policy/ Vigil Mechanism

The Company has adopted a Whistle Blower Policy/ Vigil Mechanism and has established the necessary mechanism for directors/ employees to report concerns about unethical behavior. The policy provides adequate safeguards against victimisation of directors/ employees. It is hereby affirmed that no person has been denied access to the Chairman of the Audit Committee on matters relating to Whistle Blower Policy of the Company. The Whistle Blower Policy is displayed on the Company's website viz. www.maxindia.com

d) Disclosure of commodity price risk and commodity hedging activities

As the Company is holding investments in group entities and provide management services to group entities which are all operating in India, there is no foreign exchange exposure. Hence, the said disclosure is not applicable to the Company.

e) Disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

f) Details of utilisation of funds raised through preferential allotment or qualified institutions

placement as specified under Regulation 32 (7A)

Not Applicable as no such funds have been raised during the year under review, through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations.

g) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed

Not Applicable

h) Fees paid to statutory auditors and all entities in the network firm/ entity

Details relating to fees paid to the Statutory Auditors are given in Note 23 to the Standalone Financial Statements and Note 29 to the Consolidated Financial Statements.

i) Recommendation of Committees to the Board

During the year under review, there were no such recommendations of the Committees, which had not been accepted by the Board of directors of the Company.

j) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year : NIL
- b. number of complaints disposed of during the financial year : NIL
- c. number of complaints pending as on end of the financial year : NIL

Subsidiary Companies

The audit committee reviews the financial statements of all subsidiaries of the Company. It also reviews the investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by subsidiaries, and the compliances of each materially significant subsidiary on a periodic basis. The minutes of board meetings of the subsidiary companies are placed before the board of the Company for review. The company's policy for determining material subsidiaries is available on the company's website: www.maxindia.com/shareholder-information/.

The Company had one material unlisted subsidiary company viz., Max Bupa Health Insurance Company Limited ("Max Bupa") during the year 2018-19.

Corporate Governance Report

Mr. D K Mittal, Independent Director of the Company is an Independent Director on the Board of Max Bupa.

Dividend Distribution Policy

The relevant disclosure with respect to Dividend Distribution Policy forms part of the Board's Report.

General Shareholder Information

A section on the 'General Shareholder Information' is annexed, and forms part of this Annual Report.

Management Discussion & Analysis

A section on the 'Management Discussion & Analysis' is annexed and forms part of this Annual Report.

Compliance Certificate on Corporate Governance

The certification by the Managing Director and Chief Financial Officer of the Company, in compliance of Regulation 17(8) read with Part B, Schedule II of the Listing Regulations, is enclosed as Annexure II.

M/s. Sanjay Grover & Associates, Practicing Company Secretaries have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations and the said certificate is annexed to the Report as Annexure-III.

A certificate from M/s. Sanjay Grover & Associates, Practicing Company Secretaries, certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority is annexed as Annexure-IV to the Report.

Equity Shares In Unclaimed Suspense Account

The details of Equity shares held in Unclaimed Suspense Account have been provided in the Board's Report which forms part of the Annual Report

Disclosure on Non-Mandatory Requirements

The Company has duly complied with all the mandatory requirements under Listing Regulations and the status of compliance with the non-mandatory recommendations under Part E of Schedule II of the Listing Regulations is given below:

Shareholders' Rights:

The quarterly, half-yearly and annual financial results of the Company are published in newspapers and also posted on the Company's website.

Audit Qualification:

It has always been the Company's endeavor to present unqualified financial statements. There is no audit qualification in respect of financial statements of the Company for the financial year 2018-19.

Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and the Managing Director. During the financial year, Mr. Rahul Khosla, a Non Executive Director was the Chairman and Mr. Mohit Talwar is the Managing Director of the Company. Effective on the closing business hours of March 31, 2019, Mr. Rahul Khosla resigned from the Board of Directors of the Company. Mr. Analjit Singh, Promoter of the Company was appointed as Non Executive Director as well as the Chairman of the Board of Directors of the Company effective April 1, 2019.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee, which defines the scope of Internal Audit.

For **Max India Limited**

	Mohit Talwar	Ashok Kacker
Place: New Delhi	Managing Director	Director
Date: May 29, 2019	(DIN: 02394694)	(DIN:01647408)

Annexure-I**DECLARATION BY THE MANAGING DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

This is to declare and confirm that the Company has received affirmations of compliance with the provisions of Company's Code of Conduct for the financial year ended March 31, 2019 from all Directors and Senior Management personnel of the Company.

For **Max India Limited**

Place: New Delhi
Date: May 29, 2019

Mohit Talwar
Managing Director
(DIN: 02394694)

Corporate Governance Report

Annexure-II

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To
The Board of Directors,
Max India Limited

We, Mohit Talwar, Managing Director and Jatin Khanna, Chief Financial Officer of Max India Limited ("the Company") certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2019 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading; and
 - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware of, and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee, wherever applicable:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For **Max India Limited**

Place: New Delhi
Date: May 29, 2019

Mohit Talwar
Managing Director
(DIN: 02394694)

Jatin Khanna
Chief Financial Officer
(DIN: 01647408)

Annexure-III**CORPORATE GOVERNANCE CERTIFICATE**

To
The Mem bers
Max India Limited

We have examined the compliance of conditions of Corporate Governance by **Max India Limited** ("the Company"), for the financial year ended March 31, 2019, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Place: New Delhi
Date: May 29, 2019

Sanjay Grover
Managing Partner
CP No.: 3850

Corporate Governance Report

Annexure-IV

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Max India Limited
419, Bhai Mohan Singh Nagar,
Village Railmajra, Tehsil Balachaur,
District Nawanshahr, Punjab- 144533

1. That Max India Limited (CIN: L85100PB2015PLC039155) is having registered office at 419, Bhai Mohan Singh Nagar, Nawanshahr Punjab- 144533 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.
2. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Company, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V ParaC Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. As on 31st March, 2019, the Board of Directors of the Company comprises of the following directors:

Sr. No.	Name of Director	Director Identification Number (DIN)
1.	Mr. Rahul Khosla*	03597562
2.	Mr. Dinesh Kumar Mittal	00040000
3.	Mr. Ashwani Windlass	00042686
4.	Mrs. Tara Singh Vachani	02610311
5.	Mrs. Sharmila Tagore	00244638
6.	Mr. Ashok Kacker	01647408
7.	Mr. K. Narasimha Murthy	00023046
8.	Mr. Mohit Talwar	02394694

NOTE: * Mr. Rahul Khosla (03597562) resigned from the Board of the Company w.e.f March 31, 2019.
Mr. Anlajit Singh (00029641) was appointed as Non-executive Director on the Board of the Company w.e.f April 1, 2019

4. Based on verification and examination of the disclosures/ register under section 184/ 189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN based search on MCA Portal (www.mca.gov.in), we certify as under:

None of the above named Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority for the Financial Year ended 31st March, 2019.

5. Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
6. This certificate is based on the information and records available up to date of this certificate and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Place: New Delhi
Date: May 29, 2019

Sanjay Grover
Managing Partner
CP No.: 3850

General Shareholder Information

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General Shareholder Information **90**

General Shareholder Information

Registered Office:

419, Bhai Mohan Singh Nagar,
Village Railmajra, Tehsil Balachaur,
District Nawanshahr, Punjab - 144 533

Corporate Office and Investor Helpline:

Max House, 1, Dr. Jha Marg, Okhla, Phase III,
New Delhi - 110 020
Telephone nos. : 011-42598000 Fax-011 26324126
E-mail : investorhelpline@maxindia.com

Registrar and Share Transfer Agent:

Mas Services Limited,
T-34, 2nd Floor, Okhla Industrial Area, Phase - II
New Delhi - 110 020,
Telephone nos. : 011-26387281/82/83, Fax-011 26387384
e-mail: info@masserv.com

Annual General Meeting:

Date and Time: Friday, August 2, 2019 at 11:00 hrs

Venue: Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533.

Book Closure:

Saturday, July 27, 2019 to Friday, August 2, 2019
(both days inclusive)

E-VOTING DATES

The cut-off date for the purpose of determining the shareholders eligible for e-voting is Friday, July 26, 2019

The e-voting commences on Monday, July 29, 2019 at 9.00 am IST and ends on Thursday, August 1, 2019 at 5.00 pm IST.

Financial Year

The financial year of the Company starts from April 1 of a year and ends on March 31 of the following year.

Financial Calendar - 2019-20:

1.	First quarter results	- by August 14, 2019
2.	Second quarter & half yearly results	- by November 14, 2019
3.	Third quarter results	- by February 14, 2020
4.	Annual results	- by May 30, 2020

Listing on Stock Exchanges:

BSE Limited ('BSE')

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Telephone nos. : 022-2272 1233 /34
Facsimile no. : 022-2272 1919
e-mail : is@bseindia.com
Website: www.bseindia.com

National Stock Exchange of India Limited ('NSE')

"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051
Telephone nos. : 022-2659 8100 -14
Facsimile no. : 022-2659 8120
e-mail : ignse@nse.co.in
Website : www.nseindia.com

The Company confirms that it has paid annual listing fees due to BSE and NSE for the year 2019-20.

Connectivity with Depositories:

The Company's shares can be held in dematerialised mode through any of the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The contact details of the Depositories are given below:

National Securities Depository Limited	Central Depository Services (India) Limited
Trade World, 'A' Wing, 4th Floor	Marathon Futurex, 'A' Wing, 25th Floor
Kamala Mills Compound	Mafatlal Mills Compound
Senapati Bapat Marg, Lower Parel	N. M. Joshi Marg, Lower Parel
Mumbai - 400 013	Mumbai - 400 013
Telephone no. : 022-2499 4200	Telephone no. : 022-2302 3333
e-mail : info@nsdl.co.in	e-mail : helpdesk@cdslindia.com
Website : www.nsdl.co.in	Website : www.cdslindia.com

Stock Code:

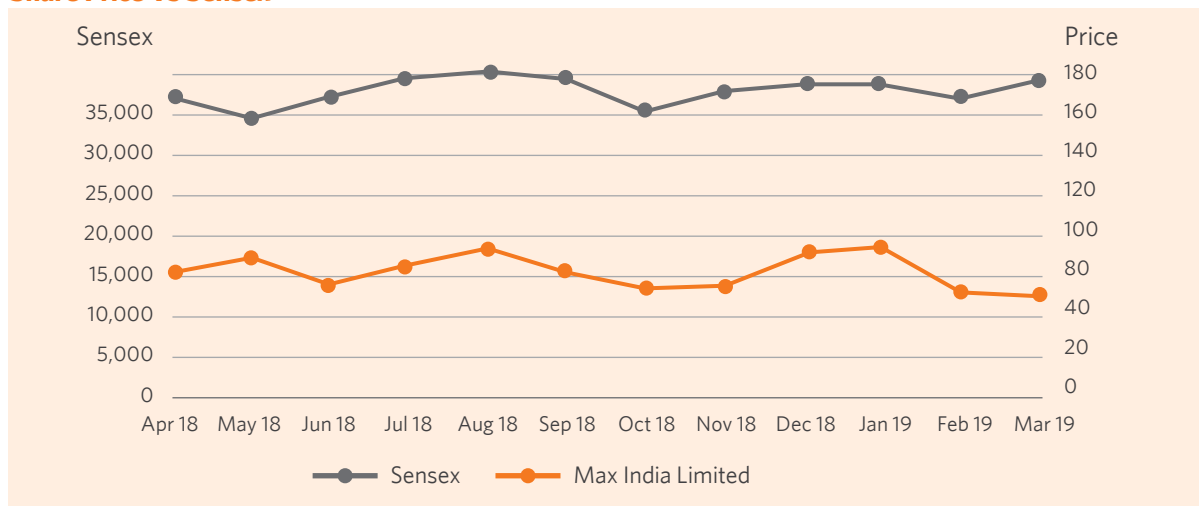
BSE	- 539981
NSE	- MAXINDIA
Demat ISIN No. for NSDL and CDSL	- INE153U01017

	Reuters	Bloomberg
BSE	MAXI.BO	MAXF:IN
NSE	MAXI.NS	NMAX:IN

Monthly high and low quotation on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2018	87.70	78.85	89.30	78.00
May, 2018	87.50	75.75	87.30	75.70
June, 2018	85.40	70.10	84.60	70.00
July, 2018	87.25	71.75	87.80	72.10
August, 2018	95.30	75.80	95.20	75.95
September, 2018	93.85	71.50	93.65	71.65
October, 2018	77.15	65.50	76.90	65.00
November, 2018	74.25	59.55	74.70	55.00
December, 2018	89.90	60.10	89.60	60.20
January, 2019	87.40	81.50	87.55	81.20
February, 2019	88.90	66.70	88.50	66.80
March, 2019	70.50	60.75	71.00	60.90

Share Price Vs Sensex



Shareholding Pattern as on March 31, 2019:

Category	No. of shares held	% of shareholding
Promoter & Promoter Group	10,99,55,098	40.93
Mutual Funds and UTI	3,64,34,747	13.56
Banks, Financial Institutions	2,51,942	0.09
Foreign Institutional Investors	72,59,776	2.70
Foreign Portfolio Investors	6,33,97,427	23.60
Alternate Investment Funds	15,36,746	0.57
Foreign Direct Investment	82,61,049	3.08
Bodies Corporate	98,72,982	3.68
Non-resident Indians/ Overseas Corporate Bodies	10,93,913	0.41
Clearing Members	17,49,375	0.65
Resident Individuals	2,83,04,939	10.55
Trusts	2,400	0.00
Unclaimed Suspense Account	4,95,244	0.18
Total	26,86,15,638	100.00

General Shareholder Information

Distribution of shareholding as on March 31, 2019:

No. of Shareholders	Percentage to total shareholders	Shareholdings	No. of shares	Percentage to total shares
35,030	96.33	1 to 5000	10692336	3.98
644	1.77	5001 to 10000	2350580	0.88
316	0.87	10001 to 20000	2360976	0.88
106	0.29	20001 to 30000	1329522	0.49
50	0.14	30001 to 40000	902590	0.34
36	0.10	40001 to 50000	816891	0.30
80	0.22	50001 to 100000	2867837	1.07
103	0.28	100001 - Above	247294906	92.06
36,365	100.00	Total	26,86,15,638	100.00

Dematerialisation status as on March 31, 2019:

(i) Shareholding in dematerialised mode 99.47%

(ii) Shareholding in physical mode 0.53%

Reconciliation of Share Capital Audit

As stipulated by the Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, a practicing Company Secretary carries out the Reconciliation of Share Capital Audit, on a quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total listed and paid-up capital. The audit report, inter alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form and total number of shares in physical form.

For shareholders holding shares in dematerialised mode

Shareholders holding shares in dematerialised mode are requested to intimate all changes with respect to bank details, mandate, nomination, power of attorney, change of address, change of name etc. to their depository participant (DP). These changes will be reflected in the Company's records on the downloading of information from Depositories, which will help the Company provide better service to its shareholders.

Update for shareholders holding their equity shares in physical form

With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, mandated the conversion of physical holding into electronic mode i.e. in demat form, for transferring shares to another person(s)/entity(s) after March 31, 2019. In view of the above and the following

inherent benefits of holding shares in electronic form, the Company once again urge the shareholders holding shares in physical form to opt for dematerialisation :

1. Freedom from physical storage
2. Elimination of chances of theft, mutilation, defacement etc.
3. Easy to sell and realise sale proceeds and/or dividend in the bank account linked with the Depository.
4. Contribution to the 'Green Initiative'
5. To make any change in your particulars, you can make single request with your DP, which will be applicable to all companies in your demat account.
6. Demat account can be operated from anywhere in the world

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, etc. should be addressed to the Company's RTA. Stakeholders Relationship Committee and/or Company Secretary in terms of authority granted by the Board of directors are authorised to approve transfer of shares in the physical segment. Such transfers generally take place on fortnightly basis. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Practicing Company Secretary, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the same with the Stock Exchanges.

In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f. April 1, 2019, transfer of securities in physical form shall not be processed unless

the securities are held in the dematerialised form with a depository.

Dividend

The Company has not declared any dividend for the current financial year.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

There were no outstanding GDRs/ADRs/Warrants or any Convertible instruments as on March 31, 2019.

Plant Locations: The Company doesn't carry any manufacturing activity. Hence, this is not applicable.

Communication of Financial Results

The unaudited quarterly financial results and the audited annual accounts are normally published in the Financial Express/Desh Sewak. The financial results, press releases and presentations etc. are regularly displayed on the Company's website- www.maxindia.com

Address for Correspondence with the Company

Investors and shareholders can correspond with the office of the Registrar and Transfer agent of the Company or the Corporate Office of the Company at the following addresses:

Registrar & Transfer Agent

Mas Services Limited
T-34, 2nd Floor
Okhla Industrial Area, Phase – II
New Delhi – 110 020

Contact Person

Mr. Sharwan Mangla
Telephone nos.:-011-26387281/82/83
Fax No.:- 011 – 26387384
e-mail : info@masserv.com

Corporate Office

Max India Limited
Max House, 1, Dr. Jha Marg
Okhla Industrial Area, Phase – III
New Delhi – 110 020

Contact Persons

Mr. Pankaj Chawla,
Deputy General Manager - Secretarial
Mr. V. Krishnan
Company Secretary and Compliance Officer
Telephone nos. : 011-42598000
Fax No.:- 011-26324126
e-mail:- vkishnan@maxindia.com

Please visit us at www.maxindia.com for financial and other information about your Company

For **Max India Limited**

New Delhi
May 29, 2019

Mohit Talwar
Managing Director
DIN:02394694

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FINANCIAL REVIEW

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Directors' Report

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Directors' Report

Dear Members,

Your Directors have pleasure in presenting the fourth Board's Report of Max India Limited ('the Company') along with the audited Statement of Accounts for the financial year ended March 31, 2019. This Board's report is prepared on the basis of standalone financial statements of the Company for the year ended March 31, 2019.

Standalone Results

The highlights of the stand-alone financial results of your Company along with previous year's results are as under:

(Rs. Crore)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		
Revenue from operations	55.95	63.76
Other income	0.52	1.74
Total revenue	56.47	65.50
Expenditure		
Employee benefits expense	28.20	26.68
Depreciation & Amortisation	1.23	0.87
Other expenses	43.97	26.19
Total expenses	73.40	53.74
Profit/(Loss) before tax	(16.93)	11.76
Tax expense	1.55	6.09
Profit/(Loss) After Tax	(18.48)	5.67
Other comprehensive income/ (loss)	0.04	(0.03)
Total comprehensive income/ (loss)	(18.44)	5.64

Your Company is engaged in the activity of holding and nurturing of investments in its subsidiaries and joint venture Company and also providing Management Consultancy Services to group companies.

Consolidated Results

In accordance with the Companies Act, 2013 ("the Act") and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the audited consolidated financial statements are provided

as part of this Annual Report and shall also be laid before the ensuing Annual General Meeting of the Company.

The Standalone and Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Financial statements for the financial year ended March 31, 2019 are the Company's first IND-AS compliant annual financial statements with comparative results for the year ended March 31, 2018 also under IND-AS. The date of transition is April 1, 2017.

The highlights of the consolidated financial results of your Company and its subsidiaries are as under:

(Rs. Crore)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		
Revenue from operations	155.76	240.02
Other Income	17.31	11.18
Total Revenue	173.07	251.20
Expenses		
Cost of raw material and components consumed	7.36	41.25
(Increase)/ decrease in inventories of finished goods and work in progress	39.48	90.95
Employee benefits expense	84.37	79.46
Depreciation & Amortisation	5.21	4.49
Finance costs	24.09	26.07
Other expenses	60.24	62.73
Total Expenses	220.75	304.95
Loss before share of loss of joint ventures and tax from continuing operations	(47.68)	(53.75)
Share of loss of joint ventures	(0.99)	(5.82)
Loss before tax from continuing operations	(48.67)	(59.57)
Tax Expense	2.55	7.24
Loss after tax from continuing operations	(51.22)	(66.81)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/ (loss) after tax from discontinuing operations	(79.80)	33.58
Loss for the year	(131.02)	(33.23)
Other comprehensive income ('OCI')	(2.06)	(7.31)
Total comprehensive income	(133.08)	(40.54)

Share Capital

The Authorized share capital of the Company as on March 31, 2019 was Rs. 60, 00, 00, 000/- (Rupees Sixty Crores only) comprising of 30, 00, 00, 000 equity shares of Rs. 2/- each.

During the year under review, 2, 32, 573 equity shares of rs. 2/- Each were allotted for cash, on exercise of stock options by eligible employees under the 'Max India Employee Stock Plan 2016'.

The Paid up capital of the Company as on March 31, 2019 was Rs. 53, 72, 31, 276/- (Rupees Fifty three crores seventy two lakhs thirty one thousand two hundred seventy six only) comprising of 26, 86, 15, 638 equity shares of Rs. 2/- each.

Further, your Company allotted 49, 910 equity shares of Rs.2/- each to Mr. Mohit Talwar, Managing Director, for cash under the aforesaid Stock Plan post March 31, 2019 till the date of this Directors' report.

Employee Stock Option Plan

Your Company has adopted an employee stock option plan viz. 'Max India Employee Stock Plan 2016' ('ESOP Plan') at its first Annual General Meeting held on September 27, 2016. The ESOP Plan provides for grant of stock options aggregating not more than 5% of equity share capital of the Company to eligible employees and Directors of the Company. The ESOP Plan is administered by the Nomination and Remuneration Committee constituted by the Board of Directors of the Company.

Pursuant to the Composite Scheme of Arrangement amongst Max Financial Services Limited (formerly 'Max India Limited') (MFSL), Max India Limited (formerly 'Taurus Ventures Limited') (the Company) and Max Ventures and Industries Limited (formerly 'Capricorn Ventures Limited') and their respective shareholders and creditors, sanctioned

by the Hon'ble High Court of Punjab and Haryana vide order dated December 14, 2015, the stock option-holders of MFSL were granted 25, 03, 560 stock options of the Company in proportion to the options held by them in MFSL with similar vesting schedule. Till date, the Company has issued and allotted 16, 17, 060 Equity shares of Rs. 2/- each, on the exercise 7, 30, 560 stock options at an exercise price of Rs.2/- per option and 8, 86, 500 stock options at an exercise price of Rs.77.80/- per option by the stock option-holders of MFSL. Further, 6, 65, 000 options lapsed as of March 31, 2019 as detailed in **Annexure- 1** to this Report.

In addition to above, the Nomination and Remuneration Committee of the Company granted 1, 08, 749 stock options to Mr. Mohit Talwar, Managing Director of the Company, of which 64, 489 equity shares of Rs. 2/- each have been issued and allotted to him till date upon exercise of 64, 489 stock options of Rs.2/- each.

There is no change in the ESOP plan during the financial year under review. The ESOP plan is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Details of options granted upto March 31, 2019 and other disclosures as required under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Rule 12(9) of Companies (Share Capital & Debentures) Rules, 2014 for the financial year 2018-19 are enclosed as **Annexure-1** and are also available on the Company's website at www.maxindia.com

Cancellation of Convertible Warrants

The Company allotted 19, 384, 584 Convertible Warrants to a promoter entity on June 20, 2017 at an issue price of Rs. 154.76 per warrant, upon receipt Rs. 75 crores, being 25% of the upfront warrant Subscription Amount. Each warrant was convertible into 1 equity share in terms of applicable SEBI guideline at any time before expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

In-view of uncertain market situations and more particularly, as the share price of the Company was quoting substantially below the conversion price, the Promoter group decided not to opt for conversion of aforesaid warrants. Therefore, pursuant to applicable SEBI guidelines, the Board of directors of the Company on December 17, 2018, took note of cancellation of aforesaid warrants and forfeiture of upfront warrant Subscription Amount of Rs.75

Core paid earlier by the Promoter entity on such warrants.

Extracts of Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2019 (MGT-9) is enclosed as '**Annexure - 2**' to this report and is also available on the Company's website viz. www.maxindia.com

Subsidiaries, Associates and Joint Ventures

During the year under review, your Company incorporated a Wholly-owned Subsidiary namely Advaita Allied Health Services Limited ("Advaita"). Advaita's current Authorized and Paid-up Capital is Rs. 5, 00, 000 comprising of 50, 000 Equity Shares of Rs. 10 each. The first financial year of Advaita has commenced from the date of its incorporation i.e. January 23, 2019 and shall end on March 31, 2020.

As of March 31, 2019, your Company had ten (10) subsidiaries and one (1) Associate Company, out of which seven (7) Subsidiary Companies are direct Subsidiaries. Further, the Company owns 100% of the share capital in residual three (3) subsidiaries, on a pass through basis.

The requisite details of these companies form part of the extracts of Annual Return given in '**Annexure-2**'.

A report on the performance and financial position of these subsidiaries and Associate Company, included in the consolidated financial statements and presented in Form AOC-1 is enclosed as '**Annexure - 3**' to this report. The said Form AOC-1 does not contain the requisite details of Advaita as the first audited financial figures of Advaita shall be made available only after its first financial year ending on March 31, 2020.

Further, a detailed update on the business performance and contribution of your Company's key operating subsidiaries and Associate Company in the performance of the Company is furnished as part of Management Discussion and Analysis section which forms part of the Report.

As provided in Section 136 of the Act, the financial statements and other documents of the subsidiary companies are not attached with the financial statements of the Company. The complete set of financial statements including financial statements of the subsidiaries of the Company is available on our website www.maxindia.com. These documents will

also be available for inspection during business hours at the Registered and Corporate Office of the Company and shall also be made available to the shareholders of the Company in hard copy, on demand.

During the year under review, your Company made further investments of Rs. 38.45 crore in Antara Senior Living Limited by subscribing to 38, 45, 000 Compulsory Convertible Preference Shares (CCPS) of Rs.100/- each and Rs. 28.50 crore in Max Bupa Health Insurance Company Limited by subscribing to 2, 80, 50, 000 equity shares of Rs. 10/- each.

Dividend

The Board of Directors did not recommend any dividend for the financial year ended March 31, 2019, on the Equity Share Capital of the Company.

In terms of regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company's dividend distribution policy is enclosed as '**Annexure - 4**' to the board's report.

Transfer to Reserves

The Company has not transferred any amount to the General Reserves for the financial year ended March 31, 2019.

Directors

As on March 31, 2019, the Board of Directors comprised of 8 (eight) members with 1 (one) Executive Director and 7 (seven) Non-Executive Directors of which 4 (four) were Independent.

Mr. Dipankar Gupta, an Independent Director of the Company resigned from the Board of Directors of the Company with effect from April 11, 2018.

Mr. K. Narasimha Murthy (DIN: 00023046) and Mrs. Sharmila Tagore (DIN: 00344638) were appointed as Additional Directors holding the position of Independent Director on the Board of Directors of the Company, effective December 24, 2018 and February 26, 2019, respectively.

Mr. Rahul Khosla, who was the Chairman of the Company, has resigned from the Board of Directors of the Company effective closing of business hours of March 31, 2019. The Board places on record its deep appreciation for the valuable

contribution made by Rahul Khosla as the Chairman of the Company.

Mr. Analjit Singh, Promoter of the Company was appointed as an Additional Director on the Board of the Company holding the position of Non Executive Director, not liable to retire by rotation, designated as Chairman of the Company with effect from April 1, 2019.

The above directors were appointed as Additional Directors and therefore, their term of office expires on the date of ensuing Annual General Meeting. The Company has received notices under Section 160 of the Companies Act, 2013 from members proposing the candidature of these directors for being appointed as directors of the Company. The Board of Directors on recommendation of Nomination and Remuneration Committee recommend to the shareholders for their appointment as Directors of the Company. The brief particulars of all such directors form part of the notice of the ensuing Annual General Meeting.

As per the provisions of Act, Independent Directors were appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly, resolutions proposing appointment of Mr. K. Narasimha Murthy and Mrs. Sharmila Tagore, as Independent Directors of the Company, form part of the notice of the ensuing Annual General Meeting.

In terms of Section 152 of the Act and the Articles of Association of the Company, Mrs. Tara Singh Vachani and Mr. Ashwani Windlass are liable to retire by rotation at the ensuing Annual General Meeting. Mrs. Tara Singh Vachani and Mr. Ashwani Windlass being eligible have offered themselves for re-appointment at the ensuing Annual General Meeting. The Board recommends their re-appointment for consideration of the members of the Company at the forthcoming Annual General Meeting. Brief profiles of these directors form part of the Notice convening Annual General Meeting.

The Board met seven times during the financial year 2018-19:

S. No.	Date	Board Strength	No. of Directors present at the meeting
1	May 29, 2018	6	5
2	August 10, 2018	6	6
3	November 2, 2018	6	6
4	December 24, 2018	7	6

5	February 11, 2019	7	6
6	February 26, 2019	8	3
7	March 22, 2019	8	7

The details regarding number of meetings attended by each Director during the year under review forms part of the Corporate Governance Report attached as part of this Annual Report.

Statement of Declaration by Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct and the inlaid policies and applicable laws.

Committees of the Board of Directors

The Company has various committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. Details of these committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

1. Audit Committee:

The Audit Committee met six times during the financial year 2018-19, viz. on May 29, 2018, August 10, 2018, November 2, 2018, December 24, 2018, February 11, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashok Kacker (Chairman), Mr. Dinesh Kumar Mittal and Mr. Mohit Talwar.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee met six times during the financial year 2018-19, viz. on May 29, 2018 August 10, 2018, December 24, 2018, February 11, 2019, February 26, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashok Kacker (Chairman), Mr. D. K. Mittal and Mr. Rahul Khosla. Consequent to the resignation of

Mr. Rahul Khosla, he ceased to be a member of the Committee effective March 31, 2019. Mr. Analjit Singh has been co-opted as a member of this Committee with effect from April 1, 2019.

3. **Investment & Finance Committee:**

The Investment & Finance Committee met six times during the financial year 2018-19, viz. on May 29, 2018, August 10, 2018, November 2, 2018, December 24, 2018, February 11, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashwani Windlass (Chairman), Mr. Rahul Khosla, Mr. Ashok Kacker, Mr. D.K. Mittal, Mrs. Tara Singh Vachani and Mr. Mohit Talwar. Consequent to the resignation of Mr. Rahul Khosla, he ceased to be a member of the Committee effective March 31, 2019.

4. **Corporate Social Responsibility Committee:**

The Committee met once during the financial year 2018-19, viz. on August 10, 2018, with the presence of all its members. The Committee as on March 31, 2019 consisted of Mr. Ashok Kacker, Mr. Dinesh Kumar Mittal and Mrs. Tara Singh Vachani.

5. **Stakeholders Relationship Committee:**

The Committee met six times during the financial year 2018-19, viz. on May 29, 2018, August 10, 2018, November 2, 2018, December 24, 2018, February 11, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashwani Windlass (Chairman), Mr. Ashok Kacker and Mr. Mohit Talwar.

6. **Committee of Independent Directors:**

The Committee of Independent Directors as on March 31, 2019 consisted of Mr. Ashok Kacker, Mr. Dinesh Kumar Mittal, Mr. K. Narasimha Murthy and Mrs. Sharmila Tagore.

The Independent Directors had a separate meeting on May 29, 2019 in the presence of all four Independent directors and without the presence of Executive Directors to evaluate the performance of directors of the Company, the Chairman, the board as a whole and committees thereof for the year under review. Mr. Ashok Kacker chaired the meeting. At the meeting, the independent directors also assessed the quality, quantity and timeliness of flow of information between

the Company's management and the board which enables the board to effectively and reasonably perform its duties. The independent directors also discussed the strategy and risks pertaining to the Company and its subsidiaries and associate companies.

Performance Evaluation of the Board

As per the requirements of the Act and Listing Regulations, formal Annual Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors including Chairperson for the financial year ended March 31, 2019.

The performance evaluation was carried out by obtaining feedback from all Directors through a confidential online survey mechanism through Diligent, a secured electronic medium through which the Company interfaces with its Directors. The outcome of this performance evaluation was placed before the Nomination and Remuneration Committee, Independent Directors and the Board for the consideration of the members.

The review concluded by affirming that the Board as a whole as well as its Chairman, all of its members, individually and the Committees of the Board continued to display commitment to good governance by ensuring a constant improvement of processes and procedures and contributed their best in overall growth of the organization.

Key Managerial Personnel

In terms of the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Mohit Talwar, Managing Director, Mr. Jatin Khanna, Chief Financial Officer and Mr. V. Krishnan, Company Secretary are the Key Managerial Personnel (KMP) of the Company.

Nomination & Remuneration Policy

In terms of the provisions of Section 134 (3)(e) of the Act, the Board of Directors on the recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided and the same is enclosed as '**Annexure - 5**' to this report and is also available on our website www.maxindia.com.

Corporate Social Responsibility Policy (CSR policy)

In terms of the provisions of section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company, on the recommendation of Corporate Social Responsibility Committee ("CSR Committee"), approved a CSR policy which is available on the website of the Company at www.maxindia.com.

Report on CSR Activities of the Company for the financial year ended March 31, 2019 is enclosed as 'Annexure - 6' to this Report.

Human Resources

As on March 31, 2019, there were 48 employees on the rolls of the Company. The remuneration of our employees is competitive with the market and rewards high performers across levels. The remuneration to Directors, Key Managerial Personnel and Senior Management are a balance between fixed, incentive pay and long-term equity program based on the performance objectives appropriate to the working of the Company and its goals and is reviewed periodically and approved by the Nomination and Remuneration Committee of the Board.

Details pursuant to Section 197 (12) of the Act, read with the Rule 5(1) and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as 'Annexure-7a' and 'Annexure-7b' to this report.

Prevention of Sexual Harassment of Women at workplace

Your Company has requisite policy for prevention of Sexual Harassment of Women at workplace, which is available at www.maxindia.com. The comprehensive policy ensures gender equality and the right to work with dignity. An Internal Complaints Committee (ICC) has been constituted as per provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case under the said Act was reported to the Committee during the year under review.

Loans, Guarantees or Investments in Securities

The Company has pursuant to the provisions of Section 186 of the Act given loans, made guarantees and investments during the year under review and the details of such loans, guarantees and investments are provided in Note No 39 to

the financial statements of the Company for the FY 2018-19.

Management Discussion & Analysis

In terms of Regulation 34 of Listing Regulations, a review of the performance of the Company, including those of your Company's subsidiaries and Associate Company, is provided in the Management Discussion & Analysis section, which forms part of this Annual Report.

Report on Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance specified by the Securities and Exchange Board of India through Part C of Schedule V of Listing Regulations. As required by the said Clause, a separate Report on Corporate Governance forms part of the Annual Report of the Company.

A certificate from M/s Sanjay Grover & Associates, Practicing Company Secretaries regarding compliance with the regulations of Corporate Governance pursuant to Part E of Schedule V of Listing Regulations and a certificate from the Managing Director and Chief Financial Officer on compliance of Part B of Schedule II of Listing Regulations, form part of the Corporate Governance Report.

Public Deposits

During the year under review, the Company has not accepted or renewed any deposits from the public

Contracts or Arrangements with Related Parties

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. There is no material contract or arrangement in terms of Listing Regulations. Hence, the requirement of furnishing the particulars of contracts or arrangements entered into by the Company with related parties referred to in section 188(1) of the Act, in Form- AOC-2 is not applicable to the Company.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are placed before the Audit Committee and the Board for information and noting on a quarterly basis.

The details of all the Related Party Transactions entered during Financial Year 2018-19 form part of Note No. 31 to the financial statements attached to this Annual Report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website www.maxindia.com

Statutory Auditors and Auditors' Report

Pursuant to Sections 139 & 142 of the Act, M/s S.R. Batliboi & Co., LLP, Chartered Accountants (FRN 301003E), were appointed as the Statutory Auditors of the Company at the first Annual General Meeting held on September 27, 2016 to hold office from the conclusion of first Annual General Meeting till the conclusion of the 5th Annual General Meeting of the Company to be held in the year 2020.

The Ministry of Corporate Affairs (MCA) vide its notification dated 7 May 2018, has omitted the requirement under first proviso to section 139 of the Act and rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, regarding ratification of the appointment of statutory auditors by shareholders at every subsequent AGM.

Consequently, M/s. S R Batliboi & Co. LLP, Chartered Accountants, continues to be the statutory auditors of the Company till the conclusion of 5th AGM, as approved by shareholders at first AGM held on September 27, 2016.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s S.R. Batliboi & Co., LLP, Statutory Auditors of the Company for the FY 2018-19 as annexed elsewhere in this Annual Report.

Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Act, your Company had appointed M/s Sanjay Grover and Associates, Practicing Company Secretaries (Firm Registration No.P2001DE052900) as its Secretarial Auditors to conduct the Secretarial Audit of the Company for the FY 2018-19. The Report of Secretarial Auditor for the Financial Year ended March 31, 2019 is enclosed as '**Annexure-8**' to this report.

There are no audit qualifications, reservations or any adverse remark in the said Secretarial Audit Report.

Further, your Company complies with the applicable

Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Cost Records

Your Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act.

Business Responsibility Report

A detailed Business Responsibility Report as required under regulation 34 of the Listing Regulations, is annexed to this report as 'Annexure-9'.

Internal Auditors

The Company follows a robust Internal Audit process and audits are conducted on a regular basis, throughout the year in accordance with the Audit Plans. During the year under review, M/s MGC and KNAV, Global Risk Advisory LLP were re-appointed as Internal Auditors for conducting the Internal Audit of key functions and assessment of Internal Financial Controls as required under applicable regulations.

Risk Management

Your Company considers that risk as an integral part of its business and therefore, it takes proper steps to manage all risks in a proactive and efficient manner. The Company management periodically assesses risks in the internal and external environment and incorporates suitable risk treatment processes in its strategy, and business and operating plans.

There are no risks which, in the opinion of the Board, threaten the very existence of your Company. However, some of the challenges/risks faced by its key operating subsidiaries & Associate Company have been dealt in detail in the Management Discussion and Analysis section of respective companies forming part of this Annual Report. A copy of the same can also be accessed at Company's website www.maxindia.com.

Internal Financial Controls

The Company has in place, adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed. The Management have reviewed the existence of various risk-

based controls in the Company and also tested the key controls towards assurance for compliance for the present fiscal. Further, the testing of such controls shall also be carried out independently by the Statutory Auditors as mandated under the provisions of the Act.

In the opinion of the Board, the existing internal control framework is adequate and commensurate with the size and nature of the business of the Company.

During the year under review, there were no instances of fraud reported by the auditors under section 143(12) of the Act to the Audit Committee or the Board of Directors.

Vigil Mechanism

The Company has a vigil mechanism pursuant to which a Whistle Blower Policy has been adopted and is in place. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns raised and also that no discrimination will be meted out to any person for a genuinely raised concern in respect of any unethical and improper practices, fraud or violation of Company's Code of Conduct.

The said Policy covering all employees, Directors and other persons having association with the Company is hosted on the Company's website www.maxindia.com

A brief note on Vigil Mechanism/ Whistle Blower Policy is also provided in the Report on Corporate Governance, which forms part of the Annual Report.

Particulars of Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is as follows:

a) Conservation of Energy

- (i) the steps taken or impact on conservation of energy: Regular efforts are made to conserve the energy through various means such as use of low energy consuming lightings, etc.
- (ii) the steps taken by the Company for using alternate sources of energy: Since your Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.

(iii) Capital investment on energy conservation equipment : Nil

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard. Further, there was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned	:	Nil
Total Foreign Exchange used	:	Rs. 2.23 Crore

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Act, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Material Changes Affecting Financial Position

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2019 and the date of the Directors' report i.e. May 29, 2019. However, the proposal of a composite scheme of amalgamation and arrangement and divestment of equity shares of Max Bupa Health Insurance Company Limited are explained in detail in subsequent paragraphs.

Proposed Composite Scheme of Amalgamation and Arrangement

The Board of Directors of the Company, at its meeting held on December 24, 2018, approved a composite scheme of amalgamation and arrangement amongst Max India Limited ("Max India" or 'the Company'), Max Healthcare Institute Limited ('Max Healthcare'), Radiant Life Care Private Limited ('Radiant Life') and a wholly owned subsidiary (WOS) of the Company to be incorporated for this purpose ('NewCo') and their respective shareholders and creditors ("Scheme").

After incorporation of NewCo namely Advaita Allied Health Services Limited ("Advaita"), the said scheme was revised and approved by the Board of directors of the Company on March 1, 2019, to inter-alia, include the details of Advaita in it.

The Scheme inter alia, provides for:

- (a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities, inter alia comprising of underlying investments of the Company in Max Bupa Health Insurance Co Limited and Antara Senior Living Limited, along with corporate management services (collectively known as "Demerged Undertaking 1") from the Company into Advaita. The shareholders of the Company as on record date (to be specified subsequently) shall be issued 1 Equity share of Rs. 10/- each of Advaita for every 5 equity shares of Rs.2/- each held in the Company. The shares of Advaita shall be listed on the stock exchanges post effectiveness of the Scheme;
- (b) Demerger of healthcare business of Radiant Life ("Demerged Undertaking 2") into Max Healthcare, pursuant to which shareholders of Radiant Life as on record date (to be specified subsequently) shall be issued 9074 equity shares of Max Healthcare of Rs.

10/- each, for every 10 equity shares, of Rs. 10/- each held in Radiant Life; and

- (c) Amalgamation of residual Max India (post demerger of the Demerged Undertaking 1), which comprises of healthcare activities (including its underlying investment in Max Healthcare) with Max Healthcare. The shareholders of the Company as on record date (to be specified subsequently) shall be issued 99 equity shares of Rs.10/- each of Max Healthcare for every 100 equity shares of Rs.2/- each held in Max India. The shares of Max Healthcare shall be listed on stock exchanges post effectiveness of the Scheme.

The aforesaid scheme has been contemplated to consolidate the healthcare business activities carried on by Radiant Life and Max Healthcare and thereby, creating a standalone listed entity, which will exclusively be engaged in healthcare activities. The scheme shall also lead to unlock maximum value for the shareholders of Max India and therefore, ensure standalone focus on the allied health and associated activities of Max India, which will be demerged into a separate company namely Advaita, to be listed on the Stock Exchanges.

The Scheme is subject to the receipt of requisite approvals from the statutory authorities including Security and Exchange Board India (SEBI), Stock Exchanges (NSE and BSE), Competition Commission of India (CCI), the Insurance Regulatory and Development Authority of India (IRDAI), the National Company Law Tribunal (NCLT), and respective shareholders and creditors of parties to the Scheme.

Shifting of Registered Office of the Company from the State of Punjab to Mumbai, Maharashtra

Arising from the Scheme of Amalgamation and Arrangement referred above and further, in order to exercise better administrative control and enable the Company to rationalize and streamline its management of affairs, the Board of Directors of the Company in its meeting held on December 24, 2018 has recommended the proposal for shifting of the Registered Office of the Company from the State of Punjab to Mumbai, State of Maharashtra.

In terms of the provisions of Section 12, 13, 110 and other applicable provisions of the Act and the Rules made thereunder, the aforesaid proposal of shifting of registered office has been approved by the members of the Company

with requisite majority through Postal Ballot/ e-voting on February 11, 2019.

The Company is in the process of filing the requisite application for seeking approval of Central Government in this regard.

Divestment of Equity Shares of Max Bupa Health Insurance Company

In-order to rebalance the portfolio of Company's businesses and keeping in view the significant capital requirements for the health insurance business going forward, the Board of Directors ("Board") of the Company at its meeting held on February 26, 2019, had approved a proposal relating to divestment of entire shareholding of the Company held in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") (equivalent to 51% of Max Bupa's total issued and paid-up share capital) to True North Fund VI LLP and / or any of its affiliates ("Proposed Transaction"), subject to the receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and Shareholders of the Company.

The Salient features of the Proposed Transaction are as under

1. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 1013 crores as on March 13, 2019. Accordingly, subject to certain adjustments contemplated under the terms of the Share Purchase Agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP ("SPA"), the purchase consideration for all shares held by the Company in Max Bupa would be Rs. 516,63,00,000 (Rupees Five Hundred Sixteen Crores and Sixty Three Lakhs) ("Initial Purchase Consideration").
2. The Initial Purchase Consideration is subject to certain adjustments under the SPA including but not limited to: (i) upward adjustment to the extent of any capital that is invested by the Company into Max Bupa between the date of execution of the SPA and the date of completion of the Proposed Transaction; and (ii) if the completion of the Proposed Transaction takes place after September 30, 2019, downward adjustment to the extent of 51% of the aggregate of (a) the gross

provisions made in the books of accounts of Max Bupa, as on the quarter end preceding the date of completion of the Proposed Transaction, for diminution in the value of any investment made by the Company, if any and (b) any write-off of any investment made by the Company, in whole or in part, in the books of accounts of the Company after July 1, 2018 and until the quarter end preceding the date of completion of the Proposed Transaction. Any provision for diminution or write-off or indemnity on the investments made by the Company, in whole or in part, in the books of accounts is capped at an aggregate amount of INR 40,00,00,000 (Indian Rupees Forty Crores). Further, any subsequent recovery made against such investments written-off or provided for, will be made good to the Company as per the mechanism set out in the SPA.

3. However, irrespective of the adjustments contemplated under the SPA, the Company will receive as the purchase consideration for all shares held by the Company in Max Bupa, an amount of at least INR 510,51,00,000 (Rupees Five Hundred Ten Crores and Fifty-One Lacs) on the date of completion of the Proposed Transaction.
4. As part of the SPA, the Company has provided certain customary representations and warranties and corresponding indemnities to True North Fund VI LLP. The Company has also provided to True North Fund VI LLP, certain specific indemnities pertaining to any diminution in the value of certain investments made by Max Bupa as more particularly set out in the SPA.

Pursuant to the requirement of Regulation 24 of Listing Regulations, the shareholders of the Company had accorded approval by way of Special Resolution passed through Postal Ballot/e-voting on May 22, 2019, in respect of aforesaid divestment of equity shares of Max Bupa. The transaction will be completed on receipt of requisite approval from IRDAI.

Significant and material orders passed by the regulators or courts or tribunals

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals which could impact the going concern status and company's operations in future.

Unclaimed Shares

The status of unclaimed equity shares of the Company transferred to the demat account, 'Max India Limited –Unclaimed Suspense Account', in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

S. No.	Particulars	No. of shareholders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed suspense account as on April 1, 2018	2257	500774
2	Number of shareholders who approached the Company (with complete documentation) during the year for transfer of shares from the Unclaimed Suspense Account	19	5530
3	Number of shareholders to whom shares were transferred during the year from the Unclaimed Suspense Account	19	5530
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2019	2238	4, 95, 244

Voting rights in respect of the aforesaid 4, 95, 244 shares will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned Shareholders.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

Acknowledgements

Your Directors acknowledge with thanks the co-operation and assistance received from various agencies of the Central and State Governments, Financial Institutions and Banks, Shareholders, Joint Venture partners and all other business associates. Your Directors would like to place on record their appreciation of the contribution made by its management and its employees who through their competence and commitment have enabled the Company to achieve impressive growth.

On behalf of the Board of Directors
Max India Limited

New Delhi
Date: May 29, 2019

Mohit Talwar
Managing Director
(DIN:02394694)

Ashok Kacker
Director
(DIN:01647408)

Annexure -1

Disclosure under SEBI (Share Based Employee Benefit) Regulations, 2014 and Rule 12(9) of Companies (Share Capital & Debentures) Rules, 2014 for the financial year 2018-19

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time. : Please refer to Note no 27 of Standalone Financial Statements for the year ended March 31, 2019.
- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time. : (0.69)
- C. Summary of status of ESOS granted:
- i. The description of Max India Employee Stock Plan 2016 is summarised as under:

S. No.	Particulars	Details				
1	Date of shareholders' approval	September 27, 2016				
2	Total number of options approved under ESOS	1, 33, 49, 199				
3	Vesting requirements	Vesting may be time based or performance based as determined by the Nomination and Remuneration Committee (NRC), from time to time.				
4	Exercise price or pricing formula	As determined by the NRC, from time to time.				
5	Maximum term of options granted	As determined by the NRC, subject to the compliance of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.				
6	Source of shares (primary, secondary or combination)	Primary				
7	Variation in terms of options	In February 11, 2019, NRC approved the acceleration of the vesting of the unvested options granted to Mr. Rahul Khosla as per revised graded vesting schedule detailed hereunder: <table><tr><td>Total number of options</td><td>4, 08, 308</td></tr><tr><td>Immediate vesting on February 15, 2019</td><td>4, 08, 308</td></tr></table>	Total number of options	4, 08, 308	Immediate vesting on February 15, 2019	4, 08, 308
Total number of options	4, 08, 308					
Immediate vesting on February 15, 2019	4, 08, 308					

- ii. Method used to account for ESOS: The Company has adopted intrinsic value method of Valuation.
- iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. : Not Applicable

iv. Option movement during the year

Number of options outstanding at the beginning of the period	11, 52, 043
Number of options granted during the year	61, 200
Number of options forfeited / lapsed during the year	6, 65, 000
Number of options vested during the year	10, 08, 323
Number of options exercised during the year	2, 32, 573
Number of shares arising as a result of exercise of options	2, 32, 573
No. of options vested but not exercised	1, 16, 400
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 4, 65, 146
Loan repaid by the Trust during the year from exercise price received	Not Applicable. The ESOP Plan is not administered by a trust.
Number of options outstanding at the end of the year	1, 99, 270

- i. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. : Weighted average exercise price and weighted average fair value of options exercised was Rs. 2/- and Rs.72.17 respectively.

ii. Employee wise details of options granted to -

a) Senior Managerial Personnel	Name	Mr. Mohit Talwar
	Designation	Managing Director
	Number of option granted during the year	61, 200
	Exercise Price	Rs.2
b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	The Company had granted options only to Mr. Mohit Talwar during the year under review.	
c) identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	No employee of the Company was granted options during the year exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	

- iii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

The weighted-average values of share price of option granted	Rs.82.09-82.21
Exercise price,	Rs. 2/-
Expected volatility,	35.67%
Expected option life,	3.00-4.00 years
Expected dividends,	Nil
Risk-free interest rate	7.21%-7.39%
Any other inputs to the model;	Nil
The method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	The calculation of expected volatility is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price.
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	No other feature has been considered for fair valuation of options except as mentioned above.

Annexure 2

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2019
Pursuant to Section 92 (3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L85100PB2015PLC039155
2	Registration Date	01-01-2015
3	Name of the Company	Max India Limited
4	Category/ Sub-category of the Company	Public Company Limited by Shares; Indian Non-Government Company
5	Address of the Registered office & Contact details	419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533 Phone : 01881-462000 Fax : 01881-273607 E-mail : investorhelpline@maxindia.com
6	Whether listed company	Yes, Listed Company
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited T-34, 2 nd Floor, Okhla Industrial Area Phase - II, New Delhi - 110020 Phone : 011- 26387281/82/83 Fax : 011 - 26387384 E-mail : info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products/services	NIC code of the product/services	%age of total turnover of the Company
1.	Shared Services	70200- Management Consultancy activities	83.41%
2.	Investment Activity	64300- Trusts, Funds and other Financial Vehicles	13.26%
3.	Investing in Subsidiaries	64200- Activities of Holding Companies	3.33%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

The Company doesn't have any Holding Company.

As on March 31, 2019, the Company has following Subsidiaries and Associate Companies:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max Bupa Health Insurance Company Limited Max House 1, Dr. Jha Marg, Okhla, New Delhi - 110 020.	U66000DL2008PLC182918	Subsidiary	51.00%	2 (87) of the Act.
2.	Antara Senior Living Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020.	U74140DL2011PLC218781	Subsidiary	100%	2 (87) of the Act.

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3.	Antara Purukul Senior Living Limited Antara Senior Living Guniyal Gaon, P.O. Sinola Dehradun Dehradun, UR 248003	U74120UR1995PLC018283	Step down Subsidiary	100%	2 (87) of the Act.
4.	Antara Gurgaon Senior Living Limited. Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2012PLC244411	Step down Subsidiary	100%	2 (87) of the Act.
5.	Pharmax Corporation Limited Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533	U24232PB1989PLC009741	Subsidiary	85.17%	2 (87) of the Act.
6.	Max Skill First Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110 020.	U85199DL2003PLC119249	Subsidiary	100%	2 (87) of the Act.
7	Max One Distribution and Services Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2013PLC254577	Step down Subsidiary	100%	2 (87) of the Act.
8.	Max Ateev Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74899DL1994PLC060700	Subsidiary	100%	2 (87) of the Act.
9.	Max UK Limited Coveham House, Downside Bridge Road Cobham, Surrey KT11 3EP United Kingdom	NA	Subsidiary	100%	2 (87) of the Act.
10.	Advaita Allied Health Services Limited 167, Floor 1, Plot No. 167A, Ready Money Mansion, Dr. Annie Besant Road, Worly, Mumbai - 400018	U74999MH2019PLC320039	Subsidiary	100%	2 (87) of the Act.
11.	Max Healthcare Institute Limited 167, Floor 1, Plot No. 167A, Ready Money Mansion, Dr. Annie Besant Road, Worly, Mumbai - 400018	U72200DL2001PLC111313	Associate Company	49.70%	2 (6) of the Act.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	6287622	0	6287622	2.34	6287122	-	6287122	2.34	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	103667476	0	103667476	38.63	103667976	-	103667976	38.59	(0.04)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	109955098	0	109955098	40.97	109955098	-	109955098	40.93	(0.04)
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	46922444	0	46922444	17.48	36434747	-	36434747	13.56	(3.92)
b) Banks / FI	83560	13250	96810	0.04	238692	13250	251942	0.09	0.05
c) Alternate Investment Funds	2004598	0	2004598	0.75	1536746	-	1536746	0.57	(0.18)
d) Central Govt	-	-	-	-	-	-	-	-	-
e) State Govt(s)	-	-	-	-	-	-	-	-	-
f) Venture Capital Funds	-	-	-	-	-	-	-	-	-
g) Insurance Companies	0	45750	45750	0.02	-	-	-	-	(0.02)
h) FIs	14929628	0	14929628	5.56	7259776	-	7259776	2.70	(2.86)
i) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j) Foreign Portfolio Investors	50854176	0	50854176	18.95	63397427	-	63397427	23.60	4.65
k) Others (specify) FDI	8261049	0	8261049	3.08	8261049	0	8261049	3.08	0.00
Sub-total (B)(1):-	123055455	59000	123114455	45.87	117128437	13250	117141687	43.61	(2.26)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	13616032	59251	13675283	5.10	9799086	58996	9858082	3.67	(1.43)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	14985228	1468689	16453917	6.13	18675628	1133447	19809075	7.37	1.24
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2090425	0	2090425	0.78	7549663	194292	7743955	2.88	2.10
iii) NBFC registered with RBI	-	-	-	-	14900	-	14900	0.01	0.01
c) Others (specify)									
Non Resident Indians	1179197	17295	1196492	0.45	1076780	16615	1093395	0.41	(0.04)
Overseas Corporate Bodies	518	0	518	0.00	518	0	518	0.00	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	283155	0	283155	0.11	1749375	-	1749375	0.65	0.54
Trusts	2400	0	2400	0.00	2400	-	2400	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Directors & their relatives	1611322	0	1611322	0.60	751909	-	751909	0.28	(0.32)
Unclaimed Suspense Account	-	-	-	-	495244	-	495244	0.18	0.18
Sub-total (B)(2):-	33768277	1545235	35313512	13.16	40115503	1403350	41518853	15.46	2.30
Total Public Shareholding (B)=(B)(1)+ (B)(2)	156823732	1604235	158427967	59.03	157243940	1416600	158660540	59.07	0.04
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	266778830	1604235	268383065	100.00	267199038	1416600	268615638	100.00	0.00

B) Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2018]			Shareholding at the end of the year [As on 31-March-2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Analjit Singh	5876789	2.19	0.00	5876789	2.19	0.00	0.00
2	Mrs. Neelu Analjit Singh	100000	0.04	0.00	100000	0.04	0.00	0.00
3	Ms. Piya Singh	110333	0.04	0.00	110333	0.04	0.00	0.00
4	@Mr. Veer Singh	100500	0.04	0.00	100000	0.04	0.00	0.00
5	Ms. Tara Singh Vachani	100000	0.04	0.00	100000	0.04	0.00	0.00
6	Liquid Investment & Trading Co. P. Ltd	23818876	8.87	95.77	200000	0.07	100.00	(8.80)
7	Mohair Investment & Trading Co. (P) Ltd.	13690570	5.10	0.00	0	0	0.00	(5.10)
8	*Max Ventures Investment Holdings Private Ltd.	66158030	24.65	98.94	103467976	38.52	87.19	13.87

@ sold 500 shares to Max Ventures Investment Holdings Private Limited (promoter entity) through open market

* Pursuant to Composite Scheme of Amalgamation and Arrangement approved by the Hon'ble National Company Law Tribunal, New Delhi vide its order pronounced on September 10, 2018, Liquid Investment & Trading Company Private Limited and Mohair Investment & Trading Company Private Limited, both entities were part of Promoter Group merged with Max Ventures Investment Holdings Private Limited, another promoter group entity. The certified copy of the said order was received on September 14, 2018 which was submitted with the Registrar of Companies, NCT of Delhi and Haryana on September 28, 2018. The shares from the demat account of Mohair Investment & Trading Company Private Limited has been transferred into the demat account of Max Ventures Investment Holdings Private Limited pursuant to the aforesaid Scheme and the transfer of equity shares from the demat account of Liquid Investment & Trading Company Private Limited to Max Ventures Investment Holdings Private Limited is under process.

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year[As on 31-March-2018]		Cumulative Shareholding during the year[As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Analjit Singh				
	At the beginning of the year	58, 76, 789	2.19	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	58, 76, 789	2.19
2.	Mrs. Neelu Analjit Singh				
	At the beginning of the year	100, 000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100, 000	0.04
3.	Ms. Piya Singh				
	At the beginning of the year	110333	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	110, 333	0.04
4.	Mr. Veer Singh				
	At the beginning of the year	100500	0.04	-	-
	Increase / Decrease in Shareholding during the year @04.09.2018	(500)	0.00	100, 000	0.04
	At the end of the year	-	-	100, 000	0.04
5.	Ms. Tara Singh Vachani				
	At the beginning of the year	100, 000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100, 000	0.04
6.	Liquid Investment & Trading Co. Pvt. Ltd				
	At the beginning of the year	2, 38, 18, 876	8.87	-	-
	Increase / Decrease in Shareholding during the year (Shares transferred to Max Ventures Investment Holdings Pvt. Ltd., pursuant to Scheme of Amalgamation and Arrangement explained above.)	(2, 36, 18, 876)	8.80	-	-
	At the end of the year	-	-	2, 00, 000	0.07
7.	Mohair Investment & Trading Company Pvt. Ltd.				
	At the beginning of the year	1, 36, 90, 570	5.10	-	-
	Increase / Decrease in Shareholding during the year (Shares transferred to Max Ventures Investment Holdings Pvt. Ltd., pursuant to Scheme of Amalgamation and Arrangement explained above.)	(1, 36, 90, 570)	5.10	0	0.00
	At the end of the year	-	-	0	0.00

SN	Particulars	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8.	Max Ventures Investment Holdings Pvt. Ltd				
	At the beginning of the year	6, 61, 58, 030	24.65	-	-
	Increase / Decrease in Shareholding during the year 04.09.2018 (Shares acquired from Liquid Investment & Trading Co. Pvt. Ltd and Mohair Investment & Trading Company Pvt. Ltd, pursuant to Scheme of Amalgamation and Arrangement explained above.)	5003, 73, 09, 446	0.0013.89	6, 61, 58, 53010, 34, 67, 976	24.6538.54
	At the end of the year	-	-	10, 34, 67, 976	38.52

@ sold shares to Max Ventures Investment Holdings Private Limited (promoter entity) through open market

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Reliance Capital Trustee Company Limited				
	At the beginning of the year	14601201	5.44	-	-
	Increase / Decrease in Shareholding during the year				
	06.07.2018	605207	0.22	15206408	5.66
	13.07.2018	1163811	0.43	16370219	6.09
	20.07.2018	273620	0.10	16643839	6.19
	27.07.2018	90009	0.03	16733848	6.22
	03.08.2018	72000	0.03	16805848	6.25
	10.08.2018	671062	0.25	17476910	6.50
	17.08.2018	105430	0.04	17582340	6.54
	24.08.2018	38836	0.01	17621176	6.55
	31.08.2018	554500	0.21	18175676	6.76
	14.09.2018	200000	0.07	18375676	6.83
	28.09.2018	110200	0.04	18485876	6.87
	07.12.2018	673629	0.25	19159505	7.12
	21.12.2018	500000	0.19	19659505	7.31
	28.12.2018	(83398)	0.03	19576107	7.28
	25.01.2019	(839645)	0.30	18736462	6.98
	01.03.2019	(1367400)	0.51	17369062	6.47
	At the end of the year	-	-	17369062	6.47

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	WF Asian Reconnaissance Fund Limited				
	At the beginning of the year	10160664	3.79	-	-
	Increase / Decrease in Shareholding during the year				
	01.06.2018	217855	0.08	10378519	3.87
	08.06.2018	152577	0.06	10531096	3.93
	03.08.2018	4000413	1.48	14531509	5.41
	10.08.2018	1200000	0.44	15731509	5.85
	17.08.2018	43832	0.02	15775341	5.87
	24.08.2018	1425755	0.53	17201096	6.40
	At the end of the year	-	-	17201096	6.40
3.	@Kotak Mahindra (International) Limited				
	At the beginning of the year	2315989	0.86	-	-
	Increase / Decrease in Shareholding during the year				
	28.12.2018	275638	0.10	2591627	0.96
	31.12.2018	512319	0.19	3103946	1.15
	18.01.2019	32344	0.01	3136290	1.16
	25.01.2019	658337	0.24	3794627	1.40
	08.02.2019	6386	0.00	3801013	1.40
	15.02.2019	401445	0.15	4202458	1.55
	22.02.2019	1408834	0.52	5611292	2.07
	01.03.2019	1235000	0.46	6846292	2.53
	15.03.2019	2000000	0.75	8846292	3.28
	22.03.2019	1391556	0.52	10237848	3.80
	29.03.2019	1159603	0.44	11397451	4.24
	At the end of the year	-	-	11397451	4.24
4.	UTI - Core Equity Fund				
	At the beginning of the year	8726614	3.25	-	-
	Increase / Decrease in Shareholding during the year				
	13.04.2018	100000	0.04	8826614	3.29
	27.04.2018	184268	0.07	9010882	3.36
	18.05.2018	117705	0.04	9128587	3.40
	31.08.2018	200000	0.07	9328587	3.47
	28.09.2018	185038	0.07	9513625	3.54
	At the end of the year	-	-	9513625	3.54
5.	International Finance Corporation				
	At the beginning of the year	8264481	3.08	-	-
	Increase / Decrease in Shareholding during the year				
	23.11.2018	(2042)	0.00	8262439	3.08
	30.11.2018	(1390)	0.00	8261049	3.08
	At the end of the year	-	-	8261049	3.08

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	HDFC Life Insurance Company Limited				
	At the beginning of the year	10164686	3.79	-	-
	Increase / Decrease in Shareholding during the year				
	24.08.2018	(211483)	0.08	9953203	3.71
	21.12.2018	(488517)	0.18	9464686	3.53
	28.12.2018	(403000)	0.15	9061686	3.38
	31.12.2018	(2551)	0.00	9059135	3.38
	04.01.2019	(54391)	0.02	9004744	3.36
	11.01.2019	(40058)	0.01	8964686	3.35
	25.01.2019	(26814)	0.01	8937872	3.34
	01.02.2019	(104091)	0.04	8833781	3.30
	15.02.2019	(500000)	0.19	8333781	3.11
	01.03.2019	(520599)	0.20	7813182	2.91
	08.03.2019	(8966)	0.00	7804216	2.91
	15.03.2019	(39630)	0.01	7764586	2.90
	22.03.2019	(426404)	0.17	7338182	2.73
	29.03.2019	(28876)	0.01	7309306	2.72
	At the end of the year	-	-	7309306	2.72
7.	Doric Asia Pacific Small Cap (Mauritius) Limited				
	At the beginning of the year	5185546	1.93	-	-
	Increase / Decrease in Shareholding during the year				
	21.12.2018	300000	0.11	5485546	2.04
	28.12.2018	150000	0.06	5635546	2.10
	31.12.2018	280000	0.10	5915546	2.20
	04.01.2019	24768	0.01	5940314	2.21
	11.01.2019	1117058	0.42	7057372	2.63
	At the end of the year	-	-	7057372	2.63
8.	Target Value Fund				
	At the beginning of the year	6086172	2.27	-	-
	Increase / Decrease in Shareholding during the year				
	27.07.2018	(163733)	0.06	5922439	2.21
	03.08.2018	(165783)	0.06	5756656	2.15
	10.08.2018	(373050)	0.14	5383606	2.01
	24.08.2018	(18205)	0.00	5365401	2.01
	31.08.2018	(147105)	0.05	5218296	1.96
	07.09.2018	(42177)	0.01	5176119	1.91
	14.09.2018	(116000)	0.04	5060119	1.87
	21.09.2018	(8000)	0.00	5052119	1.87
	28.09.2018	296512	0.11	5348631	1.98
	12.10.2018	303000	0.11	5651631	2.09
	26.10.2018	120908	0.05	5772539	2.14
	30.11.2018	596769	0.22	6369308	2.36
	07.12.2018	400000	0.15	6769308	2.51
	14.12.2018	37561	0.01	6806869	2.52
	21.12.2018	35459	0.01	6842328	2.53
	01.02.2019	(900000)	0.34	5942328	2.19
	08.02.2019	(120000)	0.04	5822328	2.15
	01.03.2019	135000	0.05	5957328	2.20
	08.03.2019	96729	0.04	6054057	2.24
	15.03.2019	350000	0.14	6404057	2.38
	22.03.2019	47422	0.02	6451479	2.40
	29.03.2019	346559	0.13	6798038	2.53
	At the end of the year	-	-	6798038	2.53

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	L&T Mutual Fund Trustee Ltd				
	At the beginning of the year	10794000	4.02	-	-
	Increase / Decrease in Shareholding during the year				
	11.05.2018	100000	0.04	10894000	4.06
	18.05.2018	139403	0.05	11033403	4.11
	08.06.2018	25000	0.01	11058403	4.12
	22.06.2018	107685	0.04	11166088	4.16
	29.06.2018	321112	0.12	11487200	4.28
	13.07.2018	233683	0.09	11720883	4.37
	20.07.2018	5544	0.00	11726427	4.37
	27.07.2018	455000	0.17	12181427	4.54
	03.08.2018	89358	0.03	12270785	4.57
	08.03.2019	(1885900)	0.70	10384885	3.87
	15.03.2019	(2326500)	0.87	8058385	3.00
	22.03.2019	(347153)	0.13	7711232	2.87
	29.03.2019	(1092859)	0.41	6618373	2.46
	At the end of the year	-	-	6618373	2.46
10.	New York Life Insurance Company				
	At the beginning of the year	5154105	1.92	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	5154105	1.92
11.	#DSP Blackrock Small Cap Fund				
	At the beginning of the year	4949346	1.84	-	-
	Increase / Decrease in Shareholding during the year				
	06.04.2018	(380339)	0.14	4569007	1.70
	13.04.2018	(147611)	0.05	4421396	1.65
	20.04.2018	(139383)	0.05	4282013	1.60
	27.04.2018	(104007)	0.04	4178006	1.56
	11.05.2018	(2618150)	0.98	1559856	0.58
	18.05.2018	(166664)	0.06	1393192	0.52
	25.05.2018	(29000)	0.01	1364192	0.51
	01.06.2018	(17221)	0.00	1346971	0.51
	15.06.2018	(17012)	0.00	1329959	0.51
	06.07.2018	(1329959)	0.51	0	0.00
	At the end of the year	-	-	0	0.00

@ become member w.e.f. December 21, 2018

ceased to be a member w.e.f. July 6, 2018

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Mohit Talwar, Managing Director				
	At the beginning of the year	2, 87, 186	0.10	-	-
	Increase / Decrease in Shareholding during the year @05.04.2018	28, 281	0.01	3, 15, 467	0.11
	At the end of the year	-	-	3, 15, 467	0.11
2.	Mr. Rahul Khosla, Director				
	At the beginning of the year	10, 86, 986	0.41	-	-
	Increase / Decrease in Shareholding during the year #23.01.2019	(10, 86, 986)	0.41	0	0.00
	@19.03.2019	1, 94, 292	0.07	1, 94, 292	0.07
	At the end of the year	-	-	1, 94, 292	0.07
3.	Mr. Ashwani Windlass, Director				
	At the beginning of the year	1, 62, 850	0.06	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	1, 62, 850	0.06
4.	Ms. Tara Singh Vachani, Director				
	At the beginning of the year	100, 000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100, 000	0.04
5.	\$Mr. K. Narasimha Murthy, Independent Director				
	At the beginning of the year	-	-	5, 000	0.00
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	5, 000	0.00
6.	Mr. Jatin Khanna - CFO				
	At the beginning of the year	16, 750	0.00	0	0
	Increase / Decrease in Shareholding during the year @05.04.2018	5, 000	0.00	21, 750	0.00
	At the end of the year	-	-	21, 750	0.00
7.	Mr. V. Krishnan - CS				
	At the beginning of the year	15, 100	0.00	-	-
	Increase / Decrease in Shareholding during the year @05.04.2018	5, 000	0.00	20, 100	0.00
	At the end of the year	-	-	20, 100	0.00

@ Allotment of equity shares under ESOP Scheme of the Company

Sale of equity shares through open market

\$ Appointed as an Independent Director effective December 24, 2018

- V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding / accrued but not due for payment. :
NIL

	Secured Loans excluding deposits & Working Capital Limits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
		Mr. Mohit Talwar, MD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1, 78, 23, 674	1, 78, 23, 674
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	39, 600	39, 600
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option [^]	23, 19, 042	23, 19, 042
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify...		
5	Others:		
	- Company Contribution to PF	-	-
	- Medical Rembursements	-	-
	- Medical Insurance Premium	-	-
	- Personal Accident Insurance Premium	-	-
	Total (A)	2, 01, 82, 316	2, 01, 82, 316
	Ceiling as per the Act		NA

[^] Perquisite value of stock options exercised during the year.

B. Remuneration (sitting fees) to other directors:

SN.	Particulars of Remuneration	Name of Directors							Total Amount (Rs.)
		Mr. Rahul Khosla (NED)	Mrs. Tara Singh Vachani (NED)	Mr. K. Narasimha Murthy (ID)	Mr. Ashok Kacker (ID)	Mr. Dinesh Kumar Mittal (ID)	Mrs. Sharmila Tagore (ID)	Mr. Ashwani Windlass (NED)	
1	Independent Directors:								
	Fee for attending board committee meetings	--	--	2,00,000	33,00,000	27,00,000	1,00,000	--	63,00,000
	Commission	--	--	--	--	--	--	--	-
	Others, please specify	--	--	--	--	--	--	--	--
	Total (1)	--	--	2,00,000	33,00,000	27,00,000	1,00,000	--	63,00,000
2	Other Non-Executive Directors:								
	Fee for attending board committee meetings	17,00,000	7,00,000	--	--	--	--	18,00,000	42,00,000
	Commission	--	--	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--	--	--
	Total (2)	17,00,000	7,00,000	--	--	--	--	18,00,000	42,00,000
	Total Remuneration	17,00,000	7,00,000	2,00,000	33,00,000	27,00,000	1,00,000	18,00,000	1,05,00,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs.)
		CEO	Mr. V. Krishnan CS	Mr. Jatin Khanna CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,27,95,240	99,69,613	2,27,64,853
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	-	32,400	39,600	72,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option [^]	-	27,51,950	27,51,950	55,03,900
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5	Others:				
	- Company Contribution to PF	-	4,55,931	4,24,320	8,80,251
	- Medical Rembursement		-	-	-
	- LTA		-	85,000	85,000
	- Medical Insurance Premium	-			
	- Personal Accident Insurance Premium		460	460	920
	Total (A)	-	1,60,35,981	1,32,70,943	2,93,06,924

[^] Perquisite value of stock options exercised during the year.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

Annexure 3

Form AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of subsidiaries / associate companies / joint ventures
Part "A" - Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

Sl. No.	Name of Subsidiary Company	Reporting period for the subsidiary concerned	Reporting Currency and Exchange rate as on the last date of relevant financial year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
(Amt in Rs Lakhs)														
1	Max Bupa Health Insurance Co. Ltd.	31.03.2019	INR	98,100.00	(71,854.34)	99,949.60	73,703.94	81,557.43	71,505.21	(4,838.68)	-	(4,838.68)	-	51.00%
2	Pharmax Corporation Ltd	31.03.2019	INR	555.92	1,967.46	4,400.37	1,876.99	828.41	1,799.32	1,109.08	(38.57)	1,147.65	-	85.17%
3	Max Ateev Ltd	31.03.2019	INR	3,144.36	(3,858.64)	1.45	715.72	-	-	(20.21)	-	(20.21)	-	100.00%
4	Max Skill First Ltd	31.03.2019	INR	969.50	(1,727.17)	2,739.74	3,497.40	9.07	5,288.50	(171.90)	80.66	(252.56)	-	100.00%
5	Max One Distribution and Services Ltd	31.03.2019	INR	560.00	(529.95)	32.34	2.29	-	2.39	(0.60)	0.00	(0.60)	-	100.00%
6	Antara Senior Living Ltd	31.03.2019	INR	32,916.42	(6,382.30)	26,989.26	455.15	159.58	86.03	(1,815.85)	-	(1,815.85)	-	100.00%
7	Antara Purukul Senior Living Ltd	31.03.2019	INR	25,882.71	(19,575.25)	37,465.32	31,157.86	143.09	6,421.98	(2,894.44)	-	(2,894.44)	-	100.00%
8	Antara Gurgaon Senior Living Ltd	31.03.2019	INR	5.00	(3.60)	1.88	0.49	-	-	(1.11)	-	(1.11)	-	100.00%
9	Max UK Ltd	31.03.2019	1 GBP = 90.47 INR	213.00	(42.20)	182.57	11.77	-	57.70	5.28	1.04	4.24	-	100.00%

Note:

The Company is in process of divestment of its entire shareholding in Max Bupa Health Insurance Company Limited (Max Bupa). Therefore, Investment of the Company in Max Bupa has been classified as held for sale in the standalone financial statements and disclosed as discontinuing operations in the consolidated financial statements. Further, figures of Max Bupa as give above, are as per IRDA financials.

Part "B" - Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(Amt in Rs Lacs)	
Name of Associates/Joint Ventures	Max Healthcare Institute Ltd
(1) Latest audited Balance Sheet date	31-Mar-19
(2) Shares of Associates/Joint Ventures held by the company on the year end	266, 997, 937 equity shares of Rs. 10/- each fully paid-up
Amount of Investment in Associates/Joint Ventures	70, 569.55
Extend of Holding %	49.70%
(3) Description of how there is significant influence	Max India Ltd. holds 49.70% of share capital in Max Healthcare Institute Ltd.
(4) Reason why the associate/joint venture is not consolidated	NA
(5) Networth attributable to Shareholding as per latest audited Balance Sheet (as per MHIL Consolidated Financials)	47, 869.29
(6) Profit/Loss for the year	(19.02)
i. Considered in Consolidation	(9.45)
ii. Not Considered in Consolidation	(9.57)

1. Names of associates or joint ventures which are yet to commence operations : **Nil**

2. Names of associates or joint ventures which have been liquidated or sold during the year : **Nil**

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: Gurugram
Date: May 29, 2019

Place: New Delhi
Date: May 29, 2019

Dividend Distribution Policy

Background:

As per Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), the top five hundred listed entities based on the market capitalization (calculated as on March 31, of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Max India Limited being one out of top 500 listed entities based on market capitalization as on March 31, 2017 has formulated a dividend distribution policy as approved by the Board of Directors of the Company.

Objective:

The objective of the Dividend Distribution Policy ("the policy") is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend. The policy is broadly in line with the provisions of the Companies Act, 2013 and SEBI Regulations ("applicable laws") read with the relevant clauses of the Articles of Association of the Company, to the extent applicable.

The policy establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company.

The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all equity shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders. The Board may also declare interim dividends as may be permitted as per the applicable laws.

The profits being retained in the business shall be continued to be deployed in the Company and thus contributing to the

growth to the business and operations of the Company. The Company stands committed to deliver sustainable value to all its stakeholders.

Parameters for declaration of Dividend

Internal Factors / Financial Parameters The Board of Directors of the Company would consider the following financial parameters and factors before declaring or recommending dividend to shareholders:

- Operating cash flow of the Company
- Profits earned during the year
- Profits available for distribution
- Earnings Per Share (EPS)
- Dividend, if any, declared by Subsidiary / Associate Company (ies).
- Working capital requirements
- Capital expenditure requirement
- Business expansion and growth
- Likelihood of crystalization of contingent liabilities, if any
- Additional investment in subsidiaries and associates of the company
- Creation of contingency fund
- Acquisition of brands and business
- Cost of Borrowing
- Past dividend payout ratio / trends

External Factors

- Economic environment
- Statutory provisions and guidelines
- Dividend pay out ratios of companies in the same industry

Circumstances under which the shareholders may or may not expect Dividend

The Company shall not recommend dividend if it is of the opinion that it is financially not prudent to

do so. The shareholders of the Company may not expect Dividend under the following circumstances:

- In case the Company is undertaking significant expansion which would require higher allocation of resources
- If the Company requires significant amount of working capital to fund its future growth
- In case the Company proposes to utilise surplus cash for buy back of securities
- Whenever the Company undertakes any acquisitions or joint ventures requiring significant allocation of capital or in case the company expands its stake in any of these entities
- In the event of inadequacy of profits or whenever the Company has incurred losses

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year(s) or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

Modification of the Policy

The Board of Directors is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the applicable laws.

Disclosure:

The policy will be available on the Company's website and will also be disclosed in the Company's annual report.

Appointment criteria, qualification & remuneration policy in terms of section 178 of the companies act, 2013 ("the act") and listing (obligations and disclosure requirements) regulations, 2015 ("Listing Regulations")

Preamble

In terms of Section 178 of the Act and Regulation 19 of Listing Regulations and amendments thereto, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP"), Senior Management and other employees.

Appointment Criteria and Qualification

It is the responsibility of the NRC to develop competency requirements for the Board based on the industry and strategy of the Company. For this purpose, the NRC shall identify and ascertain the integrity, qualification, expertise and experience of the proposed appointee, conduct appropriate reference checks and due diligence before recommending him/her to the Board.

For the appointment of KMPs [other than Managing Director/ Whole time Director/Manager/CEO], Senior Management and other employees, a person should possess adequate qualification, expertise and experience for the position, he/she is considered for the appointment.

In terms of amended Listing Regulations, Senior management shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/ managing director/ whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

Remuneration Policy

The remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on a regular basis and is in consonance with the existing industry practice. This Policy has been adopted in accordance with the requirements of Section 178 of the Act with

respect to the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management.

Objective

Attract, motivate, and retain key talent by enabling sustenance of a high performance culture with differentiated rewards for high performers who live by the values of the Company.

The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

Applicability

This Policy applies to full time employees of the Company including KMPs, Senior Management and Executive Directors.

Guiding principle

Our compensation programs, practices and policies are reviewed and re-evaluated periodically.

Remuneration linked to level of job responsibility, individual performance and company performance

- At higher levels of responsibility where direct imprint on business results and strategy is higher an increasing proportion of pay will be linked to business performance and creation of shareholder value.
- Strong differentiation in fixed pay increases and variable pay for top performers
- With a view to balancing the twin objectives of pay-for-performance and retention, the programs would ensure retention and motivation of high performers

Balance long-term focus linked to shareholder value and short-term financial objectives.

- Equity-based remuneration would be higher for those

at higher levels of responsibility and influence on long-term results

- Annual variable pay as a reward for achievement of short-term performance goals that support and ensure long-term success

Reflect value of job in the marketplace.

- Remain competitive with the pay of other employers who compete with us for talent in the relevant markets to attract and retain a highly skilled workforce
 - **Fixed Pay increase :** Top performers would receive 1.5 to 2 times the increase awarded to performers who meet expectations
 - **Annual Variable Pay :** Top performers would receive 2 times the rate of variable pay for performers who meet expectations
 - **Award of Long Term Incentives / ESOPs :** Taking into account individual performance, potential, criticality of the role / individual for the Company, relative market worth & assessed retention value, inputs from the management team, the MD would recommend award of ESOPs

Performance Management & Remuneration

- Remuneration decisions are based on the outcomes of the annual performance review process, based on the G & M framework. The performance evaluation process has four key steps – Self Evaluation, Manager Evaluation, Potential / Readiness Assessment and Developmental Planning
- Performance is assessed at two levels – Goals (G Review) and Competencies (M Review)

- G Rating determines Variable Pay, M Rating determines Fixed Pay increase

- Performance ratings are normalized in cohorts to adhere to an overall normal distribution

Potential, Development & Readiness

- Performance Review, Career Aspirations - Feb. / March
 - o Individual and manager discussions
- Multi rater feedback - July
 - o Feedback for individuals using a 360 survey process once in 2 years
 - o Annual Engagement survey providing feedback on organization and people managers
- Development Planning & Mid-year performance review - Sept.
 - o Basis performance review discussions, inputs from Hogan assessment & 360 feedback
 - o Organization wide Talent and Succession planning & review - Oct. / Nov.
 - o In depth functional planning & review including inputs from 360, engagement survey, supervisor, peer feedback, development planning
 - o Organization wide consolidation
- The above is a key input for the annual & long term strategic business planning in Dec./Jan.

Report on Corporate Social Responsibility (CSR) Activities

1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and project or programs.

The Board of Directors has adopted a CSR policy as recommended by the Corporate Social Responsibility Committee. The CSR Policy comprises Vision and Mission Statement, philosophy and objectives. It also explains the governance structure along with clarity on each one's roles and responsibilities. The same can be viewed at <https://goo.gl/wDNBZ8>

Under the said policy, the Company had proposed to undertake or contribute for the activities relating to community development, promotion of healthcare and education etc.

2. The Composition of the CSR Committee.

The CSR Committee as on March 31, 2019 comprised of Mr. Ashok Kacker and Mr. Dinesh Kumar Mittal, Independent Directors and Mrs. Tara Singh Vachani, Non-executive Director.

3. Average net profit of the Company for last three financial years: Rs.1247 Lakhs

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) :

Rs.25 Lakhs for the financial year ended March 31, 2019.

5. Details of CSR spent during the financial year 2018-19:

- a) Total amount to be spent for the financial year 2018-19 : Rs. 25Lakhs
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the financial year is detailed below :

Sl. No.	CSR project or Activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or Other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (Rs. Lakhs)	Amount spent on the projects or programs Sub-heads: (Rs. Lakhs)		Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on Project/ Programme	Overheads		
1	Health Centre - • Health Awareness • Maintenance of toilets made by MIF • Cleanliness and upkeep of school • Maintenance of solar lights installed by MIF	Healthcare	Purkul Village- Dehradun, Uttarakhand	5.75	5.75	Nil	5.75	Max India Foundation (MIF)
2	NGO work on Healthcare Platform- • Health Camps and counseling sessions • Nutrition Support to children of Purkal Youth Development Society and John Martyn Memorial School	Healthcare	Chandrothi Village, Dehradun Uttarakhand	19.25	19.25	Nil	19.25	
TOTAL				25.00	25.00	NIL	25.00	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report : Not Applicable as the contribution made for CSR was already spent.

7. Responsibility statement:

The CSR Committee of Max India Limited do confirm that the Company has implemented and monitored the CSR policy in compliance with its CSR objectives.

Mohit Talwar
Managing Director
DIN: 02394694

Ashok Kacker
Chairman of CSR Committee
DIN: 01647408

May 29, 2019
New Delhi

PARTICULARS OF EMPLOYEES
INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT
FOR THE YEAR ENDED March 31, 2019

Sr. No.	Name	Age	Designation	Nature of duties	Remuneration	Qualification	Date of Commencement of employment	Experience (Yrs.)	Last Employment Held	Position held
		(Yrs.)			(In Rs.)				Organisation	
Details of top ten employees in terms of remuneration, includes all employees who were in receipt of remuneration of (A) Rs. 102, 00, 000/- per annum or more or (B.) Rs.8, 50, 000/- per month or more, if employed for part of the year										
A. Employed throughout the year										
1	Chadha Pradeep Pal	52	Dy. Director - Finance & Treasury	Finance & Treasury	8, 608, 802	B. Com (Hons) LLB, CA	15.01.2016	25	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Director- Finance & Treasury
2	Dwarakanath Patnam	72	Head - Group Human Capital	Group Human Resources	35, 309, 503	B. Sc., LLB, PGDM (PM & IR)	15.01.2016	49	Max Financial Services Limited (formerly known as Max India Limited)	Director - Group Human Capital
3	Hoskote, Prashant	53	Senior Director - Quality & Service Excellence	Quality & Service Excellence	17, 973, 133	BSc., Diploma in Computer Science & Management, Certified Trainer & Facilitator from the Juran Institute, INC. USA	15.01.2016	32	Max Financial Services Limited (formerly known as Max India Limited)	Sr. Director - Quality & Service Excellence
4	Krishnan, V	55	Company Secretary	Company Secretary	16, 035, 981	B.Com, FCS	15.01.2016	34	Max Financial Services Limited (formerly known as Max India Limited)	Company Secretary
5	Khanna Jatin	40	Chief Financial Officer	Finance	13, 270, 943	CA, PGPMAX-ISB	15.01.2016	19	Max Financial Services Limited (formerly known as Max India Limited)	Associate Director - Corporate Development
6	Khosla Sakshi	39	Associate Director - Human Capital	Human Resources	7, 241, 300	PGDMS (HR), Master in Applied Psychology	15.01.2016	15	Max Financial Services Limited (formerly known as Max India Limited)	General Manager - Human Capital
7	Narang Dilbagh Singh	48	Director - Taxation	Taxation	10, 278, 730	B. Com, CA	15.01.2016	21	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Director- Taxation

Sr. No.	Name	Age (Yrs.)	Designation	Nature of duties	Remuneration (In Rs.)	Qualification	Date of Commencement of employment	Experience (Yrs.)	Last Employment Held Organisation	Position held
8	Raj Rishi	42	Director - Strategy & Corporate Development	Strategy & Corporate Development	14, 503, 403	PGDBM, B.A. (Hons) Economics	14.04.2016	20	McKinsey & Company	Senior Practice Manager (COO) of Strategy and Trends Analysis Center
9	Talwar, Mohit	59	Managing Director	General Management	20, 182, 316	Post Graduate (Arts), Post Graduate (Hospitality Management)	15.01.2016	40	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Managing Director
10	Thakur Nitin	45	Director - Brand & Communications	Communication	10, 724, 958	B. Com, PGDBM	15.01.2016	22	Max Financial Services Limited (formerly known as Max India Limited)	Director- Brand & Communications
B. Employed for part of the year										
11	Basu Shahana	51	Director - Legal & Regulatory Affairs	Legal & Regulatory Affairs	9, 583, 381	Degree of Juris Doctor from Yale Law School, Connecticut and M.A. Sociology from University of Chicago	01.02.2016	20	Amira Pure Foods Pvt. Ltd.	Global General Counsel
						NIL				

Notes :

- 1 Remuneration includes salary, allowances, value of rent free accommodation, bonus, value of ESOPs exercised, medical expenses, leave travel assistance, personal accident and health insurance, Company's contribution to Provident, Pension, Gratuity and Superannuation fund, leave encashment and value of perquisites, as applicable.
- 2 None of the above employees is a relative of any director or of the Company.
- 3 All appointments are/were contractual in accordance with the terms and conditions as per Company Rules/Policies.
- 4 Mr. Mohit Talwar holds 3, 65, 377 equity shares constituting 0.14% of the equity share capital of the Company as of the date of this report.
- 5 None of the above employees hold 2% or more equity shares of the Company, by himself/herself or alongwith his/her spouse and dependent children.

Mohit Talwar

Managing Director
DIN: 02394694

Ashok Kacker

Chairman of CSR Committee
DIN: 01647408

May 29, 2019
New Delhi

Annexure 7(b)

Information required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is appended below:

- (i) Ratio of remuneration of each Director to the median remuneration of all employees of the Company for the financial year ended 2018-19 is as follows:

Mr. Mohit Talwar: 9.27: 1

- (ii) Percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19 is as follows:

Name	Designation	% Increase in Remuneration in FY18-19 vs. FY17-18
Mr. Mohit Talwar *	Managing Director	-36.9%
Mr. Jatin Khanna **	Chief Financial Officer	3.9%
Mr. V. Krishnan ***	Company Secretary	17.6%

Note:

- 1) Non-executive Directors have been receiving remuneration in the form of Sitting Fees for attending the meetings of Board of directors or committee thereof, therefore their remuneration details have not been considered while disclosing particulars under S. No. (i) and (ii) above.
 - 2) * There has been an increase of 12% in fixed remuneration paid to Mr. Mohit Talwar for the FY18-19 in comparison to FY17-18. However, total remuneration paid to him has decreased by 36.9% on account of perquisite value of Rs.0.23 crores being the ESOPs exercised by him during FY 18-19 as against Rs. 1.89 crores during FY 17-18.
 - 3) ** There has been an increase of 17.8% in fixed remuneration paid to Mr. Jatin Khanna for the FY18-19 in comparison to FY17-18. However, total remuneration paid to him has increased by 3.9% on account of perquisite value of Rs. 27.52 Lakhs being the ESOPs exercised by him during FY 18-19 and his remuneration of FY 17-18 includes the performance bonus of both FY 16-17 and FY 17-18.
 - 4) *** There has been an increase of 10.5% in fixed remuneration paid to Mr. V. Krishnan for the FY18-19 in comparison to FY17-18. However, total remuneration paid to him has increased by 17.6% on account of perquisite value of Rs.27.52 Lakhs being the ESOPs exercised during FY 18-19 and a one-time special payout of Rs. 20 lakhs paid in FY 18-19.
- (iii) The Percentage increase in the median remuneration of all employees (including Managing Director) in the financial year 2018-19 was 6.84%.
- (iv) The number of permanent employees (including Managing Director) on the rolls of the Company as on March 31, 2019 was 48.
- (v) The average percentage increase in remuneration of employees other than managerial personnel (and including the impact of ESOPs exercised) in the financial year 2018-19 was 10.44 %.
- (vi) The Company confirms that remuneration paid during the financial year 2018-19, is as per the Remuneration Policy of the Company.

During Financial year 2018-19, the Company did not have any employee who received remuneration in excess of Director(s) and held 2% or more of the equity shares in the Company along with spouse and/or dependent children.

Annexure 8

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Max India Limited
(L85100PB2015PLC039155)
419, Bhai Mohan Singh Nagar,
Village Railmajra, Tehsil Balachaur,
NawanShehar, Punjab-144533

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Max India Limited** (hereinafter called the Company) for the financial year ended March 31, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that-

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');

*No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India with which the company has generally complied with.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent applicable as mentioned above.

- vi) The Company is having investment in various subsidiaries and a joint Venture Company and primarily engaged in growing and nurturing these business investments and providing shared services to various group Companies.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws specifically applicable to the Company. As informed by the management, there is no sector specific law applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Board of Directors in its Board meeting held on December 24, 2018 has pursuant to the provisions of Section 230 to 232 and other applicable provisions of Companies Act, 2013 and subject to the approval of Hon'ble NCLT and any other regulatory authority, has approved the composite scheme of Amalgamation and Arrangement between the Company, Max Healthcare Institute Limited, Radiant Life Care Private Limited and the wholly owned subsidiary of the Company i.e. Advaita Allied Health Services Limited.

We further report that during the audit period the Board of Directors has passed a resolution for divestment of entire shareholding of the Company in Max Bupa Health Insurance Company Limited, a material subsidiary of the

Company subject to the approval of shareholders and any other regulatory authority such as IRDAI, comprising of 51% of Max Bupa's total issued and paid-up share capital to True North (either directly or through any of its Affiliates) for an enterprise value of Rs. 1, 001 crores basis of the paid up capital of Max Bupa as on January 31, 2019.

We further report that during the audit period the Company has sought approval from its shareholders by way of postal ballot for shifting of Registered Office of the Company from the State of Punjab to Mumbai, State of Maharashtra subject to approval of Regional Director, Northern Region.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900
Devesh Kumar Vasisht
Partner
CP. No. 13700

New Delhi
May 29, 2019

Business Responsibility Report

Financial Year 2018-19

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company :**
L85100PB2015PLC039155
- Name of the Company :** Max India Limited
- Registered address:** 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab – 144533
- Website:** www.maxindia.com
- E-mail id:** corpsecretarial@maxindia.com
- Financial Year reported:** FY 2018-19
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

Sr. No.	Name and Description of main products/ services	NIC code of the product/ services
1.	Shared Ser- vices	70200- Management con- sultancy activities
2.	Investment Activity	64300- Trusts, funds and other financial vehicles
3.	Investing in Subsidiaries	64200- Activities of holding companies

- List three key products/services that the Company manufactures/provides (as in balance sheet):**
 - Management Consultancy Services
 - Investing Activities
 - Investing in Subsidiaries and Joint Venture Company
- Total number of locations where business activity is undertaken by the Company:**

The Company operates from its Corporate Office at New Delhi.

- Markets served by the Company:**

Being a Holding Company, the Company is having investments in various subsidiaries and joint ventures and primarily engaged in growing and nurturing these business investments and providing management

consultancy/ shared services to group companies in India only.

One of the Wholly-owned subsidiaries (WOS) of the Company namely Max UK Limited operates in UK.

SECTION B : FINANCIAL DETAILS OF THE COMPANY

- Paid-up capital :** Rs. 53.72 crore
- Total turnover (Total income) :** Rs. 56.46 crore
- Total profit/(Loss) after tax (PAT):** Rs. (18.49) crore
- Total spending on CSR as percentage of profit after tax :** Rs.25 Lakhs, being 2% of Average net profits of the Company under section 198 of the Companies Act, 2013 for last three financial years.
- List of the activities in which expenditure in 4 above has been incurred :** Please refer Annexure-6 of Board's Report

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? :** Yes
- Do the Subsidiary Company/Companies participate in the BR initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)**

The Company encourages all its operating subsidiaries to follow similar practices for Corporate Governance as the Parent Company does.

- Do any other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]:**

No

SECTION D : BR INFORMATION

- Details of Director(s) responsible for BR :**

DIN: 02394694

Name: Mr. Mohit Talwar

Designation: Managing Director

2. Details of the BR head :

Name : Mr. Jatin Khanna

Designation: Chief Financial Officer

Telephone number: (011) 42598000

Email ID: jkhanna@maxindia.com

3. Principle-wise BR policy/policies: Included in this report**4. Governance related to BR :** Included in this report**PREFACE**

The Company, being a Holding Company, is having investments in various subsidiaries and joint venture Company and primarily engages in growing and nurturing these business investments and providing shared services/ management consultancy services to group companies.

Max India Foundation, a CSR arm of the Max Group has been responsible to implement the CSR programmes of the Company and focuses on healthcare, sanitation, safe drinking water, environment protection, financial literacy & insurance awareness and village adoption. It is committed to attaining the highest standards of service in protecting and enhancing the financial future of its customers by adhering to a set of values that is shared across the Group – Sevabhav (spirit of service), Excellence and Credibility.

SECTION E: PRINCIPLE-WISE PERFORMANCE**Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability****1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?**

The Company has developed its Code of Conduct, Whistle Blower Policy and Anti Bribery Policy. These policies are available at corporate website of the Company i.e. www.maxindia.com.

The Company also encourages its subsidiaries to follow these policies.

2. How many stakeholder complaints have been received in the past financial year and what**percentage was satisfactorily resolved by the management?**

There were no stakeholder complaints received in the reporting period with regard to ethics, bribery and corruption.

During the financial year ended March 31, 2019, 1 (one) complaint / query was received by the Company for the shareholders, which were general in nature regarding non-receipt of share certificate, the same has been since responded.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

As explained above, the Company is not carrying out any manufacturing operations. The Company is having investments in various subsidiaries and joint ventures and primarily engaged in growing and nurturing these business investments and providing Management Consultancy Services to its group companies.

The Company endeavors to contribute to sustainability and conservation of resources in all possible manners. All Board level meetings have been made paperless. The agenda and other background papers for meetings of Board and committees thereof have been accessed electronically by directors through a secured IT Platform. Regular efforts are made to conserve the energy through various means such as use of low energy consuming lightings etc.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? : Not applicable
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year? : Not applicable

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company, being a holding Company, is relatively less resource intensive in terms of material inputs. Our major material requirements are office, communications and IT related equipment. Despite the limited scope of our procurement needs, we continue to take initiatives to ensure responsible sourcing in all respects. We have a Code of Conduct for our senior employees and business associates, which outlines our expectations from them and ethical business practices. Therefore, it is not possible to ascertain the percentage of inputs that are sourced sustainably.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes - Materials pertaining to office stationary, IT consumables are purchased from local vendors. The Company, from time-to-time takes initiatives for upgrading skills of housekeeping and security staff.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (as <5%, 5-10%, >10%).

Used batteries are regularly given to authorised vendors for recycling in exchange of new batteries. Further, metal scrap is sold to our empanelled scrap dealers at best competitive quotes. It is difficult to arrive at %age of recycle products and wastes.

Principle 3 - Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees: 48 Permanent Employees as on March 31, 2019.
2. Please indicate the total number of employees hired on temporary / contractual / casual basis:

4 Employees on Fixed Term Contract and 4 Retainers / Consultants as on March 31, 2019.

3. Please indicate the number of permanent women employees - 14 Permanent Female Employees as on March 31, 2019.
4. Please indicate the number of permanent employees with disabilities: NIL
5. Do you have an employee association that is recognised by management? : No
6. What percentage of your permanent employees is members of this recognized employee association? : Not Applicable
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year : Nil
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- **Permanent Employees:** Approximately 21% employees participated in Classroom Training Sessions and 90% employees had access to Virtual/Online Learning

- **Permanent Women Employees:** Approximately 43% Female employees participated in Classroom Training Sessions and 86% Female employees had access to Virtual/Online Learning.

- **Casual/Temporary/Contractual Employees:** Approximately 63% Fixed Term Contractual employees participated in Classroom Training Sessions and had access to Virtual / Online Learning

- **Employees with Disabilities:** Not Applicable

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders?

Yes. Employees and the Board of directors are the

internal stakeholder group while Subsidiaries /JV Companies, shareholders, investors, regulators, vendors and the community in the vicinity of our projects are primarily the external stakeholder groups of the Company.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders**

Yes, the Company regularly undertakes initiatives to engage with its internal and external stakeholders. The Company has processes in place to ensure upholding of the rights of its employees and protect them against any form of discrimination. Regular learning and development activities are being carried out for employees for their skill enhancement. The Company also has robust mechanisms in place which ensures full, fair, accurate, timely and understandable disclosures to all our Shareholders and investors.

Principle 5 - Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company ensures that all its policies are complied with as per conventionally understood provisions of human rights. The Company policies such as whistle blower policy and prevention against sexual harassment of women at workplace are extended to all across the Group. We encourage our vendors and business associates to follow similar policies. There is no discrimination whatsoever in the Company on the basis of cast, creed, race, gender, religion or physical handicap.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company has not received any complaints from any stakeholders pertaining to human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others**

The Company is committed to conduct its business in a manner that protects the natural environment. Being a Holding Company with no manufacturing operations, the Company doesn't have any adverse impact on environment.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

As stated above, the Company is not carrying out any manufacturing operations and therefore, it doesn't have any significant direct environmental impacts. However, regular efforts are made to conserve the energy through various means.

3. **Does the Company identify and assess potential environmental risks? Y/N**

Not Applicable for the reason stated in point no. 1 above.

4. **Does the Company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?**

Not Applicable for the reason stated in point no. 1 above.

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

As stated in point no. 2 above.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

Not Applicable

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not**

resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with

- a) Federation of Indian Chambers of Commerce and Industry (FICCI);
- b) Confederation of Indian Industry (CII) and
- c) International Market Assessments, India (IMA)

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good ? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

We do not engage in lobbying activities but actively participate in forums that impact the interest of stakeholders in general in the broad areas of governance, sustainable business development, taxes, etc.

Principle 8 - Businesses should support inclusive growth and equitable development

1) Does the Company have specified programs / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

CSR work of the Company primarily focuses on creating social inclusion and equitable development in the communities in the vicinity of Max Group Companies.

2) Are the programs / projects undertaken through in-house team / own foundation / external NGO/ government structures/any other organization?

The programs are implemented through Max India Foundation, a CSR arm of the MAX Group.

3) Have you done any impact assessment of your initiative? No

4) What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The above details forms part of the report on Corporate Social Responsibility (CSR) Activities enclosed as Annexure- 6 to the Board's Report.

5) Have you taken steps to ensure that this Community Development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Community development initiatives of the Company have been explained in detail Business Responsibility review section of Annual Report.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

Being a Holding Company, the Company is having investments in various subsidiaries and Joint Venture Company and primarily engaged in growing and nurturing these business investments and providing management consultancy services to group companies and therefore, the Company does not have customers or consumers under the scope of this BRR.

1. What percentage of Customer complaints/ consumer cases are pending as on the end of financial year: Nil

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information): N.A.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year: Nil

4. Did your Company carry out any consumer survey / consumer satisfaction trends?: No

Standalone Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Max India Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance

with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of investments in subsidiary companies (as described in note 2(e) of the standalone Ind AS financial statements)	
During the current year, impairment indicators were identified in Company's investments in certain subsidiaries namely Max Bupa Health Insurance Limited ("Max Bupa") and Antara Senior Living Limited ("ASLL"). As a result, an impairment assessment was required to be performed by comparing the carrying value of these subsidiaries to their recoverable amount to determine whether an impairment was required to be recognized. The recoverable amount was determined in accordance with IND AS 36 Impairment of Assets to be the higher of the fair value less cost of disposal, represented by the fair value of these subsidiaries, and the value in use, determined by discounting future cash flows. There are uncertainties involved in estimating the recoverable amount of investment in subsidiaries, which principally arose from the inputs in both forecasting and discounting future cash flows new senior living projects launched by ASLL. To determine the recoverable amount of the investment in subsidiary companies was one of the key judgement area in preparing the standalone financial statements due to a combination of the significance of the investments in the subsidiaries and the inherent uncertainty in the assumptions supporting the recoverable amount of these investments. Accordingly, the impairment of investments in subsidiary companies has been identified to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures include the following: • we involved valuation specialists, to assess the Company's valuation methodology applied in determining the recoverable amounts. • We involved valuation specialists to assess the assumptions, drivers of the cash flow forecasts • In making this evaluation, we also assessed the objectivity and independence of Company's specialists involved in the process. • We have read the binding sale agreement entered between the Company and True North Fund VI LLP for the proposed sale of Company's stake in Max Bupa.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for

expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation

precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 28(c) to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 095169

Place of Signature: : Gurugram
Date: May 29, 2019

Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date.

Re: **Max India Limited** ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- (b) Property plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not been commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, goods and services act, value added tax, and other material statutory dues applicable to it. The provisions relating to duty of excise, employees' state insurance, duty of custom, cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, goods and services tax, value added tax, and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise, employees' state insurance, duty of custom, cess are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, value added taxes, service tax, goods and services tax which have not been deposited on account of any dispute. The provisions related to employees' state insurance, duty of excise, duty of customs and are not applicable to the Company.
- viii) The Company did not have any outstanding dues in respect of debenture holders, financial institutions, banks, or Government during the year.
- (ix) According to information and explanation given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans, hence reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report

that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or

partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169

Place of Signature : Gurugram
Date: May 29, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAX INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Max India Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls [based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate

internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding

prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 095169

Place of Signature: Gurugram
Date: May 29, 2019

Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Assets				
Non-current assets				
Property, plant and equipment	3	312.41	254.41	276.33
Capital work-in-progress	3	-	134.08	-
Investment in subsidiaries and joint venture	4	108,623.16	151,867.53	120,417.88
Financial Assets				
(i) Loans	6a	2,105.69	910.20	6,240.04
Non-current tax assets	11	274.14	124.00	158.39
Other non-current assets	7a	7,351.57	7,378.10	7,320.00
Deferred tax assets (net)	18	254.02	56.73	-
		118,920.99	160,725.05	134,412.64
Current assets				
Financial Assets				
(i) Investments	5	3,225.85	12,700.34	30,971.30
(ii) Trade receivables	8	3,219.49	1,483.32	1,141.65
(iii) Cash and cash equivalents	9	27.00	47.97	60.59
(iv) Loans	6b	176.15	3.41	4.84
(v) Other financial assets	10	45.62	48.18	-
Other current assets	7b	420.32	776.82	59.08
		7,114.43	15,060.04	32,237.46
Non current assets held for sale	12	50,031.02	-	-
Total assets		176,066.44	175,785.09	166,650.10
Equity and liabilities				
Equity				
Equity share capital	13a	5,372.31	5,367.66	5,345.40
Other equity	13b	167,528.74	169,211.15	160,232.54
		172,901.05	174,578.81	165,577.94
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	14a	137.12	173.79	106.46
Provisions	15a	360.16	316.12	265.51
Deferred tax liabilities (net)	18	-	-	113.63
		497.28	489.91	485.60
Current liabilities				
Financial liabilities				
(i) Trade payables	16			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		535.49	115.61	165.05
(ii) Other financial liabilities	14b	61.32	87.57	76.40

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other current liabilities	17	425.53	321.48	185.99
Provisions	15b	1, 645.77	191.71	159.12
		2, 668.11	716.37	586.56
Total equity and liabilities		176, 066.44	175, 785.09	166, 650.10

Summary of significant accounting policies 2

Other notes to accounts 25-41

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	19	5,594.90	6,375.76
Other income	20	51.58	174.38
Total income		5,646.48	6,550.14
Expenses			
Employee benefits expense	21	2,819.75	2,668.22
Depreciation and amortization expense	22	123.31	86.99
Other expenses	23	2,969.43	2,619.39
Provision for indemnity	12	1,428.00	-
Total expenses		7,340.49	5,374.60
(Loss) / Profit before tax		(1,694.01)	1,175.54
Tax expense :	18		
Current tax		354.00	807.48
Deferred tax		(198.80)	(169.01)
Income tax adjustment related to earlier years		-	(29.94)
(Loss) / Profit for the year		(1,849.21)	567.01
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains/(losses) on defined benefit plans	26	5.18	(3.91)
Income tax effect	18	(1.51)	1.35
Other comprehensive income for the year		3.67	(2.56)
Total comprehensive income for the year		(1,845.54)	564.45
Earnings per equity share:			
	24		
(1) Basic		(0.69)	0.21
(2) Diluted		(0.69)	0.21

Summary of significant accounting policies

2

Other notes to accounts

25-41

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	267, 270, 049	5, 345.40
Issue of share capital	1, 113, 016	22.26
At March 31, 2018	268, 383, 065	5, 367.66
Issue of share capital	232, 573	4.65
At March 31, 2019	268, 615, 638	5, 372.31

B. Other equity

	Reserves and Surplus					Total
	Securities premium	Employee stock options outstanding (refer note 27)	Capital reserve	Retained earnings	Share warrants	
At April 01, 2017	133.53	368.06	156, 917.05	2, 813.90	-	160, 232.54
Profit for the year	-	-	-	567.01	-	567.01
Premium on issue of equity shares during the year	129.15	(129.15)	-	-	-	-
Premium on issue of equity shares under ESOP	671.96	-	-	-	-	671.96
ESOP expenses recognized during the year	-	93.66	-	-	-	93.66
Fair valuation of ESOP	-	148.54	-	-	-	148.54
Amount received during the year	-	-	-	-	7, 500.00	7, 500.00
Other Comprehensive Income	-	-	-	(2.56)	-	(2.56)
At March 31, 2018	934.64	481.11	156, 917.05	3, 378.35	7, 500.00	169, 211.15
Loss for the year	-	-	-	(1, 849.21)	-	(1, 849.21)
Premium on issue of equity shares during the year	166.82	(166.82)	-	-	-	-
ESOP expenses recognized during the year	-	88.79	-	-	-	88.79
Fair valuation of ESOP	-	74.34	-	-	-	74.34
Share warrants forfeited during the year (Refer note 13b)	-	-	7, 500.00	-	(7, 500.00)	-
Other Comprehensive Income	-	-	-	3.67	-	3.67
At March 31, 2019	1, 101.46	477.42	164, 417.05	1, 532.81	-	167, 528.74
Summary of significant accounting policies	2					
Other notes to accounts	25-41					

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Cash flow statement for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss)/profit before tax	(1, 694.01)	1, 175.54
Add:		
Depreciation and Amortisation	123.31	86.99
Interest income	(206.49)	(870.49)
Net loss on sale of fixed assets	11.74	0.50
Net profit on sale of current investments	(567.21)	(862.91)
Fair value gain/(loss) on mutual funds	(32.71)	(539.76)
Fair valuation impact on CRPS	(136.64)	(122.79)
Financial guarantee income	(36.67)	(169.15)
Liability/ provisions no longer required written back	(0.12)	-
Provision for indemnity	1, 428.00	-
Provision for doubtful advances - subsidiary	4.30	3.33
Employee stock option expense	129.09	193.29
Operating (Loss)/profit before working capital changes	(977.41)	(1, 105.45)
Add: Working Capital Changes :		
Financial Assets		
(Increase) / decrease in loans (non-current)	(1, 195.49)	5, 329.84
(Increase) / decrease in other non-current assets	26.53	(58.10)
(Increase) in trade receivables (current)	(1, 736.17)	(341.67)
(Increase) in loans (current)	(9.44)	(2.81)
(Increase) / decrease in other financial assets (current)	2.56	(48.18)
(Increase) / decrease in other current assets	390.54	(668.83)
Financial liabilities		
Increase / (decrease) in other financial liabilities	(0.60)	222.00
Increase in provisions	75.28	79.29
Increase / (decrease) in trade payables	420.00	(49.44)
Decrease in other current liabilities	104.05	135.49
Cash Flow from operations	(2, 900.15)	3, 492.14
Less: Direct taxes paid (net)	(504.14)	(743.15)
NET CASH FROM (USED IN) OPERATING ACTIVITIES (A)	(3, 404.29)	2, 748.99
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	(99.65)	(178.16)
Proceeds from sale of fixed assets	15.03	4.16
Investment in Subsidiaries and Joint Ventures	(6, 650.01)	(31, 326.86)
Purchase of investments in mutual funds	(24, 471.96)	(46, 414.20)
Proceeds from sale/maturity of current investments	34, 546.37	66, 087.83
Interest received	38.89	870.40

	For the year ended March 31, 2019	For the year ended March 31, 2018
NET CASH FROM (USED IN) INVESTING ACTIVITIES (B)	3, 378.67	(10, 955.83)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including security premium a/c)	4.65	694.22
Proceeds from issue of share warrants	-	7, 500.00
NET CASH FROM (USED IN) FINANCING ACTIVITIES (C)	4.65	8, 194.22
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	(20.97)	(12.62)
Cash And Cash Equivalents - Opening Balance	47.97	60.59
Cash And Cash Equivalents - Closing Balance	27.00	47.97
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	(20.97)	(12.62)

The above cash flow statement has been prepared under the 'indirect method' as set out in Accounting Standard - 3 on "Cash Flow Statement".

Summary of significant accounting policies

2

Other notes to accounts

25-41

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

1. Corporate information

The standalone financial statements comprise financial statements of Max India Limited (the Company) for the year ended March 31, 2019. Max India Limited is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016.

The Company is primarily engaged in making business investment in its subsidiaries and providing management advisory services to the group companies.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 29, 2019.

2. Basis of preparation

During the current year, the Company ceased to be a core investment company (non systemically important) as per the Non-Banking Financial Company (NBFC) Rules defined under the RBI Act, 1934. Accordingly the standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 37 for information on how the Company adopted Ind AS.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been

measured at fair value

(i) Certain financial assets and liabilities measured at fair value

(Amount in INR lakhs, unless otherwise stated)

Financial assets and liabilities that are measured at fair value

Financial Statement are presented in INR and all values are rounded to nearest Lakhs (INR 00, 000) except when otherwise stated.

a) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Property, plant and equipment

On transition to Ind AS, the Company has applied exemption of Ind AS and elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2017.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT, VAT and GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. Further, when

each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management. Pursuant to this policy, assets are depreciated over the following term-

Furniture and Fixtures	10 years
Office Equipment	3-5 years
IT Equipment (End user devices)	3 years
IT Equipment (Servers and network)	6 years
Vehicles	3-8 years
Leasahod Improvement	3 years (life of lease)

The Company, based on technical assessment made by technical expert and management

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

estimate, depreciates above mentioned items over estimated useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

d) Leases

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

In determining fair value less cost of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing

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rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

f) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the

reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

g) Retirement and other Employee Benefits

Provident fund

The Company contributed to employees provident fund benefits through a trust "Max Financial Services Limited Provident Fund Trust" managed by Max Financial Services Limited (erstwhile Max

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India Limited) whereby amounts determined at a fixed percentage of basic salaries of the employees are deposited to the trust every month. The benefit vests upon commencement of the employment. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company has obtained actuarial valuation to determine the shortfall, if any, as at the Balance Sheet date.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

- (i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- (ii) Net interest expenses or income.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated

as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets

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not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- a) Debt instruments at amortised cost
- b) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instrument at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the company estimate the expected

cash flow by considering all contractual terms of the financial instruments. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Interest income from these debt instruments is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Notes to financial statements for the year ended March 31, 2019

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - (a) the Company has transferred the rights to receive cash flows from the financial assets or
 - (b) the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred its right to receive cash flows from an asset or has entered into a pass through agreement, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the

entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost; e.g. Loans, Security deposits, trade receivable, bank balance, other financial assets etc.

Financial guarantee contracts measured at fair value through profit or loss (FVTPL)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible

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within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial

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recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

De-recognition

A financial liability is derecognised when the

obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

j) Foreign currencies

The financial statements are presented in INR, which is also the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at the date of the transaction.

Measurement of foreign currency items at the

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balance sheet date

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

k) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. The Company determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best

economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets, such as financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.

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At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 32)
- b) Quantitative disclosures of fair value measurement hierarchy (note 33)
- c) Financial instruments (including those carried at amortised cost) (note 32)
- d) Investment in unquoted equity shares of subsidiary (note no 4)

I) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

- i) Rendering of services -Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The company collects service tax & GST on behalf

of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

The Company considers in determining the transaction price for the sale of services, whether there are other promises in the contract that are separate performance obligation to which a portion of transaction price needs to be allocated.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for further reference.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Other revenue streams:

- i) **Interest income** -Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms

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of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

m) Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.
- iii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at

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the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during specified period.

n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

o) Investment in Subsidiaries

The investment in subsidiaries are carried at cost as per IND AS 27. Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

p) Non-current assets held for sale

The Company classifies non-current assets and disposal company as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

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- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

q) Share-based payments

Employees of the Company receive remuneration in the form of share based payment transaction, whereby employees render services as a consideration for equity instruments(equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents

the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

3. Property, plant and equipment

	Furniture & Fixtures	Vehicles	Office equipments	Computers and data processing units	Leasehold Improvements	Total	Capital work in progress
At deemed cost							
At April 01, 2017*	10.59	206.10	24.46	35.18	-	276.33	-
Additions	-	56.55	1.60	11.58	-	69.73	134.08
Disposals	-	5.20	0.55	-	-	5.75	-
At March 31, 2018	10.59	257.45	25.51	46.76	-	340.31	134.08
Additions	0.87	10.81	5.65	38.31	152.44	208.08	57.31
Disposals	8.99	28.13	5.51	0.39	-	43.02	191.39
At March 31, 2019	2.47	240.13	25.65	84.68	152.44	505.37	-
Accumulated depreciation							
At April 01, 2017	-	-	-	-	-	-	-
Charge for the year	1.75	63.24	7.14	14.86	-	86.99	-
Disposals	-	1.05	0.04	-	-	1.09	-
At March 31, 2018	1.75	62.19	7.10	14.86	-	85.90	-
Charge for the year	1.14	56.03	6.87	18.56	40.71	123.31	-
Disposals	2.63	11.68	1.74	0.20	-	16.25	-
At March 31, 2019	0.26	106.54	12.23	33.22	40.71	192.96	-
Net block							
At April 01, 2017	10.59	206.10	24.46	35.18	-	276.33	-
At March 31, 2018	8.84	195.26	18.41	31.90	-	254.41	134.08
At March 31, 2019	2.21	133.59	13.42	51.46	111.73	312.41	-

* The Company has elected Ind-AS 101 exemption and continued with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated depreciation has been disclosed by the Company separately as follows

Particulars	Furniture & Fixtures	Vehicles	Office equipments	Computers and data processing units	Leasehold Improvements	Total	Capital work in progress
Gross block	54.77	352.26	90.14	133.33	355.51	986.01	-
Accumulated depreciation	44.18	146.16	65.68	98.15	355.51	709.68	-
Deemed cost as at April 01, 2017	10.59	206.10	24.46	35.18	-	276.33	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

4. Investments in subsidiaries and joint ventures

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
A. Investment Carried at cost			
(i) Investments in unquoted equity instruments of subsidiary companies			
Max Bupa Health Insurance Co. Limited			
Nil (March 31, 2018 : 472, 260, 000, April 01, 2017 : 472, 260, 000) shares of INR 10/- each fully paid-up (refer note 12)	-	47, 226.01	47, 226.01
Pharmax Corporation Limited			
47, 122, 747 (March 31, 2018 : 47, 122, 747, April 01, 2017 : 47, 122, 747) shares of INR 10/- each fully paid-up	1, 420.81	1, 420.81	1, 420.81
Antara Senior Living Limited			
8, 000, 000 (March 31, 2018 : 8, 000, 000, April 01, 2017 : 8, 000, 000) shares of INR 10/- each fully paid-up	800.00	800.00	800.00
Max UK Limited			
299, 742 (March 31, 2018 : 299, 742, April 01, 2017 : 299, 742) shares of INR 10/- each fully paid-up	213.00	213.00	213.00
Less: Impairment allowance	(213.00)	(213.00)	(213.00)
Max Ateev Limited			
31, 443, 600 (March 31, 2018 : 31, 443, 600, April 01, 2017 : 31, 443, 600) shares of INR 10/- each fully paid-up	3, 144.36	3, 144.36	3, 144.36
Less: Impairment allowance	(3, 144.36)	(3, 144.36)	(3, 144.36)
Max Skill First Limited			
9, 095, 000 (March 31, 2018 : 9, 095, 000, April 01, 2017 : 9, 095, 000) shares of INR 10/- each fully paid-up	1, 022.87	1, 022.87	1, 022.87
Less: Impairment allowance	(447.87)	(447.87)	(447.87)
(ii) Investment in compulsorily convertible preference shares (in nature of equity) (note a below)			
Antara Senior Living Limited			
32, 116, 417 (March 31, 2018 : 28, 271, 417, April 01, 2017 : 18, 321, 417) Zero Coupon Compulsorily Convertible Preference shares of INR 100/- each fully paid-up	32, 116.42	28, 271.42	18, 321.42
(iii) Investment in Joint Venture			
Max Healthcare Institute Limited			
266, 997, 937 (March 31, 2018 : 266, 997, 937, April 01, 2017 : 246, 848, 537) shares of INR 10/- each fully paid up (refer note 40)	70, 569.55	70, 569.55	49, 412.68
B) B) Investments carried at fair value through profit and loss			
i) Investment in preference shares of subsidiary companies			
Pharmax Corporation Limited (Note b below)			
1, 500, 000 (March 31, 2018 : 1, 500, 000, April 01, 2017 : 1, 500, 000) 9% Preference shares of INR 100/- each fully paid-up	2, 671.04	2, 534.40	2, 411.62
C) Additional investments in Antara Purukul Senior Living Ltd (refer C below)	470.34	470.34	250.34
	108, 623.16	151, 867.53	120, 417.88
Aggregate amount of unquoted investments	108, 623.16	151, 867.53	120, 417.88
Aggregate amount of quoted investments	-	-	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- Terms of Compulsorily Convertible Preference Shares ('CCPS') - 1 CCPS to be converted into 10 equity shares at any time within the tenor of 10 years from the date of issue at the option of the shareholder at a par value. In case, the Company decides to go for an IPO or any corporate action including issuance of equity on preferential basis, rights or a bonus issue, the shareholder shall have the right for early/prior conversion.
- 9% Cumulative Redeemable Preference Shares are to be redeemed on or before 31st March 2020 i.e 20 years from the date of issue of the said redeemable preference shares.
- Guarantee has been given by the Company on behalf of its step down subsidiary, Antara Purukul Senior Living Limited for loan of Rs. Nil (March 31, 2018: Rs.Nil, April 01, 2017: Rs.25, 000.00 lakhs) from Axis Bank Limited and for loan of Rs. 22, 000.00 lakhs (March 31, 2018: Rs.22, 000 lakhs, April 01, 2017: Rs.Nil) from Aditya Birla Finance Limited and Bajaj Finance Limited.

Carrying amount of the related corporate guarantee is Rs.Nil lakhs (March 31, 2018 - Nil , April 1, 2017 - Rs. 25, 033.89 lakhs) from Axis Bank Limited, Rs. 12, 761.01 lakhs (March 31, 2018 - Rs. 21, 696.16 lakhs, April 1, 2017 - Rs. Nil) from Aditya Birla Finance Limited and Rs. 6, 487.48 lakhs (March 31, 2018 - Rs. Nil, April 1, 2017 - Rs. Nil) from Bajaj Finance Limited.

5. Current Investments

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment carried at fair value through profit and loss (FVTPL)			
Investment in mutual funds (unquoted)			
Axis Liquid Fund- Direct Plan Growth			
49, 105 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	1, 018.20	-	-
Aditya Birla Sun Life Cash Plus - Growth Direct Plan Growth			
158, 993 (March 31, 2018 : Nil, April 01, 2017 : 1, 895, 100) units of INR 100 each fully paid	477.67	-	4, 952.07
DFHL Pramerica Insta Cash Plus Fund - Direct Plan Growth			
Nil (March 31, 2018 : Nil, April 01, 2017 : 741, 093) units of INR 100 each fully paid	-	-	1, 566.35
DSP BlackRock Liquidity Fund -Direct Growth			
Nil (March 31, 2018 : Nil, April 01, 2017 : 280, 058) units of INR 1000 each fully paid	-	-	6, 513.53
Franklin India Treasury Management Account Fund			
Nil (March 31, 2018 : 86, 669, April 01, 2017 : Nil) units of INR 1000 each fully paid up	-	2, 251.22	-
IDFC Cash Fund - Direct Plan Growth			
Nil (March 31, 2018 : 36, 071, April 01, 2017 : Nil) units of INR 1000 each fully paid	-	761.17	-
JM High Liquidity Fund (Direct) Growth			
Nil (March 31, 2018 : 4, 248, 757, April 01, 2017 : 14, 800, 894) units of INR 10 each fully paid	-	2, 021.24	6, 588.38

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Invesco India Liquid Fund Direct Plan Growth			
Nil (March 31, 2018 : 100, 465, April 01, 2017 : 76, 992) units of INR 1000 each fully paid	-	2, 403.20	1, 723.60
Kotak Liquid - Direct Plan Growth			
5, 998 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	226.99	-	-
L&T India Liquid Fund- Direct Fund Growth			
Nil (March 31, 2018 : 136, 772, April 01, 2017 : 140, 003) units of INR 1000 each fully paid	-	3, 259.10	3, 122.12
SBI Liquid Fund- Direct Plan Growth			
20, 662 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	605.09	-	-
Sundram Money Fund- Direct Plan Growth			
2, 278, 263 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 10 each fully paid	897.90	-	-
UTI Money Market Fund - Direct Fund Growth			
Nil (March 31, 2018 : 102, 804, April 01, 2017 : 356, 604) units of INR 1000 each fully paid	-	2, 004.41	6, 505.25
Total	3, 225.85	12, 700.34	30, 971.30
Aggregate amount of unquoted investments	3, 225.85	12, 700.34	30, 971.30
Aggregate amount of quoted investments	-	-	-

6a. Loans (Non-current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans at amortised cost (unsecured, considered good)			
Loan to related parties (refer note below)	1, 933.81	700.00	6, 150.00
Security deposits	149.18	208.63	86.50
Loans to employees	22.70	1.57	3.54
	2, 105.69	910.20	6, 240.04

Loan given to Antara Purukul Senior Living Limited (APSL) at an interest rate of market borrowing rate plus 0.50%. Loan is repayable in two half yearly installments commencing from February 2024.

Refer Note 31 for term and conditions relating to transaction with related parties.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

6b. Loans (Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans at amortised cost			
Loans to employees - unsecured, considered good	7.64	2.50	4.84
Interest accrued on deposit - unsecured, considered good (refer note 31)	168.51	0.91	-
Loans to related parties - credit impaired (refer note 31)	2, 626.11	2, 621.81	2, 618.48
	2, 802.26	2, 625.22	2, 623.32
Less: Impairment loss allowance	(2, 626.11)	(2, 621.81)	(2, 618.48)
	176.15	3.41	4.84

7a. Other assets (Non Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured, considered good			
Capital advances	7, 320.00	7, 320.00	7, 320.00
Prepaid expenses	31.57	58.10	-
	7, 351.57	7, 378.10	7, 320.00

7b. Other assets (Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured, considered good			
Prepaid expenses	56.41	52.64	33.73
Share application money pending allotment (refer note 31)	355.01	700.00	-
Balance with statutory / government authorities	-	3.89	23.22
Other advances	8.90	20.29	2.13
	420.32	776.82	59.08

8. Trade receivables

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade receivable from related parties - Unsecured, considered good	3, 219.49	1, 483.32	1, 141.65
	3, 219.49	1, 483.32	1, 141.65

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

9. Cash and Cash Equivalents

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balances with banks:			
- On current accounts	22.03	47.17	56.96
Cash on hand	1.02	0.80	0.28
Cheques on Hand	3.95	-	3.35
	27.00	47.97	60.59

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash and Cash Equivalents as per balance sheet	27.00	47.97	60.59
	27.00	47.97	60.59

10. Other financial assets

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other receivables from related parties	45.62	48.18	-
Total	45.62	48.18	-

For terms and conditions relating to receivables from related parties, refer note 31

11. Non-current tax assets (net)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Advance income tax (net of provisions)	274.14	124.00	158.39
	274.14	124.00	158.39

Break up of financial assets at amortised cost

Non-current financial assets

Loans (refer note 6a)	2, 105.69	910.20	6, 240.04

Current financial assets

Trade receivables (refer note 8)	3, 219.49	1, 483.32	1, 141.65
Loans (refer note 6b)	176.15	3.41	4.84
Cash and cash equivalents (refer note 9)	27.00	47.97	60.59
Other financial assets (refer note 10)	45.62	48.18	-
	5, 573.95	2, 493.08	7, 447.12

12. Non current assets held for sale

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment in Max Bupa Health Insurance Company Limited**			
500, 310, 000 (March 31, 2018 : Nil, April 01, 2017 : Nil) shares of INR 10/- each fully paid-up	50, 031.02	-	-
	50, 031.02	-	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

** The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019. Accordingly, the Company has identified Investment in Max Bupa as "Non Current Asset held for sale" in accordance with Ind AS 105.

Further, in accordance with the agreement, the Company has agreed to indemnify True North fund VI LLP for any potential write offs arising on Max Bupa's investment in IL&FS Group entities. Accordingly, the management has on a prudent basis assessed a provision of Rs 1, 428.00 lakhs to fulfill such indemnity obligation.

13a. Equity share Capital

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorised shares			
300, 000, 000 (March 31, 2018 : 300, 000, 000 and April 01, 2017 : 300, 000, 000) equity shares of INR 2 each	6, 000.00	6, 000.00	6, 000.00
Issued, subscribed and fully paid equity capital			
268, 615, 638 (March 31, 2018 : 268, 383, 065 and April 01, 2017 : 267, 270, 049) equity shares of INR 2 each	5, 372.31	5, 367.66	5, 345.40
Total issued, subscribed and fully paid-up share capital	5, 372.31	5, 367.66	5, 345.40

(i) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2019		March 31, 2018		April 1, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the year	268, 383, 065	5, 367.66	267, 270, 049	5, 345.40	267, 270, 049	5, 345.40
Add: Shares issued for stock options exercised (refer note no 27)	232, 573	4.65	1, 113, 016	22.26	-	-
Outstanding at the end of the year	268, 615, 638	5, 372.31	268, 383, 065	5, 367.66	267, 270, 049	5, 345.40

(iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(iv) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of Rs. 2/- each fully paid-up						
- Liquid Investment and Trading Private Limited	200,000	0.07%	23,818,876	8.87%	23,818,876	8.91%
- Max Ventures Investment Holdings Private Limited	103,467,976	38.52%	66,158,030	24.65%	66,158,030	24.75%
- Mohair Investment and Trading Company Private Ltd	-	-	13,690,570	5.10%	8,086,560	3.03%
- Reliance Capital Trustee Co Ltd A/C Reliance Capital Builder Fund 4 SR A	17,369,062	6.47%	14,601,201	5.44%	12,515,216	4.68%
- WF Asian Reconnaissance Fund Limited	17,201,096	6.40%	-	-	-	-
-Xenok Limited	-	-	-	-	17,161,714	6.42%

(v) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, please refer note 27.

Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has issued total 1,631,639 shares (March 31, 2018: 1,399,066 shares, April 01, 2017: 2,86,050 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

During financial year 2015-16, pursuant to Composite Scheme of Arrangement and order of Hon`ble High Court of Punjab and Haryana dated December 14, 2015 (Order) sanctioning the Composite Scheme of Arrangement involving Max Financial Services Limited (formerly Max India Limited), Max India Limited (formerly Taurus Ventures Limited) (the Company) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited), the Company allotted 266,983,999 equity shares on May 14, 2016, in the ratio of 1 equity share of Rs. 2 each fully paid up of the company for every one equity share of Rs. 2 each fully paid up, held by shareholder of Max Financial Services Limited on January 28, 2016 (record date).

13b. Other equity

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital reserve (refer note a below)	164,417.05	156,917.05	156,917.05
Securities premium (refer note b below)	1,101.46	934.64	133.53
Employee stock options outstanding (refer note c below)	477.42	481.11	368.06
Retained earnings (refer note d below)	1,532.81	3,378.35	2,813.90
Amount received against share warrants (refer note e below)	-	7,500.00	-
	167,528.74	169,211.15	160,232.54

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a) Capital reserve			
Balance as at beginning of the year	156, 917.05	156, 917.05	156, 917.05
Add: Share warrants forfeited during the year	7, 500.00	-	-
	164, 417.05	156, 917.05	156, 917.05
b) Securities premium			
At the beginning of the year	934.64	133.53	133.53
Add: premium on issue of employee stock options	-	671.96	
Add: transferred from employee stock options outstanding	166.82	129.15	
	1, 101.46	934.64	133.53
c) Employee stock options outstanding			
At the beginning of the year	481.11	368.06	368.06
Add: ESOP expenses recognized during the year	88.79	93.66	
Add: Fair valuation of ESOP	74.34	148.54	
Less: transferred to securities premium on exercise of stock options	(166.82)	(129.15)	
	477.42	481.11	368.06
d) Retained earnings			
At the beginning of the year	3, 378.35	2, 813.90	2, 813.90
Profit/(Loss) for the year	(1, 849.21)	567.01	-
Items of other comprehensive income recognized directly in retained earnings			
Re-measurement of post employment benefit obligation (net of tax) (item of OCI)	3.67	(2.56)	-
	1, 532.81	3, 378.35	2, 813.90
e) Amount received against share warrants			
At the beginning of the year	7, 500.00	-	-
Amount received during the year *	-	7, 500.00	-
Amount forfeited during the year **	(7, 500.00)	-	-
	-	7, 500.00	-

* During the previous year, the Company allotted 19, 384, 584 convertible warrants at an exercise price of Rs. 154.76 per warrants to Mohair Investment and Trading Company Private Limited (an entity belonging to Promoter Group), on receipt of 25% of the warrant subscription amount, i.e. Rs. 7, 500 lakhs. Each warrant was convertible into 1 equity share as per applicable SEBI guidelines at any time before the expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

** During the year, the Promoter group decided not to opt for conversion of aforesaid warrants, accordingly, the Board of directors took note of cancellation of aforesaid warrants and forfeiture of upfront warrant subscription amount paid earlier on such warrants.

13c Nature and purpose of reserves

Capital reserve

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Employee stock options outstanding

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

14a. Other financial liabilities - non current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
At amortised cost			
Deferred guarantee income (refer note 28C)	137.12	173.79	106.46
	137.12	173.79	106.46

14b. Other financial liabilities - current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
At amortised cost			
Security deposit received	24.65	25.25	23.24
Deferred guarantee income (refer note 28C)	36.67	36.67	53.16
Capital creditors	-	25.65	-
	61.32	87.57	76.40

15a. Provisions - non current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Provision for gratuity (refer note 26)	360.16	316.12	265.51
	360.16	316.12	265.51

15b. Provisions - current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Provision for gratuity (refer note 26)	45.40	23.55	19.56
Provision for leave benefits	172.37	168.16	139.56
Provision for indemnity * (refer note 12)	1,428.00	-	-
	1,645.77	191.71	159.12

16. Trade payables (carried at amortised cost)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises #	535.49	115.61	165.05
	535.49	115.61	165.05

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Trade payables include due to related parties Rs. 8.12 lakhs (March 31, 2018 - Rs. 3.17 lakhs; , April 1, 2017 - Rs. 1.39 lakhs).

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60 to 90 days terms.
- For terms and conditions with related parties, refer note 31.
- For explanations on the Company's credit risk management processes, refer note 34.

17. Other current liabilities

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory Dues	425.53	321.48	185.99
Total	425.53	321.48	185.99

18. Income Tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

Statement of profit and loss:

Profit or loss section

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	354.00	807.48
Income tax adjustment related to earlier years	-	(29.94)
Deferred tax:		
Relating to origination and reversal of temporary differences	(198.80)	(169.01)
Income tax expense reported in the statement of profit or loss	155.20	608.53

OCI section

Deferred tax related to items recognised in OCI during the year:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	1.51	(1.35)
Income tax charged to OCI	1.51	(1.35)

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

	March 31, 2019	March 31, 2018
Accounting profit before income tax	(1, 694.01)	1, 175.54
At India's statutory income tax rate of 29.12% (March 31, 2018: 34.608%)	29.12%	34.61%
Computed Tax Expense	(493.30)	406.83
Adjustments:		
Income not considered for tax purpose	(28.82)	(49.63)
Expense not allowed for tax purpose	677.32	270.62
Difference in tax rate	-	10.65
Tax relating to earlier years	-	(29.94)
At the effective income tax rate	155.20	608.53
Income tax expense reported in the statement of profit and loss	155.20	608.53

Deferred tax:

	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax liability			
Difference in books base and tax base of investments	(9.52)	(157.18)	(318.17)
Others	(7.54)	(11.87)	-
Deferred tax asset			
Accelerated Depreciation for Company Act purposes	55.45	42.16	43.58
Expenses allowable on payment basis	80.38	63.62	147.99
Others	135.25	120.00	12.97
Net deferred tax assets/(liabilities)	254.02	56.73	(113.63)

	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Difference in books base and tax base of investments	147.66	160.99
Others	4.33	(11.87)
Deferred tax asset		
Accelerated Depreciation for Company Act purposes	13.29	(1.42)
Expenses allowable on payment basis	16.76	(84.37)
Others	15.25	107.03
Net deferred tax assets/(liabilities)	197.29	170.36

Reflected in the balance sheet as follows:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	271.08	225.78	204.54
Deferred tax liabilities	(17.06)	(169.05)	(318.17)
Net deferred tax assets/(liabilities)	254.02	56.73	(113.63)

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of deferred tax asset / (liabilities) (net):

	March 31, 2019	March 31, 2018
Opening balance as of 1 April	56.73	(113.63)
Tax income/(expense) during the period recognised in profit or loss	198.80	169.01
Tax income/(expense) during the period recognised in OCI	(1.51)	1.35
Closing balance as at March 31,	254.02	56.73

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

19. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Rendering of shared services	4, 666.64	3, 984.73
(b) Other operating revenue		
Interest income on :		
Loan to subsidiary company (refer note 31)	186.22	858.02
Fixed deposits	5.48	7.55
Profit on sale of current investments	567.21	862.91
Fair value gain on mutual funds	32.71	539.76
Fair valuation impact on cumulative redeemable preference shares	136.64	122.79
	5, 594.90	6, 375.76

19.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment

Type of services	For the year ended March 31, 2019	For the year ended March 31, 2018
Shared Service revenue	4, 666.64	3, 984.73
Total revenue from contracts with customers	4, 666.64	3, 984.73
India	4, 666.64	3, 984.73
Outside india	-	-
Total revenue from contracts with customers	4, 666.64	3, 984.73

19.2 Contract balances

	As at March 31, 2019	As at March 31, 2018
Trade receivables	3, 219.49	1, 483.32
Contract liabilities	-	-

Trade receivables are non interest bearing. Credit period generally falls in the range of 60 to 90 days.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

19.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at March 31, 2019	As at March 31, 2018
Revenue as per contracted price	4, 666.64	3, 984.73
Adjustments		
Discount	-	-
Revenue from contracts with customers	4, 666.64	3, 984.73

19.4 Performance obligations

Obligation of the Company is to provide shared services to its group companies and accordingly recognises revenue over the period of the contract based on the services rendered.

20. Other income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- on others	1.06	0.23
- on security deposits	13.73	4.69
	14.79	4.92
Other non-operating income		
- Foreign exchange fluctuation (net)	-	0.31
- Unclaimed balances / excess provision written back	0.12	-
- Financial guarantee income	36.67	169.15
	36.79	169.46
	51.58	174.38

21. Employee Benefits Expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	2, 491.84	2, 277.01
Contribution to provident fund and other funds (refer note 26B)	84.19	93.69
Employee stock option expense (refer note 27)	129.09	193.29
Gratuity expense (refer note 26A)	71.07	59.88
Staff welfare expenses	43.56	44.35
	2, 819.75	2, 668.22

22. Depreciation and amortization expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 3)	123.31	86.99
	123.31	86.99

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

23. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Recruitment and training expenses	120.36	56.19
Rent	278.08	128.98
Insurance	39.69	44.81
Rates and Taxes	21.86	-
Repairs and maintenance - Others	132.87	120.32
Electricity and water	18.00	16.48
Printing and stationery	21.60	19.60
Travelling and conveyance	132.50	153.68
Communication	41.14	32.62
Legal and professional	1, 121.51	1, 033.57
Auditor's remuneration (refer note a below)	23.55	18.64
Management service charges	805.00	745.93
Directors' fee	105.00	103.38
Advertisement and publicity	7.73	0.19
Net loss on sale/disposal of fixed assets	11.74	0.50
Provision for doubtful advances in subsidiary	4.30	3.33
Charity and donation	4.38	52.60
Contribution towards CSR (refer note below)	25.00	23.44
Miscellaneous	55.12	65.13
	2, 969.43	2, 619.39

a. Payment to auditors:

	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
For audit	18.00	18.00
For other services	4.00	-
For reimbursement of expenses	1.55	0.64
	23.55	18.64

b. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are promoting healthcare and rural development projects. The Company has provided for & spent Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) on various CSR initiatives, during the year, on the projects mentioned below:-

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Gross amount required to be spent by the Company during the year	25.00	23.44
(b) Amount spent during the year		
i) Healthcare activities	5.75	5.94
ii) NGO work on healthcare	19.25	-
iii) Rural development projects	-	17.50
	25.00	23.44

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The above contribution of Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) has been made to an enterprise owned or significantly influenced by key managerial personnel or their relatives i.e. Max India Foundation, a trust registered under Indian Trust Act, 1882, with the main objective of working in the area of healthcare and rural development projects.

24. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in EPS computations :

	March 31, 2019	March 31, 2018
Basic EPS		
(Loss) / Profit after tax (Rs. in Lakhs)	(1, 849.21)	567.01
Net profit/(loss) for calculation of basic EPS	(1, 849.21)	567.01
Weighted average number of equity shares outstanding during the year (Nos.)	268, 427, 846	267, 986, 308
Basic earnings per share (Rs.)	(0.69)	0.21
Dilutive EPS		
Net (Loss) / Profit for calculation of dilutives EPS	(1, 849.21)	567.01
Effect of dillution:		
Share options	1, 162, 388	1, 548, 739
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	269, 590, 234	269, 535, 047
Anti Diluted/Diluted earnings per share (Rs.)	(0.69)	0.21

25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases (Refer note 28B).

Also pursuant to requirements of Ind-AS 17, comany has done straight lining of lease rentals only in cases where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of financial assets

IND AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per IND AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized and compare it to the credit risk at the date of transition to IND AS. The Company has applied this exception prospectively.

Impairment of investment in subsidiaries and joint ventures

The Company assesses at each reporting date whether there is an indication that an investment may be impaired. If any indication exists, or when annual impairment testing for an investment is required, the Company estimates the asset's recoverable amount. An investment recoverable amount is the higher of an investment's CGU'S fair value less cost of disposal and its value in use. Where the carrying amount of an investment or CGU exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators like discount rate, operating margin and other factor of the underline business operations of the subsidiaries and joint ventures. During the year, management has done impairment assessment of its investment in subsidiary companies (including Max Bupa Health Insurance Limited and Antara Senior Living Limited) and have concluded that there is no impairment in value of investments as appearing in the financial statements.

Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (Gratuity and Provident fund)

The cost of the defined benefit plans and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about assumption on gratuity and provident fund obligations are given in Note 27.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The Company has used Net Asset Value for valuation of investment in mutual funds. See Note 32 and 33 for further disclosures.

Share based payments

The Company initially measures the cost of equity-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. Refer note 27 for details.

26. Employee benefit plans

Defined Benefit Plans

A) Gratuity:

The Company has a defined benefit gratuity plan (unfunded) for its employees and it is governed by the Payment of Gratuity Act, 1972. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the defined benefit plans:

Changes in the present value of the defined benefit obligation are as follows:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Defined benefit obligation at the beginning of the year	339.67	285.08	285.08
Current service cost	39.71	39.07	-
Interest cost	31.36	20.81	-
Benefits paid	-	(9.20)	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Actuarial (gain)/ loss on obligations - OCI	(5.18)	3.91	-
Defined benefit obligation at the end of the year	405.56	339.67	285.08

Amount recognised in Statement of Profit and Loss:

Particulars	Gratuity plan	
	March 31, 2019	March 31, 2018
Current service cost	39.71	39.07
Net interest expense	31.36	20.81
Amount recognised in Statement of Profit and Loss	71.07	59.88

Amount recognised in Other Comprehensive Income:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Actuarial changes arising from changes in financial assumptions	(5.18)	3.91
Experience adjustments	-	-
Amount recognised in Other Comprehensive Income	(5.18)	3.91

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.50%	7.60%	7.30%
Future salary increases	10.00%	10.00%	10.00%
Retirement Age	58 to 71 yrs	58 to 71 yrs	58 yrs

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	Gratuity plan			
	Sensitivity level		Impact on DBO	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Assumptions				
Discount rate				
- Increase by 1%	373.09	315.85	(32.47)	(23.82)
- Decrease by 1%	430.61	366.77	(21.05)	(27.10)
Future salary increases				
- Increase by 1%	429.59	365.88	(24.03)	26.21
- Decrease by 1%	373.44	316.14	(32.12)	23.53

- Changes in Defined benefit obligation due to 1% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.
- The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.
- Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	41.32	24.43
Between 2 and 5 years	143.21	143.47
Between 5 and 10 years	597.49	520.01
Total expected payments	782.02	687.91

The average duration of the defined benefit plan obligation for gratuity at the end of the reporting period is 11 years (March 31, 2018: 12 years).

B) Provident Fund:

The Company is contributing in a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max Group companies. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan.

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by respective group associate companies. The actuary has accordingly provided a valuation for "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for MFSL, its subsidiaries and associate companies.

The details of fund and plan asset position as at March 31, 2019 as per the actuarial valuation of active members are as follows:

	March 31, 2019	March 31, 2018
Plan assets at year end at fair value	1, 506.94	1, 232.13
Present value of defined benefit obligation at year end	1, 475.29	1, 215.12
Surplus as per actuarial certificate	31.65	17.01
Shortfall recognized in balance sheet	-	-
Active members as at year end (Nos)	49	50

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

	March 31, 2019	March 31, 2018
Discount rate	6.76%	7.18%
Yield on existing funds	8.65%	8.94%
Expected guaranteed interest rate	8.65%	8.55%

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Contribution to Defined benefit Plan, recognized as expense for the year is as under:

	March 31, 2019	March 31, 2018
Employer's Contribution towards Provident Fund (PF)	84.19	93.69
	84.19	93.69

27. Employee Share Based payments

Max India Employee Stock Plan - 2016 ("the Plan")

- a). The Company had instituted the 2016 Plan, which was approved by the Board of Directors in March 29, 2016 and by the shareholders in September 27, 2016. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. The Option Price will be determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Number of options	Weighted Average exercise price (INR)	Number of options	Weighted Average exercise price (INR)
Option outstanding at the beginning of the year	1, 152, 043	2	2, 242, 904	2
Granted during the year	61, 200	2	22, 155	2
Exercised during the year	(232, 573)	2	(1, 113, 016)	2
Closing balance	980, 670		1, 152, 043	
Exercisable at the end of the year	781, 400		-	

The weighted average fair value of the options exercised during the year was INR 72.17 (March 31, 2018: INR 140.84).

The weighted average remaining contractual life for the share options outstanding as at year end was 0.92 years (March 31, 2018: 1.14 years).

The range of exercise prices for options outstanding at the end of the year was INR 2.00 to 78.80 (March 31, 2018: INR 2.00 to 78.80).

b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee stock option plan	129.09	193.29

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- c) **Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options at the date of grant. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Date of option granted	01.04.2018	01.04.2017
Stock Price Now (in INR)	83.70	150.95
Exercise Price (X) (in INR)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	35.67%	31.60%
Life of the options granted (Vesting and exercise period) in years	3.00-4.00	3.00-5.00
Expected Dividend	0%	0%
Average Risk- Free Interest Rate	7.21%-7.39%	6.68%-6.88%
Weighted average fair value of options granted	82.09-82.21	149.31-149.53

28. Commitments and Contingencies

A. Commitments

	March 31, 2019	March 31, 2018	April 01, 2017
i) Estimated value of contracts in capital account remaining to be executed	7,320.00	7,375.05	7,320.00
Less: Capital advance	7,320.00	7,320.00	7,320.00
Total	-	55.05	-

- ii) The Company will provide financial support to Max Ateev Limited, Max Skill First Limited and Antara Senior Living Limited a wholly owned subsidiaries of the Company in order to meet their future financial obligations.

B. Operating leases

The Company has entered into operating leases for its office spaces and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is INR 278.08 lakhs (March 31, 2018: INR 128.98 lakhs). The Company has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Company by entering into these leases. Lease can be renew for two terms for 3 years each.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	109.15	130.99	-
After one year but not more than five years	100.78	209.93	-
More than five years	-	-	-

C. Contingent liabilities

Corporate guarantee :

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Corporate guarantee given to bank in respect of financial assistance availed by a subsidiary company.	19,248.49	21,696.16	25,033.89

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Guarantee has been given by the Company on behalf of its step down subsidiary, Antara Prukul Senior Living Limited for loan of Rs. Nil (March 31, 2018: Rs.Nil, April 01, 2017: Rs.25, 000.00 lakhs) from Axis Bank Limited and for loan of Rs. 22, 000.00 lakhs (March 31, 2018: Rs.22, 000 lakhs, April 01, 2017: Rs.Nil) from Aditya Birla Finance Limited and Bajaj Finance Limited.

Carrying amount of the related corporate guarantee is Rs.Nil lakhs (March 31, 2018 - Nil, April 1, 2017 - Rs. 25, 033.89 lakhs) from Axis Bank Limited, Rs. 12, 761.01 lakhs (March 31, 2018 - Rs. 21, 696.16 lakhs, April 1, 2017 - Rs. Nil) from Aditya Birla Finance Limited and Rs. 6, 487.48 lakhs (March 31, 2018 - Rs. Nil, April 1, 2017 - Rs. Nil) from Bajaj Finance Limited.

29. Investments in subsidiaries and joint ventures

(a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements"

(b) The Company's investment in Subsidiary are as under :

Sl. No.	Name of the Subsidiary	Country of Incorporation	Proportion of ownership as at March 31, 2019	Proportion of ownership as at March 31, 2018	Proportion of ownership as at March 31, 2017	Method used to account for Investment
1	Max Bupa Health Insurance Company Limited	India	51.00%	51.00%	51.00%	At cost
2	Antara Senior Living Limited	India	100.00%	100.00%	100.00%	At cost
3	Antara Purukul Senior Living Limited (i)	India	100.00%	100.00%	100.00%	At cost
4	Antara Gurgaon Senior Living Limited (i)	India	100.00%	100.00%	100.00%	At cost
5	Pharmax Corporation Limited	India	85.17%	85.17%	85.17%	At cost
6	Max Ateev Limited	India	100.00%	100.00%	100.00%	At cost
7	Max Skill First Limited	India	100.00%	100.00%	100.00%	At cost
8	Max One Distribution and Services Limited (ii)	India	100.00%	100.00%	100.00%	At cost
9	Advaita Allied Health Services Limited	India	100.00%	-	-	At cost
10	Max UK Limited	United Kingdom	100.00%	100.00%	100.00%	At cost

(c) The Company's investment in joint ventures are as under :

	Name of Joint Venture	Country of incorporation	Proportion of ownership as at March 31, 2019	Proportion of ownership as at March 31, 2018	Proportion of ownership as at March 31, 2017	Method used to account for Investment
1	Forum I Aviation Limited (iii)	India	20.00%	20.00%	20.00%	At cost
2	Max Healthcare Institute Limited (MHIL)	India	49.70%	49.70%	45.95%	At cost

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Notes:

- (i) The entities are held through Antara Senior Living Limited
- (ii) The entity is held through Max Skill First Limited
- (iii) The entity is a Joint Venture of Pharmax Corporation Limited

30. Segment information

Being a holding company, the Company is having investments in various subsidiaries and joint ventures and is primarily engaged in growing and nurturing these business investments and providing shared services to group companies. Accordingly, the Company views these activities as one business segment.

There are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

31. Related party transactions

Relationship with the related party	Name of related party
Subsidiary Companies	1 Max Bupa Health Insurance Company Limited 2 Max UK Limited 3 Pharmax Corporation Limited 4 Max Ateev Limited 5 Max Skill First Limited 6 Antara Senior Living Limited 7 Advaita Allied Health Services Limited
Step down subsidiary companies	1 Antara Purukul Senior Living Limited 2 Antara Gurgaon Senior Living Limited 3 Max One Distribution and Services Limited
Joint Venture	1 Max Healthcare Institute Limited 2 Alps Hospital Limited
Key Management Personnel (KMP)	1 Mr. Ashwani Windlass (Non-executive Director) 2 Mr. Ashok Brijmohan Kacker (Independent Director) 3 Mr. Mohit Talwar (Managing Director) 4 Mrs. Tara Singh Vachani (Director) 5 Mr. Rahul Khosla (Non-executive Director) 6 Mr. Dipankar Gupta (Independent Director) (Ceased to be director w.e.f. April 10, 2018) 7 Mr. D.K. Mittal (Independent Director) 8 Mr. K. Narasimha Murthy (Independent Director) (Appointed w.e.f. 24/12/2018) 9 Mrs. Sharmila Tagore (Independent Director) (Appointed w.e.f. 26/02/2019) 10 Mr. V. Krishnan (Company Secretary) 11 Mr. Jatin Khanna (Chief Financial Officer)
Enterprises owned or significantly influenced by key management personnel or their relatives	1 Max India Foundation 2 Max Financial Services Limited

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Employee benefit trust	1	Max Financial Services Ltd. Employees' Provident Fund Trust
Person or entities having control or significant influence	1	Mr. Analjit Singh
	2	Mrs. Neelu Analjit Singh
	3	Ms. Piya Singh
	4	Mr. Veer Singh
	5	Mrs. Tara Singh Vachani
	6	Liquid Investment and Trading Private Limited
	7	Max Ventures Investment Holdings Private Limited
Enterprises owned or significantly influenced by person or entities having control or significant influence	1	Max Life Insurance Company Limited
	2	Max Ventures and Industries Limited
	3	New Delhi House Services limited
	4	Wise Zone Builders Private Limited

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from shared services	Max Healthcare Institute Limited	803.64	590.73
	Pharmax Corporation Limited	120.00	110.00
	Max Financial Services Limited	2,700.00	2,344.00
	Max Bupa Health Insurance Company Limited	1,000.00	900.00
	Max Skill First Limited	43.00	40.00
Reimbursement of expenses (received from)	Max Financial Services Limited	218.91	-
	New Delhi House Services limited	21.54	20.16
Sale of fixed assets	Antara Senior Living Limited	0.42	-
Professional charges	Max UK Limited	13.55	-
	Max Financial Services Limited	6.25	-
Maintenance charges	New Delhi House Services limited	70.58	79.37
Insurance expense	Max Life Insurance Company Limited	8.05	9.28
	Max Bupa Health Insurance Company Limited	18.60	-
Healthcare Services received	Max Healthcare Institute Limited	0.14	0.02
Management service charges	Max Financial Services Limited	805.00	745.95
Rent paid	Pharmax Corporation Limited	64.49	92.14
	Alps Hospital Limited	2.40	2.40
	Max Venture Industry Ltd.	46.24	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Director sitting fee	Mr. Ashwani Windlass	19.00	18.00
	Mr. Ashok Brijmohan Kacker	33.00	30.00
	Mrs. Tara Singh Vachani	7.00	4.00
	Mr. Rahul Khosla	16.00	17.00
	Mr. Dipankar Gupta	-	17.00
	Mr. D.K. Mittal	27.00	14.00
	Mr. K. Narasimha Murthy	2.00	-
	Mrs. Sharmila Tagore	1.00	-
Fair valuation impact on cumulative redeemable preference shares	Pharmax Corporation Limited	136.64	122.79
Financial guarantee income	Antara Purukul Senior Living Limited	36.67	169.15
CSR activities	Max India Foundation	25.00	23.44
Company's contribution to Provident Fund Trust	Max Financial Services Ltd. Employees' Provident Fund Trust	77.00	72.32
Interest income	Antara Purukul Senior Living Limited	186.22	858.02
Provision for Diminution	Max Ateev Limited	4.30	3.33
Loans and advances given	Max Ateev Limited	4.30	3.33
	Antara Purukul Senior Living Limited	1, 233.81	3, 300.00
Loans repaid	Antara Purukul Senior Living Limited	-	8, 750.00
Investments made	Max Healthcare Institute Limited.	-	21, 156.87
	Antara Senior Living Limited	3, 845.00	9, 950.00
	Max Bupa Health Insurance Company Limited	2, 805.00	-
Share application money given	Antara Senior Living Limited	355.00	700.00

C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Deferred guarantee income	Antara Purukul Senior Living Limited	173.79	210.46	159.62
Loans and advances given	Max Ateev Limited	709.77	705.47	702.14
	Antara Purukul Senior Living Limited	1, 933.81	700.00	6, 150.00
	Max Skill First Limited	1, 916.34	1, 916.34	1, 916.34
Provision made against above	Max Ateev Limited	(3, 144.36)	(3, 144.36)	(3, 144.36)
	Max Skill First Limited	(447.87)	(447.87)	(447.87)
	Max UK Limited	(213.00)	(213.00)	(213.00)
Share application money pending allotment	Antara Senior Living Limited	355.00	700.00	-
Capital advance	Wise Zone Builders Private Limited	7, 320.00	7, 320.00	7, 320.00

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade receivable	Max Healthcare Institute Limited	1, 404.12	631.55	282.34
	Max Skill First Limited	11.61	10.80	20.28
	Max Bupa Health Insurance Company Limited	1, 080.59	243.00	-
	Max Financial Services Limited	625.96	666.77	-
	Pharmax Corporation Limited	142.82	-	-
Interest receivable	Antara Purukul Senior Living Limited	168.51	0.91	-
Security deposit receivable	Pharmax Corporation Limited	11.19	85.00	85.00
Other receivable	Pharmax Corporation Limited	45.62	-	-
Amount Payable	Alps Hospital Ltd	(1.42)	(1.09)	(1.14)
	Max Ventures and Industries Limited	(8.12)	(2.08)	-
Investment in equity share capital	Max Ateev Limited	3, 144.36	3, 144.36	3, 144.36
	Max Healthcare Institute Limited.	70, 569.55	70, 569.55	49, 412.68
	Max Bupa Health Insurance Company Limited	50, 031.01	47, 226.01	47, 226.01
	Antara Senior Living Limited	800.00	800.00	800.00
	Pharmax Corporation Limited	1, 420.81	1, 420.81	1, 420.81
	Max Skill First Limited	1, 022.87	1, 022.87	1, 022.87
	Max UK Limited	213.00	213.00	213.00
Provision made against above	Max Ateev Limited	(3, 144.36)	(3, 144.36)	(3, 144.36)
	Max Skill First Limited	(447.87)	(447.87)	(447.87)
	Max UK Limited	(213.00)	(213.00)	(213.00)
Investment in compulsory convertible preference share	Antara Senior Living Limited	32, 116.42	28, 271.42	18, 321.42
	Pharmax Corporation Limited	2, 671.04	2, 534.40	2, 411.62
Additional investment on account of financial guarantee	Antara Senior Living Limited	470.34	470.34	250.34

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

D. Terms and conditions of transactions with related parties

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The Company has given corporate guarantee for Antara Purukul Senior Living Limited, step down subsidiary amounting to Rs. 22, 000 lakhs (March 31, 2018: Rs. 22, 000 lakhs, April 1, 2017 : Rs. 25, 000 lakhs). Refer note 28C.
- The income/expense from sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

E. Commitments with related parties

The Company will provide financial support to Max Ateev Limited, Max Skill First Limited and Antara Senior Living Limited a wholly owned subsidiaries of the company in order to meet their future financial obligations.

F. Compensation of key management personnel of the Company

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits		
Mr. Mohit Talwar	201.82	319.94
Mr. Jatin Khanna	132.71	124.78
Mr. V Krishnan	160.36	136.51

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

G. Directors' interests in the ESOP plan

Share options held by executive members of the Board of Directors under the ESOP Plan to purchase Equity shares have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
01-Apr-13	01-Apr-17	2.00	-	-	9,500
12-Dec-14	31-Mar-20	78.80	221,500	221,500	443,000
01-Apr-14	01-Apr-17	2.00	-	-	8,750
01-Apr-14	01-Apr-18	2.00	-	8,750	8,750
27-Mar-15	27-Mar-17	2.00	-	-	5,650
27-Mar-15	27-Mar-18	2.00	-	5,650	5,650
27-Mar-15	27-Mar-19	2.00	5,650	5,650	5,650
09-Nov-16	10-Nov-17	2.00	-	-	6,348
09-Nov-16	01-Apr-18	2.00	-	6,348	6,348
09-Nov-16	01-Apr-19	2.00	6,349	6,349	6,349
09-Nov-16	01-Apr-20	2.00	6,349	6,349	6,349
01-Apr-17	01-Apr-18	2.00	-	7,533	-
01-Apr-17	01-Apr-19	2.00	7,311	7,311	-
01-Apr-17	31-Mar-20	2.00	7,311	7,311	-
01-Apr-18	01-Apr-19	2.00	30,600	-	-
01-Apr-18	31-Mar-20	2.00	30,600	-	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

32. Fair values of financial instruments

The comparison of carrying value and fair value of financial instruments by categories that are measured at fair value are as follows:

	Carrying value			Fair value		
	As at	As at	As at	As at	As at	As at
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Financial assets						
Amortised Cost:						
Non-Current						
- Investment in subsidiaries and joint venture (refer note 4)	108,623.16	151,867.53	120,417.88	108,623.16	151,867.53	120,417.88
- Loans (refer note 6a)	2,105.69	910.20	6,240.04	2,105.69	910.20	6,240.04
Current						
- Investments (refer note 5)	3,225.85	12,700.34	30,971.30	3,225.85	12,700.34	30,971.30
- Trade receivables (refer note 8)	3,219.49	1,483.32	1,141.65	3,219.49	1,483.32	1,141.65
- Loans (refer note 6b)	176.15	3.41	4.84	176.15	3.41	4.84
- Other financial assets (refer note 10)	45.62	48.18	-	45.62	48.18	-
Financial liabilities						
Amortised Cost:						
Non-Current						
- Other financial liabilities (refer note 14a)	137.12	173.79	106.46	137.12	173.79	106.46
Current						
- Trade payables (refer note 16)	535.49	115.61	165.05	535.49	115.61	165.05
- Other financial liabilities (refer note 14b)	61.32	87.57	76.40	61.32	87.57	76.40

Notes:

- The management assessed that inter corporate deposits, cash and cash equivalents, trade receivables and trade payables approximate their carrying amounts.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- The following methods and assumptions were used to estimate the fair values:

The fair values for investments in quoted securities like mutual funds are based on price quotations available in the market at each reporting date.

The fair values for investments in unquoted equity shares are estimated by valuer following valuation techniques.

The fair value of loans, other financial assets and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable inputs in the model, of which the significant observable inputs is the market rate of interest of 11.28%. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value. Loans repayable on demand have same carrying value and fair value as it is repayable on demand.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

33. Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through statement of profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2, 671.04	-	2, 671.04	-
- Investment in Mutual Funds (refer note 5)	3, 225.85	3, 225.85	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	2, 105.69	-	2, 105.69	-
Current				
- Trade receivables (refer note 8)	3, 219.49	-	3, 219.49	-
- Loans (refer note 6b)	176.15	-	176.15	-
- Other financial assets (refer note 10)	45.62	-	45.62	-
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	137.12	-	137.12	-
Current				
- Trade payables (refer note 16)	535.49	-	535.49	-
- Other financial liabilities (refer note 14b)	61.32	-	61.32	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

B. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2, 534.40	-	-	2, 534.40
- Investment in Mutual Funds (refer note 5)	12, 700.34	12, 700.34	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	910.20	-	-	910.20
Current				
- Trade receivables (refer note 8)	1, 483.32	-	-	1, 483.32
- Loans (refer note 6b)	3.41	-	-	3.41
- Other financial assets (refer note 10)	48.18	-	-	48.18
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	173.79	-	-	173.79
Current				
- Trade payables (refer note 16)	115.61	-	-	115.61
- Other financial liabilities (refer note 14b)	87.57	-	-	87.57

C. Quantitative disclosures fair value measurement hierarchy for assets as at 01 April 2017:

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2, 411.62	-	-	2, 411.62
- Investment in Mutual Funds (refer note 5)	30, 971.30	30, 971.30	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	6, 240.04	-	-	6, 240.04
Current				
- Trade receivables (refer note 8)	1, 141.65	-	-	1, 141.65
- Loans (refer note 6b)	4.84	-	-	4.84

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
- Other financial assets (refer note 10)	-	-	-	-
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	106.46	-	-	106.46
Current				
- Trade payables (refer note 16)	165.05	-	-	165.05
- Other financial liabilities (refer note 14b)	76.40	-	-	76.40

34. Financial risk management objectives and policies

The Company's principal financial liabilities are trade and other payables, security deposits received and finance guarantee obligation. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments (mutual funds, equity shares), trade and other receivables, security deposits, inter corporate deposits, cash and short-term deposits that derive directly from its operations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include investment in mutual funds.

The sensitivity analyses in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The following assumptions have been made in calculating the sensitivity analyses:

- The following assumptions have been made in calculating the sensitivity analyses: - The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and investments in foreign currency. The foreign currency risk is on account of balances outstanding with Max UK

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in GBP exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The Company exposure to foreign currency risk at the end of reporting year expressed in INR lakhs are as follows:

	March 31, 2019		March 31, 2018		April 01, 2017	
	GBP	INR	GBP	INR	GBP	INR
Financial Liabilities						
Trade payables	0.15	13.55	-	-	0.37	29.86
Total	0.15	13.55	-	-	0.37	29.86

	Increase/ decrease in basis points	Effect on profit before tax	
		March 31, 2019	March 31, 2018
GBP Sensitivity			
INR/ GBP	+50	(0.07)	0
INR/ GBP	-50	0.07	0

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company has developed internal credit rating system/ credit worthiness assessment mechanism as well. As per the management procedure, each party is internally rated on the basis of their external ratings (wherever available), respective industry information / trends available, financial position of party and past transactions with the party. These parties are continuously evaluated after assigning internal grades.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding trade receivables are reviewed and assessed for default taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

Outstanding balances of trade receivable comprises primarily recoverable from group companies against provision of shared services. The Company's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company evaluates the concentration of risk with respect to trade receivables as low, as its receivables are from its related parties, therefore it is not exposed to any risk.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

through counterparty's potential failure to make payments.

All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019, March 31, 2018 and April 1, 2017 is the carrying amounts as illustrated in note 5, 6, 8, 9 and 10.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared not only for the entities but the Group as a whole and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Group while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 year	1 to 3 years	Total
	INR lakhs	INR lakhs	INR lakhs
Year ended			
March 31, 2019			
Non-Current			
- Other financial liabilities	-	137.12	137.12
Current			
- Trade payables	535.49	-	535.49
- Other financial liabilities	61.32	-	61.32
	596.81	137.12	733.93
Year ended			
March 31, 2018			
Non-Current			
- Other financial liabilities	-	173.79	173.79
Current			
- Trade payables	115.61	-	115.61
- Other financial liabilities	87.57	-	87.57
	203.18	173.79	376.97
April 01, 2017			
Non-Current			
- Other financial liabilities	-	106.46	106.46
Current			
- Trade payables	165.05	-	165.05
- Other financial liabilities	76.40	-	76.40
	241.45	106.46	347.91

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

35. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio to the maximum of 15%.

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other financial liabilities (non current)	137.12	173.79	106.46
Trade payables	535.49	115.61	165.05
Other financial liabilities (current)	61.32	87.57	76.40
Less: Cash and cash equivalents	(27.00)	(47.97)	(60.59)
Net debts	706.93	329.00	287.32
Total Equity	172, 901.05	174, 578.81	165, 577.94
Total Capital	172, 901.05	174, 578.81	165, 577.94
Capital and net debt	173, 607.98	174, 907.81	165, 865.26
Gearing ratio (%)	0.41%	0.19%	0.17%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

36. Composite Scheme of Amalgamation and Arrangement

On December 24, 2018, the Board of Directors of Max India Limited (the "Company"), approved a Composite Scheme of Amalgamation and Arrangement (the "Scheme") between the Company, its joint venture Max Healthcare Institute Limited ("Max Healthcare"), its wholly owned subsidiary Advita Allied Health Services Limited ("Advita Allied") and Radiant Life Care Private Limited ("Radiant Life"), and their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals.

The Scheme inter-alia provides for (a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities (collectively known as "Demerged Undertaking") from the Company into Advita Allied, the shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 1 Equity share of Rs. 10 each of Advita Allied for every 5 equity shares of Rs.2 each held in the Company. The shares of Advita Allied shall be listed on the stock exchanges post effectiveness of the Scheme; (b) Demerger of healthcare business of Radiant Life into Max Healthcare, pursuant to which shareholders of Radiant Life as on record date (to be specified by the board of directors of Radiant Life subsequently) shall be issued 9, 074 equity shares of Max Healthcare of Rs. 10 each, for every 10 equity shares, of Rs. 10 each held in Radiant Life and (c) Amalgamation of residual Company (post demerger of the Demerged Undertaking), which comprises of healthcare activities (including its underlying investment in Max Healthcare) with Max Healthcare. The shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 99 equity shares of Rs.10 each of Max Healthcare for every 100 equity shares of Rs.2 each held in the Max India Limited. The shares of Max Healthcare shall be listed on stock exchanges post effectiveness of the Scheme after receipt of listing approvals.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The parties to the Scheme are currently in the process of obtaining regulatory approvals, post which the Company will file the requisite petitions with National Company Law Tribunal and obtain other approvals, as applicable.

With effect from the Appointed date (as defined in the Scheme), the Company business shall stand demerged with Aditya and Max Healthcare, and the Company shall, pursuant to provisions of section 230 to section 232 and other applicable provisions (if any), of the Companies Act, 2013 stand merged in Max Healthcare as a going concern in the manner provided in the Scheme.

In view of the above these financial statements have been prepared on a going concern basis.

37. First-time adoption of Ind AS

(I) These financial statements, for the year ended March 31, 2019, are the first financial statements the Company which are prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for years ending on March 31, 2019, together with the comparative year data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2017, i.e. the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

(a) Deemed cost:

Ind AS 101 permits a first-time adopter, where there is no change in functional currency, to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(b) Investment in subsidiaries:

"As per the requirements of Ind AS 27, Company has opted to record its investment in subsidiary at cost. Ind AS 101 provides that while measuring investment at cost, an entity shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (i) cost determined in accordance with Ind AS 27; or
- (ii) deemed cost. The deemed cost of such an investment shall be its

- (a) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
- (b) previous GAAP carrying amount at that date.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The Company has elected to consider previous GAAP carrying amount of its investments in subsidiaries on the date of transition to IND AS as its deemed cost for the purpose of determining cost in accordance with principles of IND AS 27-Separate financial statements.

(c) Share based payment transactions

IND AS 101 permits a first time adopter to elect not to apply principles of IND AS 102 to liabilities arising from share based payment transactions that were settled before the date of transition.

The Company has elected not to apply IND AS 102- "Share based payment" on stock options that vested before date of transition.

Estimates

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair value through profit and loss (FVTPL) - Mutual funds etc.
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2017, the date of transition to Ind AS and as of March 31, 2018."

II) Effect of Ind AS adoption on balance sheet as at April 01, 2017 (date of transition to Ind AS)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment		276.33	-	276.33
Investment in subsidiaries and joint venture	37 (V) (b) & (c)	119, 255.92	1, 161.96	120, 417.88
Financial Assets				
(i) Loans	37 (V) (c)	6, 240.04	-	6, 240.04
Non current tax assets		158.39	-	158.39
Other non-current assets		7, 320.00	-	7, 320.00
		133, 250.68	1, 161.96	134, 412.64
Current assets				
Financial Assets				
(i) Investments	37 (V) (a)	30, 051.95	919.35	30, 971.30
(ii) Trade receivables		1, 141.65	-	1, 141.65
(iii) Cash and cash equivalents		60.59	-	60.59
(iv) Loans		4.84	-	4.84
(v) Other financial assets		-	-	-
Other current assets		59.08	-	59.08
		31, 318.11	919.35	32, 237.46
Total assets		164, 568.79	2, 081.31	166, 650.10

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Equity and liabilities				
Equity				
Equity share capital		5,345.40	-	5,345.40
Other equity	37 (V) (a) & (d)	158,424.47	1,808.07	160,232.54
		163,769.87	1,808.07	165,577.94
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	37 (V) (c)	-	106.46	106.46
Provisions		265.51	-	265.51
Deferred tax liabilities (net)	37 (V) (e)	-	113.63	113.63
		265.51	220.09	485.60
Current liabilities				
Financial liabilities				
(i) Trade payables		165.05	-	165.05
a) Total outstanding dues of micro enterprises and small enterprises		-	-	
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		165.05	-	165.05
(ii) Other financial liabilities	37 (V) (c)	23.24	53.16	76.40
Other current liabilities		185.99	-	185.99
Provisions		159.12	-	159.12
		533.40	53.16	586.56
Total equity and liabilities		164,568.78	2,081.32	166,650.10

III) Effect of Ind AS adoption on balance sheet as at March 31, 2018

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment		254.41	-	254.41
Capital work-in-progress		134.08	-	134.08
Investment in subsidiaries and joint venture	37 (V) (b) & (c)	150,362.79	1,504.74	151,867.53
Financial Assets				
(i) Loans	37 (V) (f)	951.72	(41.52)	910.20
Non current tax assets		124.00	-	124.00
Other non-current assets	37 (V) (f)	7,352.19	25.91	7,378.10
Deferred tax assets	37 (V) (e)	-	56.73	56.73
		159,179.19	1,545.86	160,725.05

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Current assets				
Financial Assets				
(i) Investments	37 (V) (a)	12, 160.59	539.75	12, 700.34
(ii) Trade receivables		1, 483.32	-	1, 483.32
(iii) Cash and cash equivalents		47.97	-	47.97
(iv) Loans		3.41	-	3.41
(v) Other financial assets		-	48.18	48.18
Other current assets	37 (V) (f)	810.16	(33.34)	776.82
		14, 505.45	554.59	15, 060.04
Total assets		173, 684.64	2, 100.45	175, 785.09
Equity and liabilities				
Equity				
Equity share capital		5, 367.66	-	5, 367.66
Other equity	37 (V) (a) & (d)	167, 321.17	1, 889.98	169, 211.15
		172, 688.83	1, 889.98	174, 578.81
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	37 (V) (c)	-	173.79	173.79
Provisions		316.12	-	316.12
Deferred tax liabilities (net)		-	-	-
		316.12	173.79	489.91
Current liabilities				
Financial liabilities				
(i) Trade payables		115.61	-	115.61
a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		115.61	-	115.61
(ii) Other financial liabilities	37 (V) (c)	50.90	36.67	87.57
Other current liabilities		321.48	-	321.48
Provisions		191.71	-	191.71
		679.70	36.67	716.37
Total equity and liabilities		173, 684.65	2, 100.44	175, 785.09

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

IV) Effect of Ind AS adoption on statement of profit and loss for the year ended March 31, 2018:

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income				
Revenue from operations	37 (V) (a) / (b)	6, 632.57	(256.81)	6, 375.76
Other income	37 (V) (c)/ (g)	0.54	173.84	174.38
Total income		6, 633.11	(82.97)	6, 550.14
Expenses				
Employee benefits expense	37 (V) (d) (g)	2, 523.60	144.62	2, 668.22
Depreciation and amortization expense		86.99	-	86.99
Other expenses	37 (V) (f)	2, 613.91	5.48	2, 619.39
Total expenses		5, 224.50	150.10	5, 374.60
Profit before tax		1, 408.61	(233.07)	1, 175.54
Tax expense :				
Current tax		807.48	-	807.48
Deferred tax	37 (V) (e)	-	(169.01)	(169.01)
Income tax adjustment related to earlier years		(29.94)	-	(29.94)
Profit for the period		631.07	(64.06)	567.01
Other Comprehensive Income (OCI)				
Items that will not be reclassified to profit or loss				
Re-measurement gains (losses) on defined benefit plans	37 (V) (g)	-	(3.91)	(3.91)
Income tax effect	37 (V) (e)	-	1.35	1.35
Other comprehensive income for the period		-	(2.56)	(2.56)
Total Comprehensive Income for the period		631.07	(66.62)	564.45

(V) Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and statement of profit and loss for the year ended March 31, 2018:

a) Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds were recognised at lower of cost or fair value. However, as per Ind AS 109, such investments have been classified and measured at fair value through statement of profit and loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

b) Investment in Compulsarily redeemable preference shares

Pharmax has issued 9% Compulsarily redeemable preference shares to Max India Limited and the dividend is

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

discretionary. Under Indian GAAP, investment were recorded at transaction value. However, under Ind AS, such instrument are accounted as in the nature 'Compound financial instrument'. At inception (at initial recognition) the financial asset would be recorded at fair value and the differential amount shall be recorded as company's capital contribution in Pharmax. Interest shall be accreted on the fair value of the investment. Interest accreted upto transition date shall be booked in retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

c) Financial guarantee

Max India Limited (Company) has given corporate guarantee to Axis bank for a loan taken by Antara Purukul Senior Living Limited (APSL), its step down subsidiary. However, no guarantee fee has been charged for the same. Under Indian GAAP, no accounting treatment has been done for the guarantee. Under Ind AS, financial guarantee contracts shall be accounted for as financial liabilities under Ind AS 109 and initially recognised at fair value. Subsequently, financial guarantee contracts are measured at the higher of: the amount determined in accordance with Ind-AS 109 and the amount initially recognised (fair value) less, when appropriate, cumulative amortisation of the initial amount recognised in accordance with Ind AS 18. The fair value of the guarantee shall be recognised as Company's capital contribution in APSL. Income shall be accreted on the fair value of the guarantee upto transition date and booked in retained earnings. The differential amount between fair value of guarantee and interest accreted upto transition date shall be recorded as financial guarantee obligation.

d) Share based payments

The Company has granted stock options (ESOP) to its employees. Under Indian GAAP, the ESOP expense was recorded using Intrinsic value method. However, under Ind AS 102, employee share-based payments are accounted for using fair value method. Under the ESOP plan, the employees receive shares of the Company upon completion of vesting conditions hence the same will be treated as equity settled share based payment. Grant date fair value of the equity instrument should be used for measuring the ESOP expense. The differential amount of the expense shall be booked in retained earnings on transition date.

e) Deferred Taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

f) Security deposits

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid expenses. Amortization of prepaid expenses has been recognized in other expenses which is partially set off with notional interest income in statement of profit & loss.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

g) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous IGAAP, these remeasurements were forming part of the statement of profit or loss for the year.

h) Retained earnings

Retained earnings as at April 1, 2017 and March 31, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

i) Other comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in statement of profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' Includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.

j) Cash flow statement

The transition from Indian GAAP to Ind AS has no material impact on the statement of cash flows.

j) Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

38. The standard issued, but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

a) Ind AS 116: Leases:

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Transition to Ind AS 116:

The Company is proposing to use the “Modified Retrospective Approach” for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Company is currently in process of assessing the impact of this standard on financial statements.

39. Disclosure of under section 186 (4) of the Companies Act 2013

a) Particulars of Loans given:

Name of the Loanee	As at April 01, 2017	Loan given during the year	Loan repaid / converted into equity	As at March 31, 2018	Loan given during the year	Loan repaid / converted into equity	As at March 31, 2019	Purpose
Antara Purukul Senior Living Limited	6, 150.00	3, 300.00	8, 750.00	700.00	1, 233.81		1, 933.81	Operational cash flow requirement
	6, 150.00	3, 300.00	8, 750.00	700.00	1, 233.81	-	1, 933.81	-

b) Particulars of Guarantee given:

Name of the Enrity	As at April 01, 2017	Guarantee agreed to be given during the year	Guarantee discharged during the year	As at March 31, 2018	Guarantee agreed to be given during the year	Guarantee discharged during the year	As at March 31, 2019	Purpose
Antara Purukul Senior Living Limited	25, 033.89	21, 696.16	25, 033.89	21, 696.16	2, 447.67		24, 143.83	Collateral security for term loan for Project
	25, 033.89	21, 696.16	25, 033.89	21, 696.16	2, 447.67	-	24, 143.83	-

c) Particulars of Investments made:

Name of the Investee	As at April 01, 2017	Investment made	Investment redeemed / extinguished	As at March 31, 2018	Investment made	Investment redeemed / extinguished	As at March 31, 2019	Purpose
Investment in Equity Share Capital								
Max Ateev Limited	3, 144.36	-	-	3, 144.36	-	-	3, 144.36	Strategic investment
Max Healthcare Institute Limited.	49, 412.68	21, 156.87	-	70, 569.55	-	-	70, 569.55	Strategic investment
Max Bupa Health Insurance Company Limited	47, 226.01	-	-	47, 226.01	2, 805.00	-	50, 031.01	Strategic investment
Antara Senior Living Limited	800.00	-	-	800.00	-	-	800.00	Strategic investment
Pharmax Corporation Limited	1, 420.81	-	-	1, 420.81	-	-	1, 420.81	Strategic investment
Max Skill First Limited	1, 022.87	-	-	1, 022.87	-	-	1, 022.87	Strategic investment
Max UK Limited	213.00	-	-	213.00	-	-	213.00	Strategic investment
Investment in Preference Share Capital								
Antara Senior Living Limited	18, 321.42	9, 950.00	-	28, 271.42	3, 845.00	-	32, 116.42	Strategic investment
Pharmax Corporation Limited	1, 500.00	-	-	1, 500.00	-	-	1, 500.00	Strategic investment
- Ind AS impact	911.62	122.78		1, 034.40	136.65	-	1, 171.05	
Other								
Antara Senior Living Limited (Corporate Guarantee)	250.34	220.00	-	470.34	-	-	470.34	
	124, 223.11	31, 449.65	-	155, 672.76	6, 786.65	-	162, 459.41	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

40. During the year ended March 31, 2018, the Company has acquired 201, 49, 399 equity shares at INR 105/- each (i.e. 3.75% equity share capital) of Max Healthcare Institute Limited (MHIL) held by International Finance Corporation, for a consideration of INR 21, 156.87 lakhs. Subsequent to such acquisition, shareholding of the Company in MHIL increased to 49.70%.

41. Details of utilisation of proceeds through preferential issue are as below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Proceeds received during the year	-	7, 500.00
Less: Amount utilised during the year		
Investment in equity shares of joint ventures	-	7, 500.00
Unutilised amount at the end of the year	-	-

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No.: 095169

Place: Gurugram
 Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
 (Managing Director)
 DIN - 02394694

Jatin Khanna
 (Chief Financial Officer)

Place: New Delhi
 Date: May 29, 2019

Ashok Brijmohan Kacker
 (Director)
 DIN - 01647408

V. Krishnan
 (Company Secretary)

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INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Max India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint ventures comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on

Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying

consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment Assessment of Recoverable amounts to healthcare service providers The Holding company's joint venture "Max Healthcare Institute Limited" (MHIL) engaged in business of providing healthcare services has significant recoverable balances amounting to Rs. 635.31 crores from various healthcare service providers in the form of long term security deposits, trade receivables (current and non-current), and loans. The recovery from the long term recoverable depends on the future cash flows and earning capacity of these healthcare service providers. To ascertain the recoverable value, the management has considered the financial position of these healthcare service providers and recovery plan for the outstanding dues. Considering the significant recoverable balances from healthcare service providers and its recovery dependent on the business plans and future cash flows of these healthcare service providers, we have identified this as a key audit matter.	Our audit procedures included, amongst others: a) Obtained direct confirmations, and obtained evidence of collection from the healthcare service providers after the year end. b) Performed a detailed analysis of trend of recovery from healthcare service providers. c) Evaluated Company's processes and controls relating to the monitoring the amount recoverable and review of credit risks of amounts recoverable from healthcare service providers.
Impairment of goodwill and intangible assets and Property plant and equipment The Holding Company's joint venture "Max Healthcare Institute Limited" (MHIL) engaged in business of providing healthcare services, the consolidated financial statements of MHIL includes the following: a) property plant and equipment amounting to Rs 1, 003.55 crores of various hospitals and b) Goodwill and Intangibles amounting to Rs 285 crores and Rs 946.91 crores respectively, arose from separate acquisitions made by the MHIL in prior years. For the purpose of performing recoverability assessment of property plant and equipment, goodwill and intangibles: a) Management has identified individual hospital as a cash generating units. The recoverable amount of the underlying CGU is determined based on the higher of the fair value less cost of disposal or the value in use. Impairment of long-lived assets is a significant area of judgement due to uncertainties involved in estimating the recoverable amount of CGU, which principally arose from the inputs in both forecasting and discounting future cash flows. To determine the recoverable amount of the CGU is one of the key judgement area in preparing the financial statements due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amount of the CGU. Management performs an annual impairment test on the recoverability of the goodwill and intangible assets as required by IND AS which is subjective in nature due to judgements having to be made of future performance. MHIL has used the discounted cash flow model to determine value in use for each appropriate cash generating unit, on the basis of certain assumptions which are subject to significant management judgement. There are uncertainties involved in estimating the recoverable amount of goodwill and intangibles, which principally arose from the inputs in both forecasting and discounting future cash flows. To determine the recoverable amount of the goodwill and intangibles was one of the key judgement area in preparing the financial statements of MHIL due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amount of goodwill and intangible assets. Due to the above mentioned factors, impairment of long-lived assets, Goodwill and intangible assets of MHIL's is identified as a key audit matter.	Our audit procedures included, amongst others: a) We involved our valuation specialists to assess the Company's valuation methodology applied in impairment testing of goodwill, intangibles CGUs. b) We involved valuation specialists to assess the assumptions around the key drivers of the cash flow forecasts. c) Read the share purchase agreement between the Company, MHIL and Radiant Life Care Private Limited, for the proposed sale of Company's stake in MHIL.

Change in financial reporting framework - First time adoption of IND AS

Key audit matters	How our audit addressed the key audit matter
During the year the Group has first time adopted IND AS with the transition date as April 1, 2017. The component auditors of Max Bupa Health Insurance Services limited ("Max Bupa") and Antara Purukul Senior Living Limited (ASPL) have identified first time adoption of IND AS, as a Key audit matter because of following key adjustments: a) Company's subsidiary Max Bupa engaged in the business of providing healthcare insurance services has recognised a loss of Rs 60.71 crores on investments using expected credit loss model as per the requirements of IND AS 109 -Financial instruments. b) Company's subsidiary APSL engaged in business of construction and leasing of senior living residential units, has evaluated its lease agreements as per the requirements of IND AS 17 and has classified its lease agreements as Finance lease. The application of IND AS involves complexity and its implementation is dependent on certain judgements, interpretation and estimates taken by the management. The management has selected certain optional exemptions and applied management judgements during implementation of IND AS which have direct impact on the recognition, measurement principles of accounting and its presentation and disclosures in the financial statements.	Procedures performed by component auditors a) Obtained and read the management assessment on first time adoption of IND AS. b) Assessed the Company's process to identify the impact of first time adoption of the new accounting standards. c) performed substantive testing of the IND AS adjustments prepared by management. Procedures performed by principal auditors a) Read the Ind AS impact assessment performed by the management to identify areas which were impacted on account of Ind AS transition. b) Read the IND AS financial statements of all the components c) Read and assessed the changes made to the accounting policies due to the requirements of the new financial reporting framework; d) Assessed the disclosures included in the Consolidated Ind AS financial statements in accordance with the requirements of Ind AS (including with respect to the previous periods presented)
Impairment assessment of Property Plant and Equipment, Unsold Inventory in Antara Purukul Senior Living Limited	
The financial statements of Company's subsidiary Antara Purukul Senior Living Limited (APSL) includes property plant and equipment (PPE) of Rs 87.55 crores and unsold inventory of Rs 278.28 crores. For performing impairment assessment of property plant and equipment and unsold inventory, management has determined its recoverable amounts which is higher of fair value less cost of disposal or the value in use. Impairment of long lived assets and unsold inventory is a significant area of judgement due to uncertainties involved in estimating the recoverable amount which principally arose from the assumptions and market conditions used by the external valuer. To determine the recoverable amount of PPE and unsold inventory is one of the key judgement area in preparing the financial statements due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amounts of PPE and unsold inventory. Due to above mentioned factors, impairment of PPE and unsold inventory is identified as a Key audit matter.	Procedures performed by component auditor:- a) Read the valuation report of PPE and unsold inventory from the management. b) Assessed the valuation methodology used in the valuation report and read the key assumptions used by the valuer. c) Performed sensitivity analysis around the key assumptions used by management in impairment testing. Procedures performed by principal auditor: a) We have read the independent valuation report and assessed the capability, objectivity and competence of the independent valuer. b) We also engaged the assistance of another valuation expert to assess certain key assumptions for PPE and unsold inventory valuation.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2018-19 of the Company, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;

and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors and whose financial information we have audited, to express

an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

- (a) We did not audit the financial statements and other financial information, in respect of eight subsidiaries, whose Ind AS financial statements include total assets of Rs 164, 532.56 lakhs as at March 31, 2019, and total revenues of Rs.8, 367.43 lakhs and net cash outflows of Rs 3, 475.34 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information

and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

- (b) The accompanying consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 57.29 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.
- (c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER), provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2019 and liability adequacy test is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with provisions of IND AS 104 and the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India ("the Authority") and the Actuarial Society of India in concurrence with IRDAI. The auditors of Max Bupa have relied upon the Actuary's certificate in this regard for forming their opinion on the financial statements of the Company.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (c) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (d) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of

Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, and joint ventures, none of the directors of the Group's companies, joint ventures incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- (e) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, joint ventures incorporated in India, refer to our separate Report in "Annexure 2" to this report;
- (f) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of

the subsidiaries, joint ventures, as noted in the 'Other matter' paragraph:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and joint ventures in its consolidated Ind AS financial statements – Refer Note 40 to the consolidated Ind AS financial statements;
- ii. The Group, its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint ventures incorporated in India during the year ended March 31, 2019.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 95169

Place of Signature: Gurugram
Date: May 29, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAX INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Max India Limited as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Max India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to

these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un-

authorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

- a) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.
- b) Our report under Section 143(3)(i) of the Act on the

adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding company, insofar it relates to a joint venture, which is unaudited, is based on management assessment of internal controls over financial reporting furnished to us by the management. In our opinion and according to the information and explanations given to us by the management, the joint venture is not material to the Group.

- c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred but Not Reported (IBNR), including claims Incurred but Not Enough Reported ('IBNER') as at March 31, 2019 is required to be certified by the Actuary as per the Insurance Regulatory and Development Authority (preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 (the IRDA Financial Statements Regulations"), and has been relied upon by them, as mentioned in Other matter para of their report on the financial statements of the company as at and for the year ended March 31, 2019. Accordingly, the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuary valuation is also certified by the Actuary and accordingly, the auditors of Max Bupa have relied upon the Actuary's certificate.

Our opinion is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and management assessment of internal controls over financial reporting in respect of unaudited joint venture certified by the management.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
Place of Signature: Gurugram
Date: May 29, 2019

Consolidated Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
ASSETS				
Non-current assets				
Property, plant and equipment	3	9, 446.95	12, 146.52	8, 103.22
Capital work in progress	4	578.73	377.93	4, 064.23
Goodwill		2, 465.67	2, 465.67	2, 465.67
Other Intangible Assets	5	74.60	2, 400.35	1, 842.51
Intangible assets under development	5	-	-	4.62
Investment in joint ventures	6a	78, 430.49	81, 893.06	63, 031.69
Financial assets				
- Investments	6b	-	43, 663.85	42, 591.56
- Loans	7	218.76	555.02	448.39
- Other financial assets	10	23.97	211.73	20.79
Deferred tax assets (net)	13	626.04	226.47	-
Non-current tax assets	12	1, 148.98	615.54	343.38
Other non-current assets	14	7, 406.00	7, 521.87	8, 935.96
		100, 420.19	152, 078.01	131, 852.02
Current assets				
Inventories	11	26, 341.41	30, 022.16	39, 431.21
Financial assets				
- Investments	6b	3, 666.95	37, 543.83	55, 350.94
- Loans	7	50.20	20.78	19.62
- Trade receivables	8	2, 630.00	1, 599.22	1, 287.00
- Cash and cash equivalents	9	832.12	4, 208.15	3, 990.13
- Other financial assets	10	2, 473.67	5, 854.31	3, 009.96
Current tax assets	12	186.34	261.48	223.06
Other current assets	14	1, 445.86	3, 351.07	1, 999.25
		37, 626.55	82, 861.00	105, 311.17
Assets classified as held for sale	33	95, 458.71	-	-
Total Assets		233, 505.45	234, 939.01	237, 163.19
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	5, 372.31	5, 367.66	5, 345.40
Other equity	16	111, 648.31	123, 589.49	121, 465.78
Equity attributable to equity holders of the parent		117, 020.62	128, 957.15	126, 811.18
Non Controlling Interest		11, 265.55	13, 127.55	12, 605.10
Total equity		128, 286.17	142, 084.70	139, 416.28
Non-current liabilities				
Financial liabilities				
- Borrowings	17a	18, 579.59	19, 967.66	16, 430.66

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
- Trade payables	18			
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	1, 703.39	1, 339.65
- Other financial liabilities	19	101.23	251.30	583.26
Provisions	20	719.29	918.95	912.10
Deferred tax liabilities (net)	13	-	-	25.22
Total non-current liabilities		19, 400.11	22, 841.30	19, 290.89
Current liabilities				
Financial liabilities				
- Borrowings	17b	238.56	1, 003.29	4.10
- Trade payables	18			
Total outstanding dues of micro enterprises and small enterprises		10.39	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2, 122.61	12, 403.50	11, 313.02
- Other financial liabilities	19	3, 478.57	14, 385.86	18, 084.52
Other current liabilities	21	7, 197.56	12, 396.47	20, 086.65
Provisions	20	573.16	29, 823.89	28, 967.73
Total current liabilities		13, 620.85	70, 013.01	78, 456.02
Liabilities directly associated with assets classified as held for sale	33	72, 198.32	-	-
Total equity and liabilities		233, 505.45	234, 939.01	237, 163.19

Summary of significant accounting policies 2

Other notes to accounts 31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	22	15, 575.92	24, 001.52
Other income	23	1, 731.05	1, 118.36
Total income		17, 306.97	25, 119.88
Expenses			
Cost of raw material and components consumed	24	736.10	4, 124.78
(Increase)/ decrease in inventories of finished goods and work in progress	25	3, 947.80	9, 095.33
Employee benefits expense	26	8, 436.80	7, 946.06
Depreciation expense	27	521.46	448.70
Finance costs	28	2, 409.42	2, 607.41
Other expenses	29	6, 023.88	6, 273.15
Total expenses		22, 075.46	30, 495.43
Loss before share of loss of joint ventures and tax from continuing operations	30	(4, 768.49)	(5, 375.55)
Share of loss of joint ventures	36	(99.35)	(581.72)
Loss before tax from continuing operations		(4, 867.84)	(5, 957.27)
Tax expense :			
Current tax	13	681.57	1, 020.70
Deferred tax	13	(402.21)	(248.60)
Income tax adjustment related to earlier years	13	(25.40)	(47.66)
Total tax expense		253.96	724.44
Loss for the year from continuing operations		(5, 121.80)	(6, 681.71)
Discontinuing Operations			
Profit/(loss) before tax for the year from discontinuing operations	33	(7, 889.98)	3, 781.98
Tax expense of discontinuing operations	33	89.82	423.83
Profit/ (loss) for the year from discontinuing operations		(7, 979.80)	3, 358.15
Loss for the year		(13, 101.60)	(3, 323.56)
Other Comprehensive Income ('OCI')			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	30	3.39	20.52
Net gain on FVTOCI debt securities	30	(198.19)	(1, 196.03)
Income tax effect	30	69.26	413.95
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(125.54)	(761.56)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans	30	(81.53)	18.31

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Share of other comprehensive loss of joint ventures	30	(16.89)	-
Income tax effect	30	17.93	12.97
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(80.49)	31.28
Other comprehensive income for the year, net of tax		(206.03)	(730.28)
Total Comprehensive Income for the year		(13, 307.63)	(4, 053.84)
Loss for the year attributable to			
Equity holders of the parent		(8, 626.54)	(4, 238.38)
Non-controlling interests		(4, 475.06)	914.82
Loss for the year		(13, 101.60)	(3, 323.56)
Total comprehensive income attributable to			
Equity holders of the parent		(8, 750.63)	(4, 576.29)
Non-controlling interests		(4, 557.00)	522.45
Total Comprehensive Income for the year		(13, 307.63)	(4, 053.84)
Earning per share for profit from continuing operations attributable to equity holders of the parent:	31		
Basic earnings per share(INR) (Face value of INR 2/-)		(1.97)	(2.48)
Diluted earnings per share(INR) (Face value of INR 2/-)		(1.97)	(2.48)
Earning per share for profit from discontinuing operations attributable to equity holders of the parent:	31		
Basic earnings per share(INR) (Face value of INR 2/-)		(1.24)	0.90
Diluted earnings per share(INR) (Face value of INR 2/-)		(1.24)	0.89
Earning per share for profit from continuing and discontinuing operations attributable to equity holders of the parent:	31		
Basic earnings per share(INR) (Face value of INR 2/-)		(3.21)	(1.58)
Diluted earnings per share(INR) (Face value of INR 2/-)		(3.21)	(1.58)
Summary of significant accounting policies	2		
Other notes to accounts	31-50		
The accompanying notes are an integral part of the consolidated financial statements			
As per our report of even date			

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Equity share capital	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid up		
As at April 01, 2017	267, 270, 049	5, 345.40
Issue of share capital	1, 113, 016	22.26
As at March 31, 2018	268, 383, 065	5, 367.66
Issue of share capital	232, 573	4.65
As at March 31, 2019	268, 615, 638	5, 372.31

Other Equity

Particulars	Attributable to the Owners Reserves and Surplus							Gross obligations over written put options granted by joint venture	Attributable to Non controlling interest	Total other equity
	Securities premium	Capital reserve	ESOP reserve	FVTOCI reserve	Foreign Currency Translation Reserve	Retained earnings	Share warrants			
As at April 01, 2017	133.53	117, 701.43	368.06	488.76	18.66	6, 125.24	-	(3, 369.90)	12, 605.10	134, 070.88
Profit / (loss) for the year	-	-	-	-	-	(4, 238.38)	-	-	914.82	(3, 323.56)
Other comprehensive income (Note 30)	-	-	-	(398.86)	20.52	40.43	-	-	(392.37)	(730.28)
Total comprehensive income	133.53	117, 701.43	368.06	89.90	39.18	1, 927.29	-	(3, 369.90)	13, 127.55	130, 017.04
Changes during the year	-	-	-	-	-	-	-	(1, 714.16)	-	(1, 714.16)
Transferred from ESOP reserve	129.15	-	(129.15)	-	-	-	-	-	-	-
Premium on issue of equity shares under ESOP	671.96	-	-	-	-	-	-	-	-	671.96
ESOP expenses recognized during the year	-	-	93.66	-	-	-	-	-	-	93.66
Fair valuation of ESOP	-	-	148.54	-	-	-	-	-	-	148.54
Amount received during the year	-	-	-	-	-	-	7, 500.00	-	-	7, 500.00
As at March 31, 2018	934.64	117, 701.43	481.11	89.90	39.18	1, 927.29	7, 500.00	(5, 084.06)	13, 127.55	136, 717.04
Profit for the year	-	-	-	-	-	(8, 626.54)	-	-	(4, 475.06)	(13, 101.60)
Other comprehensive income (Note 30)	-	-	-	(65.76)	3.39	(61.72)	-	-	(81.94)	(206.03)
Total comprehensive income	934.64	117, 701.43	481.11	24.14	42.57	(6, 760.97)	7, 500.00	(5, 084.06)	8, 570.55	123, 409.41
Changes during the year	-	-	-	-	-	-	-	(3, 353.68)	-	(3, 353.68)
Capital contribution by non controlling interest	-	-	-	-	-	-	-	-	2, 695.00	2, 695.00
Transferred from ESOP reserve	166.82	-	(166.82)	-	-	-	-	-	-	-
ESOP expenses recognized during the year	-	-	88.79	-	-	-	-	-	-	88.79
Fair valuation of ESOP	-	-	74.34	-	-	-	-	-	-	74.34
Share warrants forfeited during the year	-	7, 500.00	-	-	-	-	(7, 500.00)	-	-	-
As at March 31, 2019	1, 101.46	125, 201.43	477.42	24.14	42.57	(6, 760.97)	-	(8, 437.74)	11, 265.55	122, 913.86

Summary of significant accounting policies

2

Other notes to accounts

31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per **Sanjay Vij**
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Consolidated Cash flow Statements

for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax:		
Profit/(loss) before tax from continuing operations	(4, 867.84)	(5, 957.27)
Profit/(loss) before tax from discontinuing operations	(7, 889.98)	3, 781.98
Adjustments for:		
Interest expense	2, 240.27	2, 337.11
Liabilities/provisions no longer required written back	(7.73)	-
Depreciation and amortisation expense	1, 162.64	1, 159.77
Interest Income	(35.81)	(54.30)
(Gain)/ loss on sale/redemption of investments (net)	(626.71)	(1, 024.73)
Employee stock option expense	129.09	193.29
(Gain)/ Loss on sale of assets (net)	(1, 411.99)	(875.43)
Fair value (gain)/loss on financial assets valued at fair value through profit or loss	-	(21.85)
Provision for delay of possession	-	88.34
Allowance for doubtful debts	195.52	3.22
Fair value (gain)/ loss on mutual funds	(31.03)	(539.76)
Operating Loss before working capital changes	(11, 143.57)	(909.63)
Movements in working capital:		
(Increase) / decrease in inventories (current)	3, 680.75	9, 409.05
(Increase) / decrease in trade receivables (current)	(1, 226.30)	(315.44)
(Increase) / decrease in other financial assets/ other assets (current / non-current)	(5, 712.85)	(3, 321.46)
Increase / (decrease) in trade payable (current / non-current)	2, 222.10	1, 454.22
Increase / (decrease) in provisions (current / non-current)	7, 661.05	771.58
Increase / (decrease) in other financial liabilities/ other liabilities (current / non-current)	5, 469.22	(2, 270.11)
Net cash generated from operations	950.40	4, 818.21
Refund received / (payment) of direct taxes (net)	(1, 204.29)	(1, 707.45)
Net cash from operating activities (A)	(253.89)	3, 110.76
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	99.15	(3, 636.86)
Proceeds from sale of fixed assets	1, 764.54	2, 442.30
Proceeds from/in short term investment (mutual funds) (net)	3, 367.80	19, 371.60
Proceeds from/in long term investment (others) (net)	(4, 667.28)	(22, 378.10)
Increase / (decrease) in capital creditors	(955.94)	(1, 531.52)
Interest received	1, 817.11	365.71
Net cash from/ (used in) investing activities (B)	1, 425.38	(5, 366.87)

	For the year ended March 31, 2019	For the year ended March 31, 2018
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	4.65	694.22
Issue of shares by subsidiary to minority	2, 695.00	-
Proceeds from issue of share warrants	-	7, 500.00
Proceeds from long-term borrowings	(1, 388.07)	3, 537.00
Proceeds from short-term borrowings	(623.56)	(6, 929.44)
Interest paid	(2, 249.73)	(2, 327.65)
Net cash from/ (used in) financing activities (C)	(1, 561.71)	2, 474.13
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	(390.22)	218.02
E Cash and cash equivalents as at the beginning of the year	1, 358.74	3, 990.13
F Movement in cash and cash equivalents pertaining to discontinuing operations	(136.40)	-
Cash and cash equivalents as at the end of the year	832.12	4, 208.15
Components of Cash and Cash Equivalents		
Cash on hand	4.82	34.75
Balances with scheduled banks		
- On current accounts	823.35	2, 928.15
- Cheques/drafts in Hand	3.95	180.25
- Deposits with original maturity of upto 3 months	-	1, 065.00
Total cash and cash equivalents (Refer Note 9)	832.12	4, 208.15

The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.

Summary of significant accounting policies 2
Other notes to accounts 31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of Max India Limited (the "Company" or "MIL"), its subsidiaries and its joint ventures (collectively referred to as the "Group") for the year ended March 31, 2019. Max India Limited is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016.

The Company is primarily engaged in making business investment in its subsidiaries and providing management advisory services to its group companies.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 29, 2019.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Group has prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Group has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 37 for information on how the Group adopted Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value

(i) Certain financial assets and liabilities that are

measured at fair value

Financial Statement are presented in INR and all values are rounded to nearest Lakhs (INR 00, 000) except when otherwise stated.

2.2 Basis of consolidation

During the current year, the Company ceased to be a core investment company (non systemically important) as per the Non-Banking Financial Company (NBFC) Rules defined under the RBI Act, 1934. Accordingly, the consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 48 for information on how the Company adopted Ind AS.

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and its joint ventures as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

Exposure, or rights, to variable returns from its involvement with the investee, and

The ability to use its power over the investee to affect its returns

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee

Rights arising from other contractual arrangements

The Group's voting rights and potential voting rights

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended March 31. When the end of the reporting period of the parent is different from that of a subsidiary,

the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and

they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

Liabilities or equity instruments related to share based payment arrangements of the acquiree or share - based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part

of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

c) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- a. Expected to be settled in normal operating cycle
- b. Held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

d) Property, plant and equipment

On transition to Ind AS, the Group has applied exemption of Ind AS and elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2017, measured as per

the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2017.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT, VAT and GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the

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net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management. Pursuant to this policy, assets are depreciated over the following term-

Asset Type Estimated Useful Life (In Years)

Asset Type	Estimated Useful Life (In Years)
Building	60 years
Plant and Machinery	5 years
IT Equipment (End user devices)	3 years
IT Equipment (Servers and network)	4-6 years
Office Equipments	3-5 years
Leasehold Improvements	3 years (life of lease)
Furniture and Fixtures	8 - 10 years
Vehicles	3-8 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates above mentioned items over estimated useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

f) Intangible assets

On transition to Ind AS, the Group has applied exemption of Ind AS and elected to continue with the carrying value of all of its intangible assets as

at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets as on April 01, 2017.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

g) Leases

Group as a lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. The Group is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in PPE. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Group as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at

the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

h) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's, recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use,

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the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For the remaining economic life of the asset or cash-generating unit (CGU), a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In this case, the growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since

the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

i) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible

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- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

j) Retirement and other Employee Benefits

Provident fund

The Group contributed to employees provident fund benefits through a trust "Max Financial Services Limited Provident Fund Trust" managed by Max Financial Services Limited (erstwhile Max India Limited) whereby amounts determined at a fixed percentage of basic salaries of the employees are deposited to the trust every month. The benefit vests upon commencement of the employment. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group has obtained actuarial valuation to determine the shortfall, if any, as at the Balance Sheet date. The Group recognises contribution payable to the provident fund as an expense, when the employee renders the related service.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at

the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Group recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

- Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- Net interest expenses or income.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer

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its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- a) Debt instruments at amortised cost

- b) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instrument at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Group estimate the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces

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or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Interest income from these debt instruments is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows

in full without material delay to a third party under a "pass through" arrangement and either;

- (a) the Group has transferred the rights to receive cash flows from the financial assets or
- (b) the Group has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred its right to receive cash flows from an asset or has entered into a pass through agreement, the Group evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost; e.g. Loans, Security deposits, trade receivable, bank balance, other financial assets etc.

Financial guarantee contracts measured at fair value through profit or loss (FVTPL)

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The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and

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other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it

incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade Payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

m) Foreign currencies

The financial statements are presented in INR, which is also the Group's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Measurement of foreign currency items at the balance sheet date

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

i) Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting

entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

ii) Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

iii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

n) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. The Group determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability, or

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- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for recurring fair value measurement, such as

derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Group's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 44)
- b) Quantitative disclosures of fair value measurement hierarchy (note 44)
- c) Financial instruments (including those carried at amortised cost) (note 44)

o) Revenue recognition

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group

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expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from food and beverages, maintenance and club services are recognized upon rendering of service. Sales are net of discounts. Goods service tax is reduced from sales.

Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The Group collects service tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Revenues from training services are recognized over the period of the contract as and when services are rendered. The Group collects service tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Revenue from leasing activities

The Group transfers substantially all the risks and benefits of ownership of the asset transferred on finance lease. Any amount received before possession/registration of lease deed to the extent it is related to lease rentals is recognized as revenue in the Statement of Profit & Loss.

In respect of lease rentals on non cancellable operating lease, revenue is recognised on a

straight-line basis over the lease term and in respect of lease rentals on cancellable operating lease, revenue is recognised on the time proportionate basis as per related agreements.

Revenue from other operating activities

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

The Group considers in determining the transaction price for the sale of services, whether there are other promises in the contract that are separate performance obligation to which a portion of transaction price needs to be allocated..

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for further reference.

Insurance receivables

The Group recognises the insurance receivables when due and measures on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost, using the EIR method. The carrying value of

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of profit or loss.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Insurance contract liabilities

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and a reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims. Therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money.

No provision for equalisation or catastrophe reserves is recognised. The liabilities are derecognised when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Group reviews its unexpired risk and a liability adequacy test is performed in accordance with IndAS to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognised in the statement of profit or loss by setting up a provision for premium deficiency.

Insurance payables

Insurance payables are recognised when due and measured on initial recognition at fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the EIR method.

Premium received in advance

Premium received in advance represents premium received in respect of those policies issued during the year where the risk commences subsequent to the balance sheet date.

p) Taxes

Tax expense comprises current and deferred tax.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry

forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.
- iii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during specified period.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

r) Share-based payments

Employees of the Group receive remuneration in the form of share based payment transaction, whereby employees render services as a consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

s) **Non-current assets held for sale/ distribution to owners and discontinuing operations:**

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale/ distribution of the asset or disposal group to be highly probable

when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinuing operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinuing operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

discontinuing operations in the statement of profit and loss.

Additional disclosures are provided in Note 33. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

t) Borrowing Cost

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences

to the extent regarded as an adjustment to the borrowing costs.

u) Inventories

Inventories are valued at lower of cost and net realisable value.

Cost incurred in bringing each product to its present condition and location are accounted for as follows -

- i) Raw material and stores & spares - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.
- ii) Finished goods and work in progress (relating to finance lease) - Cost includes cost of land, direct materials and services including labour and a portion of direct overheads including borrowing costs. Cost is determined using average method.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

3. Property, plant & equipment

	Freehold land	Leasehold land	Building	Plant and Machinery	Computers	Office equipments	Leasehold improvements	Furniture & Fixtures	Vehicles	Total
Gross block										
As at April 01, 2017*	4, 438.49	1.82	1, 401.16	88.53	826.21	311.02	480.50	199.01	356.48	8, 103.22
Additions	-	-	5, 124.41	915.56	524.09	96.28	47.61	994.21	57.18	7, 759.34
Deletion	2, 513.69	-	-	-	110.03	22.49	11.11	18.93	46.16	2, 722.41
As at March 31, 2018	1, 924.80	1.82	6, 525.57	1, 004.09	1, 240.27	384.81	517.00	1, 174.29	367.50	13, 140.15
Additions	-	89.83	28.41	6.29	275.20	100.56	171.50	71.50	42.14	785.43
Deletion	0.42	-	1, 295.64	18.09	6.85	8.33	5.35	32.52	28.13	1, 395.33
Discontinuing Operations (Refer Note 33)	-	-	-	-	(1, 330.96)	(327.41)	(530.71)	(71.98)	-	(2, 261.06)
As at March 31, 2019	1, 924.38	91.65	5, 258.34	992.29	177.66	149.63	152.44	1, 141.29	381.51	10, 269.19
Depreciation / amortisation										
As at April 01, 2017	-	-	-	-	-	-	-	-	-	-
For the year (Refer note A)	-	-	93.65	68.20	403.31	136.97	248.28	117.72	91.64	1, 159.77
Deletions	-	-	-	-	107.59	18.81	9.56	18.72	11.46	166.14
As at March 31, 2018	-	-	93.65	68.20	295.72	118.16	238.72	99.00	80.18	993.63
For the year (Refer note A)	-	-	104.45	78.65	410.40	116.64	236.26	139.94	76.30	1, 162.64
Deletion	-	-	47.04	2.40	5.84	3.64	5.28	11.77	11.68	87.65
Discontinuing Operations (Refer Note 33)	-	-	-	-	(620.49)	(160.47)	(428.99)	(36.43)	-	(1, 246.38)
As at March 31, 2019	-	-	151.06	144.45	79.79	70.69	40.71	190.74	144.80	822.24
Net block										
As at April 01, 2017	4, 438.49	1.82	1, 401.16	88.53	826.21	311.02	480.50	199.01	356.48	8, 103.22
As at March 31, 2018	1, 924.80	1.82	6, 431.92	935.89	944.55	266.65	278.28	1, 075.29	287.32	12, 146.52
As at March 31, 2019	1, 924.38	91.65	5, 107.28	847.84	97.87	78.94	111.73	950.55	236.71	9, 446.95

*The Group has elected Ind-AS 101 exemption and continued with the carrying value for all of it's Property, Plant and Equipment as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated depreciation has been disclosed by the Group separately as follows -

	Freehold land	Leasehold land	Building	Plant and Machinery	Computers	Office equipments	Leasehold improvements	Furniture & Fixtures	Vehicles	Total
Gross Block	4, 438.49	1.82	1, 807.72	724.77	2, 422.29	859.29	2, 084.22	589.31	582.76	13, 510.67
Accumulated Depreciation	-	-	406.56	636.24	1, 596.08	548.27	1, 603.72	390.30	226.28	5, 407.45
Deemed cost as at April 01, 2017	4, 438.49	1.82	1, 401.16	88.53	826.21	311.02	480.50	199.01	356.48	8, 103.22

Note:

(A) Includes depreciation of tangible assets of Rs 676.25 lakhs (March 31, 2018 Rs 732.27 lakhs) on assets relating to discontinuing operations (Refer Note 33)

(B) Capitalised borrowing costs

The Group started the construction of a Club in Senior Living Project in financial year 2014-15. This project was completed in financial year 2017-18. Borrowing cost capitalised in Building is Rs. Nil (March 31, 2018: Rs 781.32 lakhs, April 01, 2017: Rs Nil)

The rate used to determine the amount of borrowing costs eligible for capitalisation was based on effective interest

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

rate of the borrowing.

4. Capital work in progress

	Construction Cost	Others	Total
As at April 01, 2017	4, 021.03	43.20	4, 064.23
Addition during the year	377.92	-	377.92
Capitalised during the year	4, 021.02	43.20	4, 064.22
As at March 31, 2018	377.93	-	377.93
Addition during the year	392.19	193.99	586.18
Capitalised during the year	191.39	-	191.39
Discontinuing Operations (Refer Note 33)	-	(193.99)	(193.99)
As at March 31, 2019	578.73	-	578.73

PPE under charge

PPE with a carrying amount of INR 7, 308 lakhs (March 31, 2018: INR 7, 518 lakhs) are subject to a first charge to secure Group's bank loan.

5. Other Intangible assets

	Computer software	Website	Intangibles Under Development	Total
Gross block				
As at April 01, 2017*	1, 841.08	1.43	4.62	1, 847.13
Additions	1, 433.75	-	-	1, 433.75
Deletion	0.23	-	4.23	4.46
As at March 31, 2018	3, 274.60	1.43	0.39	3, 276.42
Additions	793.22	-	-	793.22
Deletion	284.36	-	-	284.36
Discontinuing Operations (Refer Note 33)	(3, 664.68)	(1.43)	-	(3, 666.11)
As at March 31, 2019	118.78	-	0.39	119.17
Amortisation				
As at April 01, 2017	-	-	-	-
Additions (Refer note A)	874.86	1.05	0.39	876.30
Deletion	0.23	-	-	0.23
As at March 31, 2018	874.63	1.05	0.39	876.07
Additions (Refer note A)	997.22	0.38	-	997.60
Deletion	164.50	-	-	164.50
Discontinuing Operations (Refer Note 33)	(1, 663.17)	(1.43)	-	(1, 664.60)
As at March 31, 2019	44.18	-	0.39	44.57
Net block				
As on April 01, 2017	1, 841.08	1.43	4.62	1, 847.13

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(Amount in INR lakhs, unless otherwise stated)

	Computer software	Website	Intangibles Under Development	Total
As at March 31, 2018	2,399.97	0.38	-	2,400.35
As at March 31, 2019	74.60	-	-	74.60

*The Group has elected Ind-AS 101 exemption and continued with the carrying value for all of its Intangible assets as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated amortisation has been disclosed by the Group separately as follows -

	Computer software	Website	Intangibles Under Development	Total
Gross Block	4,779.92	112.58	96.76	4,989.26
Accumulated Amortisation	2,938.84	111.15	92.14	3,142.13
Deemed cost as at April 01, 2017	1,841.08	1.43	4.62	1,847.13

Note:

(A) Includes amortisation of intangible assets of Rs 962.53 lakhs (March 31, 2018 Rs 855.10 lakhs on assets relating to on discontinuing operations (Refer Note 33)

Impairment testing of goodwill and other intangibles

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments. During the year Group has done the impairment assessment of Goodwill and intangibles (including those appearing in the subsidiaries and joint ventures) and have concluded that there is no impairment in value of goodwill and intangible assets as appearing in the financial statements.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

6a. Investments in joint ventures

	March 31, 2019	March 31, 2018	April 01, 2017
Investments in joint ventures accounted under equity method (Refer Note 36)			
Max Healthcare Institute Limited			
266, 997, 937 (March 31, 2018: 266, 997, 937; April 01, 2017: 246, 848, 537) Equity shares of Rs.10 each fully paid up	77, 374.24	80, 894.11	62, 056.75
Forum I Aviation Limited			
7, 487, 251 (March 31, 2018: 7, 487, 251; April 01, 2017: 7, 487, 251) Equity shares of Rs.10 each fully paid up	1, 056.25	998.95	974.94
	78, 430.49	81, 893.06	63, 031.69

6b. Other Investments

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Non-trade investments (valued at fair value through profit or loss unless stated otherwise)						
Health Insurance Business						
Bonds (quoted)	-	13, 693.72	8, 786.36	-	23, 289.91	21, 988.54
Government and trust securities (quoted)	-	1, 037.52	-	-	20, 373.94	20, 041.70
Term Deposits (unquoted)	-	5, 977.00	6, 869.00	-	-	225.00
Other than Approved Investments	-	2, 499.08	6, 342.42	-	-	-
Investments at fair value through profit or loss						
Investment -Others						
Max Speciality Films Limited						
Nil (March 31, 2018: Nil; April 01, 2017: 338, 350) Equity shares of Rs.10 each fully paid up	-	-	-	-	-	336.32
Mutual funds						
Unquoted mutual funds						
Aditya Birla Sun Life Cash Plus - Growth Direct Plan Growth						
202, 046 (March 31, 2018: 136, 373 ; April 01, 2017: 1, 942, 984) units of Face value Rs. 100/- per unit fully paid	607.02	380.91	5, 077.20	-	-	-
DHFL Pramerica Insta Cash Plus Fund - Direct Plan Growth						

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(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Nil (March 31, 2018: Nil ; April 01, 2017: 741, 093) units of Face value Rs. 100/- per unit fully paid	-	-	1, 566.35	-	-	-
DSP BlackRock Liquidity Fund -Direct Growth						
Nil (March 31, 2018: Nil ; April 01, 2017:280, 058) units of Face value Rs. 1000/- per unit fully paid	-	-	6, 513.53	-	-	-
Franklin India Treasury Management Account Fund						
Nil (March 31, 2018: 86, 669 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid	-	2, 251.22	-	-	-	-
IDFC Cash Fund - Direct Plan Growth						
Nil (March 31, 2018: 36, 071 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid	-	761.17	-	-	-	-
JM High Liquidity Fund (Direct) Growth						
Nil (March 31, 2018: 4, 248, 757 ; April 01, 2017:14, 800, 894) units of Face value Rs. 10/- per unit fully paid	-	2, 021.24	6, 588.38	-	-	-
Invesco India Liquid Fund Direct Plan Growth						
Nil (March 31, 2018: 100, 465 ; April 01, 2017: 76, 992) units of Face value Rs. 1000/- per unit fully paid	-	2, 403.20	1, 723.60	-	-	-
L&T India Liquid Fund- Direct Fund Growth						
Nil (March 31, 2018: 136, 772 ; April 01, 2017: 140, 003) units of Face value Rs. 1000/- per unit fully paid	-	3, 259.10	3, 122.12	-	-	-
Tata Money Market Fund - Direct Fund Growth						
Nil (March 31, 2018: 9, 174 ; April 01, 2017: 15, 746) units of Face value Rs. 1000/- per unit fully paid	-	251.23	403.58	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
UTI Money Market Fund - Direct Fund Growth						
Nil (March 31, 2018: 102, 804 ; April 01, 2017: 356, 604) units of Face value Rs. 1000/- per unit fully paid	-	2, 004.41	6, 505.25	-	-	-
Axis Liquid fund - Direct growth						
63, 701 (March 31, 2018: 4557 ; April 01, 2017: 98, 078) units of Face value Rs. 1000/- per unit fully paid	1, 320.87	87.76	1, 768.56	-	-	-
Tata Liquid Fund Direct Plan - Growth						
Nil (March 31, 2018: Nil ; April 01, 2017: 2, 820) Units of Tata Liquid Fund Direct Plan - Growth	-	-	84.59	-	-	-
HDFC Liquid Fund- Direct Plan- Growth Option						
82 (March 31, 2018: 9900 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit.	3.02	338.99	-	-	-	-
ICICI Prudential Liquid-Direct Plan- Growth						
1, 087 (March 31, 2018: 1, 29, 941 ; April 01, 2017: Nil) units of Face value Rs. 100/- per unit.	3.01	334.13	-	-	-	-
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option						
66 (March 31, 2018: 5, 735 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit.	3.05	243.15	-	-	-	-
Kotak Liquid - Direct Plan Growth						
5, 998 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid up	226.99	-	-	-	-	-
SBI Liquid Fund- Direct Plan Growth						
20, 662 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid up	605.09	-	-	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Sundaram Money Fund- Direct Plan Growth						
2, 278, 263 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 10 each fully paid up	897.90	-	-	-	-	-
	3, 666.95	37, 543.83	55, 350.94	-	43, 663.85	42, 591.56
Aggregate value of quoted investment	-	14, 731.24	8, 786.36	-	43, 663.85	42, 030.24
Aggregate value of unquoted investment	3, 666.95	22, 812.59	46, 564.58	-	-	561.32

7. Loans (at amortised cost)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Security deposits given	38.61	17.10	6.57	158.06	515.45	406.85
Loans to joint ventures	-	-	-	38.00	38.00	38.00
Loans to employees	11.59	2.77	13.05	22.70	1.57	3.54
Interest accrued on deposit	-	0.91	-	-	-	-
	50.20	20.78	19.62	218.76	555.02	448.39

8. Trade Receivables

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Trade receivables	2, 630.00	1, 599.22	1, 287.00	-	-	-
	2, 630.00	1, 599.22	1, 287.00	-	-	-
Break-up for trade receivables:						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	2, 630.00	1, 599.22	1, 287.00	-	-	-
Trade Receivables which have significant increase in credit Risk	-	-	-	-	-	-
Trade Receivables - credit impaired	-	499.86	582.38	-	-	-
	2, 630.00	2, 099.08	1, 869.38	-	-	-
Impairment Allowance (allowance for bad and doubtful debts)						

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good	-	-	-	-	-	-
Trade Receivables which have significant increase in credit Risk	-	-	-	-	-	-
Trade Receivables - credit impaired	-	499.86	582.38	-	-	-
Total trade receivables	2,630.00	1,599.22	1,287.00	-	-	-

- i. No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- ii. For terms and conditions relating to related party receivables, refer note 42.
- iii. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

9. Cash and cash equivalents

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Cash and cash equivalents						
Cash on hand	4.82	34.75	8.61	-	-	-
Balances with banks - Current accounts	823.35	2,928.15	3,178.35	-	-	-
Cheques/drafts on hand	3.95	180.25	263.17	-	-	-
Deposits with original maturity of less than three months	-	1,065.00	540.00	-	-	-
	832.12	4,208.15	3,990.13	-	-	-

Changes in liabilities arising from financing activities

	April 01, 2017	Cash Flows	March 31, 2018	Cash Flows	March 31, 2019
Current borrowings	4.10	999.19	1,003.29	(764.73)	238.56
Non current borrowings	16,430.66	3,537.00	19,967.66	(1,388.07)	18,579.59
Current maturity of non current borrowings	8,344.63	(7,928.63)	416.00	141.17	557.17
Total liabilities from financial activities	24,779.39	(3,392.44)	21,386.95	(2,011.63)	19,375.32

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

10. Other financial assets

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured considered good, unless stated otherwise:						
Advances recoverable in cash or kind	-	5.42	1.14	-	-	-
Interest accrued on fixed deposits	0.67	-	0.67	-	-	-
Interest accrued on investments	-	1,781.97	2,092.71	-	-	-
Marginal Money*	-	-	-	23.97	22.35	20.79
Outstanding premium						
Considered good, unsecured	-	356.07	305.67	-	-	-
Credit impaired	-	499.91	582.26	-	-	-
Less: Impairment allowance for outstanding premium credit impaired	-	(499.91)	(582.26)	-	-	-
Agents balances - credit impaired	-	1.68	21.22	-	-	-
Less: Impairment allowance for agent balances credit impaired	-	(1.68)	(21.22)	-	-	-
Due from other entities carrying on insurance business						
Considered good, unsecured	-	3,662.67	609.77	-	-	-
Credit impaired	-	-	20.33	-	-	-
Less: Impairment allowance for dues credit impaired	-	-	(20.33)	-	-	-
Deposits against unclaimed amount of policyholders	-	-	-	-	179.99	-
Interest accrued on deposits against unclaimed amount	-	-	-	-	9.39	-
Amount receivable from related parties	2,473.00	48.18	-	-	-	-
	2,473.67	5,854.31	3,009.96	23.97	211.73	20.79

* To secure bank guarantee given to Protector General of Immigrant

Break-up of financial assets at amortised costs:

	March 31, 2019	March 31, 2018	April 01, 2017
Loans (note 7)	268.96	575.80	468.01
Trade Receivables (note 8)	2,630.00	1,599.22	1,287.00
Cash and Cash equivalents (note 9)	832.12	4,208.15	3,990.13
Other financial assets (note 10)	2,497.64	6,066.04	3,030.75
	6,228.72	12,449.21	8,775.89
Current	5,985.99	11,682.46	8,306.71
Non-current	242.73	766.75	469.18
	6,228.72	12,449.21	8,775.89

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

11. Inventory

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Consumables - others	135.95	137.29	-	-	-	-
Finished goods - held under finance lease	26,205.46	29,884.87	-	-	-	-
Work in progress - held under finance lease	-	-	39,431.21	-	-	-
	26,341.41	30,022.16	39,431.21	-	-	-

12. Tax assets

Particulars	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Advance income tax (net of provisions)	186.34	261.48	223.06	1,148.98	615.54	343.38
	186.34	261.48	223.06	1,148.98	615.54	343.38

13. Income tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	681.57	1,020.70
Income tax adjustment related to earlier years	(25.40)	(47.66)
Deferred tax:		
Relating to origination and reversal of temporary differences	(402.21)	(248.60)
Income tax expense reported in the statement of profit or loss from continuing operations	253.96	724.44

OCI section

	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax related to items recognised in OCI during the year from continuing operations	2.64	(3.09)
Current tax related to items recognised in OCI during the year from discontinuing operations	84.55	430.01
Total tax related to items recognised in OCI during the year from continuing and discontinuing operations	87.19	426.92

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Accounting profit / (loss) before tax from continuing operations	(4,867.84)	(5,957.27)
At India's statutory income tax rate	26.00% - 29.12%	26.00% - 34.61%
Computed Tax Expense	(1,439.07)	(1,104.93)
Adjustments:		
Income not considered for tax purpose	(129.94)	(326.11)
Expense not allowed for tax purpose	1,014.68	611.15
Item not allowed for tax purpose, capital nature	6.26	132.07
Others	-	(290.97)
Difference in tax rate	(22.60)	39.06
Unabsorbed losses	850.03	1,711.83
Tax relating to earlier years	(25.40)	(47.66)
At the effective income tax rate	253.96	724.44
Income tax expense reported in the statement of profit and loss	253.96	724.44

Deferred tax:

	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax liability			
Difference in books base and tax base of investments	(60.78)	(287.48)	(551.00)
Accelerated depreciation under Income tax	57.91	44.12	34.52
Conversion of capital asset into stock in trade	(675.41)	(271.63)	-
Others	(11.98)	(19.57)	-
Deferred tax asset			
Expenses allowable on payment basis	266.52	280.09	435.87
Unabsorbed losses	666.26	260.60	1.24
Others	383.52	220.34	54.15
Net deferred tax assets/(liabilities)	626.04	226.47	(25.22)

	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Difference in books base and tax base of investments	226.70	263.52
Accelerated depreciation under Income tax	13.79	9.60
Conversion of capital asset into stock in trade	(403.78)	(271.63)
Others	7.59	(19.57)
Deferred tax asset		
Expenses allowable on payment basis	(13.57)	(155.78)
Unabsorbed losses	405.66	259.36
Others	163.18	166.19
Net deferred tax assets/(liabilities)	399.57	251.69

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reflected in the balance sheet as follows:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	3,677.66	3,846.23	535.12
Deferred tax liabilities	(3,051.62)	(3,619.76)	(560.34)
Net deferred tax assets/(liabilities)	626.04	226.47	(25.22)

Reconciliation of deferred tax assets:

	March 31, 2019	March 31, 2018
Opening balance as of April 01	226.47	(25.22)
Tax income/(expense) during the period recognised in profit or loss	402.21	248.60
Tax income/(expense) during the period recognised in OCI	(2.64)	3.09
Closing balance as at 31 March	626.04	226.47

14. Other assets

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Capital advances	-	-	-	7,343.84	7,374.82	8,810.63
Prepaid expenses	113.80	446.09	409.14	61.66	146.55	119.93
Balances with statutory/government authorities	695.49	2,152.17	556.21	-	-	3.56
Other advances	99.21	651.91	718.82	0.50	0.50	1.84
Less: Impairment allowance	-	(36.07)	(38.76)	-	-	-
Unbilled revenue	537.36	136.97	353.84	-	-	-
	1,445.86	3,351.07	1,999.25	7,406.00	7,521.87	8,935.96

15. Equity share Capital

	March 31, 2019	March 31, 2018	April 01, 2017
Authorised shares			
300,000,000 (March 31, 2018 : 300,000,000 and April 01, 2017 : 300,000,000) equity shares of INR 2 each	6,000.00	6,000.00	6,000.00
Issued, subscribed and fully paid equity capital			
268,615,638 (March 31, 2018 : 268,383,065 and April 01, 2017 : 267,270,049) equity shares of INR 2 each	5,372.31	5,367.66	5,345.40
Total issued, subscribed and fully paid-up share capital	5,372.31	5,367.66	5,345.40

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2019		March 31, 2018		April 01, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the year	268,383,065	5,367.66	267,270,049	5,345.40	267,270,049	5,345.40
Add: Shares issued for stock options exercised	232,573	4.65	1,113,016	22.26	-	-
Outstanding at the end of the year	268,615,638	5,372.31	268,383,065	5,367.66	267,270,049	5,345.40

(ii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	March 31, 2019		March 31, 2018		April 01, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of Rs. 2/- each fully paid-up						
- Liquid Investment and Trading Private Limited	200,000	0.07%	23,818,876	8.87%	23,818,876	8.91%
- Max Ventures Investment Holdings Private Limited	103,467,976	38.52%	66,158,030	24.65%	66,158,030	24.75%
- Mohair Investment and Trading Company Private Ltd	-	-	13,690,570	5.10%	8,086,560	3.03%
- Reliance Capital Trustee Co Ltd A/C Reliance Capital Builder Fund 4 SR A	17,369,062	6.47%	14,601,201	5.44%	12,515,216	4.68%
- WF Asian Reconnaissance Fund Limited	17,201,096	6.40%	-	-	-	-
- Xenok Limited	-	-	-	-	17,161,714	6.42%

(iv) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, please refer note 41.

Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has issued total 1,631,639 shares (March 31, 2018: 1,399,066 shares; April 01, 2017 : 286,050 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

During financial year 2015-16, pursuant to Composite Scheme of Arrangement and order of Hon`ble High Court of Punjab and Haryana dated December 14, 2015 (Order) sanctioning the Composite Scheme of Arrangement involving Max Financial Services Limited (formerly Max India Limited), Max India Limited (formerly Taurus Ventures Limited) (the Company) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited), the Company allotted 266, 983, 999 equity shares on May 14, 2016, in the ratio of 1 equity share of Rs. 2 each fully paid up of the company for every one equity share of Rs. 2 each fully paid up, held by shareholder of Max Financial Services Limited on January 28, 2016 (record date).

16. Other Equity

	March 31, 2019	March 31, 2018	April 01, 2017
Capital reserve (refer note a below)	125, 201.43	117, 701.43	117, 701.43
Securities premium (refer note b below)	1, 101.46	934.64	133.53
Gross obligations over written put options granted to NCI (refer note c below)	(8, 437.74)	(5, 084.06)	(3, 369.90)
Employee stock option plan (refer note d below)	477.42	481.11	368.06
Foreign Currency Translation Reserve (refer note e below)	42.57	39.18	18.66
Money received against share warrants (refer note f below)	-	7, 500.00	-
FVTOCI reserve (refer note g below)	24.14	89.90	488.76
Surplus in the statement of profit and loss (refer note h below)	(6, 760.97)	1, 927.29	6, 125.24
	111, 648.31	123, 589.49	121, 465.78
a) Capital reserve			
At the beginning of the year	117, 701.43	117, 701.43	117, 701.43
Add :Share warrants forfeited during the year **	7, 500.00	-	-
	125, 201.43	117, 701.43	117, 701.43
b) Securities premium			
At the beginning of the year	934.64	133.53	133.53
Add: premium on issue of shares under ESOP	-	671.96	-
Add : transferred from stock option outstanding	166.82	129.15	-
	1, 101.46	934.64	133.53
c) Gross obligations over written put options granted by joint venture			
At the beginning of the year	(5, 084.06)	(3, 369.90)	(3, 369.90)
Add : Additions during the year	(3, 353.68)	(1, 714.16)	-
	(8, 437.74)	(5, 084.06)	(3, 369.90)
d) Employee stock option plan			
At the beginning of the year	481.11	368.06	368.06
Add : compensation options granted during the year	88.79	93.66	-
Add: Fair valuation of ESOP	74.34	148.54	-
Less: transferred to securities premium	(166.82)	(129.15)	-
	477.42	481.11	368.06

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018	April 01, 2017
e) Foreign Currency Translation Reserve			
At the beginning of the year	39.18	18.66	18.66
Increase/(decrease) during the year	3.39	20.52	-
	42.57	39.18	18.66
f) Share Warrants[^]			
At the beginning of the year	7,500.00	-	-
Amount received during the year *	-	7,500.00	-
Amount forfeited during the year **	(7,500.00)	-	-
	-	7,500.00	-
g) FVTOCI reserve			
At the beginning of the year	89.90	488.76	488.76
Increase/(decrease) during the year	(65.76)	(398.86)	-
	24.14	89.90	488.76
h) Surplus in the statement of profit and loss			
At the beginning of the year	1,927.29	6,125.24	6,125.24
Add: Profit / (loss) for the year	(8,626.54)	(4,238.38)	-
Add : Other comprehensive income	(61.72)	40.43	-
	(6,760.97)	1,927.29	6,125.24
	111,648.31	123,589.49	121,465.78

* During the previous year, the Group allotted 19,384,584 convertible warrants at an exercise price of Rs. 154.76 per warrants to Mohair Investment and Trading Group Private Limited (an entity belonging to Promoter Group), on receipt of 25% of the warrant subscription amount, i.e. Rs. 7,500.00 lakhs. Each warrant was convertible into 1 equity share as per applicable SEBI guidelines at any time before the expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

** During the year, the Promoter group decided not to opt for conversion of aforesaid warrants, accordingly, the Board of directors took note of cancellation of aforesaid warrants and forfeiture of upfront warrant subscription amount paid earlier on such warrants.

Nature and purpose of reserves

(i) Capital reserve

The Group recognizes profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

(ii) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(iii) Gross obligations over written put options granted to NCI

A joint venture of the Company has granted put option to its Non controlling interests to sell shares held by them back to the joint venture. The gross obligation of the Company on these options have been recognised through this reserve.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(vi) Employee stock options outstanding

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

(iv) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

(v) FVTOCI reserve

The Group has elected to recognise changes in the fair value of certain investments in debt securities in other comprehensive income. These changes are accumulated within the FVOCI reserve.

17a. Long term borrowings

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Term loans (Secured)						
From banks	-	-	8,344.63	-	-	16,427.52
From non-banking financial companies (NBFC)	551.52	416.00	-	18,562.23	19,967.66	-
Vehicle loan	5.65	-	-	17.36	-	3.14
Less: amount clubbed under other current financial liabilities						
Current maturities of term loan from bank	-	-	(8,344.63)	-	-	-
Current maturities of loan from NBFC	(551.52)	(416.00)	-	-	-	-
Current maturities of vehicle loan	(5.65)	-	-	-	-	-
	-	-	-	18,579.59	19,967.66	16,430.66

(i) Term loan from non-banking financial companies

Antara Purukul Senior Living Limited (APSL)

Term loan from Aditya Birla Finance Limited and Bajaj Finance Limited is Rs 19,113.75 lakhs on EIR method (March 31, 2018 with Aditya Birla Finance Limited: Rs 20,383.66 lakhs; April 01, 2017 Rs Nil) together with interest, additional interest, further interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by the Company is secured by the following security interest created in favour of the Bank or the Security Trustee:

- Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Antara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.
- Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales /leasing of area /project receipts/all other cash flows pertaining to project.
- Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- (i) All the FSI, rights, title, interest, benefits, claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;
- (ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and
- (iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond, guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.

d) Corporate Guarantees of Max India Limited.

The loan is repayable in 72 structured monthly instalments from January, 2018 with an option to prepay. The loan is interest bearing with interest ranging from 10.00% to 11.35% during the year.

(ii) Term loan from banks

Term Loan from Axis Bank Limited of Rs.Nil (March 31, 2018 : Rs.Nil April 01, 2017: Rs.24, 772.15 lakhs) is repayable in 12 quarterly instalment commencing from June 15, 2017 with an option to prepay. The loan is secured by a exclusive charge by way of mortgage of the land on which senior living community" ('Project') admeasuring 19 acres (including project land of 13 acres and surplus land of 6 acres) is building and situated at Village Chak Soloniwala, Dehradun, owned by Antara Purukul Senior Living Limited (APSL). Exclusive charge by way of hypothecation on entire current assets and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of APSL and Antara Senior Living Limited ('ASL'), both present and future. Exclusive charge over designated account and over all cash flows of APSL and ASL including but not limited to cash flows arising out of sales / leasing of area / project receipts / all other cash flows pertaining to project. Exclusive charge on all the receivables of APSL and ASL by way of hypothecation of scheduled receivables both present and future. Exclusive charge by way of hypothecation / mortgage / assignment as the case may be of all the FSI, rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time; subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in the clearances, and all the rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in any letter of credit, guarantee, performance bond, guarantee, bank guarantee provided by any vendor/contractor/party to APSL and ASL in relation to the project. Corporate Guarantees given by Max India Limited and ASL.

- (iii) Vehicle Loans Rs. 23.01 lakhs (March 31, 2018: Rs Nil, April 01, 2017: Rs. 3.14 lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

17b. Short term borrowings

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Short term loan from non banking financial companies (NBFC)	238.56	1, 000.16	-	-	-	-
Vehicle loan	-	3.13	4.10	-	-	-
	238.56	1, 003.29	4.10	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Short term loan from non-banking financial companies

Antara Purukul Senior Living Limited (APSL)

Short term loan from Aditya Birla Finance Limited is Rs 238.56 lakhs (March 31, 2018: Rs 1, 000.16 lakhs; April 01, 2017: Rs Nil)

- a) Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Antara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.
- b) Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales /leasing of area /project receipts/all other cash flows pertaining to project.
- c) Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and
 - (i) All the FSI, rights, title, interest, benefits, claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;
 - (ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and
 - (iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond, guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.
- d) Corporate Guarantees of Max India Limited

(ii) Vehicle Loans Nil (March 31, 2018: Rs. 3.13 lakhs; April 01, 2017: Rs 4.10 lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

18. Trade payables

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Total outstanding dues of Micro Enterprises and Small Enterprises	10.39	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2, 122.61	12, 403.50	11, 313.02	-	1, 703.39	1, 339.65
	2, 133.00	12, 403.50	11, 313.02	-	1, 703.39	1, 339.65

i. Details of outstanding dues of Micro Enterprises and Small Enterprises

	March 31, 2019	March 31, 2018	April 01, 2017
a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	10.39	-	-
b) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018	April 01, 2017
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
d) Amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Trade payables include due to related parties. Refer note 42			
Trade payables are non-interest bearing and are settled as per the terms agreed in the contract.			

19. Other financial liabilities

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Security deposit received	2, 871.67	1, 976.77	222.98	101.23	207.71	102.87
Capital creditors	49.73	962.08	2, 056.80	-	43.59	480.39
Agents' balances	-	942.07	683.68	-	-	-
Balances due to other insurance companies	-	4, 703.15	1, 026.54	-	-	-
Expenses payable	-	0.45	0.74	-	-	-
Interest accrued but not due on borrowings	-	9.46	-	-	-	-
Unclaimed amount- policyholders	-	136.76	177.17	-	-	-
Claims outstanding (includes claims pending investigation)	-	5, 220.05	5, 312.06	-	-	-
Interest on Unclaimed amount of policyholders	-	19.07	-	-	-	-
Current portion of term loan from Banks	-	-	8, 344.63	-	-	-
Current portion of term loan from Financial Institution	551.52	416.00	-	-	-	-
Current portion of vehicle loan	5.65	-	-	-	-	-
Others	-	-	259.92	-	-	-
	3, 478.57	14, 385.86	18, 084.52	101.23	251.30	583.26

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Break-up of financial liabilities at amortised cost:

	March 31, 2019	March 31, 2018	April 01, 2017
Borrowings (note 17)	18,818.15	20,970.95	16,434.76
Trade payables (note 18)	2,133.00	14,106.89	12,652.67
Other financial liabilities (note 19)	3,579.80	14,637.16	18,667.78
	24,530.95	49,715.00	47,755.21
Current	5,850.13	27,792.65	29,401.64
Non-current	18,680.82	21,922.35	18,353.57
	24,530.95	49,715.00	47,755.21

Terms and conditions of the above financial liabilities:

- Other financial liabilities are non-interest bearing and are settled as per the terms agreed in the contract.
- For terms and conditions with related parties, refer to Note 42.
- For explanations on the Group's credit risk management processes, refer to Note 45.

20. Provisions

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Provision for employee benefits						
Gratuity	89.14	54.89	92.64	605.65	653.74	587.66
Leave encashment	307.38	370.39	361.87	113.64	265.21	324.44
Others:						
Provision for incentive	-	-	303.00	-	-	-
Provision for reserve for unexpired risk	-	29,396.18	28,208.10	-	-	-
Provision for income tax (net of advance tax)	176.64	2.43	2.12	-	-	-
	573.16	29,823.89	28,967.73	719.29	918.95	912.10

21. Other liabilities

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Statutory dues payable	614.81	1,774.97	875.97	-	-	-
Deferred Income	56.85	39.28	-	-	-	-
Advance from customers	6,525.90	9,024.82	17,643.16	-	-	-
Advance from Corporate Clients	-	117.47	43.60	-	-	-
Advance Lease Rental	-	-	288.57	-	-	-
Unearned Revenue-Premium received in advance	-	524.28	373.75	-	-	-
Advance against Sales Consideration	-	915.65	861.60	-	-	-
	7,197.56	12,396.47	20,086.65	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

22. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Sale of goods	200.81	77.97
Sale of services	8,790.20	7,387.89
(b) Revenue from leasing activities		
Income from finance lease	5,926.49	15,040.83
Income from operating lease:	50.63	65.22
(c) Revenue from other operating activities		
Interest income on:		
- Fixed deposits	5.48	7.55
- Others	-	0.06
Profit on sale of current investments	567.21	862.91
Fair value gain/(loss) on financial assets valued at fair value through profit or loss	32.71	539.76
Other operating income	2.39	19.33
	15,575.92	24,001.52

22.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Segment	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Sale of goods			
Food and beverages	Senior Living	200.81	77.97
(ii) Sale of services			
Maintenance charges	Senior Living	271.52	150.15
Training income	Training and Development	4,714.12	3,945.09
Shared services income	Business Investments	3,503.64	2,934.73
Marketing fee	Senior Living	8.93	-
Club membership fee	Senior Living	89.76	166.10
Club service and others	Senior Living	144.99	76.18
Others	Business Investments	57.24	115.64
Total revenue from contracts with customers		8,991.01	7,465.86
India		8,991.01	7,465.86
Outside India		-	-
Total revenue from contracts with customers		8,991.01	7,465.86

22.2 Contract balances

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	2,560.50	1,551.40
Contract liabilities	6,525.90	9,024.82

Trade receivables are non interest bearing. Credit period generally falls in the range of 60 to 90 days.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

22.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at March 31, 2019	As at March 31, 2018
Revenue as per contracted price	8,991.01	7,465.86
Adjustments		
Discount	-	-
Revenue from contracts with customers	8,991.01	7,465.86

22.4 Performance obligations

Information about the Group's performance obligations are summarised below:

(I) Shared Service Income

Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The Group also considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(II) Senior Living

Revenue from food and beverages, maintenance and club services are recognized upon rendering of service. Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

(III) Training Income

Revenues from training services are recognized over the period of the contract as and when services are rendered.

23. Other income

	March 31, 2019	March 31, 2018
Interest income:		
On Bank deposits	1.88	1.79
On Security Deposits	16.29	10.80
Others	12.16	34.10
Profit on sale of property, plant and equipment	1,607.51	878.65
Scrap sale	0.15	6.77
Profit on sale of non-current investments	8.10	16.48
Profit on sale of current investments	51.40	145.34
Leasing of vehicle	-	2.23
Liabilities/provisions no longer required written back	7.73	-
Exchange Gain/(loss) on foreign exchange fluctuations	-	0.35
Fair value gain/(loss) on financial assets valued at fair value through profit or loss	-	21.85
Miscellaneous income	25.83	-
	1,731.05	1,118.36

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

24. Raw material and components consumed

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year	-	-
Add: Purchases made during the year	736.10	4, 124.78
	736.10	4, 124.78
Less: inventory at the end of the year	-	-
Cost of raw material and components consumed	736.10	4, 124.78

25. (Increase)/ decrease in inventories of Finished Goods & Work in progress

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year		
Finished Goods	29, 884.87	-
Work in progress	-	39, 431.21
	29, 884.87	39, 431.21
Inventory at the end of the year		
Finished Goods	26, 205.46	29, 884.87
Work in progress	-	-
	26, 205.46	29, 884.87
Less : Adjustments made during the year	268.39	(451.01)
(Increase)/ decrease in inventories of finished goods and work in progress	3, 947.80	9, 095.33

26. Employee benefit expenses

	March 31, 2019	March 31, 2018
Salaries, wages and bonus	7, 605.01	6, 987.72
Contribution to provident and other funds	276.53	256.76
Employee stock option scheme (refer note 41)	129.09	193.29
Gratuity expense (refer note 37)	139.03	134.38
Staff welfare expenses	287.14	373.91
	8, 436.80	7, 946.06

27. Depreciation and amortisation expense

	March 31, 2019	March 31, 2018
Depreciation of tangible assets	486.39	427.50
Amortisation of intangible assets	35.07	21.20
	521.46	448.70

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

28. Finance costs

	March 31, 2019	March 31, 2018
Interest on		
- term loans from banks	-	2, 335.93
- term loans from financial institution	2, 053.78	-
- vehicle loans	0.37	-
- others	186.12	1.18
- statutory dues	3.58	5.05
Amortization of ancillary borrowing cost	154.57	261.74
Bank charges	11.00	3.51
	2, 409.42	2, 607.41

29. Other expenses

	March 31, 2019	March 31, 2018
Sales commission	9.60	11.31
Recruitment and training expenses	231.78	133.98
Business promotion and advertisement expenses	116.67	74.92
Rates and taxes	98.59	206.75
Rent	331.52	205.03
Amortisation of prepaid asset	1.34	5.58
Insurance	52.90	74.30
Repairs and maintenance - Others	483.46	500.04
Electricity and water charges	187.15	179.50
Printing and stationery	49.61	50.71
Marketing expenses	250.52	396.41
Travelling and conveyance	517.03	542.25
Communication	91.47	100.93
Membership fees	0.09	8.89
Legal and professional	1, 760.36	1, 921.64
Auditor's remuneration (refer note (i) below)	23.55	18.64
Commission and brokerage	7.99	20.45
Management service charges	805.00	745.93
Rates and Taxes	-	0.33
Directors' fee	125.40	154.74
Infrastructure Cost	144.25	88.25
Advertisement and publicity	7.73	0.19
Provision for delay of possession	-	88.34
Net loss on sale/disposal of fixed assets	195.52	3.22
Allowance for doubtful debts	0.83	0.28
Security & Housekeeping expense	245.29	369.14
Charity and donation	4.38	52.60
Contribution towards CSR (refer note (ii) below)	25.00	23.44
Miscellaneous expenses	220.94	245.97
Fair value loss on mutual funds	1.68	-
Laundry expenses	33.56	48.59
Equipment Hiring Charges	0.67	0.80
	6, 023.88	6, 273.15

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Payment to auditors (excluding GST):

	March 31, 2019	March 31, 2018
As auditor:		
Fee for statutory audit	18.00	18.00
In other capacity:		
Fee for other services	4.00	-
Reimbursement of expenses	1.55	0.64
	23.55	18.64

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Group. The areas for CSR activities are promoting healthcare and rural development projects. The Group has provided for & spent Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) on various CSR initiatives, during the year, on the projects mentioned below:-

(ii) Details of CSR expenditure:

	March 31, 2019	March 31, 2018
Gross amount required to be spent by the Company during the year	25.00	23.44
(a) Amount spent during the year		
i) Healthcare activities	5.75	5.94
ii) NGO work on healthcare platform	19.25	-
iii) Rural development project	-	17.50
	25.00	23.44

30. Components of other comprehensive income:

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2019:

	Foreign Currency Translation Reserve	FVTOCI reserve	Retained Earnings	Total
Net gain on FVTOCI debt securities	-	(198.19)	-	(198.19)
Re-measurement gains/ (losses) on defined benefit plans	-	-	(81.53)	(81.53)
Foreign exchange translation differences	3.39	-	-	3.39
Share of OCI of joint ventures accounted for using equity method	-	-	(16.89)	(16.89)
Income tax effect	-	69.26	17.93	87.19
Total Other Comprehensive income	3.39	(128.93)	(80.49)	(206.03)
Other Comprehensive income attributable to				
Equity holders of the parent	3.39	(65.76)	(61.72)	(124.09)
Non-controlling interests	-	(63.17)	(18.77)	(81.94)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

During the year ended March 31, 2018

	Foreign Currency Translation Reserve	FVTOCI reserve	Retained Earnings	Total
Net gain on FVTOCI debt securities	-	(1,196.03)	-	(1,196.03)
Re-measurement gains/ (losses) on defined benefit plans	-	-	18.31	18.31
Foreign exchange translation differences	20.52	-	-	20.52
Share of OCI of joint ventures accounted for using equity method	-	-	-	-
Income tax effect	-	413.95	12.97	426.92
Total Other Comprehensive income	20.52	(782.08)	31.28	(730.28)
Other Comprehensive income attributable to				
Equity holders of the parent	20.52	(398.86)	40.43	(337.91)
Non-controlling interests	-	(383.22)	(9.15)	(392.37)

31. Earnings per equity share

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2019	March 31, 2018
Profit/(loss) after tax attributable to equity shareholders of the Company:		
From continuing operations	(5,296.28)	(6,637.85)
From discontinuing operations	(3,330.26)	2,399.47
Profit/(loss) after tax attributable to equity shareholders of the Company	(8,626.54)	(4,238.38)
	Number (in lakhs)	Number (in lakhs)
Weighted average number of equity shares in calculating basic EPS	2,684.28	2,679.86
Add : Equivalent weighted average number of employee stock options outstanding	11.62	15.49
Weighted average number of equity shares in calculating diluted EPS	2,695.90	2,695.35
Earning per share from continuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(1.97)	(2.48)
Earnings Per Share - Diluted (Face value of Rs. 2 per share) *	(1.97)	(2.48)
Earnings per share from discontinuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(1.24)	0.90

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Earnings Per Share - Diluted (Face value of Rs. 2 per share)	(1.24)	0.89
Earnings per share from continuing and discontinuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(3.21)	(1.58)
Earnings Per Share - Diluted (Face value of Rs. 2 per share) *	(3.21)	(1.58)

* The conversion effect of potential dilutive equity shares were anti dilutive in nature, hence the effect of potential equity shares are ignored in calculating diluted earnings per share.

32. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Discontinuing operations

The Board of Directors of the Company at its meeting held on February 26, 2019 has considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") (equivalent to 51% of Max Bupa's total issued and paid-up share capital) to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"). The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs. The sale of Max Bupa's shares by the Company to True North Fund VI LLP pursuant to the Proposed Transaction is subject to the terms of the definitive agreements to be executed among the parties and receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI). Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105. (Refer Note 33 for details)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. During the year Group has done the impairment assessment of non financial assets (including the property, plant and equipment in its subsidiaries and joint ventures) and has concluded that there is no impairment in value of non financial assets as appearing in the financial statements

Impairment assessment of recoverable amounts from healthcare service providers

Group's joint venture Max Healthcare Institute Limited engaged in business of providing healthcare services has a recoverable balance from various healthcare service providers in the form of long term security deposits, trade receivable (current and non current) and loans. The recovery of the long term receivables depends on the future cash flows and earning capacity of these healthcare service providers. Management has done an impairment assessment of the amounts recoverable from these healthcare service providers and have concluded that the amounts are fully recoverable and there is no impairment in the value of recoverable amounts as appearing in the financial statements

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

As at March 31, 2019, the Group has carry forward tax losses of Rs 31, 355.16 lakhs (with expiry of Rs 859.43 lakhs in financial year 2021-22, Rs 932.01 lakhs in financial year 2022-23, Rs 2, 274.01 lakhs in financial year 2023-24, Rs 15, 453.44 lakhs in financial year 2024-25, Rs 6, 421.09 lakhs in financial year 2025-26 and Rs 5, 415.18 lakhs in financial year 2026-27) (March 31, 2018 : Rs 25, 939.98 lakhs; April 01, 2017 : Rs 19, 518.89 lakhs) and unabsorbed depreciation of Rs 4, 196.75 lakhs (March 31, 2018 : Rs 4, 006.42 lakhs; April 01, 2017 : Rs 504.27 lakhs) on which the Group has recognized deferred tax assets only amounting to Rs 666.26 lakhs (March 31, 2018 : Rs.260.60 lakhs). No deferred tax asset has been created on the balance amount by the management due to lack of reasonable certainty of future taxable profits against which such deferred tax assets can be realized. Had the Group been able to recognize all unrecognized deferred tax assets, the net profit after tax would have been higher by Rs 9, 686.46 lakhs (March 31, 2018 : Rs 10, 103.25 lakhs).

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to

Notes to consolidated financial statements for the year ended March 31, 2019

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change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 37.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 for further disclosures.

Finance Leases

Antara Purukul Senior Living Ltd., a subsidiary of the Company engaged in the business of construction and leasing of senior living residential units, has evaluated its lease agreements as per the requirements of IND AS 17 and has classified its lease agreements as Finance lease. The Company has provided an exit guarantee option to its lessee in few cases whereby the lessee has an option to exit the lease arrangement and is entitled to receive advance money paid. The Company considers that the exit guarantee option is non substantive depending on the market prices and exit trends and hence treats all its leases as Finance lease.

33. Discontinuing Operations

Background/ details of discontinuing operations

The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101,300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019. Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The major classes of assets and liabilities classified as held for sale as at March 31, 2019 are, as follows:

	March 31, 2019
ASSETS	
Property, plant and equipment	1, 014.68
Capital work in progress	193.99
Other Intangible Assets	2, 001.51
Financial assets	
- Investments	79, 400.81
- Loans	392.70
- Other	7, 612.95
- Cash and cash equivalents	2, 985.81
Other assets	1, 856.26
Total Assets classified as held for sale	95, 458.71
LIABILITIES	
Financial liabilities	
- Trade payables	14, 188.26
- Other financial liabilities	16, 693.81
Provisions	37, 108.80
Other Liabilities	4, 207.45
Total Liabilities directly associated with assets classified as held for sale	72, 198.32
Net assets classified as held for sale	23, 260.39

The results of entities classified as held for sale, for the year are presented below:

Particulars	March 31, 2019	March 31, 2018
Revenue	79, 561.35	69, 220.87
Finance costs	235.16	280.82
Depreciation and amortisation expense	1, 638.78	1, 587.37
Other Expenses	85, 577.39	63, 570.70
Profit/(loss) before tax for the year from discontinuing operations	(7, 889.98)	3, 781.98
Tax expenses/(income)		
Current tax	89.82	423.83
Deferred tax	-	-
Income tax related to earlier years	-	-
Profit/(loss) after tax for the year from discontinuing operations	(7, 979.80)	3, 358.15
Net other comprehensive income for the year from discontinuing operations	(167.22)	(800.75)
Total comprehensive income for the year from discontinuing operations	(8, 147.03)	2, 557.40

The net cash flows incurred by disposal group are, as follows:

Particulars	March 31, 2019	March 31, 2018
Cash flow from operating activities	6, 232.85	1, 101.86
Cash flow from investing activities	(11, 596.46)	(17.54)
Cash flow from financing activities	5, 500.00	-
Net cash (outflow)/inflow	136.39	1, 084.32

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

34. Group information

A. Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed below:

S. no.	Name of the entity	Principal business activities	Principal place of business/ Country of incorporation	Ownership interest held by the Group (in %)			Ownership interest held by Non-controlling interests (in %)		
				As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Bupa Health Insurance Company Limited	Health insurance services	India	51.00	51.00	51.00	49.00	49.00	49.00
2	Antara Senior Living Limited	Marketing and operation of senior living communities	India	100.00	100.00	100.00	-	-	-
3	Antara Gurgaon Senior Living Limited (refer note (i) below)	Development, sale and leasing of senior living communities	India	100.00	100.00	100.00	-	-	-
4	Antara Purukul Senior Living Limited (refer note (i) below)	Construction and leasing of senior living communities	India	100.00	100.00	100.00	-	-	-
5	Pharmax Corporation Limited	Leasing of real estate	India	85.17	85.17	85.17	14.83	14.83	14.83
6	Max Skill First Limited	Learning and development and distribution of insurance and other financial products and investing in companies having similar objective	India	100.00	100.00	100.00	-	-	-
7	Max One Distribution and Services Limited (refer note (ii) below)	Undertake distribution of financial products	India	100.00	100.00	100.00	-	-	-
8	Max UK Limited	Provide business and administrative support services to officials of group companies	United Kingdom	100.00	100.00	100.00	-	-	-
9	Max Ateev Limited	-	India	100.00	100.00	100.00	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Notes:

- (i) The entities are held through Antara Senior Living Limited
- (ii) The entity is held through Max Skill First Limited

B. Joint arrangements in which Group is Joint venture

S. no.	Name of the entity	Principal business activities	Principal place of business/ Country of incorporation	Ownership interest held by the Group (in %)		
				As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Healthcare Institute Limited	Providing healthcare services through primary care clinics, hospitals, medical centers and tertiary care facilities	India	49.70	49.70	45.95
2	Forum I Aviation Limited (refer note (i) below)	Aircraft chartering services	India	20.00	20.00	20.00

Note:

- (i) The entity is Joint venture of Pharmax Corporation Limited.

35. Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests (NCI) is provided below:

Proportion of equity interest held by non-controlling interests

S.no.	Name of the entity	Ownership interest held by NCI (in %)		
		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Bupa Health Insurance Company Limited	49.00	49.00	49.00
2	Pharmax Corporation Limited	14.83	14.83	14.83

Information regarding non-controlling interests

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Accumulated balances of material non-controlling interest:			
Max Bupa Health Insurance Company Limited	10,841.94	12,878.42	12,316.22
Pharmax Corporation Limited	423.61	249.13	288.88

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/(loss) allocated to material non-controlling interest:		
Max Bupa Health Insurance Company Limited	(4,649.54)	958.68
Pharmax Corporation Limited	174.48	(43.86)

Total comprehensive income allocated to material non-controlling interest:

Max Bupa Health Insurance Company Limited	(4,731.48)	566.31
Pharmax Corporation Limited	174.48	(43.86)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss

Description	Pharmax Corporation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	1,799.32	311.69
Depreciation expense	(42.36)	(42.93)
Finance costs	(145.98)	(123.46)
Other expenses	(501.90)	(462.72)
Profit/ (loss) before tax	1,109.08	(317.42)
Share of loss/ profit of Joint venture	57.29	25.28
Profit/ (loss) before tax from continuing operations	1,166.37	(292.14)
Income tax	38.57	(4.96)
Profit/ (loss) after tax from continuing operations	1,204.94	(297.10)
Other comprehensive income (net of tax)	-	-
Share of Other comprehensive income of Joint venture	-	(1.27)
Total comprehensive income	1,204.94	(298.37)
Attributable to non-controlling interests	174.48	(43.86)

Summarised balance sheet

Description	Max Bupa Health Insurance Company Limited			Pharmax Corporation Limited		
	As at March 31, 2019 #	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments, cash and cash equivalents, other financial assets and other current assets (current)	-	34,285.83	27,891.59	3,026.81	1,027.16	914.78
Property, plant and equipment, intangible assets, other non-current financial assets and other non-current assets including deferred tax assets (non-current)	-	47,980.89	45,967.03	1,707.23	2,444.48	2,573.49
Borrowings, trade payable, other current financial liabilities and other liabilities including provisions (current)	-	(1,985.63)	(1,606.36)	(101.23)	(1,549.33)	(1,527.66)
Borrowings, other non-current financial liabilities and other liabilities including provisions and deferred tax liabilities (non-current)	-	(53,998.59)	(47,117.10)	(1,775.76)	(242.06)	(12.24)
Total equity	-	26,282.50	25,135.16	2,857.05	1,680.25	1,948.37
Attributable to :						
Equity holders of parent	-	13,404.07	12,818.93	2,433.44	1,431.12	1,659.49
Non-controlling interests	-	12,878.43	12,316.23	423.61	249.13	288.88
	-	26,282.50	25,135.16	2,857.05	1,680.25	1,948.37

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Summarised cash flow information

Description	Pharmax Corporation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow from/(used in) operating activities	(2, 813.41)	(150.46)
Cash flow from/(used in) investing activities	2, 806.08	142.92
Cash flow from/(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(7.33)	(7.54)

The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019.

Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105. (Refer Note 34 for detailed disclosure relating to Max Bupa)"

36. Interest in joint-ventures

The Group's interest in the joint ventures disclosed below is accounted for using the equity method in the consolidated. Summarised financial information of the joint venture, based on its Ind AS financial statements and reconciliation with the carrying amount of the investment in consolidated financial statements.

Summarised balance sheet

Description	Max Healthcare Institute Limited			Forum-I Aviation Limited		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments, cash and cash equivalents, other financial assets and other current assets (current)	44, 729.62	43, 219.00	34, 942.13	4, 884.04	5, 274.34	939.72
Property, plant and equipment, intangible assets, other non-current financial assets and other non-current assets including deferred tax assets (non-current)	291, 832.22	288, 923.53	281, 065.60	1, 859.48	1, 175.92	5, 501.67
Borrowings, trade payable, other current financial liabilities and other liabilities including provisions (current)	(191, 854.46)	(180, 933.64)	(166, 482.35)	(168.86)	(104.27)	(125.58)
Borrowings, other non-current financial liabilities and other liabilities including provisions and deferred tax liabilities(non- current)	(48, 389.72)	(47, 809.00)	(38, 109.21)	(531.07)	(588.91)	(678.77)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Description	Max Healthcare Institute Limited			Forum-I Aviation Limited		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Net assets	96, 317.66	103, 399.89	111, 416.17	6, 043.59	5, 757.08	5, 637.04
Proportion of Group's ownership (%)	49.70	49.70	45.95	20.00	20.00	20.00
Share of Group in net assets	47, 869.88	51, 389.75	51, 192.57	1, 208.72	1, 151.42	1, 127.41
Goodwill/ Capital reserve on initial acquisition of stake in joint venture	29, 504.36	29, 504.36	10, 864.18	(152.47)	(152.47)	(152.47)
Carrying amount of the investment	77, 374.24	80, 894.11	62, 056.75	1, 056.25	998.95	974.94

Summarised statement of profit and loss

Description	Max Healthcare Institute Limited		Forum-I Aviation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	174, 807.00	178, 318.30	2, 247.10	1, 975.19
Purchase of pharmacy, drugs, consumables and implants	36, 618.00	42, 590.00		
Employee benefits expense	44, 054.96	42, 291.00	553.44	486.75
Finance costs	10, 126.96	9, 937.30	22.79	31.95
Depreciation and amortization expense	10, 264.52	9, 442.25	267.46	267.66
Other expenses	72, 911.07	76, 707.00	1, 142.21	1, 188.94
Profit/ (loss) before tax from continuing operations	831.49	(2, 649.25)	261.20	(0.11)
Tax expenses	850.50	223.50	(25.23)	(126.49)
Profit/ (loss) after tax in continuing operations	(19.01)	(2, 872.75)	286.43	126.38
Profit/ (loss) after tax in discontinuing operations	-	1, 129.00	-	-
Profit/(loss) for the year	(19.01)	(1, 743.75)	286.43	126.38
Other comprehensive income (net of tax)	(34.00)	5.00	0.02	(6.32)
Total comprehensive income/(loss) for the year	(53.01)	(1, 738.75)	286.45	120.06
Group's share of profit/(loss) for the year (including continuing and discontinuing operations)*	(156.63)	(607.00)	57.29	25.28

* Computed on the profits attributable to the equity holders of the joint venture

a) Capital commitments

	March 31, 2019	March 31, 2018	April 01, 2017
Estimated value of contracts in capital account remaining to be executed	4, 049.56	6, 350.17	8, 377.46
Less: Capital advances	1, 730.55	1, 946.25	1, 377.96
Net capital commitment for acquisition of capital assets	2, 319.01	4, 403.92	6, 999.50

b) Other commitments

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018	April 01, 2017
Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under EPCG scheme to the extent of six times the duty saved.			
- Duty saved	-	165.00	30.33
- Export obligation	-	141.65	181.95
	-	306.65	212.28

c) Lease commitments

(i) Financing leases- As lessee

Max Healthcare Institute Limited (MHIL), a joint venture of the Company has share in finance leases and hire purchase contracts for various items of medical equipments entered into by the joint venture. Upon the expiry of lease term the absolute and unencumbered ownership of the equipment shall vest with MHIL at the guaranteed residual value. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

	March 31, 2019		March 31, 2018		April 01, 2017	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	62.62	53.68	62.62	46.41	56.71	17.81
After one year but not more than five years	75.05	71.07	137.67	115.33	185.17	70.12
	137.67	124.75	200.29	161.74	241.88	87.93

(ii) Operating leases- As lessee

Lease rentals recognized in the statement of profit and loss for the year is Rs. 1, 496.00 lakhs (March 31, 2018: Rs. 2,030.00 lakhs)

Max Healthcare Institute Limited (MHIL), a joint venture of the Company has entered into operating leases for its office, hospitals, nurse hostel and for employees' residence, that are renewable on a periodic basis. The average life of lease is from 3 to 30 years.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	1, 631.15	1, 185.35	1, 035.80
After one year but not more than five years	5, 939.15	3, 485.46	3, 567.44
More than five years	8, 757.14	7, 628.95	7, 723.72

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

d) Contingent liabilities

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
(i) Share of guarantee given by the jointly controlled entity (Max Healthcare Institute Limited) (refer note (a) below)"	11, 373.35	11, 939.43	36, 940.60
(ii) Claims against the Company not acknowledged as debts (refer note (b) below)			
Service tax demands	-	-	677.60
Sales tax	19.38	185.88	113.49
Income tax	12.43	12.43	-
Legal claims	5, 770.17	6, 445.59	4, 115.95
(iii) Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under 5% EPCG scheme to the extent of eight times the duty saved. "	559.13	340.45	543.55

Notes:

- (a) Guarantees given by Max Healthcare Institute Limited, a joint venture of the Company on behalf of others is not considered as prejudicial to its interest as it provides opportunity for growth and increase in operations of the Group.
- (b) Claims against Max Healthcare Institute Limited, a joint venture of the Company not acknowledged as debts represent the civil cases that are pending with various Consumer Disputes Redressal Commissions / Courts. Based on expert opinion obtained, the management believes that the joint venture has good chance of success in these cases. In addition to this, as a measure of good corporate governance the joint venture has taken Professional Indemnity Insurance Policy to secure it from any financial implication in case of claims settled against the joint venture.

37. Employee benefit plans

Defined Benefit Plans

Gratuity:

The Group has a defined benefit gratuity plan for its employees. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is unfunded except one of the subsidiary, Max Bupa Health Insurance Limited (Max Bupa). The scheme of Max Bupa is funded with an insurance company in the form of qualifying insurance policy."

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the defined benefit plans:

Changes in the present value of the defined benefit obligation are as follows:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Defined benefit obligation at the beginning of the year	1,065.51	957.01	957.01
Current service cost	89.88	91.31	-
Interest cost	49.15	43.07	-
Benefits paid	(65.67)	(78.79)	-
Actuarial (gain)/ loss on obligations	22.67	(46.86)	-
Expense relating to discontinuing operations	122.43	99.77	-
Extinguishment due to discontinuing operations	(589.18)	-	-
Defined benefit obligation at the end of the year	694.79	1,065.51	957.01

Changes in the fair value of plan assets are as follows:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Fair value of plan assets at the beginning of the year	356.88	276.71	276.71
Accretion relating to discontinuing operations	84.71	80.17	-
Extinguishment due to discontinuing operations	(441.59)	-	-
Fair value of plan assets at the end of the year	-	356.88	276.71

Reconciliation of fair value of plan assets and defined benefit obligation:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Fair value of plan assets	-	356.88	276.71
Defined benefit obligation	694.79	1,065.51	957.01
Amount recognised in the Balance Sheet	694.79	708.63	680.30

Amount recognised in Statement of Profit and Loss:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Current service cost	89.88	91.31
Net interest expense	49.15	43.07
Amount recognised in Statement of Profit and Loss	139.03	134.38

Amount recognised in Other Comprehensive Income:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Actuarial changes arising from changes in financial assumptions	22.67	(46.86)
Amount recognised in Other Comprehensive Income	22.67	(46.86)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.00% - 7.66%	6.95% - 7.80%	6.70% - 7.30%
Future salary increases	6.00% - 10.00%	7.00% - 10.00%	7.00% - 10.00%
Retirement Age	58 to 71 years	58 to 71 years	58 - 71 years

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Assumptions:		
Impact on defined benefit obligation of change in Discount rate		
(a) Impact due to increase of 1%	(47.21)	(45.68)
(b) Impact due to decrease of 1%	41.20	50.57
Impact on defined benefit obligation of change in Future salary growth rate		
(a) Impact due to increase of 1%	39.10	48.56
(b) Impact due to decrease of 1%	(47.01)	(44.56)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	87.41	160.34
Between 2 and 5 years	357.87	524.64
Between 5 and 10 years	717.78	621.82
Total expected payments	1,163.06	1,306.80

The average duration of the defined benefit plan obligation for gratuity at the end of the reporting period is 3.12-11 years (31 March 2018: 3.14-12 years).

Provident Fund:

The Group is contributing in a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max Group companies. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan.

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Group. The actuary has accordingly provided a valuation for "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for the Group.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The details of fund and plan asset position as at March 31, 2019 as per the actuarial valuation of active members are as follows:

	March 31, 2019	March 31, 2018
Plan assets at year end at fair value	2,854.81	2,454.68
Present value of defined benefit obligation at year end	2,794.85	2,420.80
Surplus as per actuarial certificate	59.96	33.88
Shortfall recognized in balance sheet	-	-
Active members as at year end (Nos)	518	397

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

	March 31, 2019	March 31, 2018
Discount rate	6.76%	7.18%
Yield on existing funds	8.65%	8.94%
Expected guaranteed interest rate	8.65%	8.55%

Contribution to Defined benefit Plan, recognized as expense for the year is as under:

	March 31, 2019	March 31, 2018
Employer's Contribution towards Provident Fund (PF)	276.53	256.76
	276.53	256.76

38. Capital and other commitments

Capital commitments

	March 31, 2019	March 31, 2018	April 01, 2017
Estimated value of contracts in capital account remaining to be executed	10,141.67	10,990.63	9,387.30
Less: Capital advances	(7,343.84)	(7,374.82)	(8,810.63)
	-	-	-
Net capital commitment for acquisition of capital assets	2,797.83	3,615.81	576.67

39. Leases

39.1 Finance leases- Group as lessor

Antara Purukul Senior Living Limited, a subsidiary of the Company is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss. Accordingly the reconciliation between gross investment in the lease and the present value of minimum lease payments receivable and accounting of unearned finance component is not required.

39.2 Operating leases - Group as lessee

The Group has entered into operating leases for its office spaces under operating lease agreements. Lease rentals recognized in the statement of profit and loss for the year is Rs. 331.52 lakhs (March 31, 2018: Rs. 205.03 Lakhs). The Group has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Group by entering into these leases. These leases can be renewed for terms of 1-3 years.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Future minimum rentals payable under non-cancellable operating leases are as follows:

	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	178.57	155.97	-
After one year but not more than five years	410.60	322.94	-
More than five years	257.79	109.98	-

40. Contingent liabilities

	March 31, 2019	March 31, 2018	April 01, 2017
(i) Claims against the Group not acknowledged as debts			
Compensation raised by policyholders against rejected claims	-	1,634.46	791.12
Service tax demands (refer note (a) below)	-	-	73.28
Income tax (refer note (a) below)	-	853.91	5.73
Legal claims (refer note (b) below)	633.03	-	-

(a) The Group is contesting the demands of income tax & service tax and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(b) A supplier of Antara Purukul Senior Living Limited (APSL), a subsidiary of the Group has filed a claim of Rs.633.03 lakhs before the Micro Small Entrepreneurs Facilitation Council (MSEF). APSL has disputed the claim as the said amount is not payable on account of the inferior quality of the products supplied by the vendor. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(ii) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) on the inclusion of allowances for the purposes of PF contribution as well as its applicability of effective date. The Group is evaluating and seeking legal inputs regarding various interpretative issues and its impact.

41. Share based payments

a) The Company had instituted the 2016 Plan, which was approved by the Board of Directors in March 29, 2016 and by the shareholders in September 27, 2016. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. The Option Price will be determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Number of options	Weighted Average exercise price (INR)	Number of options	Weighted Average exercise price (INR)
Option outstanding at the beginning of the year	1, 152, 043	2	2, 242, 904	2
Granted during the year	61, 200	2	22, 155	2
Exercised during the year	(232, 573)	2	(1, 113, 016)	2
Forfeited during the year	-	-	-	-
Closing balance	980, 670	-	1, 152, 043	-
Exercisable at the end of the year	781, 400	-	-	-

The weighted average fair value of the options exercised during the year was INR 72.17 (March 31, 2018: INR 140.84).

The weighted average remaining contractual life for the share options outstanding as at year end was 0.92 years (March 31, 2018: 1.14 years).

The range of exercise prices for options outstanding at the end of the year was INR 2.00 to 78.80 (March 31, 2018: INR 2.00 to 78.80).

b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee option plan	129.09	193.29

c) Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Date of option granted	01/04/2018	01/04/2017
Stock Price Now (in INR)	83.70	150.95
Exercise Price (X) (in INR)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	36%	32%
Life of the options granted (Vesting and exercise period) in years	3.00-4.00	3.00-5.00
Expected Dividend	-	-
Average Risk- Free Interest Rate	7.21%-7.39%	6.68%-6.88%
Weighted average fair value of options granted	82.09-82.21	149.31-149.53

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

42. Related party transactions

A. Name of related party and relationship:

Relationship with the related party	Name of related party
Joint Venture	1 Max Healthcare Institute Limited
	2 Forum I Aviation Limited
Key Management Personnel (KMP)	1 Mr. Ashwani Windlass (Non-executive Director)
	2 Mr. Ashok Brijmohan Kacker (Independent Director)
	3 Mr. Mohit Talwar (Managing Director)
	4 Mrs. Tara Singh Vachani (Director)
	5 Mr. Rahul Khosla (Non-executive Director)
	6 Mr. Dipankar Gupta (Independent Director)
	(Ceased to be director w.e.f. April 10, 2018)
	7 Mr. D.K. Mittal (Independent Director)
	8 Mr. K. Narasimha Murthy (Independent Director)
	(Appointed w.e.f. 24/12/2018)
	9 Mrs. Sharmila Tagore (Independent Director)
	(Appointed w.e.f. 26/02/2019)
Enterprises owned or significantly influenced by key management personnel or their relatives	10 Mr. V. Krishnan (Company Secretary)
	11 Mr. Jatin Khanna (Chief Financial Officer)
Employee benefit trust	1 Max India Foundation
	2 Max Financial Services Limited
Person or entities having control or significant influence	1 Max Financial Services Ltd. Employees' Provident Fund Trust
	1 Mr. Analjit Singh
	2 Mrs. Neelu Analjit Singh
	3 Ms. Piya Singh
	4 Mr. Veer Singh
	5 Mrs. Tara Singh Vachani
	6 Liquid Investment and Trading Private Limited
Enterprises owned or significantly influenced by person or entities having control or significant influence	7 Max Ventures Investment Holdings Private Limited
	1 Max Life Insurance Company Limited
	2 Max Ventures and Industries Limited
	3 New Delhi House Services limited
	4 Wise Zone Builders Private Limited
	5 Max Estates Limited

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from shared services	Max Financial Services Limited	2,700.00	2,344.00
Reimbursement of expenses (received from)	Max Financial Services Limited	218.91	-
	New Delhi House Services limited	21.54	20.16
Professional charges	Max Financial Services Limited	6.25	-
Maintenance charges	New Delhi House Services limited	70.58	79.37
Insurance expense	Max Life Insurance Company Limited	8.05	9.28
Management service charges	Max Financial Services Limited	805.00	745.95
CSR activities	Max India Foundation	25.00	23.44
Rent expense	Max Ventures and Industries Limited	46.24	-
Company's contribution to Provident Fund Trust	Max Financial Services Ltd. Employees' Provident Fund Trust	77.00	72.32
Sale of Property, plant and equipment	Max Estates Limited	2,700.00	-
Director sitting fee	Mr. Ashwani Windlass	19.00	18.00
	Mr. Ashok Brijmohan Kacker	33.00	30.00
	Mrs. Tara Singh Vachani	7.00	4.00
	Mr. Rahul Khosla	16.00	17.00
	Mr. Dipankar Gupta	-	17.00
	Mr. D.K. Mittal	27.00	14.00
	Mr. K. Narasimha Murthy	2.00	-
	Mrs. Sharmila Tagore	1.00	-

- C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital advance	Wise Zone Builders Private Limited	7,320.00	7,320.00	7,320.00
Amount receivable	Max Financial Services Limited	625.96	666.77	-
	Max Estates Limited	2,473.00	-	-
Amount payable	Max Ventures and Industries Limited	(8.12)	(2.08)	-

D. Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

E. Compensation of key management personnel of the Company

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits		
Mr. Mohit Talwar	201.82	319.94
Mr. Jatin Khanna	132.71	124.78
Mr. V Krishnan	160.36	136.51

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

F. Directors' interests in the ESOP plan

Share options held by executive members of the Board of Directors under the ESOP Plan to purchase Equity shares have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Number outstanding		
			As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
01-Apr-13	01-Apr-17	2.00	-	-	9,500
12-Dec-14	31-Mar-20	78.80	221,500	221,500	443,000
01-Apr-14	01-Apr-17	2.00	-	-	8,750
01-Apr-14	01-Apr-18	2.00	-	8,750	8,750
27-Mar-15	27-Mar-17	2.00	-	-	5,650
27-Mar-15	27-Mar-18	2.00	-	5,650	5,650
27-Mar-15	27-Mar-19	2.00	5,650	5,650	5,650
09-Nov-16	10-Nov-17	2.00	-	-	6,348
09-Nov-16	01-Apr-18	2.00	-	6,348	6,348
09-Nov-16	01-Apr-19	2.00	6,349	6,349	6,349
09-Nov-16	01-Apr-20	2.00	6,349	6,349	6,349
01-Apr-17	01-Apr-18	2.00	-	7,533	-
01-Apr-17	01-Apr-19	2.00	7,311	7,311	-
01-Apr-17	31-Mar-20	2.00	7,311	7,311	-
01-Apr-18	01-Apr-19	2.00	30,600	-	-
01-Apr-18	31-Mar-20	2.00	30,600	-	-

43. Segment information

43.1 The segment reporting of the Group has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act). For management purposes, the Group is organised into business units based on its products and services and has five reportable segments as follows:

a) Operating Segments:

- (i) Business Investments – This segment is represented by treasury investments.
- (ii) Senior Living – One of the Company's subsidiaries is engaged in the business of senior living.
- (iii) Learning and Development – This segment relates to learning and development activity carried out by its subsidiaries.
- (iv) Health Insurance – This segment relates to the health insurance business carried out pan India, by one of the Company's subsidiary.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(v) Others – The leasing activities undertaken by one of the Company's subsidiary are classified under this segment.

b) Identification of Segments:

The Board of Directors monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of product / services and have been identified as per the quantitative criteria specified in the Ind AS.

c) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

d) Segment assets and segment liabilities represent assets and liabilities in respective segments. Loans, tax related assets, borrowings and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocated".

43.2 Segment information

	Senior Living		Business Investments		Learning and Development		Health Insurance		Others			Total
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
a. Segment Revenue from continuing operations												
Revenue from external customers	6,665.52	15,511.22	4,109.04	4,344.95	4,716.12	3,964.09	-	-	85.24	181.26	15,575.92	24,001.52
Inter segment revenue	(214.73)	(700.81)	1,485.86	2,030.81	552.91	501.66	-	-	136.97	170.79	1,961.01	2,002.45
Total Segment Revenue	6,450.79	14,810.41	5,594.90	6,375.76	5,269.03	4,465.75	-	-	222.21	352.05	17,536.93	26,003.97
Less: Inter segment revenue	214.73	700.81	(1,485.86)	(2,030.81)	(552.91)	(501.66)	-	-	(136.97)	(170.79)	(1,961.01)	(2,002.45)
Revenue from continuing operations	6,665.52	15,511.22	4,109.04	4,344.95	4,716.12	3,964.09	-	-	85.24	181.26	15,575.92	24,001.52
b. Segments Results before share of loss of joint venture and tax from continuing operations	(1,780.08)	(1,477.08)	(1,720.24)	(937.20)	(119.66)	(169.39)	-	-	1,219.59	(234.67)	(2,400.39)	(2,818.34)
Add: Interest income	-	-	-	-	-	-	-	-	-	-	30.33	46.69
Less: Interest expense	-	-	-	-	-	-	-	-	-	-	2,398.42	2,603.90
Profit/ (loss) before tax before share of loss of joint venture and tax from continuing operations	(1,780.08)	(1,477.08)	(1,720.24)	(937.20)	(119.66)	(169.39)	-	-	1,219.59	(234.67)	(4,768.48)	(5,375.55)
Add: Share of loss of joint ventures											(99.35)	(581.72)
Less: Provision for taxation (includes provision for Deferred Tax)	-	-	-	-	-	-	-	-	-	-	253.96	724.44

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Senior Living		Business Investments		Learning and Development		Health Insurance		Others			Total
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Profit/ (loss) after tax before share of loss of joint venture and tax from continuing operations	(1,780.08)	(1,477.08)	(1,720.24)	(937.20)	(119.66)	(169.39)	-	-	1,219.59	(234.67)	(5,121.79)	(6,681.71)
c. Segment assets	36,501.22	40,698.56	13,181.16	22,122.03	1,755.61	1,832.19	-	82,266.72	4,494.62	3,380.38	55,932.61	150,299.88
Add: Goodwill	-	-	-	-	-	-	-	-	-	-	2,465.67	2,465.67
Add: Unallocated assets	-	-	-	-	-	-	-	-	-	-	175,107.17	82,173.46
Total Assets	36,501.22	40,698.56	13,181.16	22,122.03	1,755.61	1,832.19	-	82,266.72	4,494.62	3,380.38	233,505.45	234,939.01
d. Segment Liabilities	10,135.63	12,756.18	1,563.60	995.82	1,569.45	1,613.36	-	55,729.80	375.71	371.81	13,644.39	71,466.97
Add: Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	91,574.89	21,387.34
Total Liabilities	10,135.63	12,756.18	1,563.60	995.82	1,569.45	1,613.36	-	55,729.80	375.71	371.81	105,219.28	92,854.31

44. Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy as at March 31, 2019:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	3, 666.95	3, 666.95	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	218.76	-	218.76	-
Other financial assets (Refer Note 10)	23.97	-	23.97	-
Current				
Loan (Refer Note 7)	50.20	-	50.20	-
Cash and cash equivalents (Refer Note 9)	2, 630.00	-	2, 630.00	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Trade receivables (Refer Note 8)	832.12	-	832.12	-
Other financial assets (Refer Note 10)	2, 473.67	-	2, 473.67	-
Financial liabilities measured at amortised cost:				
Non-Current				
Borrowings (Refer Note 17a)	18, 579.59	-	18, 579.59	-
Other financial liabilities (Refer Note 19)	101.23	-	101.23	-
Current				
Borrowings (Refer Note 17b)	238.56	-	238.56	-
Trade payables (Refer Note 18)	2, 133.00	-	2, 133.00	-
Other financial liabilities (Refer Note 19)	3, 478.57	-	3, 478.57	-

There have been no transfers between Level 1 and Level 2 during the period.

B. Quantitative disclosures fair value measurement hierarchy as at March 31, 2018:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	16, 835.59	16, 835.59	-	-
Financial assets measured at Fair value through other comprehensive income (OCI):				
Non-Current				
Other investments (Refer Note 6b)	43, 663.85	43, 663.85	-	-
Current				
Other investments (Refer Note 6b)	20, 708.24	20, 708.24	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	555.02	-	555.02	-
Other financial assets (Refer Note 10)	211.73	-	211.73	-
Current				
Loan (Refer Note 7)	20.78	-	20.78	-
Cash and cash equivalents (Refer Note 9)	1, 599.22	-	1, 599.22	-
Trade receivables (Refer Note 8)	4, 208.15	-	4, 208.15	-
Other financial assets (Refer Note 10)	5, 854.31	-	5, 854.31	-
Financial liabilities measured at amortised cost:				
Non-Current				

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Borrowings (Refer Note 17a)	19,967.66	-	19,967.66	-
Trade payables (Refer Note 18)	1,703.39	-	1,703.39	-
Other financial liabilities (Refer Note 19)	251.30	-	251.30	-
Current				
Borrowings (Refer Note 17b)	1,003.29	-	1,003.29	-
Trade payables (Refer Note 18)	12,403.50	-	12,403.50	-
Other financial liabilities (Refer Note 19)	14,385.86	-	14,385.86	-

There have been no transfers between Level 1 and Level 2 during the period.

C. Quantitative disclosures fair value measurement hierarchy as at April 01, 2017:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	39,695.58	39,695.58	-	-
Financial assets measured at Fair value through other comprehensive income (OCI):				
Non-Current				
Other investments (Refer Note 6b)	42,591.56	42,591.56	-	-
Current				
Other investments (Refer Note 6b)	15,655.36	15,655.36	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	448.39	-	448.39	-
Other financial assets (Refer Note 10)	20.79	-	20.79	-
Current				
Loan (Refer Note 7)	19.62	-	19.62	-
Cash and cash equivalents (Refer Note 9)	1,287.00	-	1,287.00	-
Trade receivables (Refer Note 8)	3,990.13	-	3,990.13	-
Other financial assets (Refer Note 10)	3,009.96	-	3,009.96	-
Financial liabilities measured at amortised cost:				
Non-Current				
Borrowings (Refer Note 17a)	16,430.66	-	16,430.66	-
Trade payables (Refer Note 18)	1,339.65	-	1,339.65	-
Other financial liabilities (Refer Note 19)	583.26	-	583.26	-
Current				
Borrowings (Refer Note 17b)	4.10	-	4.10	-
Trade payables (Refer Note 18)	11,313.02	-	11,313.02	-
Other financial liabilities (Refer Note 19)	18,084.52	-	18,084.52	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Notes:

- 1 The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- 2 The following methods and assumptions were used to estimate the fair values:
 - a. The fair values for investments in quoted securities like mutual funds and debentures are based on price quotations available in the market at each reporting date.
 - b. The fair values for investments in unquoted equity shares are estimated by valuer following valuation techniques.
 - c. The fair values of the financial assets and liabilities are determined by using DCF method using discount rate that reflects the issuer's incremental borrowing rate as at the end of the reporting period.

45. Financial risk management objectives and policies

The Group's principal financial liabilities are trade and other payables, security deposits received and finance guarantee obligation. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, ICD's, cash and short-term deposits that derive directly from its operations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include investment in mutual funds.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The following assumptions have been made in calculating the sensitivity analysis:-

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to the interest rate risk.

For the year ended	Increase/Decrease in Interest rates	Impact on Profits
March 31, 2019	0.5%	(77.35)
March 31, 2018	0.5%	85.80

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and investments in foreign currency.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in GBP and USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material

The Group exposure to foreign currency risk at the end of reporting period expressed in INR are as follows:

	March 31, 2019			March 31, 2018			April 01, 2017		
	GBP	USD	INR	GBP	USD	INR	GBP	USD	INR
Financial Liabilities									
Trade payables	-	-	-	4.93	2.00	580.07	2.47	-	198.52
Total	-	-	-	4.93	2.00	580.07	2.47	-	198.52
Net exposure to foreign currency liabilities	-	-	-	(4.93)	(2.00)	(580.07)	(2.47)	-	(198.52)

	Increase/decrease in basis points	Effect on profit before tax	
		March 31, 2019	March 31, 2018
GBP Sensitivity			
INR/ GBP	+50	-	(3.38)
INR/ GBP	-50	-	3.38
USD Sensitivity			
INR/ USD	+50	-	(0.65)
INR/ USD	-50	-	0.65

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group has developed internal credit rating system/ credit worthiness assessment mechanism as well. As per the management procedure, each party is internally rated on the basis of their external ratings (wherever available), respective industry information / trends available, financial position of party and past transactions with the party. These parties are continuously evaluated after assigning internal grades.

Trade receivables

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding trade receivables are reviewed and assessed for default taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

Outstanding balances of trade receivable comprises primarily of third party receivables. At March 31, 2019, the Group had customers that owed the Group more than INR 2, 630.00 lakhs. The Group's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

March 31, 2019	0-90 days	91 - 180 days	181 - 365 days	1 - 3 years	> 3 years	Total
	Past dues	Past dues	Past dues	Past dues	Past dues	
Gross carrying Amount	1, 498.14	316.38	250.83	564.65	-	2, 630.00
Expected credit loss (Loss allowance provision)	-	-	-	-	-	-
Net carrying amount of trade receivables	1, 498.14	316.38	250.83	564.65	-	2, 630.00

March 31, 2018	0-90 days	91 - 180 days	181 - 365 days	1 - 3 years	> 3 years	Total
	Past dues	Past dues	Past dues	Past dues	Past dues	
Gross carrying Amount	1, 246.08	246.05	201.47	33.55	371.93	2, 099.08
Expected credit loss (Loss allowance provision)	-	42.25	78.01	7.67	371.93	499.86
Net carrying amount of trade receivables	1, 246.08	203.80	123.46	25.88	-	1, 599.22

April 01, 2017	0-90days	91-180days	181-365days	1-3years	>3years	Total
	Pastdues	Pastdues	Pastdues	Pastdues	Pastdues	
Gross carrying Amount	1, 013.62	151.36	195.95	148.33	360.12	1, 869.38
Expected credit loss (Loss allowance provision)	-	48.13	57.62	116.51	360.12	582.38
Net carrying amount of trade receivables	1, 013.62	103.23	138.33	31.82	-	1, 287.00

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Group's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Current	Non Current		Total
	Upto 1 year	1-5 years	More than 5 years	
	INR lakhs	INR lakhs	INR lakhs	INR lakhs
March 31, 2019				
Trade payables	2, 133.00	-	-	2, 133.00
Borrowings (Refer Note I below)	795.73	18, 579.59	-	19, 375.32
Other financial liabilities	2, 921.40	101.23	-	3, 022.63
	5, 850.13	18, 680.82	-	24, 530.95

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current	Non Current		Total
	Upto 1 year	1-5 years	More than 5 years	
	INR lakhs	INR lakhs	INR lakhs	INR lakhs
March 31, 2018				
Trade payables	12,403.50	1,703.39	-	14,106.89
Borrowings (Refer Note I below)	1,419.29	16,232.21	3,735.45	21,386.95
Other financial liabilities	13,969.86	251.30	-	14,221.16
	27,792.65	18,186.90	3,735.45	49,715.00
April 01, 2017				
Trade payables	11,313.02	1,339.65	-	12,652.67
Borrowings (Refer Note I below)	8,348.73	16,430.66	-	24,779.39
Other financial liabilities	9,739.89	583.26	-	10,323.15
	29,401.64	18,353.57	-	47,755.21

Note I: Borrowings

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Borrowing (Refer Notes 17a and 17b)	18,818.15	20,970.95	16,434.76
Add: Current maturity of borrowings	557.17	416.00	8,344.63
Total	19,375.32	21,386.95	24,779.39

46. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 15%.

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Borrowings (long-term and short-term, including current maturities) - Note 17	18,818.15	20,970.95	16,434.76
Less: Cash and cash equivalents - Note 9	(832.12)	(4,208.15)	(3,990.13)
Net debts (a)	17,986.03	16,762.80	12,444.63
Equity share capital- Note 15	5,372.31	5,367.66	5,345.40
Other equity- Note 16	111,648.31	123,589.49	121,465.78
Total Capital (b)	117,020.62	128,957.15	126,811.18
Capital and net debt (c=a+b)	135,006.65	145,719.95	139,255.81
Gearing ratio % (d=a/c)	13.32%	11.50%	8.94%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

47. The standard issued, but not yet effective upto the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

Standards issued but not yet effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

a) Ind AS 116: Leases

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Transition to Ind AS 116:

The Group is proposing to use the "Modified Retrospective Approach" for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Group is currently in process of assessing the impact of this standard on financial statements.

48. First-time adoption of Ind AS

These consolidated financial statements, for the year ended March 31, 2019, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 01, 2017, the Group's date of transition to Ind AS. This note explains exemptions availed by the Group in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

(I) IND AS optional exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(a) Deemed cost:

IND AS 101 permits a first time adopter to elect to fair value its property, plant and equipment as recognized in financial statements as at the date of transition to IND AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of IND AS retrospectively. IND AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to IND AS. This exemption can be also used for intangible assets covered by Ind-AS 38. Accordingly, the Group has elected to consider carrying value of its property, plant and equipment and intangible assets as its deemed cost on the date of transition to IND AS.

(b) Share based payment transactions

IND AS 101 permits a first time adopter to elect not to apply principles of IND AS 102 to liabilities arising from share based payment transactions that were settled before the date of transition.

The Group has elected not to apply IND AS 102- "Share based payment" on stock options that vested before date of transition.

(c) Business Combinations

The Group has used the exemption under IND AS 101 at the date of transition to Ind AS i.e. carrying amounts of assets and liabilities, that are required to be recognized under Ind AS is their deemed cost at the date of acquisition. After the date of acquisition, measurement is in accordance with the respective IND AS. The Group recognizes all assets and liabilities assumed in a past business combination.

(II) IND AS mandatory exemptions:

(a) Estimates

An entity estimates in accordance with IND AS at the date of transition to IND AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. IND AS estimates at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(b) Derecognition of financial assets and financial liabilities

IND AS 101 requires a first time adopter to apply the derecognition provisions of IND AS 109 prospectively for transactions occurring on or after the date of transition to IND AS. Accordingly, the Group has applied the derecognition requirement for financial assets and financial liabilities in IND AS 109 prospectively for transactions occurring on or after date of transition to IND AS.

(c) Classification of financial assets and liabilities

IND AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to IND AS. Accordingly, the Group has applied the above requirement prospectively.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(d) Impairment of financial assets

IND AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per IND AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized and compare it to the credit risk at the date of transition to IND AS. The Group has applied this exception prospectively.

III) Reconciliation of equity as at April 01, 2017

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment	1, 10	50, 228.33	(42, 125.11)	8, 103.22
Capital work in progress	10	44, 365.84	(40, 301.61)	4, 064.23
Goodwill	1	39, 712.63	(37, 246.96)	2, 465.67
Other Intangible Assets	1	3, 135.10	(1, 292.59)	1, 842.51
Intangible assets under development	1	64.77	(60.15)	4.62
Investment in joint ventures	1	-	63, 031.69	63, 031.69
Financial assets				
- Investments	1	40, 940.67	1, 650.89	42, 591.56
- Loans	1, 5	15, 885.11	(15, 436.72)	448.39
- Other		20.79	-	20.79
Deferred tax assets (net)	1, 4	838.85	(838.85)	-
Non-current tax assets	1	3, 684.42	(3, 341.04)	343.38
Other non- current assets	1, 5	11, 783.58	(2, 847.62)	8, 935.96
		210, 660.09	(78, 808.07)	131, 852.02
Current assets				
Inventory	1, 10	1, 079.47	38, 351.74	39, 431.21
Financial assets				
- Investments	2	54, 318.89	1, 032.05	55, 350.94
- Loans		671.41	(651.79)	19.62
- Trade receivables	1	13, 068.25	(11, 781.25)	1, 287.00
- Cash and cash equivalents	1	4, 797.11	(806.98)	3, 990.13
- Others	1	3, 431.56	(421.60)	3, 009.96
Current tax assets		1, 735.16	(1, 512.10)	223.06
Other current assets	1, 5	2, 440.86	(441.61)	1, 999.25
		81, 542.71	23, 768.46	105, 311.17
Total assets		292, 202.80	(55, 039.61)	237, 163.19
Equity and liabilities				
Equity				
Equity share capital		5, 345.40	-	5, 345.40
Other equity	1, 3, 7	121, 461.90	3.88	121, 465.78
Equity attributable to equity holders of the parent		126, 807.30	3.88	126, 811.18

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Non Controlling Interest	1	12, 185.16	419.94	12, 605.10
Total Equity		138, 992.46	423.82	139, 416.28
Non-current liabilities				
Financial liabilities				
- Borrowings	1, 14	52, 454.47	(36, 023.81)	16, 430.66
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1, 376.77	(37.12)	1, 339.65
- Other financial liabilities	1	1, 409.98	(826.72)	583.26
Provisions	1	1, 172.42	(260.32)	912.10
Deferred tax liabilities (net)	1, 4	769.36	(744.14)	25.22
Total Non-current liabilities		57, 183.00	(37, 892.11)	19, 290.89
Current liabilities				
Financial liabilities				
- Borrowings	1	3, 999.30	(3, 995.20)	4.10
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	23, 012.95	(11, 699.93)	11, 313.02
- Other current financial liabilities	1	18, 588.34	(503.82)	18, 084.52
Other current liabilities	1	20, 389.54	(302.89)	20, 086.65
Provisions	1	30, 037.21	(1, 069.48)	28, 967.73
Total current liabilities		96, 027.34	(17, 571.32)	78, 456.02
Total equity and liabilities		292, 202.80	(55, 039.61)	237, 163.19

IV) Reconciliation of equity as at March 31, 2018

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
Assets				
Non-current assets				
Property, plant and equipment	1, 10	97, 192.61	(85, 046.09)	12, 146.52
Capital work in progress	10	2, 065.06	(1, 687.13)	377.93
Goodwill	1	58, 380.24	(55, 914.57)	2, 465.67
Other Intangible Assets	1	3, 587.13	(1, 186.78)	2, 400.35
Intangible assets under development	1	163.51	(163.51)	-
Investment in joint ventures	1	-	81, 893.06	81, 893.06
Financial assets				

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
- Investments	1	43,372.13	291.72	43,663.85
- Loans	1, 5	16,469.59	(15,914.57)	555.02
- Other		211.73	-	211.73
Deferred tax assets (net)	1, 4	840.98	(614.51)	226.47
Non-current tax assets		5,384.99	(4,769.45)	615.54
Other non-current assets	1, 5	13,911.94	(6,390.07)	7,521.87
		241,579.91	(89,501.90)	152,078.01
Current assets				
Inventory	1, 10	1,555.58	28,466.58	30,022.16
Financial assets				
- Investments	2	36,898.25	645.58	37,543.83
- Loans		20.78	-	20.78
- Trade receivables	1	16,796.98	(15,197.76)	1,599.22
- Cash and cash equivalents	1	4,836.40	(628.25)	4,208.15
- Others	1	6,814.59	(960.28)	5,854.31
Current tax assets	1	1,444.25	(1,182.77)	261.48
Other current assets	1, 5	6,702.01	(3,350.94)	3,351.07
		75,068.84	7,792.16	82,861.00
Total assets		316,648.75	(81,709.74)	234,939.01
Equity and liabilities				
Equity				
Equity share capital		5,367.66	-	5,367.66
Other equity	1, 3, 7	122,621.37	968.12	123,589.49
Equity attributable to equity holders of the parent		127,989.03	968.12	128,957.15
Non Controlling Interest	1	13,392.07	(264.52)	13,127.55
Total Equity		141,381.10	703.60	142,084.70
Non-current liabilities				
Financial liabilities				
- Borrowings	1	62,875.42	(42,907.76)	19,967.66
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1,773.46	(70.07)	1,703.39
- Other financial liabilities	1	2,445.76	(2,194.46)	251.30
Provisions	1	1,510.07	(591.12)	918.95
Other non-current liabilities				
Deferred tax liabilities (net)	1, 4	768.54	(768.54)	-
Total Non-current liabilities		69,373.25	(46,531.95)	22,841.30

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
Current liabilities				
Financial liabilities				
- Borrowings	1, 14	5, 185.84	(4, 182.55)	1, 003.29
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	30, 317.71	(17, 914.21)	12, 403.50
- Other current financial liabilities	1	16, 387.75	(2, 001.89)	14, 385.86
Other current liabilities	1	23, 087.50	(10, 691.03)	12, 396.47
Provisions	1	30, 915.60	(1, 091.71)	29, 823.89
Total current liabilities		105, 894.40	(35, 881.39)	70, 013.01
Total equity and liabilities		316, 648.75	(81, 709.74)	234, 939.01

V) Reconciliation of profit or loss for the year ended March 31, 2018:

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income				
Revenue from operations	1, 2	157, 088.31	(133, 086.79)	24, 001.52
Other income	1, 2	4, 489.81	(3, 371.45)	1, 118.36
Total income		161, 578.12	(136, 458.24)	25, 119.88
Expenses				
Cost of raw material and components consumed	1	58.42	4, 066.36	4, 124.78
Purchase of Pharmacy & Pharma supplies	1	22, 586.13	(22, 586.13)	-
(Increase)/ decrease in inventories of finished goods and WIP	1, 10	-	9, 095.33	9, 095.33
(Increase)/ decrease in inventories of traded goods	1	(253.57)	253.57	-
Employee benefits expense	1, 3, 6	42, 694.36	(34, 748.30)	7, 946.06
Depreciation and amortization expense	1	7, 347.77	(6, 899.07)	448.70
Finance costs	1	7, 831.46	(5, 224.05)	2, 607.41
Other expenses	1	86, 141	(79, 867.98)	6, 273.15
Total expenses		166, 405.70	(135, 910.27)	30, 495.43
Loss before share of loss of joint ventures and tax from continuing operations		(4, 827.58)	(547.97)	(5, 375.55)
Share of loss of joint ventures	1	-	(581.72)	-581.72
Loss before tax from continuing operations		(4, 827.58)	(1, 129.69)	(5, 957.27)
Tax expense :				

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Current tax	1	1, 598.35	(577.65)	1, 020.70
Deferred tax	1	48.99	(297.59)	(248.60)
Income tax adjustment related to earlier years	1	(46.45)	(1.21)	(47.66)
Total Tax Expense		1, 600.89	(876.45)	724.44
Loss for the year from continuing operations		(6, 428.47)	(253.24)	(6, 681.71)
Discontinuing Operations				
Profit/(loss) before tax for the year from discontinuing operations		(701.01)	4, 482.99	3, 781.98
Tax expense of discontinuing operations		-	423.83	423.83
Profit/ (loss) for the year from discontinuing operations		(701.01)	4, 906.82	3, 358.15
Loss for the year		(7, 129.48)	4, 653.58	(3, 323.56)

(VI) Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018:

1) Joint venture

The group holds 49.74% interest in Max Healthcare Institute Limited (MHIL) and exercises joint control over the entity. Under Indian-GAAP group has proportionately consolidated its interest in MHIL in the Consolidated Financial Statement. On transition to Ind AS the group has assessed and determined that MHIL is its joint venture under Ind AS 111 Joint Arrangements. Therefore, it needs to be accounted for using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amount of assets and liabilities that the group had previously proportionately consolidated including any goodwill arising on acquisition. Derecognition of proportionately consolidated MHIL has resulted in change in balance sheet, statement of profit and loss and cash flow statement. For its impact on the financial statement refer note 36.

2) Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds have been recognised at lower of cost or fair value. However, under Ind AS, such investments have been classified and measured at fair value through profit or loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

3) Share based payments

The Group has granted stock options to its employees. Under Indian GAAP, the ESOP expense is recorded through Intrinsic value method. However, under Ind AS 102, employee share-based payments should be accounted for using fair value method. Under the ESOP plan, the employees receive shares of the Group upon completion of vesting conditions hence the same will be treated as equity settled share based payment. Grant date fair value of

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

the equity instrument should be used for measuring the ESOP expense. The differential amount of the expense shall be booked in retained earnings on transition date.

4) Deferred Taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

5) Security deposits

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid expenses. Amortization of prepaid expenses has been recognized in other expenses which is partially set off with notional interest income in statement of profit & loss.

6) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous IGAAP, these remeasurements were forming part of the profit or loss for the year.

7) Retained earnings

Retained earnings as at April 1, 2017 and March 31, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

8) Other comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' Includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.

9) Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

10) Finance Lease

The leasing arrangement under Senior Living Projects are assessed from Ind AS 17 perspective and based on

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

certain judgements, interpretation and assumptions taken by the management, the Group has classified these lease arrangements as finance leases. Consequently, lease rental income and depreciation of leased assets booked in previous years have been reversed back and profit on finance lease has been recognised in the statement of profit and loss. The Group is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration received towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the statement of profit and loss and the costs of the leased unit is transferred from inventory to the statement of profit and loss. The cost of unleased assets is appearing under Inventories at end the of each reporting period.

11) Lease equalisation reserve reversal

Under Previous GAAP, the Group has recognised a lease equalisation reserve as there is escalation in lease rentals around 5%. Under Ind AS, lease equalisation reserve is to be recognised only when the escalation in lease rentals is not in line with the expected inflation level. The escalation of 5% in lease rentals can be regarded to be in line with inflation, hence lease equalisation reserve is not to be recognised and the existing reserve has been reversed through retained earnings.

12) Provision for impairment/ECL on investments and receivables

Under previous GAAP, the Group has created provision for impairment of investments and receivables only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). The impact of the same has been recognised in retained earnings on the transition date and as an expense in the statement of profit and loss in the comparative period.

13) Discounting of non- current payables

Under Indian GAAP, the non current payables were recorded at transaction value. Under Ind AS, they are discounted and recorded at present value. On transition date, the difference is taken to retained earnings. In comparative period, interest is accreted on the payable amount.

14) Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

49. Max Bupa Health Insurance Company Limited ("Max Bupa"), one of the subsidiary holds investment in commercial papers amounting to Rs 3, 000.00 lakhs and in corporate bonds amounting to Rs 3, 000.00 lakhs with IL&FS and its group companies (collectively referred to as IL&FS). These commercial papers were due for maturity in September 2018, however, IL&FS has defaulted in its repayment. As a result of increased credit risk in relation to outstanding balances from IL&FS and the uncertainty prevailing due to the proceedings pending with the NCLT, the entire amount of Rs 6, 000.00 lakhs has been provided by the Group. The Group, however, continues to monitor developments on this matter and is committed to take steps including further legal actions that may be necessary to ensure full recoverability.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- 50.** On December 24, 2018, the Board of Directors of Max India Limited (the "Company"), approved a Composite Scheme of Amalgamation and Arrangement (the "Scheme") between the Company, its joint venture Max Healthcare Institute Limited ("Max Healthcare"), its wholly owned subsidiary Advaita Allied Health Services Limited ("Advaita Allied") and Radiant Life Care Private Limited ("Radiant Life"), and their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals.

The Scheme inter-alia provides for (a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities (collectively known as "Demerged Undertaking") from the Company into Advaita Allied, the shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 1 Equity share of Rs. 10 each of Advaita Allied for every 5 equity shares of Rs.2 each held in the Company. The shares of Advaita Allied shall be listed on the stock exchanges post effectiveness of the Scheme; (b) Demerger of healthcare business of Radiant Life into Max Healthcare, pursuant to which shareholders of Radiant Life as on record date (to be specified by the board of directors of Radiant Life subsequently) shall be issued 9, 074 equity shares of Max Healthcare of Rs. 10 each, for every 10 equity shares, of Rs. 10 each held in Radiant Life and (c) Amalgamation of residual Company (post demerger of the Demerged Undertaking), which comprises of healthcare activities (including its underlying investment in Max Healthcare) with Max Healthcare. The shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 99 equity shares of Rs.10 each of Max Healthcare for every 100 equity shares of Rs.2 each held in the Max India Limited. The shares of Max Healthcare shall be listed on stock exchanges post effectiveness of the Scheme after receipt of listing approvals.

The parties to the Scheme are currently in the process of obtaining regulatory approvals, post which the Company will file the requisite petitions with National Company Law Tribunal and obtain other approvals, as applicable.

With effect from the Appointed date (as defined in the Scheme), the Company's business shall stand demerged with Advaita and Max Healthcare, and the Company shall, pursuant to provisions of section 230 to section 232 and other applicable provisions (if any), of the Companies Act, 2013 stand merged in Max Healthcare as a going concern in the manner provided in the Scheme.

In view of the above these financial results have been prepared on a going concern basis.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No.: 095169

Place: Gurugram
 Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
 (Managing Director)
 DIN - 02394694

Jatin Khanna
 (Chief Financial Officer)

Place: New Delhi
 Date: May 29, 2019

Ashok Brijmohan Kacker
 (Director)
 DIN - 01647408

V. Krishnan
 (Company Secretary)



HEALTH INSURANCE

BOARD'S REPORT

Your Directors are pleased to present the Eleventh Board's Report of your Company together with the audited accounts for the financial year ended March 31, 2019.

1. BUSINESS HIGHLIGHTS

The highlights for the Financial Year ended March 31, 2019 are as under:

(Rs in '000)

Particulars	Financial Year 2018-19	Financial Year 2017-18
Gross Written Premium	94,70,157	75,44,715
Earned Premium	65,94,788	57,58,542
Investment Income	5,52,736	5,08,396
Other Income	2,997	27,433
Less: Claims Incurred (Net)	35,56,426	28,90,226
Less: Commission Paid (Net)	3,08,500	2,38,288
Less: Operating Expenses	35,74,727	29,05,561
Less: Other Expenses	35,066	31,898
Less: Provision for diminution in the value of investments	75000	-
Less: Provision for doubtful debts	84671	-
Profit/(Loss) before Tax	(4,83,869)	2,28,398
Key Business Parameters		
Solvency Ratio	1.77	2.11
Share Capital (Rs. crores)	981	926.00
Foreign Direct Investment (Rs. crores)	480.69	453.74
No. of Employees	2280	1,886
No. of offices	40	30
No. of Agents	31,555	25,376
No. of Policies	3,88,129	3,30,876

2. INDUSTRY OVERVIEW

With penetration of Health Insurance in the country still being low, the sector presents a huge opportunity of growth and thus continues to attract new players. Of the 48.2 crores lives covered through health insurance during FY18, the overwhelming majority was covered through government insurance (35.9 crores) with other group business (8.94 crores) and individual business (3.3 crores) contributing a much smaller

proportion. The rise in lifestyle and chronic diseases like Cancer, Diabetes and Cardiovascular ailments over the past few years is contributing towards the increasing awareness about health insurance.

The Health Insurance industry continues to be dominated by 4 public sector companies, which together constitute 49% of the market share in FY19. In addition, there are 21 private general insurance players and 7 standalone health insurers. Reliance Health Insurance Ltd. is the new standalone health insurer which started operations in FY19.

3. STATE OF COMPANY'S AFFAIRS

Your Company posted a Gross Written Premium of Rs. 947 crores for the year thereby registering a 26% growth over previous year. The Company posted underwriting loss of Rs. 84.49 crores during the year as compared to underwriting loss of Rs. 27.55 crores during the previous year. The Net Loss for the year was Rs. 48.39 crores as compared to profit of Rs. 22.84 crores in the previous year.

Your Company aims to be the preferred family health insurer for retail customers and offers quality health insurance services through its comprehensive distribution network comprising of Agency, Bancassurance, & Alliances (NBFC's and brokers) & Direct & digital channel.

Key highlights of the year are as follows:

- Expanded agency to 12 new cities.
- Partnered with HDFC Bank and HDFC Securities
- New partners on-boarded throughout year- Karur Vysya bank, Ujjivan Small Finance Bank and RattanIndia.
- Three innovative products were developed during the year, strengthening our edge over competition - 'Health Recharge' (our top-up product), 'Max Health Plus' (new group product) and we also filed the entry level product 'Max Health Pulse' to cater to our expansion plans for tier-2 and tier-3 cities
- Multiple initiatives to drive higher employee engagement introduced throughout the year - buddy program for employees, strengthening the on-boarding process, training needs identification;

E-Learning portal for all employees

- Won the 'The Economic Times Best Brands 2019' award, the only health insurance brand among 40 most preferred brands of Indian consumers
- Won the 'Digital Innovator of The Year' award, at the 'India Insurance Summit and Awards

A. **MULTI CHANNEL DISTRIBUTION SET-UP**

Your Company's strategic priorities focus on profitable and sustainable growth led by agency and bancassurance. Your Company has relentlessly focused on building its distribution network by consistently improving the quality of its agency sales force, building bancassurance channel and strengthening its direct channels by evaluating a comprehensive 'digital' strategy.

1. **Agency**

Agency is the Company's largest distribution channel, spanning 39 branches across 30 cities. Your Company's agency force is one of the most productive agency force amongst SAHIs (Stand Alone Health Insurers). FY 18-19 saw the Agency channel focus on new agent recruitment, agent activation, digitization, process standardization, quality of new business and persistency.

2. **Bancassurance & Alliances**

Your Company is a leading player in the distribution of health insurance through financial institutions. Max Bupa works with various Bancassurance and Corporate Agency relationships in India; with reputed banks like Standard Chartered Bank, HDFC Bank, Federal Bank, Deutsche Bank, Karur Vysya Bank, Sarv UP Gramin Bank, South Indian Bank and Bank of Baroda as its Banca partners.

Your Company also has a tie up with the leading NBFC in the country, Bajaj Finance Limited, under the Alliances vertical. Your Company has also entered into Corporate Agency agreement with HDFC Securities Limited in the financial year.

Your Company will continue exploring new opportunities in Bancassurance and Alliances channel for potential profitable partners.

3. **Direct channels (E-sales and Direct sales team)**

Your Company has a captive telesales team in the health insurance equipped with state-of-the-art technology infrastructure (Dialler/CRM) within a

secure environment. Your Company is carving a niche for itself by creating 'digital' opportunities in the Health insurance space in India, given that ~22% of retail sales are estimated to be directly/digitally influenced by 2025. Your Company has also made deep inroads with likeminded digital platforms for showcasing our products on comparative platforms. Your Company aims to maintain profitable direct channels with a focus on building a comprehensive digital strategy.

4. **Business to Business (B2B)& Rural business**

Apart from the retail segment, your Company also has limited presence in the Group business where we focus on select and profitable business opportunities.

Your Company renewed rural business underwritten under the Rashtriya Swasthya Bima Yojna (RSBY) scheme of the Orissa Government. The RSBY scheme will soon be replaced by the newly announced Ayushman Bharat scheme and we are actively monitoring the requirements of this scheme to understand and build our approach towards this.

B. **IMPROVED CUSTOMER MANAGEMENT**

In line with your Company's commitment towards exemplar service and being transparent, customer focused, equitable and fair in its dealing with customers, your Company continued to focus on raising the standard of customer interaction at every touch point, right from pre-sales engagement to payment of claims.

Your Company proactively captures customer feedback through multiple formal and informal customer listening initiatives, including Customer Transactional Assessments (CTA) for key customer processes, online customer feedback through portals and blogs, Max Bupa's website, and welcome calling. Service excellence is key to your Company's success and therefore there is considerable focus on customer experience and related metrics.

Your Company's 30 minutes pre - authorization service commitment, introduced in the Financial Year 2014 - 15, continues to be an industry leading promise in the industry for the Financial Year 2018-19.

C. **COST MANAGEMENT**

Your Company continues to drive profitable growth by focus on higher efficiency, improved productivity and

cost optimization initiatives. We have leveraged best practices across the Max Group and the industry to optimize spends.

D. INVESTMENT PERFORMANCE

Your Company ensures management of investment assets in accordance with the asset liability management policy of the Company. The performance of the investments has been commensurate with the risk assumed.

The investment corpus is invested with 66% of the portfolio in highest safety instruments (viz. sovereign and AAA or equivalent instruments). Your Company's Assets under Management (AUM) stands Rs. 823.03 crores as on March 31, 2019 against Rs. 665.79 crores in previous year.

E. BUSINESS EXCELLENCE

As part of Max Quality System for Financial Year 2018 - 2019 cycle, your Company worked towards continuous improvement projects. Eighteen projects to further improve existing processes were delivered. These projects were done across different functions, and primarily, Operations and Renewals. Five of our process improvement projects got selected as finalists for ASQ World Quality Conference 2019, which is a significant recognition of process improvement efforts in your company. Projects focused on revenue generation, cost reduction and customer experience improvement.

F. AWARDS AND RECOGNITIONS

During the Financial Year 2018-19, the Company was felicitated with Awards and Recognitions across functional areas. Some of these were as follows:

- We were recognized as 'Digital Innovator of the Year 2018-19' by India Insurance Awards for pioneering industry first digital innovations like GoActive and AnyTimeHealth machines.
- We were felicitated with the Economic Times Brand Equity Award in 'Best Consumer Health & Fitness Campaign 2018-19' for GoActive
- We are amongst the most trusted and well known health insurance player in India consecutively in multiple consumer surveys including the coveted Superbrands in 2016, 2017 and 2018.
- We were recently conferred with the Economic Times Best Brands Award 2018-19.

4. PHILOSOPHY

Your Company's purpose is to help customer lead healthier, more successful lives. With an aim to build long-term healthcare partnerships for life, your Company is working towards helping people put their 'health first' through your comprehensive product and service portfolio.

Your Company's vision is to become India's most admired health insurance Company by building a customer centric culture and investing in people, technology, and infrastructure to deliver high quality products and services to customers. Such vision has been reflected in our strategic priorities for the year ahead.

5. OPERATIONS

The New Business and Branch operations of the Company are supported by the state of art workflow management and CRM system ensuring that all key processes like policy issuance and customer queries are completely digitized. Such processes take the Company a step further where there is no physical form needed even at the point of sales.

Our customer service department enables the customer to have multiple accesses to get his / her queries resolved. With technologies like IVR in the call center, we have enabled various self-service options for the customer, which are available 24X7. CRM system gives us one view of the customer enabling a high rate of first time resolution for most queries. The dedicated in-house call center ensures that all queries and complaints are resolved within the timeline. The critical call centre metrics are internationally benchmarked and the results meet global standards. Our pre-authorisation turn-around time continues to outperform the industry standards with our 30 minute cashless proposition.

Your Company has invested extensively in building its Health Risk Management (HRM) capabilities. HRM aims to strike a balance between treating customers fairly, enabling product profitability and affordability of comprehensive health insurance products for the customers. Key operating decisions related to product design, underwriting & claims philosophy, choice of market segments as well product and geographical mix are guided by HRM principles and are enabled by strong health and clinical data analytics. It also includes partnering with health service providers (especially hospitals) to ensure quality of healthcare to your Company's customers. Your Company has

significantly enhanced payment integrity, reducing overcharging by providers, fraud detection and control to ensure only genuine claims are paid by mobilizing claims leakage control measures.

Your Company brings together Bupa's global health insurance with Max India's understanding and experience of the Indian health and insurance sectors and customer service expertise. Your Company has developed a strong network of hospitals and services its customers directly through its in-house team of professionals, including doctors who process the claims.

Given the above practices, your Company's claim ratio is broadly in line with the expected experience for the maturity of the portfolio basis pricing assumptions.

6. HEALTH INSURANCE PRODUCTS

Your Company offers both indemnity and fixed benefit category of products serving retail, affinity/bank groups and government sponsored health insurance programs. Your Company's indemnity product offerings including its flagship product Heartbeat and Health Companion continue to be well received in the market.

Your Company further fortified its existing line of retail products to strengthen its customer value proposition with the launch of GoActive in FY18.

Your Company has also launched a comprehensive 'Max Health Plus' in FY19. This product can be customized to come up with multiple propositions to meet the needs of Bancassurance & affinity partners.

Your Company has also launched a super top-up product 'Health Recharge' in FY19 which would provide higher coverage at nominal premium.

In addition to the above, your Company also has a comprehensive bouquet of products in indemnity and fixed benefit segments which includes Group Personal Accident, Health Assurance, Group Health Insurance, Group Criticare, Group Health Secure, Employee First Health Insurance Plan, Swasth Parivar – Health Insurance Plan and Swasthya Pratham – Micro Insurance Product.

7. BOARD OF DIRECTORS AND ITS COMMITTEES

The Board of Directors is responsible for the approval of the overall corporate strategy and other Board related matters. The Board of Directors of your Company comprises of Twelve (12) members as on

March 31, 2019.

1. During the year, Mr. John Howard Lorimer (DIN: 07138581) resigned from the directorship with effect from October 01, 2018.

The Company places on record its deep appreciation of the contribution made by Mr. John Howard Lorimer during his association with the Company.

2. During the year, Mr. Simeon Preston was appointed as an Additional Director of the Company with effect from October 01, 2018.
3. During the year, Mr. K. Narasimha Murthy was re-appointed as Independent Director of the Company with effect from 24th September 2018 for a fixed term of five years. Mr. Murthy is Chairman of Nomination & Remuneration Committee and Audit Committee and a member of Risk Committee of the Board.
4. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Rajesh Sud (DIN - 02395182), Ms. Joy Carolyn Linton (DIN -02630925), being liable to retire by rotation at the ensuing Annual General Meeting of your Company and being eligible, have offered themselves for reappointment.
5. In accordance with the requirements of the Companies Act 2013 and IRDAI's Corporate Governance Guidelines, following committees of the Board were re-constituted during the year:
 - a) The Risk Committee, Investment Committee, Asset Liability Management Committee and Policyholder Protection Committee of the Board were re-constituted by inducting Mr. Dinesh Kumar Mittal as a member of the Committee with effect from 8th May 2018.
 - b) The Risk Committee of the Board was re-constituted by inducting Mr. Simeon Preston as a member and Chairman of the Committee with effect from 1st October 2018.
 - c) The Policyholders Protection Committee of the Board was re-constituted by inducting Mr. Simeon Preston as a member of the Committee with effect from 1st October 2018.
 - d) The Corporate Social Responsibility (CSR) Committee was constituted during the year. The composition of the CSR committee

comprises of Mr. Dinesh Kumar Mittal (Chairman & Independent Director), Ms. Marielle Theron (Non-executive Director) and Mr. David Fletcher (Non-executive Director). The constitution of the CSR Committee is in accordance with the provisions of section 135 of the Companies Act 2013 and as per IRDAI's Corporate Governance Guidelines, 2016.

6. Mr. Rahul Khosla, Co-Vice Chairman and Non-executive Director, resigned as Director of the Company with effect from 26th April 2019.

The Company places on record its deep appreciation of the contribution made by Mr. Rahul Khosla during his association with the Company.

7. Your Company is proposing to regularise the appointment of Mr. Simeon Preston (DIN: 03517416) being Additional Director as Director of your Company at the ensuing Annual General Meeting.

8. **KEY MANAGERIAL PERSONNEL("KMP") U/S SECTION 203 OF THE COMPANIES ACT, 2013 AND IRDAI's CORPORATE GOVERNANCE GUIDELINES**

In pursuance to Section 2(51) of Companies Act 2013, Key managerial personnel", in relation to a company, means:-

- i. the Chief Executive Officer or the Managing Director or the manager;
- ii. the Company Secretary;
- iii. the Whole-time Director;
- iv. the Chief Financial Officer;
- v. such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi. such other officer as may be prescribed

As on 31st March 2019, the following employees were holding the position of KMP duly appointed with approval of the Board:-

- a) Mr. Ashish Mehrotra, Chief Executive Officer and Managing Director;
- b) Mr. Rahul Ahuja, Chief Financial Officer;
- c) Mr. Rajat Sharma, Company Secretary;
- d) Mr. Partha Banerjee, Director & Head-Legal, Compliance & Regulatory affairs and Chief Compliance Officer

- e) Mr. Tarun Katyal, Director & Chief Human Resources Officer
- f) Mr. A.V. Ramanan, Appointed Actuary
- g) Mr. Vikas Gujral, Chief Operating Officer
- h) Ms. Anika Agarwal, SVP & Head-Marketing Digital and Direct Sales
- i) Mr. Anurag Gupta, SVP & Head-Agency Channel
- j) Mr. Aseem Gupta, SVP & Head-Portfolio Management & Affinity Channels
- k) Mr. Vikas Jain, Chief Investment Officer
- l) Mr. Satyanandan Atyam, Chief Risk Officer
- m) Ms. Priya Gilbile, SVP & Head - Health Risk Management (left the services of the Company on account of resignation with effect from 11th October 2018)
- n) Mr. Atul Bhandari, SVP -Bancassurance (left the services of the Company on account of resignation with effect from 26th March 2019)

9. **CORPORATE GOVERNANCE**

Your Company follows high standards of corporate governance and the Directors have embraced this belief and taken various steps to raise the bar for Corporate Governance. Your Company has an independent minded Board constituted of domain experts from diverse functional areas.

The Board of your Company as on March 31, 2019 comprises of seven (7) Non-Executive Directors, one (1) Executive Director and four (4) Independent Directors.

As per Corporate Governance Guidelines issued by IRDAI, the Chief Executive Officer is designated as Whole-time Director under the Companies Act. The Company has received Deed of Covenant and Declaration from Directors appointed during the year in accordance with the said Corporate Governance Guidelines.

Further, the Board has the following Committees, functioning in line with IRDAI Corporate Governance Guidelines:

- a) Audit Committee
- b) Investment Committee
- c) Asset Liability Management Committee
- d) Risk Committee
- e) Policyholders' Protection Committee
- f) Product and Actuarial Committee
- g) Nomination and Remuneration Committee
- h) Corporate Social Responsibility Committee

The disclosures, as per the IRDAI's Corporate Governance Guidelines, form part of the Directors' Report and are appended as Annexure - 1. The details regarding number of meetings of the Board and its Committees along with the attendance of Directors of the Company thereof, as required under Section 134(3) (b) of the Companies Act 2013 also form part of the aforesaid Annexure - 1.

10. MATERIAL CHANGES AND COMMITMENT, IF ANY

- a) The Company had filed with IRDAI for forbearance towards exceeding the expenses of management over the allowable limit. Based upon the submission, the Authority in terms of regulation 11 of IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016 granted forbearance till FY 2022.

A sum of Rs. 136.50 crores which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

- b) During the FY 2018-19, the Company has continued with its additional quota share reinsurance arrangement by ceding 20% of its risk on the indemnity portfolio other than Employer/Employee schemes to a Reinsurer. This has led to an increase in the Company's underwriting capacity along with partially mitigating the claim aggregation risk in the event of any epidemic/pandemic situation.
- c) The Company has entered into Share Purchase Agreement and Shareholders Agreement dated 13th March 2019 with Bupa Singapore Holdings Pte. Ltd. and True North Fund VI LLP for transfer of 5,09,69,400 shares in the company.
- d) The Company has entered into Share Purchase Agreement dated 13th March 2019 with Max India Limited and True North Fund VI LLP for transfer of 51% stake in the company.

11. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS THEREOF

Your Company did not have any Subsidiaries, Joint Ventures or Associate Companies during the year.

12. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status or Company's operations during the year as well as in the future.

However, IRDAI issued guidance on some of the inspection observations against the Company conducted for the financial year 2015-16 and 2016-17 vide its letter no. IRDA/Enf/2018/RSG_Adv dated 14.03.2019.

13. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year 2018-19.

14. DIVIDEND

The Directors do not recommend any dividend for the financial year 2018-19.

15. CAPITAL

The authorized share capital of the Company is Rs. 1500,00,00,000/- (Rupees One Thousand Five Hundred crores only) divided into 150,00,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. As of 31st March 2019, the paid up equity share capital of your Company was Rs. 981,00,00,000/- (Rupees Nine Hundred and Eighty One crores only).

16. SOLVENCY

Your Company regularly monitors its solvency margins to ensure that the solvency margin is maintained in line with the requirements of IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016. As on March 31, 2019, the solvency ratio of your Company stood at 177% against required solvency of 150%.

17. RESERVES

Your Company has not transferred any amount to reserves, during the financial year 2018-19.

18. PARTICULARS OF DEPOSITS

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013.

19. IMPLEMENTATION OF INDIAN ACCOUNTING STANDARD (Ind AS) IN INSURANCE SECTOR

The Ministry of Corporate Affairs (MCA) has outlined the roadmap for implementation of Ind AS in the insurance sector from 1st April, 2018 onwards with one year comparatives. Consequently, IRDAI has set up various working groups to prepare a roadmap for implementation of Ind AS in the Insurance sector. However, implementation of Ind AS in the Insurance sector in India has been deferred for a period of two years and the same shall now be implemented effective 1st April 2020.

Your Company had initiated the process to ensure compliance with Ind AS in a time bound manner.

Your Company has submitted the Interim IND AS Proforma Financial Statement at each quarter end during the FY 2018-19 to IRDAI.

20. POLICY ON ALLOCATION & APPORTIONMENT OF EXPENSES OF MANAGEMENT

As per the Notification issued by IRDAI (Reg./12/124/2016 dated 27th April 2016), no Insurer carrying on Health Insurance Business in India shall spend in any Financial Year as Expenses of Management, an amount exceeding a certain allowable in relation to the following expenses:

- a) Commission or other remuneration paid to insurance agents and insurance intermediaries in respect of their business transacted in the financial year;
- b) Commission and expenses reimbursed on reinsurance inward; and
- c) Operating expenses.

The expense allowable limit is computed on the basis of percentages to Total Gross Premium Written in India during the financial year in respect of various segments of business. As per the notification, the Insurer shall ensure that their Expenses of Management are within the allowable limit on a segment wise basis. Where the Company has violated the limits of Expenses of Management for one or more segments but is compliant on an overall Company basis, the excess of such Expenses of Management shall be borne by the Shareholders.

Further, as required under the Regulation, the Company has prepared a Policy for the allocation and apportionment of expenses of Management amongst the various business segments. The Policy has been

approved by the Board and is reviewed annually.

21. RURAL & SOCIAL SECTOR OBLIGATIONS

Disclosure of sector wise business based on Gross Direct Written Premium (GWP) as per IRDAI (Obligations of Insurers to Rural or Social Sectors) Regulations, 2015 is as under:

Business Sector	Year ended March 31, 2019	
	GWP Rs.'000s	% of GWP
Rural	553,262	9.056%
Social	1,631	0.002%
Urban	8,915,263	90.942%

The Company achieved a rural target of 5.47% of GWP against the prescribed obligation of 3.5% of GWP. Under the social sector, the Company covered 1,28,888 lives against the prescribed obligation of 1,23,414 lives thereby fulfilling the social sector obligation.

22. JOINT STATUTORY AUDITORS

M/s. Nangia & Co., Chartered Accountants, (ICAI FRN- 002391C), Statutory Auditors, shall retire at the conclusion of the ensuing 11th Annual General Meeting. Re-appointment of M/s. Nangia & Co., Chartered Accountants, as joint statutory auditors for the FY 2019-20, to hold the office from the conclusion of 11th Annual General Meeting until the conclusion of the 12th Annual General Meeting of the Company, has been proposed to the shareholders for their approval.

M/s. M.P. Chitale & Co, Chartered Accountants, (ICAI FRN- 101851W) was appointed for the term of two years at the 10th Annual General Meeting of the Company. It is proposed to ratify the appointment of M/s. M.P. Chitale & Co., as the Joint Statutory Auditor of the Company, to hold the office from the conclusion of 11th Annual General Meeting until the conclusion of the 12th Annual General Meeting of the Company.

Your Company has received certificates from M/s. M.P. Chitale & Co, Chartered Accountants, and M/s Nangia & Co., Chartered Accountants, that their appointment as Auditors, if made, shall be in accordance with the conditions laid down in the Companies (Audit and Auditors) Rules, 2014 and that they are not disqualified from appointment under Sections 141 & 144 of the Companies Act, 2013, the Insurance Act 1938 and IRDAI's Corporate Governance Guidelines 2016.

Based on the recommendation of the Audit Committee, the Board has recommended the appointment of M/s.

Nangia & Co., Chartered Accountants, and ratification of appointment of M/s. M.P. Chitale & Co, Chartered Accountants, as Joint Statutory Auditors of your Company.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

23. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of your Company confirms that:-

1. In the preparation of annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the loss of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis;
5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. NUMBER OF CASES FILED AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013)

Your Company is very sensitive towards any complaints related to sexual harassment and has a well defined Policy on Prevention of Sexual Harassment against Women at the workplace.

The Company has an Internal Complaints Committee under the Sexual Harassment of Women at the

Workplace (Prevention, Prohibition and Redressal) Act 2013. One complaint was established by the Sexual Harassment Committee during the Financial Year 2018-19 and proper actions were taken.

25. ANNUAL PERFORMANCE EVALUATION

As per the requirements of the Companies Act, 2013, formal Annual Performance Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors.

The performance evaluation was carried out by obtaining feedback from all directors through a confidential online survey mechanism. The outcome of this performance evaluation was placed before the Nomination and Remuneration Committee on May 22, 2019 and further placed before the Board in the meeting held on May 23, 2019.

26. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company's internal control system is commensurate with the size and scale of the business operations.

Your Company has developed and strengthened its internal financial controls framework over the years. Your Company strives to create and sustain control conscious culture by creating 'tone at the top' appropriately. The risk and internal controls environment is governed by two specialized sub-committees of the Board i.e. Audit Committee and Risk Committee. There are well defined charters for each committee making them responsible for institutionalizing and providing oversight to risk assessment and the controls evaluation processes. The Audit Charter and the Risk Management Policy are reviewed annually and a quarterly reporting structure to the respective Committees of the Board is in place. To ensure independence, the Internal Audit department reports to the Chairperson of the Audit Committee of the Board.

Further, a risk based Internal Audit mechanism is in place, wherein various processes and functions (including finance and accounts) are audited on an annual basis. Internal audits are carried out at two levels:

1. Processes are reviewed to ascertain their completeness and the adequacy of controls in mitigating risks (design); and

2. Compliance of documented processes are reviewed (effectiveness).

Further, detailed financial Standard Operating Procedures (SOPs) are defined for key processes and vital controls are mapped in the finance manual. A limited review is conducted by the Statutory Auditors on the quarterly financial statements and a detailed annual audit is conducted at the end of each financial year.

A framework for monitoring of internal controls on financial reporting has been documented, including structure for governance around Financial Reporting controls during the year. Risk and Control matrices have been defined for all identified internal controls on financial reporting.

A quarterly Director's questionnaire is furnished to the Audit Committee to certify that, to the best of management's knowledge and belief, the financial results for the quarter do not contain any false or misleading statements or figures and nothing material has been concealed or suppressed. The document is certified by Chief Financial Officer, Appointed Actuary and Director – Legal and Compliance. This document covers the following aspects:

- Part 1 : Accounting
- Part 2 : Taxation
- Part 3 : Actuarial
- Part 4 : Risk & Compliance
- Part 5 : Banking Operations

27. CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

All related party transactions that were entered into during the financial year 2018-19 were on an arm's length basis and in the ordinary course of business. Details of the transactions are enclosed herewith in the prescribed format i.e. Form AOC - 2 as Annexure No - 2.

Your Company has a Board approved Related Party Transaction Policy and SOP.

The requisite disclosure of the Related Party Transaction has been made in the Notes to Accounts of your Company.

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

In accordance with Section 186(11)(a) of the Companies Act 2013 together with the clarification issued by Ministry of Corporate Affairs on February 13, 2015, Section 186 does not apply to an Insurance Company. Your Company does not have any loan given, investment made or guarantee given or security provided as required under Section 186 of the Companies Act, 2013.

29. THE EXTRACT OF THE ANNUAL RETURN U/S 92 OF THE COMPANIES ACT, 2013

The extract of the Annual Return in the prescribed format i.e. form MGT - 9 as per the requirements of Section 92 of the Companies Act, 2013 is annexed as Annexure No - 3 and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/financialreports.aspx>

30. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. The NRC has at least 50% of its members as Independent Directors.

Your Company has put in place the relevant framework and a Nomination & Remuneration Policy as required in section 178 of the Companies Act 2013. Any shareholder, interested in obtaining a copy of the Policy, may write to the Company Secretary at the Registered Office of Company, which is also displayed on your Company's website. The Policy is also attached herewith as Annexure - 4 and also published in the website of the Company i.e. and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/index.aspx>.

31. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013. The Independent directors have duly complied with the Code for Independent Directors prescribed in Schedule IV to the Act and other requirements of IRDAI's Corporate Governance Guidelines.

32. CODE OF CONDUCT & WHISTLE BLOWER POLICY

In order to uphold the highest standards of ethical behavior, your Company has a Code of Conduct which is applicable across the organization.

Your Company also has a Whistle Blower Policy approved by the Board which empowers and provides a channel to employees for communicating any breaches of your Company's Values, Code of Conduct, Anti Money Laundering Policy and other regulatory and statutory requirements. Appropriate disciplinary actions are taken against any violation. During the FY 2018-19, actions against 73 employees were taken by the Company as per Employee Disciplinary Action Plan. 14 complaints were received under the Whistle Blower Policy in the Financial Year 2018-19 which were duly investigated and 11 were closed. All the investigations and proceedings are conducted through Code & Ethics Committee meetings. The Management provides assurance on the effectiveness of the Anti-fraud and Whistle Blower Policy to the Risk Committee/Board through the Code & Ethics Committee updates.

33. CORPORATE SOCIAL RESPONSIBILITY

The Company had constituted a CSR Committee as per the provisions of section 135 of the Companies Act 2013 and IRDAI's Corporate Governance Guidelines on July 31, 2018. As per the provisions, Mr. Dinesh Kumar Mittal (Independent Director) is Chairman of the CSR Committee. Further, Ms. Marielle Theron and Mr. David Martin Fletcher are the members of the Committee. The Committee met once during the year on January 30, 2019.

The purpose of the Committee is to formulate and monitor the CSR policy of the Company. The Company has adopted a CSR Policy in its meeting held on January 30, 2019. The Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining and monitoring CSR Projects.

Annual Report on Corporate Social Responsibility (CSR) activities is attached herewith as Annexure 5.

Even though the Company was not required to mandatorily comply with the CSR requirements in previous years, the Company has been taking initiatives to enable its people, customers, partners and public at large lead healthier, more successful lives.

The "Max Bupa Walk for Health" initiative of the Company has been time and again recognized as one

of the best CSR initiative in the country.

Alongside, Max Bupa also runs cause-led campaigns on its social platforms to contribute to societal well-being. This year, Max Bupa introduced a unique #Donateyourweight initiative on social media, in partnership with Cuddles NGO, to encourage employees and the community at large to get healthier and make a difference to the lives of underprivileged children battling cancer. Max Bupa made a promise to contribute an amount equivalent to the number of kilos pledged by people as a part of the challenge. Over 500 employees participated in the drive and the campaign went gained significant traction on social media.

34. SECRETARIAL AUDIT

Your Company in the meeting held on July 31, 2018 has appointed M/s. Chandrasekaran Associates, Company Secretaries, New Delhi to conduct Secretarial Audit for the Financial Year 2017-18 as per the requirements of Section 204 of the Companies Act, 2013.

M/s. Chandrasekaran Associates, Company Secretaries, New Delhi have submitted their report for the financial year 2018-19 in the prescribed format MR-3 which is annexed as Annexure No - 6.

35. DIRECTORS' COMMENTS ON QUALIFICATIONS, RESERVATIONS, DISCLAIMERS AND ADVERSE REMARKS**a) STATUTORY AUDIT**

Joint Statutory Auditors of your Company for the financial year 2018-19 i.e. M/s. M.P. Chitale & Co. and M/s. Nangia & Co. LLP. in their Audit Report for FY 2018-19 have given no qualifications, reservations, disclaimers, comments and/or adverse remarks.

b) SECRETARIAL AUDIT

M/s. Chandrasekaran Associates, Secretarial Auditors of your Company for the Financial Year 2018-19 have given no qualifications, reservations, disclaimers, comments and adverse remarks in its report.

36. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143**OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

During the year under review, the statutory auditors

have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

37. RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK THAT MAY THREATEN THE EXISTENCE OF THE COMPANY

Your Company's overall approach to managing risk is based on the 'three lines of defense' model with a clear segregation of roles and responsibilities for all the lines. Business Managers are part of the first line of defense and have the responsibility to evaluate their risk environment and put in place appropriate controls to mitigate such risks or avoid them. The Risk Management Function, along with the Compliance Function, Fraud & Risk Control Unit and Chief Information Security Officer, forms the second line of defense. The Internal Audit Function guided by the Audit Committee is the third line of defense and provides an independent assurance to the Board. The Statutory Auditors and regulatory oversight aided by the Appointed Actuary and Panel Actuary in his/her fiduciary capacity are also construed to provide an additional line of defense.

Risk management activities are supervised on behalf of the Board by the Risk Committee, whose responsibilities conform to those prescribed by the IRDAI. The Chief Risk Officer assists the Board Committee in overseeing the risk management activities across the Company.

Your Company has an operationally independent Risk Management Function in place, headed by a Chief Risk Officer. The function is responsible for the supervision of all risk management activities in the Company, including developing the risk appetite, maintaining an aggregated risk view across the Company, monitoring the residual risks to ensure that they remain within tolerance levels. It also reviews the appropriateness and adequacy of the risk management strategy and develops recommendations to the Risk Committee as necessary. The Risk Management function also ensures that, through various management submissions, the Board is adequately informed on key emerging risk related issues and if necessary, provides supplementary advice to the Board through the Risk Committee. A Management Risk Committee has been constituted which is headed by the CEO and includes key members such as Chief Risk Officer, Chief Financial Officer, Chief Operating Officer, Director –

Legal, Compliance and Secretarial, etc. All important risk related matters are discussed, reviewed and monitored by this Committee on a periodic basis.

Your Company has developed a risk management framework which defines its approach to enterprise wide risk management. The implementation is a continuous cycle of improvement over the Company's existing risk management elements which are progressively integrated into the framework. The Company has the vision of a matured state of risk culture whereby every individual takes responsibility of risks and has a thorough understanding of all risk tolerances.

Within the framework, a Risk Appetite Statement is in place which identifies and addresses each material risk to which the Company is exposed and establishes the degree of risk that the Company is willing to accept in pursuit of its strategic objectives, business plans and the interest of the policyholders. These material risks have been categorized in the areas of Strategic, Insurance, Financial, Operational, Legal & Regulatory Compliance and Reputational Risks. The Risk Management Strategy has been developed which defines the Company's approach to manage the identified material risks through acceptance, avoidance, transfer and/ or mitigation. The degree and intensity of the management action are guided by comparing the risk appetite with the potential impact of the risk, likelihood of its occurrence and the costs of implementing the controls. This is supplemented by various policies and procedures in respective operating areas which help to identify, mitigate and monitor risks. The Operational risk incident management process provides an intervention with employees of the organization to become risk ambassadors and report risk incidents in the organization. The reporting of risk incidents enable organization to understand the areas of weaknesses in processes and related mitigation actions are then discussed reviewed and monitored on a periodic basis.

The risk management framework also ensures that the level of risk accepted is within the Company's risk capacity and the level of capital adequacy is in excess of the level prescribed in the public interest via legislation.

The risk management framework also ensures that the level of risk accepted is within the Company's risk capacity and the level of capital adequacy is in excess of the level prescribed in the public interest via legislation.

38. ADDITIONAL INFORMATION

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 together with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and IRDAI's Corporate Governance Guidelines is annexed herewith as an Annexure -7.

The information in accordance with the provision of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is provided hereunder:

CONSERVATION OF ENERGY

- (i) the steps taken or impact on conservation of energy;
- (ii) the steps taken by the Company for utilizing alternate sources of energy
- (iii) the capital investment on energy conservation equipments;

As your Company is not a manufacturing Company, the provisions relating to conservation of energy is not applicable to your Company.

Your Company has installed solar panels which are used for office lighting as proactive measure to reduce the carbon footprint.

TECHNOLOGY ABSORPTION

1) The efforts made towards technology absorption:

Max Bupa has made significant strides in the areas of technology enablement and technology leverage across business functions. One of the key enablers has been the successful launch of a fully automated platform for managing Group business. Max Bupa also launched a new responsive portal to provide seamless access to the new group policy admin system and acts as a chassis for all Bancassurance (affinity) relationships and provides full integration capabilities via robust web services (API) framework. We have also enhanced our existing CRM platform to build capabilities for agent on-boarding and agent registration, marketing campaigns, outbound calling and claims servicing. Basis this, the old platform has been decommissioned and is no more in use. This initiative also completed overall

CRM automation roadmap which was undertaken 3 years ago.

We launched a new mobile application for our customers (Android and iOS version) to enable product information, policy information, OPD services, pharmacy services, medical records storage (health locker), wellness ecosystem capabilities and information nuggets etc. to improve customer experience and connect.

Multiple enhancements have been made across core applications and systems to improve productivity and seamless automation capabilities for our platforms based on business needs, regulatory requirements etc. We have launched Fraud & Investigation capabilities for Group business (this was already available for retail channel). We also enabled capabilities for cross sell and upsell across chosen product and benefit combinations thereby improving the connect and spread across customers. Upsell and cross sell has been enabled on website, physical form, mobile app and TPD sourcing channels.

2) The benefits derived from technology improvement, cost reduction, new technological development and import substitution:

Our mobile app offerings for sales teams to enable the buying journey are now trending at high levels of adoption for Agency leading to more online payments, lesser documentation and thus helping improve customer experience. Banca platform which is leveraged for automating selling for bancassurance tie ups saw an upward adoption of business sourcing.

CRM platform has been extended to renewals and branch operations teams, thereby increasing functional usage and benefits.

Our analytics landscape comprising of business intelligence (BI) solution has been significantly enhanced and availability of business insights to decision makers has been improved through addition of analytics BI reports.

We have enabled dashboards for monitoring key processes such as Pre Authorization, claims performance etc. which enable faster visibility, decision making and process improvements for core operations teams and thereby help service customers better.

3) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

- i) the details of technology imported - Not Applicable
- ii) the year of import - Not Applicable
- iii) whether the technology been fully absorbed - Not Applicable

4) **The expenditure incurred during the year on Research and Development:**

Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(Rs. in thousands)

#	Particular	For the year ended March 31, 2019	For the year ended March 31, 2018
i)	Foreign Exchange Earnings	Nil	Nil
ii)	Foreign Exchange Outgo		
	CIF Value of Imports		
	- Capital Goods	43,697	22,727
	- Trading Goods	Nil	Nil
	Others	10,030	3,080

39. COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

During the year, the Company has complied with the applicable provisions of the Secretarial Standard on meetings of the Board of Directors ('SS-1') and the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India.

40. ACKNOWLEDGEMENTS

The Directors wish to place on record their deep appreciation for the hard work, dedicated efforts, teamwork and professionalism shown by the employees and the agent advisors, which have enabled your Company to establish itself amongst the leading Health Insurance companies in India.

Your Directors take this opportunity to express their sincere thanks to valued customers for their continued patronage.

Your Directors also express gratitude to the Insurance Regulatory and Development Authority of India, the Reserve Bank of India, Central and State Governments and the joint venture partners, Max India Limited and Bupa Singapore Holdings Pte. Ltd. for their continued cooperation, support and assistance.

For and on behalf of the Board of Directors

Rajesh Sud
Chairman of the Board and Director
DIN - 0002395182

Ashish Mehrotra
Chief Executive Officer & Managing Director
DIN - 0007277318

Place: New Delhi

Date: May 23, 2019

LIST OF ANNEXURES

S.No	Particulars	Relevant Rules	Relevant form	Annexure No.
1.	Disclosures for the Financial Year 2018-19 as per Corporate Governance Guidelines	IRDA Corporate Governance Guidelines	NA	1
2.	Contracts and arrangements with Related Parties	Section 188 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	Form AOC-2	2
3.	Extract of Annual Return	Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014	Form MGT-9	3
4.	Nomination and Remuneration Policy	Section 134 (3)(e) of the Companies Act, 2013	Policy Copy	4
5.	CSR Report	Section 134 (3)(o) of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014)	NA	5.
6.	Secretarial Audit Report	Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Form MR -3	6
7..	Particulars of Employees	Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NA	7

ANNEXURE 1.

Disclosures for the Financial Year 2018-19 as per IRDA Corporate Governance Guidelines

1) During the Financial Year 2018-19, the following Committee and Board Meetings were held:-

S.No	Name of the Committee and Board	Date of Holding the Meetings								
1.	Audit Committee Meeting	April 24, 2018	May 21, 2018	July 05, 2018	July 31, 2018	October 05, 2018	October 25, 2018	January 08, 2019	January 30, 2019	N.A
2.	Investment Committee Meeting	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 25, 2018	N.A	January 31, 2019	N.A
3.	Asset Liability Management Committee	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 25, 2018	N.A	January 31, 2019	N.A
4.	Policyholder's Protection Committee Meeting	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 25, 2018	N.A	January 30, 2019	N.A
5.	Product and Actuarial Committee Meeting	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 26, 2018	N.A	January 30, 2019	N.A
6..	Risk Committee Meeting	N.A	May 21, 2018	N.A	July 31, 2018	N.A	October 26, 2018	N.A	January 30, 2019	N.A
7.	Nomination and Remuneration Committee Meeting	N.A	May 21, 2018	N.A	July 31, 2018	N.A	October 26, 2018	N.A	January 30, 2019	February 26, 2019
8.	Board Meeting	N.A	May 22, 2018	N.A	July 31, 2018	N.A	October 26, 2018	N.A	January 31, 2019	February 26, 2019
9.	Corporate Social Responsibility Meeting	N.A	N.A	N.A	N.A	N.A	N.A	N.A	January 30, 2019	N.A

2) Constitution of the Board, number of meetings held and attendance by Directors during the year 2018-2019

S.No.	Name of the Director	No. of Board Meetings held	No. of Board Meetings attended
1.	Rahul Khosla*	5	3
2.	Rajesh Sud	5	5
3.	David Martin Fletcher	5	4
4.	Mohit Talwar	5	3
5.	Marielle Theron	5	5
6.	Joy Linton	5	5
7.	John Lorimer**	5	2
8.	K Narasimha Murthy	5	4
9.	Pradeep Pant	5	4
10.	Burjor P. Banaji	5	1
11.	Dinesh Kumar Mittal	5	3
12.	Simeon Preston***	3	3
13.	Ashish Mehrotra	5	5

* Ceased as member of the Board w.e.f. April 26, 2019

** Ceased as member of the Board w.e.f. October 01, 2018.

*** Appointed as member of the Board w.e.f. October 01, 2018

Leave of absence was granted to the Members who could not attend Board meetings.

3) Constitution of the Audit Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
K. Narasimha Murthy	8	8
Pradeep Pant	8	7
David Martin Fletcher	8	7

Leave of absence was granted to the Members who could not attend Audit Committee meetings.

4) Constitution of the Investment Committee, number of meetings held and attendance by the Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Joy Linton	4	4
Marielle Theron	4	4
Ashish Mehrotra	4	4
Dinesh Kumar Mittal	4	2
Rahul Ahuja	4	4
Vikas Jain	4	4
Ramanan AV*	1	1
Satyanandan Atyam**	1	1

* Mr. Ramanan AV attended the meeting as the member of the Investment Committee w.e.f. January 31, 2019.

** Mr. Satyanandan Atyam became the member of the investment committee w.e.f. October 26, 2018.

Leave of absence was granted to the Members who could not attend Investment Committee meetings.

- 5) Constitution of the Asset Liability Management Committee, number of meetings held and attendance by the Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Joy Linton	4	4
Marielle Theron	4	4
Ashish Mehrotra	4	4
Dinesh Kumar Mittal	4	2
Rahul Ahuja	4	4
Vikas Jain	4	4
Satyanandan Atyam*	1	1
Ramanan AV**	1	1

*Mr. Satyanandan Atyam became the member of the asset liability management committee w.e.f. October 26, 2018.

**Mr. Ramanan AV attended the meeting as the member of the Asset Liability Management Committee w.e.f. January 31, 2019.

Leave of absence was granted to the Members who could not attend Asset Liability Management Committee meetings.

- 6) Constitution of the Risk Committee, number of meetings held and attendance by the Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Simeon Preston*	2	2
John Howard Lorimer*	2	2
Mohit Talwar	4	2
Marielle Theron	4	4
K. Narasimha Murthy	4	4
Joy Linton	4	4
Dinesh Kumar Mittal	4	3

*Mr. Simeon Preston was appointed as the Chairman of the Risk Committee in place of Mr. John Howard Lorimer w.e.f. October 01, 2018 as Mr. John Howard Lorimer ceased from directorship of the Company w.e.f. October 01, 2018.

Leave of absence was granted to the Members who could not attend Risk Committee meetings.

- 7) Constitution of the Policyholders' Protection Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
David Martin Fletcher	4	3
Marielle Theron	4	4
John Howard Lorimer*	2	2
Burjor P. Banaji	4	3
Dinesh Kumar Mittal	4	3
Ashish Mehrotra	4	4
Vikas Gujral	4	4
Simeon Preston**	2	2

*Mr. John Howard Lorimer ceased to be a member of the Policyholders' Protection Committee w.e.f. October 01, 2018

**Mr. Simeon Preston became the member of the Policyholders' Protection Committee w.e.f. October 01, 2018.

Leave of absence was granted to the Members who could not attend Policyholders' Protection Committee meetings.

- 8) Constitution of the Product and Actuarial Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Marielle Theron	4	4
David Martin Fletcher	4	3
Joy Linton	4	4
Ashish Mehrotra	4	4
Ramanan AV*	1	1

*Mr. Ramanan AV attended the meeting as the member of the Product and Actuarial Committee w.e.f. January 30, 2019.

Leave of absence was granted to the Members who could not attend Product and Actuarial Committee meetings.

- 9) Constitution of the Nomination and Remuneration Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
K. Narasimha Murthy	5	4
Pradeep Pant	5	4
David Martin Fletcher	5	3
Rajesh Sud	5	5

Leave of absence was granted to the Members who could not attend Nomination and Remuneration Committee meetings.

- 10) Constitution of the Corporate Social Responsibility Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Dinesh Kumar Mittal	1	1
David Martin Fletcher	1	1
Marielle Theron	1	1

- 11) Details of Directors and their status of Directorship and qualifications as on March 31, 2019:

S.No	Particular	Status of Directorship	Qualifications and specialization
1.	Rajesh Sud DIN - 0002395182	Chairman And Non Executive Director	MBA from FMS, Delhi University, Advanced Management Program from Wharton Business School, University of Pennsylvania, Philadelphia, USA
2.	Rahul Khosla DIN - 0003597562	Co-Vice Chairperson and Non Executive Director	Bachelor degree with honors in Economics from St. Stephen, New Delhi and Chartered Accountant
5.	David Martin Fletcher DIN - 0007004032	Co-Vice Chairperson and Non Executive Director	BA honors Modern History, Durhan University, UK
3.	Mohit Talwar DIN - 0002394694	Non Executive Director	Post Graduation in Arts from St. Stephen's College and Post Graduation in Hospitality Management from the Oberoi School.
4.	Marielle Theron DIN - 0002667356	Non Executive Director	BSC in Statistics and Actuary Science Fellow of society of Actuary
6.	Joy Carolyn Linton DIN - 0007630925	Non Executive Director	Bachelor of Commerce

S.No	Particular	Status of Directorship	Qualifications and specialization
7.	Simeon Preston DIN-03517416	Non Executive Director	Master of Business Administration
8.	K Narasimha Murthy DIN - 0000023046	Independent Director	B.SC, FCA, FCMA
9.	Pradeep Pant DIN -0000677064	Independent Director	Master in Management Studies
10.	Burjor P. Banaji DIN - 0001341783	Independent Director	Medical School Postgraduate
11.	Dinesh Kumar Mittal DIN - 00040000	Independent Director	Master's in Physics
12.	Ashish Mehrotra DIN - 0007277318	Managing Director and Chief Executive Officer	Graduate in Business Management and MBA

- 12) Your Company did not pay any remuneration to the Directors other than sitting fees to Independent Directors.
- 13) There was no pecuniary relationships or transactions of the Non-Executive Directors with the Company during the Financial Year 2018-19.
- 14) Disclosure in respect of Remuneration or Commission, if any, received by Managing or Whole-Time Director of your Company from the Holding company or Subsidiary company, who is also in receipt of commission from the Company.

No remuneration or Commission were received by Managing Director or Whole Time Director of the Company from the Holding Company or Subsidiary Company during the year.

15) Sitting Fees

Your Company has paid sitting fees to its Non-Executive - Independent Directors namely Mr. K.Narasimha Murthy, Mr. Pradeep Pant, Dr. Burjor P. Banaji and Mr. Dinesh Kumar Mittal for attending the Committee & Board meeting during Financial Year 2018 - 2019.

Details of which is hereunder:

Board Meeting /Committee Meeting	Total Meetings attended	Total amount paid in INR
Mr. K Narasimha Murthy		
Board Meeting	4	4,00,000/-
Audit Committee	8	8,00,000/-
Risk Committee	4	4,00,000/-
Nomination and Remuneration Committee	4	4,00,000/-
Independent Directors Meeting	1	1,00,000/-
Mr. Pradeep Pant		
Board Meeting	4	4,00,000/-
Audit Committee	7	7,00,000/-
Nomination and Remuneration Committee	4	4,00,000/-
Independent Directors Meeting	1	1,00,000/-
Mr. Burjor P. Banaji		
Board Meeting	1	1,00,000/-
Policyholders Protection Committee Meeting	3	3,00,000/-
Mr. Dinesh Kumar Mittal		
Board Meeting	3	3,00,000/-
Investment Committee	2	2,00,000/-

Board Meeting /Committee Meeting	Total Meetings attended	Total amount paid in INR
Asset Liability Management Committee	2	2,00,000/-
Policyholders protection Committee Meeting	3	3,00,000/-
Risk Committee	3	3,00,000/-
Corporate Social Responsibility Meeting	1	1,00,000/-
Independent Directors Meeting	1	1,00,000/-

For and on behalf of the Board of Directors

Ashish Mehrotra

**Chief Executive Officer
& Managing Director**

Address:-401, Ann Abode Apartments, St Martin Road,
Bandra West, Mumbai, 400050, Maharashtra, India.

DIN - 07277318

Rajesh Sud

Chairman and Director

Address - E-801, Central Park-1, Sector-42, Sector
Road, Gurgaon - 122002

DIN - 02395182

Place: New Delhi

Date: May 23, 2019

Certification from the Compliance Officer

I, Rajat Sharma, hereby certify that the Company has complied with the requirements of Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Sd/-

Rajat Sharma

Company Secretary

Membership No - F7069

Address: B1/ I2, Mohan Co-operative Industrial Area,
Mathura Road, New Delhi 110044,
India.

Place: New Delhi

Date: May 23, 2019

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

I. Details of contracts or arrangements or transactions not at arm's length basis

NONE

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts / arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions
- f) date(s) of approval by the Board
- g) Amount paid as advances, if any:
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

II. Details of material contracts or arrangement or transactions at arm's length basis

(1) Group Health Insurance Cover (Family Floater) to the employees of Max India Limited

- a) Name(s) of the related party and nature of relationship: -
 - Max India Limited Holding Company
- b) Nature and duration of contracts/arrangements/transactions: -
 - Group Health Insurance Cover (Family Floater)
 - Max Bupa shall provide Group Health (Family Floater) for the employees of Max India Limited
 - Agreement shall be for the period commencing from May 13, 2018 to May 12, 2019
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - The total contract value is Rs. 21,94,800/- (including GST).
- d) Date (s) of approval by the Audit Committee: 13.05.2018
- e) Amount paid in advance, if any: NIL

(2) Group Health Insurance Cover (Family Floater) to the employees of Max Financial Services Limited

- a) Name(s) of the related party and nature of relationship: -
 - Max Financial Services Limited (not a related party as per the Companies Act, 2013)
- b) Nature and duration of contracts/arrangements/transactions:-
 - Group Health Insurance Cover (Family Floater)
 - Max Bupa shall provide Group Health (Family Floater) for the employees of Max Financial Services Limited
 - Agreement shall be for the period commencing from May 13, 2018 to May 12, 2019.
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - The total contract value is Rs. 12,27,200/- (including GST).
- d) Date (s) of approval by the Audit Committee: if any: 13.05.2018
- e) Amount paid in advance, if any: NIL

(3) Group Health Insurance Cover (Family Floater) to the employees of Antara Purukul Senior Living Limited

- a) Name(s) of the related party and nature of relationship:-
 - Antara Purukul Senior Living Limited Fellow Subsidiary
- b) Nature and duration of contracts/arrangements/transactions:-
 - Group Health Insurance Cover (Family Floater)

- Max Bupa shall provide Group Health (Family Floater) for the employees of Antara Purukul Senior Living Limited
 - Period of coverage commencing from June16, 2018 to June 15, 2019.
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- The total contract value is Rs. 5,30,887/- (including GST).
- d) Date (s) of approval by the Audit Committee: if any: 16.06.2018
- e) Amount paid in advance, if any: NIL

(4) Group Health Insurance Cover (Family Floater) to the employees of Antara Senior Living Limited

- a) Name(s) of the related party and nature of relationship:-
- Antara Purukul Senior Living Limited Fellow Subsidiary
- b) Nature and duration of contracts/arrangements/transactions:-
- Group Health Insurance Cover (Family Floater)
 - Max Bupa shall provide Group Health (Family Floater) for the employees of Antara Senior Living Limited
 - Period of coverage commencing from June16, 2018 to June 15, 2019.
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- The total contract value is Rs. 10,60,820/- (including GST).
- d) Date (s) of approval by the Audit Committee: if any: 16.06.2018
- e) Amount paid in advance, if any: NIL

(5) Sales & Service Training to Employees, Agents and Staff of Bank Partners of Max Bupa Health Insurance Company Limited

- a) Name(s) of the related party and nature of relationship: -
- Max Skill First Limited Fellow Subsidiary
- b) Nature and duration of contracts/arrangements/transactions: -
- Sales & Service Training to employees, agents and staff to bank partners of Max Bupa Health Insurance Company Limited
 - Amendment proposed to the existing contract:
 - Due to expansion of business in Bancassurance and Agency functions, additional requirement of 7 trainers is proposed
 - Increase in commercials by INR 0.81 Crores (annual), distributed as follows:
 - INR 0.57 crores for expansion towards HDFC Bank relationship
 - INR 0.24 crores for expansion in Agency Function
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- The total contract value for FY 2018-19 will not exceed INR 6.64 Crores (inclusive of the revisions) and annual Bonus based on MOS achievement not exceeding INR 0.30 Crores.
- d) Date (s) of approval by the Audit Committee: October 05, 2018
- e) Amount paid in advance, if any: NIL

(6) Reimbursement of cost of membership of Delhi Golf Club Limited

- a) Name(s) of the related party and nature of relationship: -
- Max Financial Services Limited (not a related party as per the Companies Act, 2013)
- b) Nature and Duration of contracts/arrangements/transactions: -
- Reimbursement of cost of membership of Delhi Golf Club.
 - Reimbursement of cost of membership of Delhi Golf Club Limited for the period July 03, 2018 to August 07, 2021 for Mr. Ashish Mehrotra (Chief Executive Office and Managing Director)

- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - Max Financial Services Limited has bought a membership with Delhi Golf Club for CEO & MD of Max Bupa as part of his approved remuneration on cost basis and without any markup is to be reimbursed to Max Financial Services Limited.
- d) Date(s) of approval by the Audit Committee, if any: October 05, 2018
- e) Amount paid as advances, if any: NIL

(7) Functional Support Agreement with Max India Limited

Name(s) of the related party and nature of relationship: -

- Max India Limited Holding Company
- a) Nature and Duration of contracts/arrangements/transactions:-
 - Functional Support Agreement
 - Max India shall provide Functional Support through its various departments to Max Bupa in respect of Max Bupa's business/operations, as mutually agreed upon between the Parties.
 - An addendum agreement for a period of 1 year commencing 1st April 2018 for a contract value not exceeding INR 10 crores.
 - b) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - The total contract value for the year 2018-19 will not exceed INR 10 Crores.
 - c) Date(s) of approval by the Audit Committee, if any: 23.02.2019
 - d) Amount paid as advances, if any: NIL

Annexure - 3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS

(i)	CIN - U66000DL2008PLC182918
(ii)	Registration Date - September 5, 2008
(iii)	Name of the Company - Max Bupa Health Insurance Company Limited
(iv)	Category / Sub-Category of the Company - Public Unlisted Company
(v)	Address of the Registered office and contact details - Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020
(vi)	Whether listed company - NO
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any - Name - MAS Services Limited. Address - T - 34, IInd Floor Okhla, Industrial area, Phase - II, New Delhi - 110020 Contact No. - 011-26387281. Email Address - info@masserv.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.NO.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Standalone Health Insurance Company	6512 (NIC 2008)	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.NO.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Max India Limited Address - Bhai Mohan Singh Nagar, Rail Majra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533	L85100PB2015PLC039155	Holding Company	51	2(46)

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)(i) **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoters									
1 Indian									
a) Individual/HUF	Nil	30	30	0.0000032	30	Nil	30	0.0000031	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	408029970	64,230,000	472,259,970	50.9999968	500,309,970	Nil	500,309,970	50.9999969	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1)	408029970	64,230,030	472,260,000	51	500,310,000	Nil	500,310,000	51	Nil
2 Foreign									
a) NRIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b)	Individuals	Nil	30	30	0.0000032	Nil	30	30	0.0000031	Nil
c)	Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d)	Bodies Corp.	206540000	247199970	453739970	48.9999968	480,689,970	Nil	480,689,970	48.9999969	6%
e)	Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f)	Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2)		206540000	247,200,000	453,740,000	49	480,689,970	30	480,690,000	49	Nil
Total shareholding of Promoter (A) = (A)(1)+(A)(2)		614,569,970	311,430,030	926,000,000	100	980,999,970	30	981,000,000	100	6%
B Public Shareholding										
1 Institutions										
a)	Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b)	Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)	Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d)	State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g)	FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h)	Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i)	Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2 Non-Institutions										
		-	-	-	-	-	-	-	-	
a)	Bodies Corp. i) Indian ii)Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b)	Individuals i) Individual shareholders holding nominal share capital upto Rs. 1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)	c. Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B) = (B)(1)+ (B)(2)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C Shares held by Custodian for GDRs & ADRs		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)		614,569,970	311,430,030	926,000,000	100	980,999,970	30	981,000,000	100	6%

(ii) Shareholding of Promoters

#	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s Max India Limited	472,259,970	50.9999968	Nil	500,309,970	50.9999969	Nil	
2	Mr. Mohit Talwar*	10	0.0000032	Nil	10	0.0000031	Nil	Nil
3	Mr. Sujatha Ratnam*	10		Nil	10		Nil	Nil
4	Mr. Jatin Khanna*	10		Nil	10		Nil	Nil
5	M/s Bupa Singapore Holdings Pte. Ltd.	453,739,970	48.9999968	Nil	480,689,970	48.9999969	Nil	
6	Mr. David Martin Fletcher**	10	0.0000032	Nil	10	0.0000031	Nil	Nil
7	Mr. John Howard Lorimer**	10		Nil			Nil	Nil
8	Ms. Joy Carolyn Linton**	10		Nil	10		Nil	Nil
9	Mr. Simeon Preston**	Nil		Nil	10		Nil	Nil
Total		926,000,000	100%	NIL	981,000,000	100%	NIL	NIL

* holding the shares as nominees of M/s Max India Limited in terms of Section 89 of the Companies Act, 2013

** holding the shares as nominees of M/s Bupa Singapore Holdings Pte. Ltd in terms of Section 89 of the Companies Act, 2013

Also, change in nomination of 10 equity shares of Rs. 10/- each from Mr. John Howard Lorimer to Mr. Simeon Preston w.e.f. January 10, 2019.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

#	Particular	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
i	Max India Limited	472,260,000	51	472,260,000	51
ii	Bupa Singapore Holdings Pte Ltd	453,740,000	49	453,740,000	49
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
a)	Allotment during the Year				
	Allotment made on 27.09.2018				
	Max India Limited	7,650,000	51	479,910,000	51
	Bupa Singapore Holdings Pte Ltd	7,350,000	49	461,090,000	49
	Allotment made on 10.01.2019				
	Max India Limited	14,280,000	51	494,190,000	51
	Bupa Singapore Holdings Pte Ltd	13,720,000	49	474,810,000	49
	Allotment made on 26.02.2019				
	Max India Limited	6,120,000	51	500,310,000	51
	Bupa Singapore Holdings Pte Ltd	5,880,000	49	480,690,000	49
3	At the End of the year	981,000,000	100*	981,000,000	100*

* Nominee shareholders are holding 10 equity shares of Rs. 10/- each as nominee shareholders of Max India Limited and Bupa Singapore Holdings Pte Ltd

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) - ENTIRE SHAREHOLDING IS HELD BY MAX INDIA LIMITED AND BUPA SINGAPORE HOLDINGS PTE LTD AS JOINT VENTURE PARTNERS AND PROMOTER OF THE COMPANY

#	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

(v) Shareholding of Directors and Key Managerial Personnel in the Company - DIRECTORS OF THE COMPANY ARE HOLDING 10 EQUITY SHARES OF THE COMPANY AS A NOMINEE SHAREHOLDER OF JOINT VENTURE PARTNERS I.E. MAX INDIA LIMITED AND BUPA SINGAPORE HOLDINGS PTE LTD. FURTHER NO SHARE ARE HELD BY KMP DURING THE FY 2018-19

#	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year			—	—
a)	Mr. Mohit Talwar	10	0.00001	10	0.00001
b)	Mr. David Martin Fletcher	10	0.00001	10	0.00001
c)	Mr. John Howard Lorimer *	10	0.00001	Nil	Nil
d)	Ms. Joy Carolyn Linlon	10	0.00001	10	0.00001
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO ALLOTMENT DURING THE YEAR TO THE NOMINEE SHAREHOLDERS. HENCE, NO CHANGE			
3	At the End of the year			—	—
a)	Mr. Mohit Talwar	10	0.00001	10	0.00001
b)	Mr. David Martin Fletcher	10	0.00001	10	0.00001
c)	Mr. Simeon Preston*	10	0.00001	10	0.00001
d)	Ms. Joy Carolyn Linton	10	0.00001	10	0.00001

*Change in nomination of 10 equity shares of Rs. 10/- each from Mr. John Howard Lorimer to Mr. Simeon Preston w.e.f. January 10, 2019.

(vi) INDEBTEDNESS (Indebtedness of the Company including interest outstanding/accrued but not due for payment)

	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i	Principal Amount	Nil	Nil	Nil	Nil
ii	Interest due but not paid 2	Nil	Nil	Nil	Nil
iii	Interest accrued but not	Nil	Nil	Nil	Nil
	Total (i+ii+iii)	Nil	Nil	Nil	Nil
	Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
i	Addition	Nil	Nil	Nil	Nil
ii	Reduction	Nil	Nil	Nil	Nil
	Net Change	Nil	Nil	Nil	Nil
	Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i	Principal Amount	Nil	Nil	Nil	Nil
ii	Interest due but not paid	Nil	Nil	Nil	Nil
iii	Interest accrued but not	Nil	Nil	Nil	Nil
	Total (i+ii+iii)	Nil	Nil	Nil	Nil

(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A** Remuneration to Managing Director, Whole-time Directors and/or Manager:

	Particulars of Remuneration to Mr. Ashish Mehrotra	Total Amount (in Rs.)
1	Gross salary	
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,647,748
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	417,696
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission ·	0
	a as % of profit ·	
	b. others, specify	
5	Others, please specify	0
	Total (A)	50,065,444

Ceiling as per the Companies Act, 2013 - THERE IS NO LIMIT UNDER COMPANIES ACT, 2013 FOR MANAGERIAL REMUNERATION. BEING AN INSURANCE COMPANY, PAYMENT TO WHOLE TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER IS GOVERNED BY INSURANCE ACT, 1938

B Remuneration to other directors

Particulars of Remuneration	Name of Directors				Total Amount
	Mr. K Narasimha Murthy	Mr. Pradeep Pant	Mr. Burjor p. Banaji	Mr. Dinesh Kumar Mittal	
Independent Directors					
Fee for attending Board / Committee meetings	2,100,000	1,600,000	400,000	1,500,000	5,600,000
Commission	Nil	Nil	Nil	Nil	Nil
Others, please specify - Travelling Expenses	Nil	Nil	Nil	Nil	Nil
Total (1)	2,100,000	1,600,000	400,000	1,500,000	5,600,000
Other Non-Executive Directors					
Fee for attending Board / Committee meetings	Nil	Nil	Nil	Nil	Nil
Commission	Nil	Nil	Nil	Nil	Nil
Others, please specify	Nil	Nil	Nil	Nil	Nil
Total (2)	0	0	0	0	0
Total (B)=(1+2)	2,100,000	1,600,000	400,000	1,500,000	5,600,000
Total Managerial Remuneration under Companies Act 2013	2,100,000	1,600,000	400,000	1,500,000	4,400,000
Overall Ceiling as per the Companies Act 2013 (for sitting fee per meeting)	100,000	100,000	100,000	100,000	100,000

Annexure - 4

NOMINATION AND REMUNERATION POLICY

Max Bupa Health Insurance Company Limited

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of Max Bupa Health Insurance Company Limited ("Max Bupa" or "Company") is required to constitute the Nomination and Remuneration Committee ("NRC" or "the Committee"). The Company has in place a NRC comprising of 4(four) non-executive Directors, of which 2(two) are Independent Directors as required under section 178 of the Companies Act, 2013. The said Committee is currently discharging all obligations of NRC.

This Committee and the Policy are formulated in compliance with Section 178 of the Companies Act, 2013 read along with Corporate Governance Guidelines for Insurance Companies issued by IRDAI, in this regard.

II. DEFINITIONS

"Board" means Board of Directors of the Company.

"Company" means "Max Bupa Health Insurance Company Limited."

"Director" means a director appointed to the Board of the Company.

"Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) means

- a) Chief Executive Officer or the Managing Director or the Manager,
- b) Company Secretary,
- c) Whole-time Director,
- d) Chief Financial Officer and
- e) Such other officer as may be prescribed.

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

"Policy or This Policy" means, "Nomination and Remuneration Policy."

"Remuneration" means any money or its equivalent given or passed to any person for services rendered

by him / her and includes perquisites as defined under the Income-tax Act, 1961.

"Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Chief Executive Officer, Whole Time Director or Managing Director, including all the functional heads.

III. GUIDING PRINCIPLES

The Policy ensures that

- a) The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c) The Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Policy shall be disclosed in the Board's Report.

IV. ROLE OF THE COMMITTEE

The role of the Committee shall be to ensure compliance of the relevant provisions of the Companies Act, 2013 and various other obligations as mentioned in the Charter of the Nomination and Remuneration Committee as approved by the Board of Directors from time to time.

V. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person being appointed as Director, KMP or at Senior Management level and recommend to

the Board his / her appointment.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-time Director/Manager who has attained the retirement age as per Company Policy.

VI. TERM AND TENURE

- a) **Managing Director/Whole-time Director (Managerial Person):** The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:**
 - i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - ii) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
 - iii) For the purpose of determining the term of independent directors, the existing term of the Independent Directors as on April 1, 2014 shall not be counted a term for above clauses.

VII. EVALUATION

The Committee shall carry out evaluation of performance of every Director at a yearly interval, in accordance with Section 178 of the Companies Act, 2013, and present a report thereon to the Board of Directors.

VIII. REMOVAL

Due to reasons for any disqualification mentioned in

the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

IX. RETIREMENT

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

X. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

- a) **Remuneration of CEO and Managing Director:**
The remuneration of CEO, Whole Time Director and Managing Director inclusive of fixed pay, perquisites, allowances, short term/long-term incentives, retirals, and other components, will be determined by the Committee and recommended to the Board for approval. Wherever required, the remuneration of CEO, Whole Time Director and Managing Director shall be subject to the approval of the shareholders of the Company, Central Government and / or Insurance Regulatory Development Authority of India (IRDAI), in accordance with applicable provisions.

The remuneration and commission to be paid to CEO, Whole Time Director and Managing Director shall be as per the applicable statutory provisions of the Companies Act, 2013 read with the Insurance Act, 1938 and amendments and rules made there-under for the time being in force.

- b) **Remuneration to KMP and Senior Management:**

KMP (other than Whole Time Director and Managing Director) and Senior Management shall be eligible for a remuneration inclusive of fixed pay, perquisites, allowances, short term/ long term incentives, retirals and other components as may be approved by NRC and as per compensation strategy / framework of the Company from time to time.

XI. REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR:

a) Commission to Independent Director

Subject to the approval of Board and Shareholders in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under, the Independent Directors may be paid profit linked commission from time to time.

Subject to the overall limit in this regard, the Board may, with mutual agreement with such director, determine and pay different commission, to each independent director.

b) Sitting Fees

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Engagement for Professional Services

The Company may, in line with applicable provisions of Companies Act, 1938, read with Insurance Act, 1938 and amendments and rules there under, wherever applicable, engage any non – executive director to provide professional services from time to time. Any such engagement for professional services shall be made if NRC of the Company is of the opinion that the Director possesses the requisite qualification for practice of profession.

XII. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary, in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

XIII. OWNER OF THE POLICY

The Policy is owned by Nomination and Remuneration Committee of the Company and shall be administered by the Director and Chief Human Resources Officer.

Annexure-5

Annual Report on Corporate Social Responsibility (CSR) activities

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company shall undertake CSR Activities in all or any of the CSR Activities as per the Companies Act, however, it shall give primary importance to the Company's CSR Identified Sectors as follows.

 - i. Health, Hygiene & Sanitation
 - a. Supporting and facilitating surgery and high-end treatment for underprivileged Indian patients
 - b. Preventive healthcare for underprivileged Indian patients in identified geographies
 - c. Health camps including immunization camps for underprivileged in identified geographies where Max Group has its presence
 - d. Blood donation camps in Max Bupa Insurance agency offices
 - e. Disability support including artificial limbs and polio callipers support
 - f. Health awareness, including cancer awareness prevention, screening and treatment support for the needy.
 - g. Personal hygiene training and support in those villages which have been adopted by the Company and in those locations where Health and Immunization camps are organized by the Company
 - h. Environmental awareness and care in and around the selected areas of operations of the Company. Propagation of a clean healthy environment to ensure good health. Encourage and facilitate plantation drives.
 - i. Waste management and correct waste disposal – awareness and implementation primarily in adopted villages and in identified locations where the Company has its offices
 - j. Clean drinking water primarily in adopted villages and schools for underprivileged children
 - ii. Nutrition
 - a. Awareness on how to ensure true nutritious meal to family.
 - b. Vitamin A (children 0-5 years) and other supplements for underprivileged women and children.
 - c. Nutritional support through NGOs to underserved children.
 - iii. Livelihood

Vocational training and creating & supporting Self Help Groups for women, adolescent girls and youth in villages adopted by the Company. The vocations for which training will be provided will be focused on health related issues where possible, identified basis the inherent skill sets and commercial opportunities for those vocations in and around the adopted villages.
 - iv. Health Insurance Awareness
 - a. Health insurance awareness for students in schools and colleges through simple to understand material in identified locations where Max Bupa Insurance has its offices.
 - b. Health insurance awareness to underprivileged in cities where Max Bupa Insurance has owned offices and villages adopted by Max Bupa Insurance.
 - c. Encourage households to enroll in Government promoted health insurance schemes.
 - v. Education
 - a. Provide support to schools to promote education by providing books, education aids, black boards and equipment for sports & other extra-curricular activities and basic infrastructure.
 - b. Education support should be provided in villages adopted by the Company and volunteering activities under Pehal.
- k. Sewerage system and management in adopted villages.

vi. NGOs support in above mentioned areas

- a. Provide support to existing activities of NGOs.
- b. Involve employees in identifying NGOs in their geographical areas and create tailored volunteering programme within specified budget and timeline.

vii. Disaster Support

Provide material and financial support to local communities in case of any disaster.

The Policy is published in the website of the Company i.e. and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/board-of-directors.aspx>

2. The Composition of the CSR Committee as on date of the Board Report:

- i. Mr. Dinesh Kumar Mittal (Independent Director): Chairman.
- ii. Ms. Marielle Theron : Member
- iii. Mr. David Martin Fletcher: Member

3. Average net profit of the Company for last three financial years:

Details of net profits (Profit Before Tax) earned by Max Bupa during the three immediately preceding financial years are as under:

Financial Years	Profit Before Tax (in Rs. Lakhs)
2015-16	(6,850)
2016-17	(368)
2017-18	2,284
Average Profit	(1,645)
2% of Average Profit	(32.89)

4. Prescribed CSR Expenditure (two per cent of the average net profit): NIL

5. Details of CSR spend during the financial year 2018-19:

- a. Total amount to be spent for the financial year - 2018-19: Nil
- b. Amount unspent, if any: Not applicable
- c. Manner in which the amount was spent during the financial year is detailed below: Not Applicable

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report:

It is to be noted that the Company registers a negative profit based on the preceding three years' average net profit and accordingly, the Company does not have to spend any amount on CSR activities for FY 2019.

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the company.

For and on behalf of the Board of Directors

Place: New Delhi
Date: May 23, 2019

Ashish Mehrotra
Chief Executive Officer & Managing Director
DIN - 07277318

Dinesh Kumar Mittal
Chairman of the Committee
DIN - 00040000

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

The Members

Max Bupa Health Insurance Company Limited

B 1/ 1-2, Mohan Co-Operative Industrial Area, Mathura Road, New Delhi 110044

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Max Bupa Health Insurance Company Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): Not Applicable
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
 - 1. Insurance Regulatory and Development Authority of India Act, 1999,
 - 2. Insurance Act, 1938 and Rules, Regulations & Guidelines issued thereunder, including circulars issued from time to time

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Not Applicable

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has the following specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Amendment in the Memorandum of Association of the Company for increase in the Authorized Share Capital from Rs. 1000 Crore divided in 100 Crore shares of Rs. 10 each to Rs. 1500 Crore divided in 150 Crore shares

of Rs. 10 each at its Annual General Meeting held on 31.07.2018.

2. Issue of 4,80,00,000 Equity Shares of Rs. 10 each fully paid up for cash in one or more tranches on right issue basis approved in its Board meeting held on 31.07.2018 in proportion of 1 Equity Shares for every 19.291 Equity Shares.
3. Allotment of 1,50,00,000 Equity Shares at Rs.10 each fully paid up by way of right issue to the existing shareholders of the Company via Resolution by Circulation dated 27.09.2018.
4. Allotment of 2,80,00,000 Equity Shares at Rs.10 each fully paid up by way of right issue to the existing shareholders of the Company via Resolution by Circulation dated 10.01.2019.
5. Issue of 1,20,00,000 Equity Shares at Rs.10 each fully paid up for cash on right issue basis approved in its Board meeting held on 31.01.2019 in proportion of 1 Equity Shares for every 80.75 Equity Shares.
6. Allotment of 1,20,00,000 Equity Shares at Rs.10 each fully paid up by way of right issue to the existing shareholders of the Company in its Board Meeting held on 26.02.2019.

For Chandrasekaran Associates
Company Secretaries

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

Date: 22.05.2019

Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

The Members

Max Bupa Health Insurance Company Limited

B 1/ 1-2, Mohan Co-Operative Industrial Area, Mathura Road, New Delhi 110044

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

Date: 22.05.2019

Place: Delhi

Annexure 7**PARTICULARS OF EMPLOYEES**

Pursuant to provisions of section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of remuneration of the employees are given below:

a. Top 10 Employee in terms of remuneration who were Employed throughout the financial year:who were in the receipt of remuneration aggregating Rs. 1,02,00,000 or more per annum

S No	Name	Designation	Remuneration Received (INR)	Nature of employment	Qualification	Experience	Date of commencement of employment	Age (years)	Last employment before joining the Company	% of Equity Capital held	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:
1	Ashish Mehrotra	Managing Director & CEO	50,065,444	CEO	Master of Business Administration	23	04-Nov-15	49	Citibank N.A, Global Consumer Bank	Nil	Nil
2	Rahul Ahuja	Chief Financial Officer	33,308,524	Finance	Chartered Accountant, Bachelor of Commerce	21	01-Jun-15	46	Max India Ltd.	Nil	Nil
3	Vikas Gujral	Chief Operating Officer	35,087,621	Chief Operating Officer	Master of Business Administration	21	26-Jul-16	44	Max Life Insurance Co. Ltd.	Nil	Nil
4	Anurag Gupta	Senior Vice President & Head - Agency Channel	12,910,651	Sales and Distribution	Post Graduate Diploma in Business Management	20	18-May-15	44	Max Life Insurance Co. Ltd.	Nil	Nil
5	Partha Banerjee	Director & Head - Legal, Compliance & Regulatory Affairs	12,621,192	Legal, Compliance & Secretarial	LLB	23	26-Oct-16	48	Chhanda Legal Associate	Nil	Nil
6	Anika Agarwal	SVP & Head-Marketing Digital and Direct Sales	11,938,993	Marketing	Post Graduate Diploma in Marketing Management	15	01-Nov-11	38	Nokia Corporation	Nil	Nil
7	Tarun Katyal	Director & Chief Human Resource Officer	10,554,796	Human Resource	Master Degree in Personnel Management and Industrial relation from Punjab University	26	12-Mar-2018	27	Sistema Shyam Teleservices Limited	Nil	Nil

- b. Top 10 Employee in terms of remuneration who were Employed for a part of the financial year: who were in the receipt of remuneration aggregating Rs. 8,50,000 per month.

S No	Name	Designation	Remuneration (INR)	Nature of employment	Qualification	Experi-ence	Date of commencement of employment	Age (years)	Last employment before joining the Company	% of Equity Capital held
1	Atul Bhandari*	SVP & Head-Bancassurance and alliances	1,27,84,905	Sales and Distribution	Master of Business Administration (IIM) + BE	14	01-Aug-16	41	Citi Bank	Nil

* Mr. Atul Bhandari resigned and left the service of the Company w.e.f. March 26, 2019

- c. Employee who was in receipt of remuneration in excess of that drawn by the Managing Director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:

S No	Name	Designation	Remuneration (INR)	Nature of employment	Qualification	Experi-ence	Date of commencement of employment	Age (years)	Last employment before joining the Company	% of Equity Capital held
NIL										

For and on behalf of the Board of Directors

Ashish Mehrotra

**Chief Executive Officer
& Managing Director**

DIN - 07277318

Address:- 401, Ann Abode Apartments,
St Martin Road, Bandra West,
Mumbai, 400050, Maharashtra, India.

Rajesh Sud

Chairman

DIN - 02395182

Address - E-801, Central Park-1, Sector-42, Sector Road,
Gurgaon - 122002

Place: New Delhi

Date: June 01, 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAX BUPA HEALTH INSURANCE COMPANY LIMITED Report on audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Max Bupa Health Insurance Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the related Revenue Account (also called the "Policyholders' Account", or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account", or "Non Technical Account"), and the Receipts and Payments Account for the year ended March 31, 2019 and summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations") and the Companies Act 2013 ("the Act") to the extent applicable and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to Insurance Companies:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- (b) in the case of the Revenue Account, of the net surplus for the year ended on that date;
- (c) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Insurance Act, the IRDA Act and the Regulations, Companies Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We invite attention to:

- Note no 16 C (13b) regarding treatment of investments. Our opinion is not modified in this matter.

Other Matter

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2019 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India ("the Authority") and the Actuarial Society of India in concurrence with IRDAI. We have relied upon the Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Our opinion is not modified in these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis report & Corporate Governance Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial

Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance and Receipts and Payments of the Company in accordance with the requirements of the Insurance Act read with IRDA Act, the Regulations orders/directions/circulars/guidelines issued by the Insurance Regulatory and Development Authority of India ('Authority'/'IRDAI') in this regard and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent applicable and in the manner so required.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

- I. As required by Regulations, we have issued a separate certificate dated 23'd May 2019, certifying the matters specified in paragraphs 3 and 4 of Schedule C to these Regulations.
2. Further, to our comments in the Certificate referred to above, as required under the Regulations, read with Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company, so far as it appears from our examination of those books;
 - (c) As the Company's financial accounting system is centralised, no returns for the purposes of our audit are prepared at the branches of the Company;
 - (d) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;
 - (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by (Accounting Standards) Amendment Rules, 2016 to the extent inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by the IRDA in this regard;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and/or orders/directions issued by the Authority in this regard;
 - (g) In our opinion and to the best of our information

and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013), and the Rules framed thereunder and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDAI in this regard;

- (h) On the basis of the written representations received from the Directors, as on March 31, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
- (i) With respect to requirements of section 197(16) of the Act, as amended, we report that managerial remuneration is governed u/s 34A of the Insurance Act, 1938 and requires IRDAI approval. Accordingly, the provisions of Section 197 read with schedule V to the Act are not applicable, and hence reporting under Section 197 (16) is not required. However, sitting fees paid to the Directors is in compliance with Section 197

of the Companies Act, 2013.

- (j) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in the **Annexure A**;
- (k) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its financial statements - Refer Note schedule 16 note C-1 in the Notes to Accounts forming part of financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C
Rakesh Nangia
Partner
Membership No. 070776
Place: Noida
Date: May 23, 2019

For M P Chitale & Co.
Chartered Accountants
Murtuza Vajihi
Partner
Membership No. 112555
Place: Mumbai
Date: May 23, 2019

"ANNEXURE A" TO THE INDEPENDENT AUDITORS'**REPORT**

(Referred to in paragraph 2(j) under 'Report on Other Legal and Regulatory Requirements' forming part of the Independent Auditors' Report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements **Max Bupa Health Insurance Company Limited ("the Company")** as of March 31, 2019, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note"), issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendments) Act, 2015 ("the Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 ("The IRDA Act"), the IRDA financial statement regulation order/directions issued by the Insurance Regulatory and Development Authority of India ("The IRDA") in this regard.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if Such Controls operated effectively in all material

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded, as necessary, to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C
Rakesh Nangia
Partner
Membership No. 070776
Place: Noida
Date: May 23, 2019

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India".

Other Matter

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2019 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary, as mentioned in "Other Matter" paragraph of our audit report on the financial statements of the Company as at and for the year ended March 31, 2019. In view of this, we did not perform any procedures relating to internal financial controls over financial reporting in respect of the valuation and accuracy of the actuarial valuation of estimate of claims IBNR and claims IBNER..

For M P Chitale & Co.
Chartered Accountants
Murtuza Vajihi
Partner
Membership No. 112555
Place: Mumbai
Date: May 23, 2019

INDEPENDENT AUDITORS' CERTIFICATE TO THE MEMBERS OF MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Referred to in our 'Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report of even date)

This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C to be read with Regulation 3 of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "Regulations").

Management Responsibility

The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/FA/059/03/2015 dated March 31, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDA"), which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

Auditors' Responsibility

Our responsibility, for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the "ICAI"), which include the concepts of test checks and materiality.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the "ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion

on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform audits and reviews of historical information and other assurance and related services engagements issued by the ICAI.

Opinion

Based on our audit of financial statements for the year ended March 31, 2019 and in accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by Max Bupa Health Insurance Company Limited ("the Company") for the year ended March 31, 2019, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2019, and on the basis of our review, there are no apparent mistakes in or material inconsistencies with the financial statements;
2. Based on the management representation and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDA;
3. We have verified the cash balances, to the extent considered necessary, and securities relating to the Company's investments as at March 31, 2019, by actual inspection or on the basis of certificates/confirmations received from the Custodian and/or Depository Participants appointed by the Company, as the case may be;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, relating to the application and investments of the Policyholders' Funds.

Restriction on Use

This certificate has been issued solely in compliance with the requirements of Schedule C of the Insurance Regulatory and Development Authority (Presentation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002, ("the Accounting Regulations"), read

with Regulation 3 of the Accounting Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care of for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing.

For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C
Rakesh Nangia
Partner
Membership No. 070776
Place: Noida
Date: May 23, 2019

For M P Chitale & Co.
Chartered Accountants
Murtuza Vajihi
Partner
Membership No. 112555
Place: Mumbai
Date: May 23, 2019

FORM-B-RA
MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Schedule	For the year ended Mar 31, 2019 (Rs.'000)	For the year ended Mar 31, 2018 (Rs.'000)
1 Premiums earned (Net)	1	6,594,788	5,758,542
2 Profit/(Loss) on sale/redemption of Investments		22,289	19,899
3 Others		-	-
4 Accretion/Amortisation of (Premium)/Discount		43,975	38,687
5 Interest, Dividend & Rent - Gross		270,855	240,888
Total (A)		6,931,907	6,058,016
1 Claims Incurred (Net)	2	3,556,426	2,890,226
2 Commission (Net)	3	308,500	238,288
3 Operating Expenses related to Insurance Business	4	3,574,727	2,905,561
4 Premium Deficiency		-	-
Being Expenses of Management over the allowable limit transferred to Profit and Loss Account*		(1,365,000)	(1,077,713)
Total (B)		6,074,653	4,956,362
Operating Profit/(Loss) [C= (A - B)]		857,254	1,101,654
Appropriations			
Transfer to Shareholders' Account		857,254	1,101,654
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		857,254	1,101,654
Significant Accounting Policies and Notes to Accounts	16		

The Schedules and accompanying notes referred to herein form an integral part of the Revenue Account

*As required by Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016, expenses of management incurred during the year ended March 31, 2019 in respect of Miscellaneous-"Health" & "PA" insurance business transactions in India by the Company have been fully recognized in the revenue account as expenses to the extent allowable as per regulations. As per the directions from IRDAI, expenses in excess of allowable limits, as per the Regulations have been transferred to Shareholders Accounts.

As per our Audit report of even date attached.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No. 002391C

Rakesh Nangia
Partner
Membership No. 070776
Place: Noida

For M P Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner
Place: Mumbai
Date: May 23, 2019

For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited

K. Narasimha Murthy
Director
DIN: 00023046

Rajat Sharma
Company Secretary
Mem No. FCS7069

Ramanan A V
Appointed Actuary
Mem No. 4992
Date: May 23, 2019

Rajesh Sud
Chairman & Director
DIN: 02395182

Ashish Mehrotra
CEO & Managing Director
DIN: 07277318

Rahul Ahuja
Chief Financial Officer

CIN - U66000DL2008PLC182918

FORM-B-BS
MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedule	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
Sources of Funds			
Share Capital	5	9,810,000	9,260,000
Reserves and Surplus	6	-	-
Fair Value Change Account - Shareholders		229	1,040
Fair Value Change Account - Policyholders		177	35
Borrowings	7	-	-
Total		9,810,406	9,261,075
Application of Funds			
Investments - Shareholders	8	3,299,421	3,000,576
Investments - Policyholders	8A	4,856,322	3,657,308
Loans	9	-	-
Fixed Assets	10	321,019	368,833
Current Assets:			
Cash and Bank Balances	11	298,581	284,941
Advances and Other Assets	12	1,219,617	896,718
Sub-total (A)		1,518,198	1,181,659
Current Liabilities	13	3,659,108	2,673,645
Provisions	14	3,710,880	2,975,222
Sub-total (B)		7,369,988	5,648,867
Net Current Assets (C) = (A - B)		(5,851,790)	(4,467,208)
Miscellaneous Expenditure	15	-	-
(To the extent not written off or adjusted)			
Debit Balance in Profit and Loss Account		7,185,434	6,701,566
Total		9,810,406	9,261,075
Significant Accounting Policies and Notes to Accounts	16		

The Schedules and accompanying notes referred to herein form an integral part of the Balance Sheet

As per our Audit report of even date attached.

For Nangia & Co LLP

Chartered Accountants
ICAI Firm Registration No. 002391C

Rakesh Nangia

Partner

Membership No. 070776

Place: Noida

For M P Chitale & Co.

Chartered Accountants

Murtuza Vajhi

Partner

Place: Mumbai

Date: May 23, 2019

For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited

K. Narasimha Murthy

Director

DIN: 00023046

Rajat Sharma

Company Secretary

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Ramanan A V

Appointed Actuary

Mem No. 4992

Date: May 23, 2019

Rajesh Sud

Chairman & Director

DIN: 02395182

Ashish Mehrotra

CEO & Managing Director

DIN: 07277318

Rahul Ahuja

Chief Financial Officer

CIN - U66000DL2008PLC182918

FORM-B-PL
MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	For the year ended Mar 31, 2019 (Rs.'000)	For the year ended Mar 31, 2018 (Rs.'000)
1 Operating Profit/(Loss)		
(a) Miscellaneous Insurance	857,254	1,101,654
2 Income From Investments		
(a) Interest, Dividend and Rent – Gross	192,383	189,471
(b) Profit/(Loss) on sale/redemption of Investments	12,738	13,882
(c) Accretion/Amortisation of (Premium)/Discount	10,496	5,569
3 Other Income		
(a) Gain/(Loss) on Foreign Exchange Fluctuation	1,874	(5,464)
(b) Interest Income	746	968
(c) Provisions written back	377	31,929
Total (A)	1,075,868	1,338,009
4 Provisions (Other than Taxation)		
(a) For diminution in the value of investments	75,000	-
(b) For doubtful debts	84,671	5,505
(c) Penalty	-	-
(d) Others	-	-
5 Other Expenses		
(a) Expenses other than those related to Insurance Business	35,065	26,393
(b) Bad debts written off	-	-
(c) Being Expenses of Management over the allowable limit transferred from Revenue Account	1,365,000	1,077,713
Total (B)	1,559,736	1,109,611
Profit/(Loss) Before Tax	(483,868)	228,398
Provision for Taxation	-	-
Profit/(Loss) After Tax	(483,868)	228,398
Appropriations		
(a) Interim dividends	-	-
(b) Proposed final dividend	-	-
(c) Dividend distribution tax	-	-
(d) Transfer to any Reserves or Other Accounts	-	-
Balance of Profit/(Loss) brought forward from last year	(6,701,566)	(6,929,963)
Balance carried forward to Balance Sheet	(7,185,434)	(6,701,566)
Basic Earning/ (Loss) per Share of Rs. 10/- each	(0.51)	0.25
Diluted Earning/ (Loss) per Share of Rs. 10/- each	(0.51)	0.25

(also refer note no 21 in Schedule 16)

The Schedules and accompanying notes referred to herein form an integral part of the Profit and Loss Account

As per our Audit report of even date attached.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No. 002391C

Rakesh Nangia
Partner
Membership No. 070776
Place: Noida

For M P Chitale & Co.
Chartered Accountants

Murtuza Vajiji
Partner
Place: Mumbai
Date: May 23, 2019

For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited

K. Narasimha Murthy
Director
DIN: 00023046

Rajat Sharma
Company Secretary
Mem No. FCS7069

Ramanan A V
Appointed Actuary
Mem No. 4992
Date: May 23, 2019

Rajesh Sud
Chairman & Director
DIN: 02395182

Ashish Mehrotra
CEO & Managing Director
DIN: 07277318

Rahul Ahuja
Chief Financial Officer

CIN - U66000DL2008PLC182918

MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

S.no	Particulars	For the year ended Mar 31, 2019 (Rs.'000)	For the year ended Mar 31, 2018 (Rs.'000)
A.	Cash Flows from the Operating Activities:		
1	Premium received from Policyholders, including Advance Receipts	11,367,503	8,366,521
2	Other Receipts	-	-
3	Payment to the reinsurers, net of commisisions and claims	(471,637)	(150,455)
4	Payments to co-insurers, net of claims recovery	(1,777)	-
5	Payments of claims	(4,042,432)	(3,708,505)
6	Payments of commission and brokerage	(1,101,390)	(790,511)
7	Payments of Other Operating Expenses	(4,086,200)	(2,655,644)
8	Preliminary and Pre-operative Expenses	-	-
9	Deposits, Advances and Staff Loans	(3,964)	(700)
10	Income Taxes Paid (Net)	-	-
11	Service tax & GST paid	(717,769)	(909,657)
12	Other Payments	-	-
13	Cash Flows before Extraordinary Items	942,334	151,049
14	Cash flow from extraordinary operations	-	-
15	Net Cash flows from operating activities	942,334	151,049
B.	Cash flows from investing activities:		
1	Purchase of fixed assets	(127,615)	(200,312)
2	Proceeds from sale of fixed assets	35	276
3	Purchase of investments	(25,469,598)	(9,435,370)
4	Loans disbursed	-	-
5	Sales of investments	23,964,067	8,746,054
6	Repayments received from Investments	-	-
7	Rents/Interests/ Dividends received	432,915	462,400
8	Investments in money market instruments and in liquid mutual funds (Net)	-	-
9	Expenses related to investments	-	-
10	Net Cash flows from investing activities	(1,200,196)	(426,952)
C.	Cash flows from financing activities		
1	Proceeds from issuance of Share Capital	550,000	-
2	Proceeds from borrowing	-	-
3	Repayments of borrowing	-	-
4	Interest/dividends paid	-	-
5	Net cash flow from financing activities	550,000	-
D	Effect of foreign exchange rates on cash and cash equivalents, net	-	-
E	Net Increase/(decrease) in cash and cash equivalents	292,138	(275,903)
	Cash and cash equivalents at the beginning of the year	534,849	810,752
	Cash and cash equivalents at the end of the year	826,987	534,849
	Net Increase/(decrease) in cash and cash equivalents	292,138	(275,903)

S.no	Particulars	For the year ended Mar 31, 2019 (Rs.'000)	For the year ended Mar 31, 2018 (Rs.'000)
Reconciliation of Cash and cash equivalents with the Balance Sheet at the end of the year			
	Cash and Bank Balances (Refer Schedule 11)	298,581	284,941
	Short term liquid investments (Refer Schedule 8: Investments Shareholder's Fund)	225,045	226,622
	Short term liquid investments (Refer Schedule 8:A Investments Policyholder's Fund)	175,362	23,286
	Fixed Deposits having original maturity less than 90 days	128,000	-
	Cash and cash equivalents at the end of the year	826,987	534,849

As per our Audit report of even date attached.

For Nangia & Co LLP

Chartered Accountants
ICAI Firm Registration No. 002391C

Rakesh Nangia

Partner

Membership No. 070776
Place: Noida

For M P Chitale & Co.

Chartered Accountants

Murtuza Vajih

Partner

Place: Mumbai
Date: May 23, 2019

For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited

K. Narasimha Murthy

Director

DIN: 00023046

Rajat Sharma

Company Secretary

Mem No. FCS7069

Ramanan A V

Appointed Actuary

Mem No. 4992
Date: May 23, 2019

Rajesh Sud

Chairman & Director

DIN: 02395182

Ashish Mehrotra

CEO & Managing Director

DIN: 07277318

Rahul Ahuja

Chief Financial Officer

CIN - U66000DL2008PLC182918

MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1

(Rs.'000)

Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
PREMIUM EARNED [NET OF GST]		
Premium from direct business written	9,470,157	7,544,715
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	2,156,178	1,667,365
Net Premium	7,313,979	5,877,350
Less: Adjustment for change in reserve for unexpired risks	719,191	118,808
Total Premium Earned (Net)	6,594,788	5,758,542

SCHEDULE - 2

(Rs.'000)

Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
CLAIMS INCURRED [NET]		
Claims paid*		
Direct	4,056,982	3,674,444
Add: Re-insurance accepted	-	-
Less: Re-insurance Ceded	882,974	775,017
Net Claims paid	3,174,008	2,899,427
Add: Claims Outstanding at the end of the year	904,423	522,005
Less: Claims Outstanding at the beginning of the year	522,005	531,206
Total Claims Incurred**	3,556,426	2,890,226

*In case of in house TPA, IRDAI Expense of Management Regulations, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 2,84,105 thousand (previous year ended 31st March 2018 Rs. 169,726 thousand) allocated to claim handling charges. This amount primarily includes employee and other related costs.

** Includes an amount of Rs. 116,231 thousand during the year ended 31st March 2019 (previous year ended 31st March 2018 Rs. 137,719 thousand) on account of expenses incurred towards product related benefit paid to policyholders

SCHEDULE - 3

(Rs.'000)

Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
COMMISSION		
Commission paid		
Direct*	1,116,605	850,621
Add: Re-insurance accepted	-	-
Less: Commission on Re-insurance Ceded	808,105	612,333
Net Commission	308,500	238,288

*includes an amount of Rs. 72,747 thousand during the year ended 31st March 2019 (previous year ended 31st March 2018 Rs. 11,561 thousand) towards Reward or Remuneration to Agents

(Rs.'000)

Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
Break up of commission paid to procure business:		
Agents	600,357	519,865
Brokers	142,007	99,117
Corporate Agency	374,241	231,639
	1,116,605	850,621

SCHEDULE - 4: OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs.'000)

Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
1 Employees' remuneration and welfare benefits	1,575,034	1,363,966
2 Travel, conveyance and vehicle running expenses	55,726	71,762
3 Training expenses	69,161	83,609
4 Rents, rates and taxes	132,438	109,964
5 Repairs	170,484	125,449
6 Printing and stationery	23,139	31,009
7 Communication	70,282	78,764
8 Legal and professional charges	583,328	412,421
9 Auditors' fees, expenses etc		
(a) as auditor	3,592	3,180
(b) as adviser or in any other capacity, in respect of	-	-
(i) Taxation matters	150	25
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity	-	-
(i) Tax Audit Fees	200	150
(ii) Certification Fees	1,275	150
10 Advertisement and publicity	665,644	418,070
11 Interest and bank charges	34,235	24,555
12 Others		
(a) Business and Sales Promotion	4,733	2,682
(b) Membership and Subscription	4,264	2,725
(c) Insurance	3,472	2,530
(d) Sitting Fee	5,600	4,400
(e) Board Meeting Expenses	3,151	1,625
(f) Miscellaneous Expenses*	583	4,805
13 Depreciation	163,878	158,762
14 Goods and Service Tax A/c	4,358	4,954
Total	3,574,727	2,905,561

* For FY 18-19, None of the items individually are higher than Rs. 500,000 or 1% of Net Written Premium.

SCHEDULE - 5: SHARE CAPITAL

Particulars	(Rs.'000)	
	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Authorised Capital		
1,50,00,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 100,00,00,000 Equity Shares of Rs 10 each)	15,000,000	10,000,000
2 Issued Capital		
98,10,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 92,60,00,000 Equity Shares of Rs 10 each)	9,810,000	9,260,000
3 Subscribed Capital		
98,10,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 92,60,00,000 Equity Shares of Rs 10 each)	9,810,000	9,260,000
4 Called-up Capital		
98,10,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 92,60,00,000 Equity Shares of Rs 10 each)	9,810,000	9,260,000
Less: Calls unpaid		
Add: Equity Shares forfeited (Amount originally paid up)	-	-
Less: Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses	-	-
Less: Expenses including commission or brokerage on Underwriting or subscription of shares	-	-
Total	9,810,000	9,260,000

Out of the above, 50,03,10,000 (Previous year ended as at 31st March, 2018: 47,22,60,000 Equity Shares of Rs. 10/- each) are held by the holding company along with its nominees.

SCHEDULE - 5A: PATTERN OF SHAREHOLDING

[As certified by the Management]

Shareholders	As at Mar 31, 2019		As at Mar 31, 2018	
	Number of Shares	% of holding	Number of Shares	% of holding
Promoters				
- Indian	500,310,000	51.00%	472,260,000	51.00%
- Foreign	480,690,000	49.00%	453,740,000	49.00%
Others	-	-	-	-
Total	981,000,000	100.00%	926,000,000	100.00%

SCHEDULE - 6 : RESERVES AND SURPLUS

Particulars	(Rs.'000)	
	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Capital Reserve	-	-
2 Capital Redemption Reserve	-	-
3 Share Premium	-	-
4 General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
5 Catastrophe Reserve	-	-
6 Other Reserves	-	-
7 Balance of Profit in Profit & Loss Account	-	-
Total	-	-

SCHEDULE - 7: BORROWINGS

(Rs.'000)		
Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Debentures/ Bonds	-	-
2 Banks	-	-
3 Financial Institutions	-	-
4 Others	-	-
Total	-	-

SCHEDULE - 8 : INVESTMENTS - SHAREHOLDERS

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	400,406	352,607
2 Other Approved Securities	612,853	565,522
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	553,692	254,605
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	549,290	549,399
5 Other than Approved Investments	-	-
SHORT TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	-	103,100
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (refer note (b) below)	225,045	226,622
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	449,385	251,140
(e) Other Securities - Fixed Deposits	358,700	359,500
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	-	338,081
5 Other than Approved Investments	150,050	-
Total	3,299,421	3,000,576

- a. Aggregate amount of shareholder's investments other than listed equity securities and derivative instruments is Rs. 32,99,421 thousand (Previous year ended as on 31st March, 2018 Rs. 30,00,576 thousand). Market value of such investments is Rs. 32,95,471 thousand (Previous year ended as on 31st March, 2018 Rs. 30,05,974 thousand).
- b. The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 2,24,816 thousand (Previous year ended 31st March 2018 Rs. 2,25,582 thousand).

SCHEDULE - 8A

INVESTMENTS - POLICYHOLDERS

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	1,092,447	1,106,587
2 Other Approved Securities	51,802	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	751,037	503,180
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	701,639	1,005,312
5 Other than Approved Investments (net of provision)	325,349	-
SHORT TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	393,555	-
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (refer note (b) below)	175,362	23,286
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	544,537	489,583
(e) Other Securities - Fixed Deposits	570,900	238,200
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	149,977	291,160
5 Other than Approved Investments	99,718	-
Total	4,856,322	3,657,308

Notes:

- a. Aggregate amount of policyholder's investments other than listed equity securities and derivative instruments is Rs. 48,56,322 thousand (Previous year ended as on 31st March 2018 Rs. 36,57,308 thousand). Market value of such investments is Rs. 49,37,991 thousand (Previous year ended as on 31st March 2018 Rs. 36,81,857 thousand).

- b. The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 175,184 thousand (Previous year ended 31st March 2018 Rs. 23,251 thousand).

SCHEDULE - 9 : LOANS

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Security-Wise Classification		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others	-	-
Unsecured	-	-
Total	-	-
2 Borrower-Wise Classification		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
Total	-	-
3 Performance-Wise Classification		
(a) Loans classified as standard	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
Total	-	-
4 Maturity-Wise Classification		
(a) Short Term	-	-
(b) Long Term	-	-
Total	-	-

SCHEDULE - 10
FIXED ASSETS

SN	Particulars	Cost/ Gross Block			Depreciation			Net Block			
		As at Mar 31, 2018	Additions	Deductions	As at Mar 31, 2019	Upto Mar 31, 2018	For the year	On Sales/ Adjustments	Upto Mar 31, 2019	As at Mar 31, 2019	As at Mar 31, 2018
1	Goodwill	-	-	-	-	-	-	-	-	-	-
2	Intangibles										
	a) Softwares	606,603	73,291	26,847	653,048	371,986	96,215	15,305	452,896	200,152	234,617
	b) Website	11,258	-	-	11,258	11,220	38		11,258	-	38
3	Land-Freehold	-	-	-	-	-	-	-	-	-	-
4	Leasehold Property	162,505	1,906	535	163,876	134,677	19,555	528	153,704	10,172	27,828
5	Buildings	-	-	-	-	-	-	-	-	-	-
6	Furniture & Fittings	29,903	2,956	20	32,839	26,617	2,686	19	29,284	3,555	3,286
	Information Technology	131,244	5,272	(5,828)	142,344	84,041	19,479	85	103,435	38,909	47,203
7	Equipment (Other Devices)										
	Information Technology	118,301	16,398	5,828	128,871	79,522	17,177	(34)	96,733	32,139	38,779
8	Equipment (End User Devices)										
9	Vehicles	-	-	-	-	-	-	-	-	-	-
10	Office Equipment	68,151	8,391	240	76,302	51,070	8,727	188	59,609	16,693	17,081
11	Others	-	-	-	-	-	-	-	-	-	-
	Total	1,127,966	108,215	27,642	1,208,539	759,133	163,878	16,091	906,919	301,620	368,833
12	Capital work in progress	-	19,399	-	19,399	-	-	-	-	19,399	-
	Grand total	1,127,966	127,614	27,642	1,227,938	759,133	163,878	16,091	906,919	321,019	368,833
	Previous Year	943,787	204,631	20,453	1,127,966	615,820	158,762	15,449	759,133	368,833	-

Note :

Leasehold property consists of civil and other improvements at premises taken on long term lease by the Company.

SCHEDULE - 11**CASH AND BANK BALANCES**

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Cash (including cheques, drafts and stamps)	33,827	21,227
2 Bank Balances*		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)	96,500	106,500
(bb) Others	-	-
(b) Current Accounts	168,254	157,214
(c) Others	-	-
3 Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
Total	298,581	284,941

*Balances with non-scheduled banks is Rs. 550 thousand (Previous year ended 31st March 2018 Rs. 189 thousand).

SCHEDULE - 12**ADVANCES AND OTHER ASSETS****ADVANCES**

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Reserve deposits with ceding companies	-	-
2 Application money for investments	-	-
3 Prepayments	34,814	31,548
4 Advances to Directors/Officers	-	-
5 Advance tax paid and taxes deducted at source	-	-
6 Others		
(a) Advance to Suppliers	41,280	53,508
Less: Provisions	(2,528)	(3,607)
Sub-total	38,752	49,902
Total (A)	73,566	81,450

OTHER ASSETS

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Income accrued on investments	209,266	178,197
2 Outstanding Premiums*	76,234	85,598
Less: Provisions	(47,335)	(41,698)
Sub-total	28,899	43,900
3 Agents' Balances	1,078	168
Less: Provisions	(1,078)	(168)
Sub-total	-	-
4 Foreign Agencies Balances	-	-
5 Due from other entities carrying on insurance business	512,466	366,267

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
6 Due from subsidiaries/ holding company	-	-
7 Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	-	-
8 Others		
(a) Rent and other deposits	54,596	50,633
(b) GST unutilized credit	99,493	157,333
(c) Deposits against unclaimed amount of policyholders	16,000	17,999
(d) Interest accrued on deposits against unclaimed amount	330	939
(e) Other Receivables	306,451	-
Less: Provisions	(81,451)	-
Sub-total	225,000	-
Total (B)	1,146,051	815,268
Total (A+B)	1,219,617	896,718

* Includes Rs. 76,234 thousand (Previous year ended as on 31st March 2018 Rs. 74,273 thousand) receivable from Central / State Government on account of premium under RSBY Scheme against which provision of Rs. 47,335 thousand (Previous year ended as on 31st March 2018 Rs. 41,698 thousand) has been created.

SCHEDULE - 13 CURRENT LIABILITIES

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Agents' balances	128,865	94,207
2 Balances due to other insurance companies	623,012	470,315
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	60,798	52,428
5 Unallocated premium	115,516	71,363
6 Sundry creditors	1,460,981	1,298,676
7 Due to subsidiaries/ holding company	108,000	24,300
8 Claims Outstanding*	904,423	522,005
9 Unclaimed amount of policyholders	10,731	13,676
10 Due to Officer/ Director	-	-
11 Others		
(a) Tax deducted at source	101,514	60,548
(b) Other statutory dues	12,949	9,708
(c) GST liability	95,015	42,764
(d) Advance from Corporate Clients	34,954	11,747
(e) Interest on unclaimed amount of Policyholders	2,350	1,907
Total	3,659,108	2,673,645

*includes IBNR and IBNER reserves

SCHEDULE - 14 PROVISIONS

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Reserve for Unexpired Risk*	3,658,808	2,939,618
2 For taxation (less advance tax paid and taxes deducted at source)	-	-
3 For proposed dividends	-	-
4 For dividend distribution tax	-	-
5 Others	-	-
(a) For Gratuity	16,322	10,975
(b) For Leave Encashment	35,750	24,629
(c) Premium Deficiency Reserve	-	-
Total	3,710,880	2,975,222

* Includes provision for freelook cancellation Rs. 1,819 thousand (Previous year ended 31st March 2018 Rs. 943 thousand).

SCHEDULE - 15 : MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
1 Discount Allowed in issue of shares/ debentures	-	-
2 Others	-	-
Total	-	-

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

A. BACKGROUND

Max Bupa Health Insurance Company Limited ("The Company") was incorporated in India on 5th September, 2008 and received the Certificate of Commencement of Business on 23rd December 2008.

The Company is a joint venture between Max India Limited and Bupa Singapore Holding Pte, Singapore.

The Company underwrites primarily Health Insurance business which includes Personal accident and Critical illness.

The Company obtained regulatory approval to undertake Health Insurance business on 15th February 2010 from Insurance Regulatory and Development Authority of India (IRDAI) under section 3(2A) of the Insurance Act, 1938. The Company had started selling Policies in March 2010.

B. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has prepared the financial statements in compliance with the accounting standards notified under section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Amendments Rules 2016 as amended and Companies (Accounting Standards) Amendment Rules 2016 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed there under, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India. Accounting policies applied have been consistent with previous year except where differential treatment is required as per new pronouncements made by the regulatory authorities.

(b) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, Management believes that the estimated used in the preparation of financial statements are prudent and reasonable uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Actual results may differ from the estimates and assumption and any revision to accounting estimates is recognized in the year in which they actually materialize.

(c) Revenue Recognition

(i) Premium Income

Premium (net of Service tax and GST) is recognized as income on the commencement of risk after adjusting for unearned premium (unexpired risk). Any subsequent revision or cancellation of premiums are accounted for in the year in which they occur.

.Unearned Premium Reserve

Unearned Premium Reserve (UPR) means an amount representing that part of the premium written (net of reinsurance ceded) which is attributable and to be allocated to the succeeding accounting periods. In accordance with IRDAI circular dated April 4, 2016 reserve for unexpired is calculated at 50% of the net premium of preceding twelve months.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Premium Deficiency

Premium Deficiency Reserve is recognized for the company at a segment level and means the reserve held in excess of the unearned premium reserve, which allows for any expectation that the unearned premium reserve will be insufficient to cover the cost of claims and related expenses incurred during the period of unexpired risk. Computation of unexpired premium risk for the purpose of premium deficiency is based on the 1/365 method. Assessment of expected claim cost and related expenses is certified by the Appointed/ Panel Actuary in accordance with IRDAI (Assets, Liabilities and Solvency margin of General Insurance Business) Regulation, 2016.

(ii) Reinsurance ceded

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangement with the reinsurers. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.

(iii) Commission on Reinsurance Premium

Commission on reinsurance ceded is recognized as income on ceding of reinsurance premium.

Profit commission under reinsurance treaties, wherever applicable, is recognized as income in the year of final determination of the profits and as intimated by the Reinsurer.

(iv) Interest / Dividend Income

Interest income is recognized on accrual basis. Dividend income is recognized when the right to receive the dividend is established.

(v) Premium/discount on purchase of investments

Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/ maturity period on a constant yield to maturity method

(vi) Profit/Loss on Sale/Redemption of Investments

Profit and Loss on sale/redemption of investments, being the difference between sale consideration/ redemption values and carrying value of investments (i.e weighted average value) is credited or charged to Revenue or/and Profit and Loss account as applicable. The profit/loss on sale of investment includes accumulated changes in the fair value previously recognized in 'Fair Value Change Account' in respect of a particular security. Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

(d) Acquisition Cost of Insurance Contracts

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

(e) Premium received in advance

Premium received in advance represents premium received in respect of those policies issued during the year where the risk commences subsequent to the balance sheet date.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

(f) Claims/Benefits Incurred

Claims incurred comprises of claims/benefits paid, change in estimated liability for outstanding claims, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising legal and other directly attributable expenses.

Provision is made for estimated value of outstanding claims/benefits at the Balance Sheet date net of claims recoverable from reinsurance. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim/benefits, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

Claims/benefits (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on estimates from insured in the respective revenue accounts

IBNR and IBNER

The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) is estimated by the Appointed/Panel Actuary in compliance with guidelines issued by IRDAI vide circular No. 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005 and ALSM Regulation 2016 with applicable provisions of Actuarial Practice Standards 21 issued by the Institute of Actuaries of India. The Appointed/Panel Actuary uses generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed/Panel Actuary of the Company.

Provision is made for estimated value of outstanding claims which have not been reported to the Company at the Balance Sheet date net of reinsurance, and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

(g) Allocation of Investment Income

Investment income earned on policyholders' investments funds at Balance Sheet date have been credited to Revenue Account and Investment income earned on shareholders' investments funds at balance sheet date have been credited to Profit & Loss Account.

Investment income which is not directly identifiable has been allocated on the basis of the ratio of directly attributable investment income earned on shareholders' investments funds and policyholders' investments funds.

Investment income across segments within the Revenue account has also been allocated on the basis of segment-wise gross written premium.

(h) Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938, Insurance Regulatory & Development Authority (Investment) Regulations, 2000 & 2016 as amended and various other circulars/notifications issued by the IRDA in this context from time to time.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Investments are recorded at cost including acquisition charges (such as brokerage, transfer charges, stamps etc) if any and exclude interest accrued up to the date of purchase.

Debt securities, including Government securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium or accretion of discount on constant yield to maturity basis in the Revenue Account and in the Profit and Loss Account over the period of maturity/holding.

Investment that are notionally earmarked, are allocated to policyholder's or shareholder's as applicable.

Listed and actively traded securities are stated at fair value as at the Balance Sheet date being the lowest of the last quoted closing price of the stock exchanges where the securities are listed. Unrealized gain/losses due to change in fair value of listed securities is credited/debited to 'Fair Value Change Account'.

Unlisted Securities are stated at cost. The realized gain or loss on the listed and actively traded securities and mutual funds is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a first in first out basis and includes the accumulated changes in the fair value previously taken to the fair value change account, in respect of the particular security; such loss or gain is transferred to Revenue account or/and Profit and Loss Account as applicable on the trade date.

The Company, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

Investments in units of Mutual funds are valued at Net Asset Value (NAV) as at Balance Sheet date. Unrealized gains/losses are credited/debited to the 'Fair Value Change Account'.

Investments maturing within twelve months from the balance sheet date and investments made with specific intention to dispose off within twelve months are classified as Short Term Investments. Other Investments are classified as Long Term Investments.

Investment Impairment Policy

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity, Investment property, units of mutual fund and bonds. The impairment loss if any, is recognized in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at the balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the Profit and Loss Account and the investment is restated to that extent.

(i) Fair Value Change Account

'Fair Value Change Account' represents unrealized gains or losses due to change in fair value of traded securities and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of policyholder's fund and shareholder's funds respectively basis on mutual fund mapped and not available for distribution as dividend. As per the IRDAI circular dated January 12, 2017 fair value changes has been bifurcated between shareholder and policyholder.

(j) Fixed Assets and Depreciation

Tangible assets and depreciation

Fixed assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of assets) and expenses directly attributable to bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment of assets, if any.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacement.

Nature of Fixed Assets	Management Estimate of Useful Life in Years	Useful Life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Furniture & Fixture	5	10
Information Technology equipment - End User Devices	3	3
Information Technology equipment - Servers and Networks	4	6
Office Equipments	5	5
Intangibles (including Software)	4	NA
Leasehold Improvements	Lease period	NA

All assets including intangibles individually costing up to Rs 5,000 are fully depreciated/ amortized in the year in which they are acquired.

Intangibles

Intangible assets comprising software are stated at cost less amortisation. Significant expenditure on improvements to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortised over the remaining useful life of original software. Software expenses are amortised using SLM over a period of four years from the date of being ready to use

Capital work in progress

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

Impairment of Assets

The carrying values of assets forming part of any cash generating units at Balance Sheet date are reviewed for impairment at each Balance Sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

(k) Taxation

Income tax expense comprises current tax (i.e. amount of tax payable on the taxable income for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge or credit (reflecting the tax

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

effects of timing differences between the accounting income and taxable income for the period) Current income tax is the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance sheet date. Deferred tax assets are recognized only to an extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future tax assets can be realized.

(I) Employee Benefits

Employees' benefits have been recognized in accordance with the relevant provisions of the Accounting Standard 15.

(i) Short Term Employee Benefits:-

All employee benefits payable within 12 months of rendering the services are classified as short term employee benefits. Benefits such as salaries, bonus and other short term benefits are recognized in the period which the employee rendered the services. All short term employee benefits are accounted on undiscounted basis.

(ii) Long Term Employee Benefits:-

The Company has both defined contribution and defined benefit plan. The plans are financed by the company and in the case of some defined contribution plans, by the company along with the employee.

(a) Defined Contribution Plan

The Company makes monthly contributions to the "Max Financial Services Ltd EPF Trust" which is based on a specified percentage of the covered employees' salary. The fund is administered through trustees and the Company's contribution thereto is charged to Revenue Account or Profit and Loss Account as applicable.

(b) Defined Benefit Plans

- a. The liability in respect of Gratuity is provided for on the basis of an actuarial valuation carried out at the year-end using the Projected Unit Credit Method. Actuarial gain and loss are recognized in full in the Revenue Account or/and Profit and Loss Account as applicable for the year in which they occur. The Company has a recognized Trust for Gratuity benefits, "Max Bupa Health Insurance Ltd Employees' Group Gratuity Fund" to administer the Gratuity funds. The Trust has taken master policy with the Max Life Insurance Company Limited" to cover its liabilities towards employees' Gratuity. The Gratuity obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of the gratuity fund.
- b. The liability in respect of long term accumulating leave encashment is provided for on the basis of actuarial valuation carried out at the yearend for long term compensated absences using Projected

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Unit Credit Method. Actuarial gains and losses are recognized in full in the Revenue Account or/and Profit and Loss Account, as applicable for the year in which they occur. Short term compensated absences are provided for based on estimates. Non-accumulated compensated absences are accounted for as and when availed / encashed.

- c. Deferred compensation, which is a long term employee benefit, is provided for based on the independent actuarial valuation carried out as at the Balance Sheet date and charged to Revenue Account or Profit and Loss Account, as applicable based on services rendered by employees.

(c) Long term incentive plan

Employee benefit in form of long term incentive plan is another long term employee benefit. The cost of providing benefit under his plan are determined on the basis of actuarial valuation at end of each year end using projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

(m) Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets and liabilities are not recognized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(n) Earnings per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on 'Earnings per Share' issued by the Institute of Chartered Accountants of India. Basic earnings per share are computed by dividing the net Profit and Loss for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net Profit and Loss for the year by the weighted average number of equity shares outstanding during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

(o) Leases

Lease of assets/software under which all the risks and benefits of ownership are effectively retained by the lessor is classified as Operating Leases. Operating Lease rentals including escalation are recognized in the Revenue account or/and Profit and Loss account, as the case may be, on a straight line basis over the period of the lease.

(p) Foreign Currency Transactions

Initial recognition: Foreign currency transactions are recorded in Indian Rupees, by applying to the foreign currency amount the exchange rate between the Indian Rupee and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Exchange differences: Exchange differences are recognised as income or as expenses in the period in which they arise.

(q) Allocation of Operating Expenses

The Company has Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016. The expenses are segregated between those which can be directly attributed to a particular business segment and those which cannot be so attributed. Operating expenses which are directly attributable to a particular business segment and identifiable as such are allocated directly to that segment. In accordance with the Board Approved policy Operating expenses which are not directly identifiable to any business segment, are allocated in the proportionate of gross written premium, claim incurred and number of lives enrolled, depending on the nature and type of expenses there has to be allocated.

(r) Rationale of Expenses allocation between Revenue Account and Profit & Loss Account

Expenses pertaining to Policyholders have been shown in Revenue Account as per the limit prescribed in Expenses of Management Regulations 2016 and excess over the limit has been debited in the Profit & Loss Account.

(s) GST

GST collected is considered as a liability against which GST paid for eligible inputs services or goods, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized credits, if any, are carried forward for adjustment in subsequent periods. GST paid for eligible input services not recoverable by way of credits are recognized in the Revenue account as expense.

(t) Receipts and Payments Account

- (i) Receipts and Payments Account is prepared and reported as per AS-3 Cash flow statements using the Direct Method, in conformity with para 2.2 of the Master Circular on Preparation of Financial Statements - General Insurance Business dated October 5, 2012, issued by the IRDA.
- (ii) Cash and cash equivalents for the purpose of Statement of Receipts and Payments include cash and cheques in hand, deposits with banks, bank balances, liquid mutual funds and other short term investments with original maturity of three months or less which are subject to insignificant risk of changes in value.
- (iii) The components of Cash and Cash Equivalents are presented with reconciliation of the amounts in its Cash Flow Statement with the equivalent items reported in the Balance Sheet.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
C. NOTES FORMING PART OF ACCOUNTS
1. Contingent Liabilities

(Rs. '000)

Particulars	As at 31.03.2019	As at 31.03.2018
Partly Paid up Investments	-	-
Claims, other than those under Policies, not acknowledged as Debts by the Insurer	-	-
Underwriting Commitments Outstanding	-	-
Claims, under policies, not acknowledged as debts*	197,821	1,63,466
Guarantees given by or on behalf of the Insurer	-	-
Statutory Demands in Dispute, not provided for	1,61,470	84,818
Reinsurance Obligations to the Extent Not provided for in Accounts	-	-
Total	3,59,291	2,48,284

* Includes compensation raised by policyholders against rejected claims

Pending Litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2019. Refer note 1 for details on contingent liabilities.

2. Actuarial Assumptions

The Company's Appointed and mentor Actuary have determined valuation assumptions in respect of 'Reserve for Unexpired Risk' and 'Claims Incurred But Not Reported' (IBNR) amounting to Rs. 67 crore (Previous year Rs. 37.41 crore) that conform with Regulations issued by the IRDAI and professional guidance notes issued by the Institute of Actuaries of India.

- As at March 31, 2019, the Company has made a provision of Rs. 0.50 crore (Previous year Rs.0.53 crore) towards provider reconciliation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.
- As at March 31, 2019, the Company has made a provision of Rs.24.35 crore (Previous year Rs.16.22 crore) towards litigation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.

3. Encumbrances on Assets

The assets of the Company are free from all encumbrances. The Company has all assets within India.

4. Estimated Amount of Commitments made and Outstanding for:

(Rs. '000)

Particulars	As at 31.03.2019	As at 31.03.2018
Loans	-	-
Investments	-	-
Fixed Assets (Net of advances)	1,09,233	81,076

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
5. Claims, less Reinsurance paid to Claimants are as under*:

(Rs. '000)

Class of Business	In India		Outside India	
	Year Ended 31.03.2019	Year Ended 31.03.2018	Year Ended 31.03.2019	Year Ended 31.03.2018
Health	28,89,361	27,28,548	-	-
Personal Accident	11,020	11,039	-	-
Total	29,00,381	27,39,587	-	-

Excluding claim handling expense

6. Claims, less Reinsurance paid to Claimants are as under*:

(Rs. '000)

Class of Business	In India		Outside India	
	Year Ended 31.03.2019	Year Ended 31.03.2018	Year Ended 31.03.2019	Year Ended 31.03.2018
Health	15,042	6,010	2,02,379	1,35,756
Personal Accident	-	190	16,659	5,981
Total	15,042	6,200	2,19,338	1,41,737

*Excluding claim handling expense

7. Age-wise Breakup of Claims Outstanding*:

(Rs. '000)

Class of Business	Outstanding for more than six months		Outstanding for six months or less	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Health	15,042	6,010	2,02,379	1,35,756
Personal Accident	-	190	16,659	5,981
Total	15,042	6,200	2,19,338	1,41,737

*Excluding IBNR provision.

8. There are no claims settled and remaining unpaid for a period of more than six months.
9. Number of Claims intimated, disposed of and pending:

Particulars	As at 31.03.2019			As at 31.03.2018		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Claims pending at the beginning	1,980	5	1,985	2,677	4	2,681
Claims intimated	91,912	277	92,189	83,320	126	83,446
Claims paid	79,010	21	79,031	76,296	21	76,317
Claims rejected	12,899	242	13,141	7,721	104	7,825
Claims pending at the closing	1,983	19	2,002	1,980	5	1,985

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
Ageing of Pending Claims

Particulars	As at 31.03.2019			As at 31.03.2018		
	Health	Personal Accident	Total	Health	Personal Accident	Total
30 days	1,426	12	1,438	1,853	3	1,856
30 days to 6 Months	531	7	538	126	1	127
6 months to 1 year	26	-	26	1	1	2
1 year to 5 years	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-
Total	1,983	19	2,002	1,980	5	1,985

10. (a) Premium less Reinsurance Written During the Year:

(Rs. '000)

Class of Business	In India		Outside India	
	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2019	Year ended 31.03.2018
Health	70,49,128	57,98,471	-	-
Personal Accident	2,64,851	78,879	-	-
Total	73,13,979	58,77,350	-	-

11. Extent of Risk Retained and Reinsured:

Extent of risk retained and reinsured with respect to gross written premium is set out below:

Class of Business	Gross Premium	Year Ended 31.03.2019 (Rs.'000)			
		Risk Retained		Risk Reinsured	
		Amount	% age	Amount	% age
Health	91,44,909	70,49,128	77.08%	20,95,781	22.92%
Personal Accident	3,25,248	2,64,851	82.21%	60,397	17.79%

Class of Business	Gross Premium	Year Ended 31.03.2018 (Rs.'000)			
		Risk Retained		Risk Reinsured	
		Amount	% age	Amount	% age
Health	74,32,655	57,98,471	78.01%	16,34,184	21.99%
Personal Accident	1,12,060	78,879	70.39%	33,181	29.61%

12. As per IRDAI Master Circular on unclaimed amount of policyholders dated 25th July 2017.
Form A: Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on March 31, 2019

(Rs. in Lakhs)

Particulars	Total Amount	Age-wise Analysis (in months)						
		0-6	7-12	13-18	19-24	25-30	31-36	36-120
Claims settled but not paid to the policyholders / beneficiaries due to any reasons except under litigation from the policyholders / beneficiaries.	(1.73)	(1.73)	(-)	(-)	(-)	(-)	(-)	(-)

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Particulars	Total Amount	Age-wise Analysis (in months)						
		0-6	7-12	13-18	19-24	25-30	31-36	36-120
Sum due to the policyholders / beneficiaries on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any Excess collection of the premium / tax or any other charges which is refundable to the policyholders / beneficiaries either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	0.87 (0.63)	- (0.63)	0.87 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Cheques issued but not encashed by the policyholder/ beneficiaries	106.43 (215.10)	3.45* (85.31*#)	0.79* (19.91)*	10.10* (4.59)*	5.68* (2.09)*	1.30* (6.33)*	3.19* (19.85)*	81.92* (93.48)*

Figures in brackets are for previous year,

* These are stale cheques disclosed in 'Unclaimed amount of policyholders'/insured' in Schedule-13.

Include cheques issued amounting to Rs. 78.33 Lakhs which are within the validity period but not yet presented for payment by the policyholders/insured.

Form C- Details of Unclaimed Amount with Investment Income

Particulars	(Rs. in Lakhs)	
	Financial Year 2018-19	Financial Year 2017-18
Opening Balance	155.83	177.17
Add: Amount transferred to unclaimed amount	38.92	48.76
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (only stale cheques)	-	-
Add: Investment Income on unclaimed fund	13.15	12.83
Less: Amount of claims paid during the year	77.09	82.92
Less: Amount transferred to SCWF(net of claims paid in respect of amount transferred earlier)	-	-
Closing Balance of Unclaimed Amount*	130.81	155.83

*Separate Fixed Deposits has been earmarked for payment of unclaimed amount of policyholder disclosed under head Schedule 12- Advances and Other Assets. This amount includes Interest on unclaimed amount of Policyholders amounting to Rs. 23.50 Lakhs (previous year Rs.19.07 Lakhs).

13. Premium Deficiency Reserve

The Appointed and mentor Actuary has reviewed the Unearned premium reserve (UPR) posted in the Financial statements against the estimated liability of the Company under unexpired obligations (including claim, claim related expenses and unexpired loyalty points) towards policyholders (URR) for all business segments. The UPR provided in the financials is sufficient to cover the URR at company level thus; no premium deficiency reserve has been created.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
14. Investments

- a. There are no contracts outstanding in relation to Purchases where deliveries are pending and Sales where payments are overdue respectively. The Company does not have any investment in Real Estate as at March 31, 2019 or March 31, 2018.
- b. All investments are made in accordance with Insurance Act, 1938 and IRDAI (Investment) Regulations, 2016. Except for commercial papers issued by ILFS Ltd aggregating to Rs. 30 Cr (Rs. 20 Cr due on Sep 14, 2018 and Rs. 10 Cr due on 26th Sep 2018) that remained unpaid as on 31st Mar' 2019 & bonds issued by IFIN aggregating to Rs. 30 crores, where interest due on 6th Dec'18 remained unpaid as on 31st Mar'2019, all other investments are performing investments. Considering the concept of prudence, the Company has made a provision of Rs. 15 crores i.e. 25% on the entire due amount. The commercial paper aggregating to Rs. 30 crores has been classified as "Other receivables" in Schedule 12 of financials. In accordance with IRDAI Regulations, IFIN Bonds aggregating to Rs. 30 crores and three other securities aggregating to Rs. 35.02 crores whose credit rating has declined have been classified as "Other than Approved Investments" and presented as Investments in Schedule 8 and 8A. Except for IFIN Bonds, the management is confident of the recovery of the full amount. Accordingly, no provision for the other three securities has been made in the financial statements.

15. Managerial Remuneration

The details of remuneration of MD & CEO as per the terms of appointment are as under:

(Rs. '000)		
Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Salaries & Allowances	48,136	39,945
Contribution to Provident and other funds	1,512	1,264
Perquisites	418	184
Total	50,066	41,393

Out of the above Rs. 15,000 thousand (previous year Rs. 15,000 thousand) remuneration for Managing Director has been charged to Revenue Accounts and balance has been transferred to Profit and Loss account. Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 and as per the terms of appointment of Company are as under:

(Rs. '000)		
Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Salaries & Allowances	2,07,488	1,11,621
Contribution to Provident and other funds	7,120	4,499
Perquisites	1,086	544
Total	2,15,694	1,16,664

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
16. Expenditure in Foreign Currency

	(Rs. '000)	
Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Software License Fees	43,178	22,727
Software AMC	5,160	-
Travelling	871	850
Director Sitting Fees	1,600	1,699
Membership and Subscription	1,878	531
Reinsurance Premium	117	-
Awards Nomination	289	-
Total	53,093	25,807

17. Operating Lease Commitments

The Company has taken on lease office premises under various agreements with various expiration dates extending up to nine years. Lease payments made under operating lease agreements have been fully recognized in the books of accounts. The lease rental charged under operating leases during the current year and maximum obligation on such leases at the balance sheet date are as follows:

	(Rs. '000)	
Particulars	As at 31.03.2019	As at 31.03.2018
Payable not later than one year	1,16,308	83,720
Payable later than one year and not later than five years	3,04,626	2,29,899
Payable later than five years	51,031	10,486
Total	4,71,965	3,24,105

Aggregate lease rentals charged to Revenue Accounts is Rs. **95,977** thousand (previous year Rs. 91,195 thousand) and there are no sub leases.

18. Foreign Currency Exposures

Foreign currency exposures which are not hedged as at the Balance Sheet date are:

	(Amount in. '000)	
Particulars	As at 31.03.2019	As at 31.03.2018
Payable in USD	-	200
Payable in GBP	748	493

19. Related Parties & Transactions:

- (i) As per the Accounting Standard (AS) 18 on 'Related Party Disclosures', the related parties of the Company are as follows:

SN	Description of Relationship	Name of Party
(a)	Holding Company	Max India Limited

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

(b) Fellow Subsidiaries	Antara Senior Living Limited
	Antara Gurgaon Senior Living Limited
	Antara Purukul Senior Living Limited
	Max Ateev Limited
	Max UK Limited, UK
	Max Skill First Limited
	Max One Distribution and Services Limited
(c) Significant Influence	Pharmax Corporation Limited
	Bupa Singapore Holdings Pte Limited
(d) Key Management Personnel (KMP)	Mr. Ashish Mehrotra, Managing Director and CEO
	Mr. Rahul Ahuja, Chief Financial Officer
	Mr. Rajat Sharma, Company Secretary

(ii) Details of transaction with related parties for the year ended March 31, 2019 are given below:

(Rs. '000)					
S.no	Transactions	Name of the Related Party	Description	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Legal & Professional Charges	Max India Limited	Holding company	1,18,000	1,05,525
2	Training Expenses	Max Skill First Limited	Fellow Subsidiaries	61,823	59,196
3	Premium Income	Max India Limited	Holding company	2,459	-
4	Premium Income	Antara Purukul Senior Living Limited	Fellow Subsidiaries	528	-
5	Premium Income	Antara Senior Living Limited	Fellow Subsidiaries	1,927	-
6	Employee's Remuneration	Mr. Ashish Mehrotra, MD & CEO Mr. Rahul Ahuja, CFO Mr. Rajat Sharma, CS	Key Management Personnel	86,457	72,849
7	Issuance of Share capital	Max India Limited	Holding company	2,80,500	-
8	Issuance of Share capital	Bupa Singapore Holdings Pte Limited	Significant Influence	2,69,500	-

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

(iii) Details of outstanding balances with related parties as at ended March 31, 2019 are given below:

(Rs. '000)

S.no	Outstanding Balances	Name of the Related Party	Description	As at 31.03.2019	As at 31.03.2018
1	Payables	Max India Limited	Holding company	1,08,000	24,300
2	Advance received against premium	Max India Limited	Holding company	59	-
3	Advance received against premium	Antara Purukul Senior Living Limited	Fellow Subsidiaries	53	-
4	Advance received against premium	Antara Senior Living Limited	Fellow Subsidiaries	20	-
5	Receivables	Max Skill First Limited	Fellow Subsidiaries	750	300
6	Equity Share Capital	Max India Limited	Holding company	50,03,100	47,22,600
7	Equity Share Capital	Bupa Singapore Holdings Pte Limited	Significant Influence	48,06,900	45,37,400

20. Segment Information
a) Business Segments

The Company's primary reportable segments are identified in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002. Segment revenue and segment results have been incorporated in the financial statements.

Year ended 31.03.2019

(Rs. '000')

Particulars	Health	Personal Accident	Unallocated	Total
Segmental Revenue	64,22,924	1,71,865	3,37,119	69,31,908
Segmental Result	(7,92,361)	(52,503)	17,02,118	8,57,254
Segmental Liabilities	50,46,699	2,35,297	20,87,993	73,69,988
Segmental Assets	5,36,603	4,763	89,21,756	99,94,961

(Rs. '000')

Year ended 31.03.2018

Particulars	Health	Personal Accident	Unallocated	Total
Segmental Revenue	57,03,424	55,118	2,99,474	60,58,016
Segmental Result	(2,51,712)	(23,821)	13,77,187	11,01,654
Segmental Liabilities	35,01,965	12,086	21,34,816	56,48,867
Segmental Assets	43,900	-	81,64,476	82,08,376

b) Geographical Segment

Since the Company's entire business is conducted within India, there is no reportable Geographical Segmentation for the year.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
21. Employee Benefits
A. Defined Contribution Plans – Provident and Pension Fund

During the year the Company has recognized the following amounts in the Revenue and/or Profit and Loss Account:

	(Rs. '000)	
Provident Fund	Year Ended 31.03.2019	Year Ended 31.03.2018
Employers Contribution to Provident and Pension Fund	57,118	45,853

B. Defined Benefit Plans – Gratuity

The gratuity liability arises on retirement, withdrawal, resignation or death of an employee. The aforesaid liability is calculated on the basis of actuarial valuation as per the projected unit credit method. The Gratuity plan has been funded through a policy taken from Max Life Insurance Company Limited. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

i. Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Interest/Discount Rate (Per Annum)	6.75% p.a.	6.95% p.a.
Rate of increase in compensation	7.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

ii. Changes in Present value of benefit obligation during the year:

	(Rs. '000)	
Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Present value of obligations at the beginning of the year	46,664	36,685
Current Service Cost	10,315	8,904
Interest cost	3,007	2,328
Benefits Paid	(6,800)	(3,867)
Actuarial loss/(gain) on obligation	6,000	2,614
Benefits paid directly by the enterprise	161	-
Present value of obligations at end of year	59,347	46,664

iii. Change in Fair Value of Plan Assets during the year:

	(Rs. '000)	
Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Fair Value of Plan Assets at beginning of year	34,552	27,671
Contributions	2,586	9,014
Expected Return on Plan Assets	12,111	2,026
Actuarial gain/(loss) on obligation	414	(292)
Benefits Paid	(6,800)	(3,867)
Benefits paid directly by the enterprise	161	-
Fair Value of Plan Assets at end of year	43,024	34,552

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
iv. Amounts recognized in Revenue or/and Profit & Loss Account:
(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Current Service Cost	10,315	8,904
Interest Cost	3,007	2,328
Expected Return on Plan Assets	(2,586)	(2026)
Actuarial (Gain)/loss on obligation	5,586	2,906
Amount recognized in Revenue or/and Profit & Loss Account	16,322	12,112

v. Amounts recognized in Balance Sheet:
(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Present value of obligations at end of Year	59,347	46,664
Fair Value of Plan Assets at end of Year	43,024	34,552
Funded Status (Deficit)/Surplus	16,322	(12,112)
Net Asset/(Liability) recognized in the balance sheet	16,322	(12,112)

vi. Balance Sheet Reconciliation:
(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Opening Net Liability/(Asset)	12,112	9,014
Expenses recognized in Profit & Loss Account	16,322	12,112
Contribution Paid	(12,112)	(9,014)
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	16,322	12,112

The Gratuity Fund is managed by Max Life Insurance Company Limited and it has been invested in Linked Group Gratuity- Balanced fund and Linked Group Gratuity-Conservative fund.

C. Compensated Absences:

The Company has recognized liability towards cost of accumulating compensated absences. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

i. Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Interest/Discount Rate (Per Annum)	6.75% p.a.	6.95% p.a.
Rate of increase in compensation	7.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
ii. Changes in Present value of benefit obligation during the year:
(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined Benefit Obligation, Beginning of year	24,629	25,477
Current Service Cost	8,079	9,639
Interest Cost	1,493	1,475
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	3,779	(5,051)
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	(6,286)	(6,911)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Defined Benefit Obligation at end of year	31,695	24,629

iii. Change in Fair Value of Plan Assets during the year:
(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Fair Value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actual Enterprise's Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
Fair Value of Plan Assets at end of year	-	-

iv. Amounts recognized in Revenue or/and Profit & Loss Account:
(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Current Service Cost	8,079	9,639
Interest Cost	1,493	1,475
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss	3,779	(5,050)
Amount recognized in Revenue or/and Profit & Loss Account	13,352	6,064

v. Amounts recognized in Balance Sheet:
(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined benefit obligations (DBO)	31,695	24,629
Fair Value of Plan Assets at end of Year	-	-
Funded Status (Deficit)/Surplus	31,695	24,629
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-
Net Asset/(Liability) recognized in the balance sheet	31,695	24,629

**SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED March 31, 2019**
vi. Balance Sheet Reconciliation:

(Rs. '000)		
Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Opening Net Liability/(Asset)	24,629	25,477
Expenses recognized in Revenue or/and Profit & Loss Account	13,352	6,064
Actual Benefits Paid	(6,286)	(6,911)
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	31,695	24,629

D. Sick Leave

The Company has recognized liability towards cost of accumulating sick leave. The Company has initiated recognition of actuarial liability towards sick leave from current financial year onwards. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

i. Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	-
Interest/Discount Rate (Per Annum)	6.75% p.a.	-
Rate of increase in compensation	7.00% p.a.	-
Withdrawal rate:	40% for frontline staff and 20% for other staff	-

ii. Changes in Present value of benefit obligation during the year:

(Rs. '000)		
Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined Benefit Obligation, Beginning of year	-	-
Current Service Cost	4,055	-
Interest Cost	-	-
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	-	-
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	-	-
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Defined Benefit Obligation at end of year	4,055	-

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
iii. Change in Fair Value of Plan Assets during the year:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Fair Value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actual Enterprise's Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
Fair Value of Plan Assets at end of year	-	-

iv. Amounts recognized in Revenue or/and Profit & Loss Account:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Current Service Cost	4,055	-
Interest Cost	-	-
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss	-	-
Amount recognized in Revenue or/and Profit & Loss Account	4,055	-

v. Amounts recognized in Balance Sheet:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined benefit obligations (DBO)	4,055	-
Fair Value of Plan Assets at end of Year	-	-
Funded Status (Deficit)/Surplus	4,055	-
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-
Net Asset/(Liability) recognized in the balance sheet	4,055	-

vi. Balance Sheet Reconciliation:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Opening Net Liability/(Asset)	-	-
Expenses recognized in Revenue or/and Profit & Loss Account	4,055	-
Actual Benefits Paid	-	-
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	4,055	-

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
E. Long term Incentive Benefits

The Company has schemes for Long Term Performance incentive plan & Guaranteed Payout plan. The Company has determined the liability on the basis of Actuarial valuation as under:

Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Discount Rate	6.55%	6.55%
Individual Performance	G2: 30%, G3: 70%	G2: 30%, G3: 70%
Salary Escalation Rate	N/A	N/A
Employee Turnover Rate	10%	10%
Mortality Rates	Indian Assured Lives Mortality (2006-08) UIt.	Indian Assured Lives Mortality (2006-08) UIt.

Amounts recognized in Balance Sheet:

Particulars	(Rs. '000)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined benefit obligations (DBO)	1,83,830	1,95,753
Fair Value of Plan Assets at end of Year	-	-
Net Asset/(Liability) recognized in the balance sheet	1,83,830	1,95,753

22. Earnings Per Share

Basic earnings per equity share have been computed by dividing net profit/(loss) after tax by the weighted average number of equity shares outstanding for the year.

Particulars	Units	Year ended 31.03.2019	Year ended 31.03.2018
a. Profit/(loss) available to equity shareholder's	Rs in '000s	(4,83,868)	2,28,398
b. Weighted average of number of equity shares used in computing basic earnings per share	No. of shares in '000s	9,40,975	9,26,000
c. Diluted Weighted average of number of equity shares used in computing diluted earnings per share	No. of shares in '000s	9,44,660	9,26,000
d. Nominal Value per share	in Rs.	10	10
e. Basic earnings per share (a/b)	in Rs	(0.51)	0.25
f. Diluted earnings per share (a/c)	in Rs	(0.51)	0.25

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
23. Disclosures on other work given to Auditor's

As per the Corporate Governance Guidelines issued by IRDAI on May 18, 2016 the services of the statutory auditors are disclosed below:

(Rs.'000)			
Name of the Auditor	Services Rendered	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Nangia & Co. LLP	Tax Audit fees	200	150
	Certification Fees	275	150
	Transfer Pricing Assessment	150	-
	Tax Consultancy	-	25
M.P. Chitale & Co.	Audit of Special Purpose Financials	600	-
	Certification Fees	50	-

24. In pursuant to Circular 067 dated 28th March, 2008 issued by IRDAI, following operating expenses are separately disclosed:

(Rs '000)		
Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Outsourcing Expenses*	13,40,713	4,99,412
Marketing Support	6,65,644	4,18,070
Business Development	4,733	2,682

*Outsourcing expenses have been calculated basis on the Outsourcing guidelines issued by IRDAI.

25. Expenses of Management

The Company has filed with IRDA on 15th Oct'2018, an application for forbearance for exceeding the Expenses of Management (EOM) over the allowable limit for FY 2018-19 along with a convergence plan. An approval for forbearance has been received for the FY 2018-19 to FY 2021-22 and in accordance with Expense of Management Regulations 2016, a sum of Rs.136.50 Cr which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account.

26. Sector Wise Business

Disclosure as per Schedule B Part II Point c (3) of the Insurance Regulatory and Development Authority of India (preparation of financial statements and auditor's report of insurance companies) regulations, 2002.

The total Gross Written Premium for the financial year is Rs.94,70,157 thousands (Previous year Rs. 75,44,715 thousands), out of which the bifurcation of Rural and social sector business is as under:

Business Sector	Year ended 31.03.2019			Year ended 31.03.2018		
	GDPI (Rs.'000s)	No of Policy	% of Policy	GDPI (Rs.'000s)	No of Policy	% of Policy
Rural	5,53,262	35,150	9.06%	4,38,830	26,472	8.00%
Social	1,631	7	0.00%	4,582	2	0.00%
Total	94,70,157	3,88,129	100%	75,44,716	3,30,876	100%

The above is compiled on basis of numbers reported to IRDAI.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Social Sector	Year ended 31.03.2019	Year ended 31.03.2018
Number of lives	1,28,888	97,675

Disclosure as per Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 is as under:

Rural Sector

Financial Year	Gross Premium for the year (Rs.'000s)	Amount of Premium procured in Rural Sector (Rs.'000s)	Rural Sector Premium as % to Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
2018-19	94,70,157	5,17,845*	5.47%	3.50%	Yes
2017-18	75,44,715	3,96,326	5.25%	3.00%	Yes

*Does not include RSBY business as mentioned in IRDAI (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015.

Social Sector

Financial Year	Total Business (lives) in the Preceding Financial Year	Number of Lives covered under Social Sector in the Financial Year 2017-18	Social Sector Lives as % to the Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
2018-19	27,42,523	1,28,888	4.70%	4.50%	Yes
2017-18	24,00,283	97,675	4.07%	4.00%	Yes

27. Micro Small and Medium Enterprises

Certain suppliers have confirmed their registration under MSME Act. As on March 31, 2019, there is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days. In respect of MSME creditors, where there have been delays in payments during the year, no interest is paid/ payable as the payment was made within the agreed credit period. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
.28. Penal Actions Details by Various Government Authorities

IRDAI circular no 005/IRDAI/F&A/CIR/MAY-09 requires disclosure as per given format in respect of penal actions taken by various Government Authorities.

SN	Authority	Non-Compliance/ Violation	Amount in Rs. Lakhs		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	- (-)	- (-)	- (-)	- (-)
2	Service Tax & Goods and service Tax Authorities	- (-)	- (-)	- (-)	- (-)
3	Income Tax Authorities	- (-)	- (-)	- (-)	- (-)
4	Any Other Tax Authorities	- (-)	- (-)	- (-)	- (-)
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	- (-)	- (-)	- (-)	- (-)
6	Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013.	- (-)	- (-)	- (-)	- (-)
7	Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding Compensation	- (-)	- (-)	- (-)	- (-)
8	Securities and Exchange Board of India	- (-)	- (-)	- (-)	- (-)
9	Competition Commission of India	- (-)	- (-)	- (-)	- (-)
10	Any other Central/State/local Government/ Statutory Authority	- (-)	- (-)	- (-)	- (-)

Bracket shows numbers related to previous year

29. Summary of Financial Statements is provided as under:

(Rs in Lakhs)

SN	Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
OPERATING RESULTS						
1	Gross Direct Premiums	94,702	75,447	59,393	47,601	37,266
2	Net Premium Income (net of reinsurance)	73,140	58,774	56,392	45,155	35,344
3	Income from Investments (net)	3,371	2,995	3,369	2,548	1,795
4	Other Income	-	-	-	-	-
5	Total Income	76,511	61,768	59,761	47,703	37,139
6	Commission (Net) including brokerage	3,085	2,267	5,897	4,480	3,220

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

SN	Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
7	Operating Expenses (net of EOM impact)	22,097*	18,394	15,116	22,123	22,437
8	Net incurred claims	35,564	28,902	28,277	23,402	18,220
9	Premium Deficiency	-	-	-	-	(57)
10	Change in unexpired risk reserve	7,192	1,188	1,964	5,844	3,820
11	Operating Profit/(Loss)	8,573*	11,017	8,507	(8,147)	(10,501)
NON OPERATING RESULTS						
12	Total income under shareholder's account (net of expenses)	(13,411)	(8,733)	(8,875)	1,297	1,170
13	Profit /(loss) before tax	(4,839)	2,284	(368)	(6,850)	(9,331)
14	Provision for Tax	-	-	-	-	-
15	Profit/(Loss) after tax	(4,839)	2,284	(368)	(6,850)	(9,331)
MISCELLANEOUS						
16	Policyholder's Account:					
	a) Total funds	48,563	36,573	34,901	Not applicable being General Insurance Company	
	b) Total Investments	48,563	36,573	34,901		
17	Shareholder's Account					
	a) Total funds	32,994	30,006	27,863	Not applicable being General Insurance Company	
	b) Total Investments	32,994	30,006	27,863		
18	Paid Up Equity Capital	98,100	92,600	92,600	89,800	79,050
19	Net Worth	26,246	25,584	23,300	20,868	16,968
20	Total Assets	99,950	82,084	72,596	64,512	50,887
21	Yield on total investments	7.76%	7.90%	8.20%	8.60%	9.10%
22	Basic Earnings Per Share (Rs.)**	(0.51)	0.25	(0.04)	(0.82)	(1.28)
	Diluted Earnings Per Share (Rs.)**	(0.51)	0.25	(0.04)	(0.82)	(1.28)
23	Book value per Share (Rs.)	10	10	10	10	10
24	Total Dividend	-	-	-	-	-
25	Dividend Per share (Rs.)	-	-	-	-	-

*A sum of Rs.13,650 Lakhs (Previous year 10,777.13 Lakhs) which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

**Weighted average number of equity shares for Basic EPS is 9,408 Lakhs (previous year 9,260 Lakhs) and

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

weighted average number of equity shares for Diluted EPS is 9,445 Lakhs (previous year 9,260 Lakhs) is used in computing earnings per share.

30. Accounting Ratios*is provided as under:

Performance Ratios	2018-19	2017-18	2016-17	2015-16	2014-15
Gross Direct Premium Growth Rate (Overall)	26%	27%	25%	28%	21%
Gross Direct Premium Growth Rate (Health)	23%	26%	24%	28%	21%
Gross Direct Premium Growth Rate (Personal Accident)	190%	274%	556%	-24%	-55%
Gross Direct Premium to Net Worth Ratio	3.61 times	2.95 times	2.55 times	2.28 times	2.20 times
Growth Rate of Net Worth	3%	10%	12%	23%	19%
Net Retention Ratio (Overall)	77%	78%	95%	95%	95%
Net Retention Ratio (Health)	77%	78%	95%	95%	95%
Net Retention Ratio (Personal Accident)	81%	70%	82%	60%	69%
Net Commission Ratio (Overall)	4%	4%	10%	10%	9%
Net Commission Ratio (Health)	4%	4%	10%	10%	9%
Net Commission Ratio (Personal Accident)	12%	8%	13%	-	-
Expenses of Management to Gross Direct Premium Ratio	50%	50%	54%	57%	66%
Expenses of Management to Net written Premium Ratio	64%	64%	57%	60%	76%
Net incurred claims to Net earned premium	54%	50%	52%	60%	58%
Combined Ratio	107%	104%	108%	118%	130%
Technical Reserves to Net Premium Ratio	0.62 times	0.60 times	0.59 times	0.69 times	0.68 times
Underwriting Balance Ratios	(0.13) times	(0.05) times	(0.10) times	(0.27) times	(0.33) times
Operating Profit Ratio	-7.7%	0.42%	-4%	-21%	-28%
Liquid Assets to Liability Ratio	0.75 times	0.75 times	0.71 times	0.70 times	1.83 times
Net Earnings Ratio	-7%	4%	-1%	-15%	-26%
Return on Net Worth Ratio	-18%	9%	-2%	-33%	-55%
Reinsurance Ratio	23%	22%	5%	5%	5%
Available Solvency margin Ratio to Required Solvency Margin Ratio (times)*	1.77	2.11	2.01	2.16	2.10
NPA Ratio	NA	NA	NA	NA	NA

*Calculated as per IRDAI Master Circular on Preparation of Financial Statements 2012.

**Required Solvency Margin Ratio (times) is 1.50.

31. Corporate Social Responsibility

As required under Section 135 of the Companies Act, 2013 and IRDAI Corporate Governance Guidelines 2016, the Board of the Company has appointed "Corporate Social Responsibility Committee" (CSR Committee) which

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

comprises of three members of the Board. The CSR Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining and monitoring CSR Projects. The Company has formulated Corporate Social Responsibility policy which has been adopted by the CSR Committee. As the Company has registered a negative profit based on the preceding three years' average net profit, the Company has no obligation towards CSR activities spend during FY 2018-2019.

32. Provision for Free Look period

The provision for Free Look period is Rs.1,819 thousand (previous year Rs.943 thousand), as certified by the Appointed and Mentor Actuary.

33. Risk Management Architecture

The Board and other stakeholders of Max Bupa get assurance on risk management processes and its effectiveness from external audit, internal audit, risk management, compliance and fraud investigation function. The Company's risk management framework comprises of the following elements:

- Risk Strategy and Appetite (including Risk Policy framework and Governance structure)
- Strategic Risk Assessment (Business Plan)
- Risk Categorization
- Risk Registers
- Risk Control and Assurance
- Risk Reporting
- Risk Management design and effectiveness review

Risk Management roles and responsibilities:

To improve coordination and eliminate duplication, Max Bupa has adopted 'Three Line of Defence' model. The model defines clear set of responsibilities for each group of risk and control professionals.

- a) First Line: Involved in day to day risk management, in accordance with agreed risk policies, appetite and controls, at the operational level. This role is performed by Functional Heads and Process owners.
- b) Second Line: Responsible for risk oversight, risk guidance and risk reporting. This role is performed by Risk Management team, Compliance & Fraud Investigation team.
- c) Third Line: Independent assurance to the Board and Senior Management of the effectiveness of risk management processes. This role is performed by Internal and External Auditors.

A Risk Management team headed by Chief Risk Officer is in place to support for and challenge on the completeness and accuracy of risk identification, measurement, management, monitoring and reporting, and adequacy of, and progress against, mitigation plans.

Risk Appetite Statements:

To help define the level of risk that Max Bupa is willing to take, a set of Risk Appetite Statements have been defined which state in both quantitative and qualitative terms the Max Bupa Board's desired risk profile. The statements are reviewed and approved annually by the Board. The risk appetite statements are aligned with risk strategy and the Business Plan approved by the Board.

Status update against the defined risk appetites are monitored and reported to the Risk Committee on a quarterly basis.

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

Strategic Risk Assessment:

Max Bupa identifies the need for explicitly considering risk in the strategic and planning process. For the purpose, a strategic risk assessment process has been documented which will ensure that while developing business plans and/ or implementing major change initiatives, the business should include a "challenge phase", where the business including the risk team consider the impact of planned changes on the existing and future risk profile and the control environment.

Risk Identification and Assessment process:

Max Bupa has categorized risk into six (6) broad Level 1 categories – Strategic risk, Insurance risk, financial risk, Operational risk, Regulatory risk and Reputational risk. Each of such 6 categories is further broken down into 27 Level 2 sub risk categories. These risk categories are observed throughout the risk management journey.

Company has documented functional risk registers to identify and assess inherent risks against such risk categories. Each identified risk is mapped to existing controls to mitigate such risk. After identification of existing (As is) controls, functional heads along with their teams assess the risk based on their impact and likelihood using the laid down parameters. Remediation actions are identified for control gaps, if any.

A consolidated risk register against the defined risk categories is prepared on a quarterly basis to include key risks for the quarter. A Management Risk Committee chaired by the CEO and attended by Senior Leadership Team reviews the risks in their respective domains on a quarterly basis and updates the consolidated register. CRO along with the Risk Management Team overviews and challenges the entire process of risk identification and rating.

Risk Reporting:

Status update on the remedial actions identified against the risks captured in the consolidated risk register is reported to Risk Committee on quarterly basis along with the Key Risk Summary and the Organizational Risk Heat Map.

The company has compiled the data for the purpose of disclosure in Note No. 33 from its risk management framework and policies and has been furnished by the management, which has been relied upon by the auditors.

34. Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under section 11 (3) of Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015)

Name of person in-charge	Mr. Ashish Mehrotra
Designation of person in-charge	Managing Director and Chief Executive Officer
Occupation of person in-charge	Service
Directorships held by the person In-charge during the year or at March 31, 2019	Max Bupa Health Insurance Company Limited

SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019
35. REPO/Reverse repo transactions
(Rs.'000)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on 31st March 2019
Securities sold under repo				
Government securities	-	-	-	-
Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo				
Government securities	-	6,02,591	49,360	-
Corporate Debt Securities	-	-	-	-

There were no transactions made under reverse repo in previous year.

36. Share Purchase Agreements

Promoters of the Company, Max India Limited and Bupa Singapore Holdings Pte Ltd have entered into separate Share Purchase Agreements with True North (a private equity firm) on 13-Mar-19 and signed a Term Sheet on 26-Mar-2019, pursuant to these agreements True North will acquire a 51% stake in the Company from Max India Limited and 5,09,69,400 shares (aggregating to 5.20% of paid up share capital as on 13 March 2019) in the Company from Bupa Singapore Holdings Pte Ltd. The proposed transaction is subject to requisite regulatory approvals.

37. Comparative Figures

Previous year figures have been regrouped/reclassified in the respective schedule and notes, wherever considered necessary, to conform to current year's classification.

Previous Year Statement/Schedule number, Line Item & Description	Amount Regrouped (000's)	Current Year Statement/ Schedule number, Line Item & Description	Amount Regrouped (000's)	Reason for Change
Schedule 4 Operating expenses related to Insurance Business - Others - Rewards & Remuneration	11,561	Schedule 3 Commission Net	11,561	This has been regrouped to align with the nature of expense.
Schedule 13 Current Liabilities - Sundry Creditors	24,300	Schedule 13 Current Liabilities - Due to subsidiaries/ holding company	24,300	In the previous year, it was classified in Sundry Creditors.

As per our Audit report of even date attached.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No. 002391C

Rakesh Nangia
Partner
Membership No. 070776
Place: Noida

For M P Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner
Place: Mumbai
Date: May 23, 2019

For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited

K. Narasimha Murthy
Director
DIN: 00023046

Rajat Sharma
Company Secretary
Mem No. FCS7069

Ramanan A V
Appointed Actuary
Mem No. 4992
Date: May 23, 2019

Rajesh Sud
Chairman & Director
DIN: 02395182

Ashish Mehrotra
CEO & Managing Director
DIN: 07277318

Rahul Ahuja
Chief Financial Officer

CIN - U66000DL2008PLC182918

MANAGEMENT REPORT

In accordance with Part IV Schedule B of the Insurance Regulatory and Development Authority (IRDAI) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulation) the following Management Report for the year ended March 31, 2019 is submitted:

1. The Company obtained Regulatory approval to undertake Health & Personal Accident Insurance business on 15th Feb 2010 from the Insurance Regulatory and development Authority of India ('IRDAI') and holds a valid certificate of registration.
2. We certify that all the dues payable to the statutory authorities have been duly paid except Pension contribution of Rs. 80,604 of those employees whose Aadhaar could not be linked in PF UAN account despite making repeated attempts.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with the statutory and regulatory requirements.
4. The management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the required solvency margins under the Insurance Act, 1938.
6. We certify that the values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance sheet are shown in aggregate at amounts not exceeding their realizable or market value under the heading - "Loans", "Investments" (wherever applicable), "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "other Accounts".
7. The Investment Risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread the risk across a wide category of Investee companies in line with regulatory requirements. The Company has constituted an Investment Committee, which acts as the policy making body for the Investment operations. The Investment Committee lays down various internal policies and norms governing the functioning of the Investment Department. The Investment Committee periodically discusses the Investment strategy, portfolio structures, performance of the portfolio and related issues. The Investment policy is reviewed semi annually in order to align the same with the Company business plans.
8. We confirm that there were no operations of the Company outside India during the year ended March 31, 2019.
9. Ageing analysis of claims outstanding (excluding provision for IBNR / IBNER and claims relating to inward re-insurance) is as under:

Particulars	FY 2018-19		FY 2017-18		FY 2016-17		FY 2015-16		FY 2014-15	
	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)
30 days	3,359	2542	3,484	1,732	2,419	1,475	1,843	1,248	2,737	1,984
30 days to 6 Months	538	572	127	220	213	208	284	226	192	161
6 months to 1 year	26	19	2	2	41	48	4	31	-	-
1 year to 5 years	-	-	-	-	8	65	1	1	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-

Above includes claim reserve for pre-auth given.

Average claims settlement time during the preceding five years is as under:

Line of Business	FY 2018-19		FY 2017-18		FY 2016-17		FY 2015-16		FY 2014-15	
	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)
Health	79,010	16	70,723	17Days	57,588	18Days	47,687	22Days	40,889	16Days
Personal Accident	21	13	10	11Days	2	7Days	9	10Days	20	18Days

10. As at March 31, 2019, the investments of the Company are mainly in Government Securities, Debt Securities including corporate bonds, Certificate of Deposits & Commercial Papers, Bank Deposits and Mutual Funds. As per the IRDA guidelines, all Debt securities are considered as held to maturity and valued at historical cost subject to amortization of premium/discount. Further, the market value for debt securities as at 31st March, 2019 has been calculated as per guidelines issued by SEBI approved rating agency (CRISIL)

Mutual funds Investments are stated at fair value, being the closing net assets value as at balance sheet date.

Acquisition cost of Debt Securities is Rs. 68,98,290 thousands (Previous year Rs. 58,09,500 thousands), amortized value is Rs. 69,00,736 thousands (Previous year Rs. 58,10,276 thousands) and market value at Rs. 69,03,455 thousands (Previous year Rs. 58,40,223 thousands).

11. Investments are in accordance with the Insurance Act, 1938 and Insurance Regulatory & Development Authority (Investment) Regulations, 2000 and subsequent amendments. Investment Portfolio consists of Central and State Government Securities, Infrastructure Bonds (AAA), Housing Sector Bonds (AAA), Corporate Bonds (AAA, AA+, A+, AA- and D), Commercial Papers with A1+/P1+/PR1+ ratings, Certificate of Deposits with A1+ ratings, Liquid Mutual Funds and Deposits with various Scheduled Banks. NPA to be inserted.

12. We also confirm:

- That the Financial Statements have been prepared in accordance with generally accepted accounting principles and policies, applicable accounting standards and current practices prevailing in the insurance industry and there are no material departures.
- That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating Profit or Loss and of the profit or loss of the company for the year.
- That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 and Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the management has prepared the financial statements on a going concern basis.
- Company actual solvency ratio is 1.77 against the required solvency ratio of 1.50.
- That there is an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

13. Payments made to 'companies and organizations in which Directors are interested' are as under:

No	Name of the Director	Entity in which director is interested	Interested as	Payment made during FY 2018-19 (Rs. In Lakhs)
1	Mr. Rajesh Sud	Max Skill First Limited	Director and Chairman	622.73
		Bharti Airtel Limited	Director	107.27
2	Mr. Dinesh Kumar Mittal	Max Life Insurance Company Limited	Director	51.74
		Max Financial Services Limited	Director	38.86
		Max India Limited	Director	343.00
3	Ms. Marielle Theron	Max Life Insurance Company Limited	Non Executive Director	51.74
		Max India Limited	Business Advisor	343.00
		Max Skill First Limited	Non Executive Director	622.73
		Max Financial Services Limited	Managing Director & Member	38.86
4	Mr. Mohit Talwar	Max India Limited	Managing Director & Member	343.00
		Max Healthcare Institute Limited	Director	3.21
		Max Life Insurance Company Limited	Director	51.74
5	Mr. K. Narasimha Murthy	Max Healthcare Institute Limited	Director	3.21
		Max Life Insurance Company Limited	Director	51.74
		Max India Limited	Additional Director	343.00
		Max Life Insurance Company Limited	Chairman	51.74
6	Mr. Rahul Khosla	Max Healthcare Institute Limited	Chairman	3.21
		Max India Limited	Chairman	343.00
		Indian School of business	Director	4.33
7	Mr. Pradeep Pant	Max Life Insurance Company Limited	Additional Director	51.74

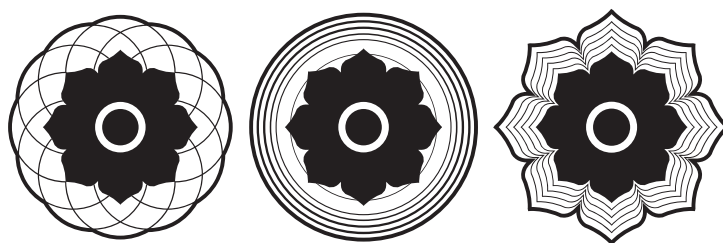
**For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited**

Director
K. Narasimha Murthy
DIN - 00023046

CEO & Managing Director
Ashish Mehrotra
DIN - 07277318

Company Secretary
Rajat Sharma
Membership No.- FCS7069
Place: New Delhi
Date: May 23, 2019

Chief Financial Officer
Rahul Ahuja



ANTARA
SENIOR LIVING

DIRECTORS' REPORT

Your Directors have the pleasure in presenting the 8th Annual Report together with the Audited Accounts for the financial year ended March 31, 2019.

FINANCIAL PERFORMANCE

The financial highlights of your Company for the year under review are given below:

(₹ in Lacs)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Income	86.03	97.08
Total expenses	1873.75	2094.82
EBITDA	(1787.72)	(1997.74)
Less: Depreciation	27.76	41.56
Less: Finance cost	0.37	-
Profit / (Loss) Before Tax	(1815.85)	(2039.30)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(1815.85)	(2039.30)
Other Comprehensive Income	(39.90)	15.31
Total Comprehensive Income for the period	(1855.75)	(2023.99)

The Company registered a net loss amounting to ₹ 1855.75 lakhs as compared to a net loss of ₹ 2023.99 lakhs in the previous financial year. The Company is making continuous endeavour to improve its financial position by identifying new opportunities of revenues and constant measures for cost reductions.

In order to support the subsidiary company, Antara Purukul Senior Living Ltd. (APSL), your Company has invested during the period under review an additional sum of ₹ 1857.00 Lacs (including Share Application Money) in APSL by subscribing to its equity shares.

KEY OPERATIONAL DEVELOPMENTS OF FINANCIAL YEAR 2018-19

During the financial year under review, your Company has focused on supporting subsidiary company, Antara Purukul Senior Living Ltd. ("APSL") to make its first residential senior living community at Dehradun ("Antara Dehradun") financially self-sustainable and further scouting for suitable growth opportunities across India. Your Company's growth

plan got delayed as one of the projects for which the Definitive Agreement was already signed, could not take off due to the liquidity issues in the financial market leading to developer's inability to secure debt as per the agreed conditions. However the same were swiftly addressed by identifying alternate opportunities.

Your Company continues to provide marketing services to APSL for marketing and promotion of Antara Dehradun.

Support & Services to Antara Dehradun

Your Company has channelized its marketing efforts towards generating higher footfall at Antara Dehradun along with generating focused and quality leads through the most effective avenues. Various marketing efforts made by your Company include resident testimonials in the form of advertorials in leading publications like Hindustan Times, Times of India, product advertorials focusing on Dehradun etc. Various events like Antara festival, Dehradun poetry festival, CII investor summit etc were organized at Antara Dehradun to attract people to visit the community. Brand 'Antara' was featured in various publications. Your Company has effectively used social media channels like Facebook, Linked In and YouTube to highlight the 'Life at Antara Dehradun' alongwith various facilities and amenities therein.

During the year gone by, Mrs. Tara Singh Vachani, received 'Ageing Asia Influencer and Women Entrepreneur of the Year Award' and Antara Dehradun was awarded best 'Silver Interior Design' at the Ageing Asia Awards.

Growth Opportunities

Your Company has been crafting a roadmap for future communities which includes detailed deliberation on learning's from Antara Dehradun and creating a better product at a competitive pricing in the market. It is also exploring other potential avenues of business growth such as assisted living business model.

Based on the approval from the Board, low risk & capital light opportunities are being explored. Your Company has identified growth opportunities in Noida and New Chandigarh for development of senior living communities. It is envisaged that your Company shall invest ₹15 -25 crore

as reimbursable investment to kick start sales and early construction needs, while taking care of its corporate cost expenses. Your Company shall be responsible for providing design and sales & marketing support. Your Company shall also independently run the operations post-handover of residences to the clients. Your Company will get fee for services provided during the project phase as a percentage of revenue. The developer partner shall contribute land and take construction responsibility. These opportunities are in the advanced stages of signing of Definitive Agreements.

INDUSTRY OUTLOOK

There is huge potential for senior living/retirement homes in India. As per a recent study done by CII, current senior population in India is about 116 million, approx. 9% of total population. Population above 60 years in India is the fastest growing demographic segment in the world, growing at 3.8% per annum. There are 90 senior living communities under development of which 57 are operational. Current senior housing demand from urban and rural sector is approx. 2,40,000 houses and 51,500 houses respectively. Current senior housing supply across 37 senior living players in all formats and economic segments is about 20,000 units. Of this 53% of total senior living units are operational, 40% are under construction and 7% are under planning and designing.

Further, recognising the need for growing senior population in India, the Ministry of Housing and Urban Affairs has laid down model guidelines for development and regulation of retirement homes. These guidelines once adopted by states shall help to regulate the senior living developments in the country.

FUTURE OUTLOOK

Your Company's prime focus will be to launch new senior living projects across India under a clearly identified roadmap for growth. Your Company shall also focus on making Antara Dehradun self sustainable.

DIVIDEND

Your Directors have not recommended any dividend for the year under review in view of loss incurred by the Company.

SHARE CAPITAL

As on March 31, 2019 the Capital Structure of the Company was as under:

The authorized share capital of the Company was ₹341,00,00,000 (Rupees Three Hundred and Forty One Crores only) divided into 80,00,000 (Eighty Lakhs) Equity Shares of ₹10/- each and 333,00,000 (Three Crore Thirty Three Lakhs) Compulsory Convertible Preference Shares (CCPS) of ₹100/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

The Board in its meeting held on May 16, 2019 has approved, subject to the approval of shareholders, the proposal to increase the authorized share capital by additional 51,00,000 (Fifty-One Lakhs) Compulsory Convertible Preference Shares of ₹100/- each.

As on date, the Capital Structure of the Company is as under:

The authorized share capital of the Company is ₹392,00,00,000 (Rupees Three Hundred and Ninety Two Crores only) divided into 80,00,000 (Eighty Lakhs) Equity Shares of ₹10/- each and 384,00,000 (Three Crore Eighty Four Lakhs) Compulsory Convertible Preference Shares (CCPS) of ₹100/- each ranking pari passu in all respect with the existing Equity Shares of the Company. The paid-up share capital of the Company is ₹3,35,41,41,700/- comprising 80,00,000 equity shares of ₹10/- each and 3,27,41,417 CCPS of ₹100/- each. The entire paid up share capital is held by Max India Limited.

During the financial year under review, the Company has allotted 38,45,000 (Thirty Eight Lakhs Forty Five Thousand only) Compulsory Convertible Preference Shares (CCPS) of ₹100/- each in various tranches by way of rights issue to the existing equity shareholders, Max India Limited. Further, the Company has on May 16, 2019 allotted 6,25,000 Preference Shares (Six Lacs Twenty-Five Thousand only) CCPS to Max India Limited by way of rights issue.

MATERIAL CHANGE AFFECTING THE FINANCIAL POSITION OF THE COMPANY SINCE MARCH 31, 2019 TO THE DATE OF THE REPORT

There is no material change affecting the financial position of the Company since March 31, 2019 to the date of Report.

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the reserves.

BOARD OF DIRECTORS

During the year under review, Mr. Ashwani Windlass resigned as the Director of the Company effective September 19, 2018. Your Directors place on record their appreciation for the valuable contribution by Mr. Ashwani Windlass during his association with the Company

In terms of Section 152 of the Companies Act, 2013 (Companies Act) and Articles of Association of the Company, Mrs. Tara Singh Vachani and Mr. Rohit Kapoor, directors are liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, have offered themselves for re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed along with their shareholding in the Company as stipulated under Secretarial Standard 2 shall be appended as an annexure to the Notice of the ensuing AGM.

KEY MANAGERIAL PERSONNEL

As on the date of this Report, Mrs. Tara Singh Vachani, Managing Director & Chief Executive Officer, Mr. Ajay Agrawal, Chief Financial Officer (CFO) and Mrs. Deepa Sood, Company Secretary are the Key Managerial Personnels (KMPs) of the Company, pursuant to the provisions of the Companies Act.

During the financial year under review, Mr. Ajay Agrawal was appointed as CFO and KMP of the Company effective August 1, 2018 by the Board of Directors at their meeting held on July 24, 2018

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

The Company has received declarations from Mr. Pradeep Pant and Mrs. Sharmila Tagore, Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149 of the Companies Act.

Further, the code of conduct for independent directors specifying their roles, rights, responsibilities in the Company, business model of the Company and related matters are put up on the website of the Company at the link <<http://www.antaraseniorliving.com>>.

BOARD EVALUATION

Keeping in view the requirements of Companies Act as amended from time to time, on Board evaluation, the Nomination and Remuneration Committee formulated the process on evaluation of Board, its Committees' and individual Directors. The evaluation process has been designed in the form of a questionnaire to evaluate the Board & its Committees and enable self-assessment by every Individual Director on the basis of four point scale rating. The process elaborates various aspects of evaluation that helps the Board to derive the best possible benefit and achieve the objective of the entire process.

The evaluation process is carried on through IT enabled platform. The annual performance evaluation included evaluation of the Board, Independent Directors, Non-Independent Directors, Executive Directors, Chairman, Committees of the Board, quantity, quality and timeliness of information to the Board.

Each Director completed the evaluation form and shared feedback which was discussed at the meetings of the Nomination and Remuneration Committee and the Board. The Independent Directors also reviewed the performance of the non-Independent Directors, including the Chairman of the Company, pursuant to Schedule IV to the Companies Act. The Board evaluation for the financial year 2018-2019 was completed by the Board as per the process explained above.

POLICY ON QUALIFICATION AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER TEAM MEMBERS

The Company has framed a Policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors and other team members of the Company which is attached herewith marked as **Annexure-1** forming part of this Report

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial control systems that commensurate with the size of its operations. These controls ensure that transactions are authorized, recorded and reported on time. They ensure that assets are safe guarded and protected against loss or unauthorized disposal.

The internal auditors carried out audits in different areas of your Company's operations. Post-audit reviews were carried out to ensure that audit recommendations were implemented whereas no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. The Audit Committee reviewed the audit program and findings of the internal audit.

DETAILS OF SUBSIDIARY COMPANIES

The Company has following two subsidiaries as on March 31, 2019:

1. Antara Purukul Senior Living Limited
2. Antara Gurgaon Senior Living Limited

There has been no material change in the nature of the business of the subsidiaries.

FINANCIAL PERFORMANCE OF EACH OF THE SUBSIDIARIES

Antara Purukul Senior Living Limited

	(₹ in Lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Income	6421.98	15684.47
Total expenses	6444.28	15683.48
EBITDA	(22.30)	0.99
Less: Depreciation	291.46	259.13
Less: Finance cost	2580.68	3435.54
Profit / (Loss) Before Tax	(2894.44)	(3693.68)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(2894.44)	(3693.68)
Other Comprehensive Income	7.99	41.71
Total Comprehensive Income	(2886.45)	(3651.97)

Antara Gurgaon Senior Living Limited

	(₹ in Lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Income	-	-
Total expenses	(1.12)	(0.46)
EBITDA	(1.12)	(0.46)
Less: Depreciation	-	-
Less: Finance cost	-	-
Profit / (Loss) Before Tax	(1.12)	(0.46)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(1.12)	(0.46)
Other Comprehensive Income	-	-
Total Comprehensive Income	(1.12)	(0.46)

The statement containing the salient features of the financial statements of the subsidiaries in the prescribed format AOC-1 is appended as **Annexure-2** to this Report. The Company does not have any associate or joint venture companies.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act read with Rules made thereunder, M/s. Ravi Rajan & Co., Chartered Accountants were appointed with your approval at the 7th AGM as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of 7th AGM till the conclusion of 12th AGM. They continue as the Statutory Auditors of the Company.

STATUTORY AUDITORS' REPORT

All observations made in the Statutory Auditors' Report and notes to the accounts are self-explanatory and do not contain any adverse remarks or qualification from the Statutory Auditors and thus Auditors not call for any further comments under Section 134 of the Companies Act.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Ravi Rajan & Co., Statutory Auditors of the Company for the financial year 2018-19 as annexed in the Annual Report.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, your Company had appointed M/s P.C Jain & Co., Company Secretaries as its Secretarial Auditor to conduct Secretarial Audit for the Financial Year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as **Annexure-3** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

DISCLOSURES:

COMPOSITION OF COMMITTEES

AUDIT COMMITTEE

The composition of the Audit Committee and details of attendance of the member at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Pradeep Pant	Independent Director	3*	3
Mrs. Sharmila Tagore	Independent Director	3*	3
Mr. Rohit Kapoor	Non-Executive Director	3*	2

** Audit Committee meeting called on October 29, 2018 could not be held due to absence of quorum. The same has been excluded from the total number of Audit Committee Meetings held during the year.*

There was no change in composition of the Audit Committee during the financial year under review.

The composition, role and terms of reference of the Audit Committee are in compliance with Section 177 of the Act besides other terms, as may be referred to it by the Board of Directors of the Company, from time to time. The Board has accepted all recommendations made by the Audit Committee from time to time.

NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee and details of attendance of the member at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Rahul Khosla	Chairman Non-Executive Director	2	2
Mr. Pradeep Pant	Independent Director	2	2
Mr. Mohit Talwar	Non-Executive Director	2	2
Mrs. Sharmila Tagore	Independent Director	2	1

There was no change in composition of the Nomination & Remuneration Committee during the financial year under review.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS AND ITS COMMITTEES

The Company prepares a calendar of meetings of the Board and Committees in advance so as to allow the Directors to block their calendars. During the year under review, the Board of Directors duly met four times on May 14, 2018, July 24, 2018, October 29, 2018 and January 18, 2019.

During the year under review, the Audit Committee met three times on May 14, 2018, July 23, 2018 and January 17, 2019. Audit Committee meeting called on October 29, 2018 could not be held due to absence of quorum. The Nomination and Remuneration Committee met twice on April 12, 2018 and July 24, 2018.

Proper notices were given for the meetings of Board and its Committees and the proceedings were properly recorded and signed minutes were maintained in the minutes book.

PARTICULARS OF THE LOANS, INVESTMENT OR GUARANTEES

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All arrangements / transactions entered into by the Company with its related parties during the year were on arm's length basis. The Company has entered into a related party transaction relating to sub-leasing of apartment in Antara Dehradun from Dr. Shubnum Singh, Director to the Company, which was on arms length but not in ordinary course of business, after your approval at the Extra Ordinary General meeting dated November 28, 2018.

During the year, the Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable. The names of Related Parties and details of transactions with them during the Financial Year 2018-19 is annexed herewith marked as **Annexure-4** to this Report.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits from the public.

RISK MANAGEMENT POLICY

Your Company continues to focus on a system-based approach to business risk management by implementing a risk management policy adopted by the Board of directors for assessing the key risks faced by the organization such as strategic, financial, credit, market, liquidity, information technology, legal, regulatory and other risks.

Every quarter, the Audit Committee reviews the principal risks and uncertainties that can impact the ability of the Company to achieve its strategic objectives and seek measures to minimize the adverse impact of these risks.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Companies Act read with Companies (Accounts) Rules, 2014 is as follows:

a) Conservation of Energy

- (i) the steps taken or impact on conservation of energy: Regular efforts are made to conserve the

energy through various means such as use of low energy consuming lightings, using energy efficient equipment incorporating latest technology and regular maintenance etc.

- (ii) the steps taken by the Company for using alternate sources of energy: Since your Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.
- (iii) Capital investment on energy conservation equipment: Nil

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned: Nil

Total Foreign Exchange used: ₹ 19.23 Lacs

(₹ in Lacs)		
PARTICULARS	2018-19	2017-18
Foreign Exchange Outgo		
Legal and professional	6.43	6.43
Staff Welfare	0	10.07
Travelling and Conveyance	5.10	2.83
Director Sitting Fees	7.70	9.83
Total	19.23	29.16

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form No. MGT-9 as provided under Section 92(3) of the Companies Act is annexed herewith as **Annexure-5** to this Report.

SECRETARIAL STANDARDS

Your Directors confirm compliance of all applicable Secretarial Standards during the Financial year 2018-19.

PARTICULARS OF EMPLOYEES

The information required under Rule 5 (2) and (3) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the **Annexure-6** to this Report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No case under the said Act has been reported during the financial year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, with respect to Directors Responsibility Statement, your Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors had laid down internal financial controls

to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation to management and team members at all levels for their hard work, dedication and commitment. The Board also places on record its appreciation for the support and co-operation your Company has been receiving from the suppliers, distributors, retailers, business partners, Government departments both at central & state level and all other stakeholders.

For and on behalf of the Board of Directors
Antara Senior Living Ltd.

Analjit Singh

Chairman

DIN No.- 00029641

Place: New Delhi

Date: May 16, 2019

ENCLOSURES:

Annexure-1: Policy on qualification, positive attributes etc. of Directors

Annexure-2: Form AOC-1

Annexure-3: Secretarial Auditor Report for Financial Year 2018-19

Annexure-4: List of Related Party Transactions for Financial Year 2018-19

Annexure-5: Extract of Annual Return of the Company

Annexure-6: Particulars of Employees and their remuneration

Annexure-1**APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 ("THE ACT")****Preamble**

In terms of Section 178 of the Act, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP") and other employees.

Appointment Criteria and Qualification

It is the responsibility of the NRC to develop competency requirements for the Board based on the industry and strategy of the Company. For this purpose, the NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person, conduct appropriate reference checks and due diligence before recommending him /her to the Board.

For the appointment of KMPs [other than Managing Director/ Whole time Director/Manager/CEO], Senior Management and other employees, a person should possess adequate qualification, expertise and experience for the position, he / she is considered for the appointment.

Remuneration Policy

The remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on a regular basis and is in consonance with the existing industry practice. This Policy has been adopted in accordance with the requirements of Section 178 of the Act with respect to the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management.

The key components of the Company's Remuneration Policy are - the Compensation will be based on credentials and the major driver of performance, compensation will be competitive and benchmarked with industry practice and compensation will be fully transparent and tax compliant.

The purpose of this Policy is to ensure that the remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals and to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

- **Remuneration of Managing / Whole-time Director/ Manager/CEO, KMP and Senior Management**

The remuneration of the Managing / Whole - time Director/ Manager/CEO will be determined by the NRC and recommended to the Board for approval. Such remuneration shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Manager/CEO of the Company is authorised to decide the remuneration of KMP (other than Managing /Wholetime Director/ Manager/CEO) and Senior Management, and which shall be decided by the Manager/CEO based on the standard market practice and prevailing HR policies of the Company.

- **Remuneration to Non-executive / Independent Director**

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive /Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board /shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act, as amended from time to time.

Annexure-2

Form AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Financial Summary of the Subsidiary Companies

Rs. In Lakhs

Name of Subsidiary	Antara Purukul Senior Living Ltd		Antara Gurgaon Senior Living Ltd	
Particulars	As on 31-Mar-19	As on 31-Mar-18	As on 31-Mar-19	As on 31-Mar-18
Share Capital	25,882.71	24,142.71	5.00	5.00
Reserves & Surplus	(19,575.25)	(16,805.80)	(3.60)	(2.49)
Total Assets	37,465.32	41,880.74	1.88	2.91
Total Liabilities	31,157.86	34,543.84	0.48	0.40
Investments	-	-	-	-
Turnover	6,421.98	15,684.47	-	-
Profit/(Loss) before taxation	(2,894.44)	(3,693.68)	(1.11)	(0.46)
Provision for taxation	-	-	-	-
Other Comprehensive Income (OCI)	7.99	41.71	-	-
Profit/(Loss) for the period	(2,886.45)	(3,651.97)	(1.11)	(0.46)
Proposed Dividend	-	-	-	-
% of Shareholding		100%		100%
Reporting Currency	INR			

Notes:

- (i) The detailed financials of the Subsidiary Companies shall be made available to any Shareholder seeking such information.
- (ii) The Company does not have any associate companies or joint ventures.

For and on behalf of Board of Directors
Antara Senior Living Limited

Place: New Delhi
Date: May 16, 2019

Analjit Singh
Chairman
DIN No. 00029641

Annexure - 3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Antara Senior Living Limited
"Max House" 1, Dr.Jha Marg,
Okhla Phase-III, New Delhi- 110 020
Dear Members,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Antara Senior Living Limited CIN: U74140DL2011PLC218781 (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our Opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not applicable during the period under review.)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not applicable during the period under review.)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :- **(Not applicable during the period under review.)**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) No other laws are specifically applicable to the Company during the period under audit period.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- (ii) Being an unlisted company, no listing agreement is required to be entered with any Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Mr. Ashwani Windlass Director of the company resigned from the Directorship with effect from September 19, 2018 and No other changes found in the Board during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period following specific events/ actions were taken by the Company which have major bearing on the Company's affairs in pursuance of the act, rules, regulations , guidelines, standards etc. referred above:-

1. The Company has issued and allotted 38,45,000 (Thirty Eight Lakh and Forty Five Thousand) Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each (Rupees One Hundred) for cash at par, on right issue basis to the existing equity shareholder (Max India Limited- Holding Company) under section 55 and 62 and other applicable provisions of the

Companies Act, 2013 and rules made there under, during the period under review. These CCPS may be converted at the option of the Shareholder into equity shares during the tenor of 10 years from the date of issue. The conversion price will be at par value conversion, i.e. 1 CCPS to be converted into 10 equity shares at time of conversion.

The Details of the Allotment during the financial year are as follows-

- Allotment of 12,00,000 Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each dated May 14, 2018.
- Allotment of 6,50,000 Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each dated July 24, 2018.
- Allotment of 2,30,000 Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each dated October 26, 2018.
- Allotment of 8,20,000 Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each dated October 29, 2018.
- Allotment of 4,00,000 Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each dated January 18, 2019.
- Allotment of 5,45,000 Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each dated March 28, 2019.

For P.C. Jain & Co.
Company Secretaries
(FRN:P2016HR051300)

Date: 26.04.2019
Place: Faridabad

(P C Jain)
Partner
FCS 4103
CP No. 3349

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Antara Senior Living Limited
Max House
1, Dr. Jha Marg, Okhla
New Delhi-110020

Sir,

Our Secretarial Audit Report for the financial year 2018-19 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, personal records of employee(s) and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P.C. Jain & Co.
Company Secretaries
(FRN:P2016HR051300)

Date: 26.04.2019
Place: Faridabad

(P C Jain)
Partner
FCS 4103
CP No. 3349

Notes to Financial Statements for the year ended 31 March 2019
(Amount in INR lakhs, unless otherwise stated)

- B.** The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
KMP Compensation				
Managerial remuneration	Tara Singh Vachani (Managing Director and CEO)	131.89	158.72	117.57
Salary and Wages	Ajay Agrawal (CFO)	65.96	-	-
Salary and Wages	Deepa Sood (Company Secretary)	51.47	59.67	-
Salary and Wages	A V K Rao (CFO)- Since Resigned	-	108.98	-
Director Sitting Fees	Sharmila Tagore	7.00	14.00	13.00
Director Sitting Fees	Pradeep Pant	11.00	14.14	15.00
Long term employee benefits				
Leave encashment	A V K Rao (CFO)- Since Resigned	-	0.25	-
Termination benefit				
Gartuity	A V K Rao (CFO)- Since Resigned	-	13.01	-
Others				
Sale of services- Marketing fees	Antara Purukul Senior Living Limited	53.36	66.96	69.03
Corporate guarantee given	Antara Purukul Senior Living Limited	22,000.00	22,000.00	27,700.00
Interest income on loans	Antara Purukul Senior Living Limited	-	-	1,021.94
Rent including lease rental	Antara Purukul Senior Living Limited	-	2.90	
Loan received back by the Company	Antara Purukul Senior Living Limited	-	-	10,720.81
Rent including lease rental	Pharmax Corporation Limited	71.76	67.72	22.29
Health Insurance	Max Bupa Health Insurance Limited	19.46	-	-

C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade receivables	Antara Purukul Senior Living Limited	-	0.51	-
Other current liabilities	Antara Purukul Senior Living Limited	-	2.71	
Long term loans and advances				
Security deposit given	Pharmax Corporation Limited	11.15	11.15	11.15
Corporate guarantees given at the year end	Antara Purukul Senior Living Limited	22,000.00	22,000.00	27,700.00

For and on behalf of Board of Directors
Antara Senior Living Limited

Analjit Singh

Chairman

DIN No. 00029641

Place: New Delhi
Date: May 16, 2019

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74140DL2011PLC218781
ii	Registration Date	06/05/2011
iii	Name of the Company	ANTARA SENIOR LIVING LIMITED
iv	Category/Sub-category of the Company	UNLISTED PUBLIC COMPANY
v	Address of the Registered office & contact details	MAX HOUSE,1 DR. JHA MARG, OKHLA, NEW DELHI- 110020
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	MAS SERVICES LIMITED T-34, 2ND FLOOR, OKHLA INDUSTRIAL AREA PHASE-II, NEW DELHI-110020 PH: 011-26387281 FAX: 011-26387384

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Real Estate Activities on a Fee basis or contract basis Other Credit Granting i.e. lending (other than bank/ financial institution)	NIC 2008 68200 64920	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	MAX INDIA LIMITED	L85100PB2015PLC039155	HOLDING	100	2(46)
2	ANTARA PURUKUL SENIOR LIVING LIMITED	U74120UR1995PLC018283	SUBSIDIARY	100	2(87)
3	ANTARA GURGAON SENIOR LIVING LIMITED	U74140DL2012PLC244411	SUBSIDIARY	100	2(87)

IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt.or State Govt.									
c) Bodies Corporates	80,00,000		80,00,000	100	80,00,000		80,00,000	100	N.A
d) Bank/FI									N.A

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
e) Any other										
SUB TOTAL: (A) (1)	80,00,000		80,00,000	100	80,00,000		80,00,000	100	N.A	N.A
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.										
d) Banks/FI										
e) Any other...										
SUB TOTAL (A) (2)										
Total Shareholding of Promoter	80,00,000		80,00,000	100	80,00,000		80,00,000	100	N.A	N.A
(A)= (A)(1)+(A)(2)										
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds										
b) Banks/FI										
c) Central govt										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIIS										
h) Foreign Venture Capital Funds										
i) Others (specify)										
SUB TOTAL (B)(1):										
(2) Non Institutions										
a) Bodies corporates										
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs										
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs										
c) Others (specify)										
SUB TOTAL (B)(2):										
Total Public Shareholding										
(B)= (B)(1)+(B)(2)										
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	80,00,000		80,00,000	100	80,00,000		80,00,000	100	N.A	N.A

NOT APPLICABLE

Note: In addition, Company has also issued preference shares of Rs. 100/-each to the Promoters as under:

No. of Shares held at the beginning of the year	28271417
No. of Shares held at the end of the year	32116417

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	MAX INDIA LTD		100%	Nil		100%	Nil	
	Equity	8000000			8000000			Nil
	Preference	28271417			32116417			13.60%
	Total	36271417	100%	Nil	40116417	100%	Nil	10.60%

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	36271417	100	36271417	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
					Allotment of 38,45,000 CCPS of Rs.100/- each
	At the end of the year	40116417	100	40116417	100

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/B10sweat equity etc)				NIL
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)			NIL	
	At the end of the year				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in Rupees)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	-	-	
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	-	-	-	
Change in Indebtedness during the financial year				
Additions	2,389,875	-	-	
Reduction	89,160	-	-	
Net Change	2,300,715	-	-	
Indebtedness at the end of the financial year				
i) Principal Amount	2,300,715	-	-	
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	2,300,715	-	-	

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(in Rupees)

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	Gross salary	*MD & CEO	WTD	Manager	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	7359968	N.A	NA	7359968
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	5512500	N.A	NA	5512500

Sl.No	Particulars of Remuneration	Name of the MD/WT/Manager			Total Amount
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NA	N.A	NA	0
2	Stock option	N.A	N.A	NA	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission	N.A	N.A	N.A	N.A
	as % of profit	N.A	N.A	N.A	N.A
	others (specify)	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total (A)	13189000			13189000
	Ceiling as per the Act	2.40 Crores			2.40 Crores

B. Remuneration to other directors:

(in Rupees)

Sl. No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	Mr. Pradeep Pant	Mrs. Sharmila Tagore	
	(a) Fee for attending board/ committee meetings	1100000	700000	1800000
	(b) Commission	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil
	Total (1)	1100000	700000	1800000
2	Other Non Executive Directors	NIL		
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify.			
	Total (2)			
	Total (B)=(1+2)	1100000	700000	1800000
	Total Managerial Remuneration			1800000
	Overall Ceiling as per the Act	Rs. 1 Lakh per meeting		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT/

(in Rupees)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	*CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	5146607	6595564	11742171
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	0
2	Stock Option	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission as % of profit	N.A	N.A	N.A	N.A
	others, specify	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total		5146607	6595564	11742171
	*CFO was appointed w.e.f August 01, 2018				

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For and on behalf of the Board of Directors
Antara Senior Living Limited

Date: May 16, 2019
Place: New Delhi

Analjit Singh
Chairman
DIN : 00029641

Independent Auditor's Report

To,
The Members of
Antara Senior Living Limited
Unmodified Opinion

We have audited the accompanying standalone financial statements of **Antara Senior Living Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its **Loss**, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,

2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) of the Companies Act 2013, auditor are also responsible for expressing an opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that

achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board

of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have any pending litigations which would impact its financial position.
 - ii. The Company is not required to make any provision, as required under the applicable law

or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm’s registration number: 009073N

Deepak Gupta

Partner

Membership number: 516002

Place: New Delhi

Date: 16th May, 2019

Annexure - A to the Auditors' Report

Annexure A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report to the members of the Company on the Ind AS financial statements for the year ended 31st March, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has policy to verify its fixed assets once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on verification of fixed assets conducted during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no immovable property held with the company.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firm, LLP, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a) to (c) of Clause (iii) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of the Section 185 and 186 of the Companies Act, 2013, in making investment and providing guarantee to related parties.
- (v) As per books of accounts, records and the information and explanation given to us, the company has not accepted any deposit within the meaning of Sections 73 to 76 or any other relevant provisions of Act and rules framed there under.
- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (VI) of the CARO, 2016 is not applicable.
- (vii) According to the information and explanations given to us in respect of statutory dues: -
 - (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, GST, Cess, and other material statutory dues, applicable to it, with the appropriate authorities. As per information provided to us, Employee's State Insurance Act' 1948 is not applicable to the company and. There were no undisputed amounts payable in respect of Income tax, Cess and other material statutory dues as at 31st March 2019 for a period of more than 6 months from the date they become payable.
 - (b) There were no outstanding statutory dues including Income tax, Provident Fund, GST, Cess etc. as at 31st March, 2019 on account of disputes.
- (viii) In our opinion, according to information and explanations give to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government. In addition, the Company has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, clause (ix) of the CARO, 2016 is not applicable.
- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approval mandated by the provision of Section 197 read with Schedule V to the Companies' act 2013.
- (xii) The Company is not a Nidhi company and hence reporting under Clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and

explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transaction have been disclosed in the Ind AS financial statement as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, clause (xiv) of the CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or directors of its holding, subsidiary or associates company, as applicable or person connected with them and hence provision of the Section 192 of

the Companies Act, 2013 are not applicable.

(xvi) According to the information and explanations given to us, the company is not required to be registered under Section 45-IA of Reserve Bank of India Act 1934.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Deepak Gupta

Partner

Membership number: 516002

Place: New Delhi

Date: 16th May, 2019

Annexure - B to the Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Senior Living Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Antara Senior Living Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the Ind AS Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019,

based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Deepak Gupta

Partner

Membership number: 516002

Place: New Delhi

Date: 16th May, 2019

Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Particulars	Note No.	As at Mar 31, 2019	Ind AS Adjustments as at March 31, 2018	As at Mar 31, 2018	As at Apr 1, 2017
ASSETS					
(1) Non-current assets					
(a) Property, plant and equipment	3	97.15		88.19	135.29
(b) Intangible assets	4	18.09		9.36	18.35
(c) Intangible assets under development	5	-		-	0.40
(d) Financial assets					
- Non-current investments	6	25,912.81		24,172.81	15,422.81
- Loans/Security Deposits	7	-		28.55	73.33
(e) Tax assets	8	103.62		98.34	94.99
(f) Other non- current assets	9	0.50		0.50	1.84
Total Non-current assets		26,132.17		24,397.75	15,747.01
(2) Current assets					
(a) Financial assets					
- Investments	10	159.58		86.70	630.19
-Trade Receivable	10(a)	9.89		0.51	-
- Cash and cash equivalents	11	36.28		280.49	89.42
- Other Financial Asset	12	41.95		66.89	1.14
(b) Other current assets	12(a)	609.39		421.11	325.34
Total current assets		857.09		855.70	1,046.09
Total Assets		26,989.26		25,253.45	16,793.10
EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity share capital	13	800.00		800.00	800.00
(b) Instrument Entirely Equity in Nature	13	32,116.42		28,271.42	18,321.42
(c) Other equity	14	(6,382.30)		(4,181.54)	(2,857.59)
Total equity		26,534.12		24,889.88	16,263.83
LIABILITIES					
(2) Non- current liabilities					
(a) Provisions	15	210.26		157.50	159.15
(b) Deferred Tax Liabilities (Net)	16	-		-	-
(c) Financial liabilities					
- Borrowings	17	17.36		-	-
Total non- current liabilities		227.62		157.50	159.15

Particulars	Note No.	As at Mar 31, 2019	Ind AS Adjustments as at March 31, 2018	As at Mar 31, 2018	As at Apr 1, 2017
(3) Current liabilities					
(a) Financial liabilities					
- Trade payables	17(a)				
(i) Total outstanding dues to micro and small enterprises		0.00		-	-
(ii) Total outstanding dues to parties other than micro and small enterprises		162.27		108.23	168.56
- Other Financial Liabilities	18	25.48		17.20	31.75
(b) Other current liabilities	18(a)	37.10		78.69	29.86
(c) Provisions	19	2.67		1.95	139.95
Total current liabilities		227.52		206.07	370.12
Total equity and liabilities		26,989.26		25,253.45	16,793.10

As per our report of even date attached

For **Ravi Rajan & Co.**
Chartered Accountants
Firm Registration No. 009073N

Deepak Gupta
Partner
MRN - 516002

Place: New Delhi
Date: 16th May 2019

For and on behalf of the Board of Directors

Pradeep Pant
(Director)
DIN No: 00677064

Ajay Agrawal
(Chief Financial Officer)

Tara Singh Vachani
(Managing Director & CEO)
DIN No: 02610311

Deepa Sood
(Company Secretary)

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

S.No	Particulars	Notes	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
1	Income			
	(a). Revenue from operations	20	62.29	66.96
	(b). Other income	21	23.74	30.12
2	Total income		86.03	97.08
3	Expenses			
	(a). Employee benefits expense	22	1,251.77	1,193.94
	(b.) Depreciation and amortisation expense		27.76	41.56
	(c). Finance Cost		0.37	-
	(d). Other expenses	23	621.98	900.88
4	Total expenses		1,901.88	2,136.38
5	Loss before tax (2-4)		(1,815.85)	(2,039.30)
6	Tax expense :			
	Current tax		-	-
	Deferred Tax		-	-
	Loss for the period (I)		(1,815.85)	(2,039.30)
	Other Comprehensive Income (OCI)			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit plans		(39.90)	15.31
	Other comprehensive income for the period(II)		(39.90)	15.31
	Total Comprehensive Income for the period (I+II)		(1,855.75)	(2,023.99)
	EPS:			
	Basic EPS		(23.86)	(25.53)
	Dilluted EPS		(23.86)	(25.53)

As per our report of even date attached

For **Ravi Rajan & Co.**
Chartered Accountants
Firm Registration No. 009073N

Deepak Gupta
Partner
MRN - 516002

Place: New Delhi
Date: 16th May 2019

For and on behalf of the Board of Directors

Pradeep Pant
(Director)
DIN No: 00677064

Ajay Agrawal
(Chief Financial Officer)

Tara Singh Vachani
(Managing Director & CEO)
DIN No: 02610311

Deepa Sood
(Company Secretary)

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares
At April 01, 2017	8,000,000.00
Issue of share capital	-
At March 31, 2018	8,000,000.00
Issue of share capital	-
At March 31, 2019	8,000,000.00
Compulsorily convertible preference shares of INR 100/- each issued, subscribed and fully paid	Number of shares
At April 01, 2017	18,321,417.00
Issue of share capital	9,950,000.00
At March 31, 2018	28,271,417.00
Issue of share capital	3,845,000.00
At March 31, 2019	32,116,417.00

B. Other equity

Particulars	Retained earnings	Share Application Money Pending for Allotment	Items of Other Comprehensive Income Re-measurement gains (losses) on defined benefit plans	Total
At April 01, 2017	(2,857.59)	-	-	(2,857.59)
Profit for the Year	(2,039.30)	-	-	(2,039.30)
Other Comprehensive Income	-	-	15.31	15.31
Addition during the year		700.00	-	700.00
Adjust. during the year		-		
At March 31, 2018	(4,896.89)	700.00	15.31	(4,181.58)
Profit for the Year	(1,815.85)	-	-	(1,815.85)
Other Comprehensive Income	-	-	(39.90)	(39.90)
Addition during the year		355.00		355.00
Adjust. during the year	-	(700.00)	-	(700.00)
At March 31, 2019	(6,712.74)	355.00	(24.59)	(6,382.33)

Cash Flow Statement for the Year Ended 31 March, 2019

(Amount in INR lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
		Rs./lacs	Rs./lacs
A. Cash flow from operating activities			
Loss before tax		(1,815.85)	(2,039.30)
Adjustments for:			
Depreciation and amortisation expense		27.76	41.56
Actuarial Gain/Loss		(39.90)	15.31
Gain/Loss on sale of fixed assets		7.63	2.06
Finance costs		(0.37)	-
Gain on Sale of FA		(0.22)	-
Interest Accretion on Security Deposit		(1.50)	(5.92)
Net gain on sale of current investments in mutual funds		(6.40)	(24.20)
Operating loss before working capital changes		(1,828.85)	(2,010.49)
Changes in working capital:			
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		59.69	(60.33)
Other current liabilities		(38.96)	34.28
Other long-term liabilities		-	-
Short-term provisions		0.72	(138.00)
Long-term provisions		52.75	(1.65)
		74.20	(165.70)
Adjustments for (increase) / decrease in operating assets:			
Trade receivables		(9.38)	(0.51)
Short-term loans and advances		(110.44)	(97.41)
Long-term loans and advances		30.04	52.05
Other current assets		64.10	(64.10)
		(25.67)	(109.97)
Cash (used) in operations		(1,780.33)	(2,286.16)
Net income tax (paid)/refund		(5.28)	(3.35)
Net cash flow used in operating activities	(A)	(1,785.61)	(2,289.51)
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances		(53.35)	(1.75)
Proceeds from sale of fixed assets		0.51	14.64
Purchase of long-term investments in subsidiary		(1,857.00)	(8,750.00)
Current investments in mutual funds			
- Purchased		(1,489.00)	(1,581.00)

Particulars	Note No.	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
		Rs./lacs	Rs./lacs
- Proceeds from sale		1,422.51	2,148.69
Net cash flow from investing activities	(B)	(1,976.33)	(8,169.42)
C. Cash flow from financing activities			
Issue of preference share capital		3,145.00	9,950.00
Share issue expenses			
Finance costs		0.37	-
Proceeds from long -term borrowings		17.36	-
Share application money pending allotment		355.00	700.00
Net cash flow used in financing activities	(C)	3,517.73	10,650.00
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	(244.21)	191.07
Cash and cash equivalents at the beginning of the year		280.49	89.42
Cash and cash equivalents at the end of the year*	11	36.28	280.49
Cash and cash equivalents (Refer Note 11)		36.28	280.49
Less: Bank balances not considered as Cash and cash equivalents			
In earmarked accounts			
- Balances held as margin money against guarantees			-
Net Cash and cash equivalents (as defined in AS 7 Cash Flow Statements) included in Note 11		36.28	280.49
Cash and cash equivalents at the end of the year*			
*Comprises:			
(a) Cash on hand		0.20	0.07
(b) Balances with banks		36.08	280.42
Total		36.28	280.49

As per our report of even date attached

For and on behalf of the Board of Directors

For **Ravi Rajan & Co.**
Chartered Accountants
Firm Registration No. 009073N

Pradeep Pant
(Director)
DIN No: 00677064

Tara Singh Vachani
(Managing Director & CEO)
DIN No: 02610311

Deepak Gupta
Partner
MRN - 516002

Ajay Agrawal
(Chief Financial Officer)

Deepa Sood
(Company Secretary)

Place: New Delhi
Date: 16th May 2019

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

1 Corporate information

ANTARA SENIOR LIVING LIMITED ('the Company') is a wholly owned subsidiary of Max India Limited. The Company has been set up to primarily engage in the business of marketing and operation of senior living communities.

2 a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS). The Company has prepared these financial statements to comply in all material respects with the Indian accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2016, (as amended) and the Company has complied in all material respects with the Indian Accounting Standards notified under the Companies Act, 1956/the Companies Act, 2013 as amended time to time.

For and up-to the year ended 31 March 2018, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with para 7 of the Companies (Accounts) Rules 2014 (Indian GAAP).

The financial statements have been prepared on an accrual basis. The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy..

The financial statements are presented in Indian Rupees ('INR') except when otherwise indicated.

b) Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standard requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets

and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- a.Expected to be realised or intended to be sold or consumed in normal operating cycle
- b.Held primarily for the purpose of trading
- c.Expected to be realised within twelve months after the reporting period, or
- d.Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- a. Expected to be settled in normal operating cycle
- b. Held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

operating cycle.

d) Property, plant and equipment (PPE)

Property, Plant & Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Property, plant and equipment under construction and not ready for its intended use are disclosed as capital work in progress.

Stores and Spare which meet the definition of property, plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the underlying assets.

Expense on existing PPE viz., major inspection/overhaul/repair is recognized in the carrying amount of respective assets as replacement if the recognition criteria are satisfied. All day-to-day servicing of the item related to PPE are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management. Pursuant to this policy, assets are depreciated over the following term-

Asset Type

Furniture and Fixtures 10 years
Office Equipment 5 years
IT Equipment (End user devices) 3 years
IT Equipment (Servers and network) 6 years
Vehicles 8 years

The useful lives are based on the management's estimate of the useful life of tangible assets and which can be lower than the lives arrived at on the basis of Schedule II of Companies Act, 2013.

f) Leases

Company as a lessor:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

g) Impairment of Non - Financial Assets

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

h) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable

estimate can be made of the amount of the obligation.

Contingent Liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent Assets

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

i) Retirement and other Employee Benefits

Short term employee benefits:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which an

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan:

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at balance sheet date using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date.

Other Long term employee benefits

The employees can carry-forward a portion of the un-utilize accrued compensated absences and utilize it in future service periods or receive cash compensation during employment as per policy of the Company or on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as

a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Re-measurement including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

j) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

k) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

I) Fair value measurement

The Company measures financial instruments, specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and

liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

Financial assets carried at amortized cost

A financial asset other than specific investments, is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

A financial asset comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through Statement of Profit and Loss

A financial asset comprising mutual funds which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Assets Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Investment in subsidiaries

The company has accounted for its investment in subsidiaries at cost. The company assesses whether there is any indication that these investments may be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

Impairment of other financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables etc.

Financial liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised

cost

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade and other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at Amortized Cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Revenue recognition

Revenue from providing services is recognised in the accounting period in which the service are rendered.

i) **Rendering of services** -Marketing fees is recognised on rendering of services as per the

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

terms specified in underlying contracts.

ii) Interest income - Interest income is recorded on time proportion basis using EIR method

iii) Other income - Interest income is accounted on accrual basis. Dividend income is accounted when the right to receive it is established.

n) Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes considering the tax rate and tax laws that have been enacted or substantively enacted as on the reporting date.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it is no longer probable that sufficient future

taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes probable that sufficient future taxable income will be available.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) GST input credit

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 3. Property, plant and equipment

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	Leasehold Improvements	Total
Cost						
At Apr 01, 2017 (refer note below)	41.76	70.46	13.63	9.43	-	135.29
Additions	0.32	-	1.05	0.03	-	1.41
Disposals/ Write off	-	16.61	-	0.09	-	16.69
At Mar 31, 2018	42.08	53.86	14.69	9.38	-	120.01
Additions	0.43	31.30	0.77	5.53	-	38.04
Disposals/ Write off	14.29	-	0.40	0.77	-	15.47
At Mar 31, 2019	28.22	85.16	15.05	14.14	-	142.58
Depreciation						
At Apr 01, 2017 (refer note below)	-	-	-	-	-	-
Charge for the year	5.70	13.84	9.79	2.49	-	31.82
At Mar 31, 2018	5.70	13.84	9.79	2.49	-	31.82
Charge for the year	5.62	10.55	1.79	3.20	-	21.16
Disposals/ Write off	7.55	-	-	-	-	7.55
At Mar 31, 2019	3.77	24.39	11.58	5.69	-	45.43
Net block						
At Apr 01, 2017	41.76	70.46	13.63	9.43	-	135.29
At Mar 31, 2018	36.39	40.02	4.89	6.89	-	88.19
At Mar 31, 2019	24.45	60.77	3.47	8.45	-	97.15

Note:-

The Company has availed Ind-AS 101 exemption and continued with the carrying value for all of it's Property, Plant and Equipment as its deemed cost as at the date of transition

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	Leasehold Improvements	Total
Gross block	59.20	128.28	42.41	54.64	140.16	424.70
Accumulated depreciation	17.44	57.81	28.78	45.21	140.16	289.41
Net block	41.76	70.46	13.63	9.43	-	135.29

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 4. Intangible Assets

Particulars	Computer software	Films and videos	Total
Cost			
At Apr 01, 2017 (refer note below)	18.35	-0.00	18.35
Additions	0.76	-	0.76
At Mar 31, 2018	19.11	-0.00	19.11
Additions	15.33	-	15.33
Disposals/Write off	-	-	-
At Mar 31, 2019	34.44	-0.00	34.44
Depreciation			
Charge for the year	9.74	-	9.74
At Mar 31, 2018	9.74	-	9.74
Charge for the year	6.60	-	6.60
Disposals/Write off	-	-	-
At Mar 31, 2019	16.35	-	16.35
Net block			
At Apr 01, 2017	18.35	-	18.35
At Mar 31, 2018	9.36	-	9.36
At Mar 31, 2019	18.09	-	18.09

Note :-

The Company has availed Ind-AS 101 exemption and continued with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition.

Particulars	Computer software	Films and videos	Total
Gross block	62.84	92.14	154.98
Accumulated depreciation	44.49	92.14	136.63
Net block	18.35	-	18.35

Note 5: Intangible assets under development

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Computer software - under development	-	-	0.40
Total	-	-	0.40

Note 6: Non current investments

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Unquoted Equity Instruments			
Investment in Subsidiaries			
- Antara Purukul Senior Living Ltd (258,827,089 equity shares @ 10/- each)	25,907.81	24,167.81	15,417.81
- Antara Gurgaon Senior Living Limited(50,000 equity shares @10 each)	5.00	5.00	5.00
Total	25,912.81	24,172.81	15,422.81

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 7: Loans-Non current

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Considered good, unsecured			
Security deposits	-	28.55	73.33
Total	-	28.55	73.33

Note 8: Tax assets

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Advance income tax (net of provisions)	103.62	98.34	94.99
Total	103.62	98.34	94.99

Note 9: Other non current assets

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Prepaid asset	-	-	1.34
VAT Receivables	0.50	0.50	0.50
Total	0.50	0.50	1.84

Note 10: Current investments

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Unquoted mutual funds			
Axis Liquid fund - Direct Growth	159.58	86.70	630.19
Total	159.58	86.70	630.19

Note 10 (a): Trade receivables

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Trade receivables considered good- unsecured	9.89	0.51	-
Less: Allowances for bad and doubtful debts	-	-	-
Total	9.89	0.51	-

Note 11: Cash and cash equivalents

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Cash on hand	0.20	0.07	0.47
Balances with banks in current account	36.08	280.42	88.95
Total	36.28	280.49	89.42

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 12: Other Financial current assets

Particulars	Ind AS as at Mar 31, 2019	Ind AS as at March 31, 2018	Ind AS as at April 01, 2017
Advance to Employees	3.86	0.99	-
Advance to related party	0.20	1.80	1.14
Security Deposit- Current	37.89	-	-
Employee benefits receivable from related party	-	64.10	-
Total	41.95	66.89	1.14

Note 12(a): Other current assets

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Prepaid expenses	6.54	12.09	15.60
Balances with statutory/government authorities	484.66	406.53	299.11
Advance to suppliers	1.19	1.15	5.05
Share application money pending for allotment - Investment	117.00	-	-
Prepaid asset	-	1.34	5.58
Total	609.39	421.11	325.34

Note 13 Share capital

Particulars	As at 31 Mar, 2019		As at 31 Mar, 2018		As at Apr 1, 2017	
	Number of shares	Amount Rs./lacs	Number of shares	Amount Rs./lacs	Number of shares	Amount Rs./lacs
(a) Authorised						
Equity share capital	8,000,000	800.00	8,000,000	800.00	8,000,000	800.00
8,000,000 (March 31, 2018; 8,000,000) Equity Shares of Rs. 10 each						
Preference share capital	33,300,000	33,300	33,300,000	33,300.00	26,800,000	26,800.00
33,300,000 (March 31, 2018; 33,300,000) Preference Shares of Rs. 10 each						
(b) Issued, subscribed and fully paid up						
Equity share capital						
8,000,000 (March 31, 2018; 8,000,000) Equity Shares of Rs. 10 each	8,000,000	800.00	8,000,000	800.00	8,000,000	800.00
Instrument Entirely Equity in Nature						
3,21,16,417 (Mar 31, 2018; 2,82,71,417) Preference Shares of Rs. 100 each	32,116,417	32,116.42	28,271,417	28,271.42	18,321,417	18,321.42
	32,916.42		29,071.42		19,121.42	

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Refer Notes (i) to (v) below

- (i) The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (ii) Terms of conversion of Compulsorily Convertible Preference Shares ('CCPS')

Tenor	10 years
	1 CCPS to be converted into 10 equity shares at any time within the tenor at the option of the shareholder. In case, the Company decides to go for an IPO or any corporate action including issuance of equity on preferential basis, rights or a bonus issue, the shareholder shall have the right for early/ prior conversion.
Coupon	Zero %
Conversion Price	Par value conversion, i.e., 1 CCPS to be converted into 10 equity shares at the time of conversion.

- (iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 Mar, 2019		As at 31 Mar, 2018		As at Apr 1, 2017	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights of Rs. 10 each						
Max India Limited and its nominees ('holding company')	8,000,000	100.00	8,000,000	100.00	8,000,000	100.00
Compulsorily convertible preference shares of Rs. 100 each						
Max India Limited ('holding company')	32,116,417	100.00	28,271,417	100.00	18,321,417	100.00

- (vi) Details of shares application money received pending allotment through Max India Limited, the holding company:

Particulars	As at 31 Mar, 2019	As at 31 Mar, 2018	As at Apr 1, 2017
	Amount Rs./lacs	Amount Rs./lacs	Amount Rs./lacs
Compulsorily convertible preference shares of Rs. 100 each	355	700	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 14: Other Equity

Particulars	Amount (in Lakhs)
i) Retained earnings	
At 1 April 2017	(2,857.59)
Changes during the year	(2,023.99)
At 31 March 2018	(4,881.58)
Changes during the year	(1,855.75)
At 31 Mar 2019	(6,737.33)
ii) Share application money pending for allotment	
At 1 April 2017	-
Addition during the year	700.00
Adjustment during the year	
At 31 March 2018	700.00
Addition during the year	345.00
Adjustment during the year	(700.00)
At 31 Mar 2019	355.00

Note 15: Provisions- Non Current

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Provision for employee benefits			
Compensated absences- Non Current	101.92	74.74	69.05
Gratuity- Non current	108.34	82.76	90.10
Total	210.26	157.50	159.15

Note 16- Income Tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

(a) Statement of profit and loss:

(i) Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	-	-
Deferred tax (net):		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	-	-

(ii) OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax charged to OCI	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2019 and March 31, 2018:

Particulars	March 31, 2019	March 31, 2018
Accounting profit before income tax	(1,815.85)	(2,039.30)
At India's statutory income tax rate	26%	26%
Computed Tax Expense	(472.12)	(530.22)
Adjustments:		
Items not allowed for tax purpose	16.27	82.28
Effective tax rate for unrecognised tax expense	0%	0%

A deferred tax asset shall be recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. In the absense of probability of future taxable profit we have recognised deferred tax assets to the extent of deferred tax liability. Deferred tax liability is arisen on timing difference in the respective years.

(c) Deferred tax asset/ liability:

Particulars	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax relates to the following:			
Asset			
PPE	32.23	33.99	32.44
Unabsorbed Losses	1,386.63	943.36	446.27
Expenses allowable on payment basis/ Others	55.36	41.46	92.85
Liability			
Mutual Fund	(0.12)	(0.55)	(1.24)
Unrecognised net deferred tax assets at the year end	1,474.10	1,018.25	570.31
Unrecognised net deferred tax assets of current year	455.85	447.94	

In the absence of probability of future taxable profits, the Company has not recognised deferred tax asset (net) for the above periods.

(d) Statement of profit and loss

Particulars	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Mutual funds	(0.12)	(0.55)
Deferred tax asset		
Unabsorbed Losses	0.12	0.55
Net deferred tax expenses for the current year	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(e) Reflected in the balance sheet as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	0.12	0.55	1.24
Deferred tax liabilities	(0.12)	(0.55)	(1.24)
Deferred tax asset/(liabilities), net	-	-	-

(f) Reconciliation of recognised deferred tax asset/(liability) (net):

Particulars	March 31, 2019	March 31, 2018
Opening balance as of 1 April	-	-
Tax income/(expense) during the period recognised in profit or loss	-	-
Tax income/(expense) during the period recognised in OCI	-	-
Closing balance as at 31 March	-	-

Note 17: Non current borrowings

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Loan from Banks-			
Vehicle loan- Long term	17.36	-	-
Total	17.36	-	-

Note 17(a): Trade payables

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Total outstanding dues of Micro Enterprises and Small Enterprises	0.60	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	161.67	108.23	168.56
Total	162.27	108.23	168.56

Details of outstanding dues of Micro Enterprises and Small Enterprises

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Details of outstanding dues of Micro Enterprises and Small Enterprises	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.60	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Details of outstanding dues of Micro Enterprises and Small Enterprises	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
b) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) Amount of interest accrued and remaining unpaid at the end of each accounting year and	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Total	0.60	-	-

Note 18: Other financial liability

Particulars	Ind AS as at Mar 31, 2019	Ind AS as at March 31, 2018	Ind AS as at April 01, 2017
Employee car deposits	19.83	17.20	31.75
Vehicle loan- Short Term (Current maturity of Loan)	5.65	-	-
Total	25.48	17.20	31.75

Note 18(a): Other current liabilities

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Statutory dues	37.06	75.52	29.86
Other Payables	0.04	3.17	-
Total	37.10	78.69	29.86

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 19: Provisions - Current

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Provision for employee benefits			
Compensated absences- Current	1.36	0.99	3.88
Gratuity- Current	1.31	0.96	1.07
Others:			
Provision for incentive	-	-	135.00
Total	2.67	1.95	139.95

Note 20- Revenue from Operations

S.no	Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
	Revenue from operations		
(i)	Sale of services - Marketing fees	53.36	66.96
(ii)	Consultancy Services	8.93	-
	Total	62.29	66.96

Note 21- Other income

S.no	Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
(a)	Net gain on sale of current investments in mutual funds	8.08	26.85
(b)	Fair value gain/(loss) on mutual funds	(1.68)	(2.65)
(c)	Interest Accretion on Security Deposit	1.50	5.92
(d)	Profit on sale of assets	0.22	-
(e)	Miscellaneous income	15.63	-
	Total	23.75	30.12

Note 22- Employee benefits expense

S.no	Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
(a)	Salaries and wages	1,123.93	1,017.13
(b)	Contributions to provident fund	32.84	42.34
(c)	Gratuity expense	25.02	21.43
(d)	Staff welfare expenses	69.98	113.05
	Total	1,251.77	1,193.95

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 23- Other expenses

S.no	Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
(a)	Commission and brokerage	7.99	20.45
(b)	Marketing expenses	60.42	5.93
(c)	Electricity charges	17.78	19.77
(d)	Amortization of Prepaid Asset	1.34	5.58
(e)	Rent including lease rentals	127.03	216.31
(f)	Repairs and maintenance - Others	53.29	50.23
(g)	Rates and taxes	14.01	59.02
(h)	Communication	14.34	18.48
(i)	Travelling and conveyance	45.82	78.71
(j)	Printing and stationery	4.94	3.62
(k)	Security expense	2.64	10.69
(l)	Legal and professional	216.69	329.08
(m)	Directors sitting fees	18.00	28.15
(n)	Payments to auditors	3.34	3.00
(o)	Loss on sale of fixed assets	-	2.06
(p)	Loss on Scrap/Written Off of asset	7.63	-
(q)	Insurance	2.39	1.80
(r)	Miscellaneous expenses	24.33	48.00
	Total	621.98	900.88

Note 24: Employee Benefits

Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

General description of various defined employee's benefits schemes are as under:

a) Defined Contribution Plan

The Company recognised Rs. 32.83 lacs (Previous year Rs. 42.33 lacs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules to the scheme.

b) Gratuity:

For Employee covered under Employees Provident Fund and Miscellaneous Provision Act, 1952:

- a) Gratuity in respect of employees covered under Employees Provident Fund and Miscellaneous Provision Act, 1952 have been accounted for on actuarial valuation basis. The said valuation is based on projected unit credit method.

The company provides for gratuity to employees in india as per the payment of gratuity act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Salary for the purpose of calculation of gratuity is taken as last drawn qualifying salary.

c) Leave Encashment:

Salary for the purpose of calculating earned leave is taken as the last drawn qualifying salary . Yearly accrual of leaves is 21 days which can be accumulated maximum to 45 days . Benefit on normal retirement is maximum upto 45 days or actual accumulation whichever is less.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Defined Benefit Obligation	C.Y.	109.66	103.28
	P.Y.	83.73	75.73
Fair Value of Plan Assets	C.Y.	-	-
	P.Y.	-	-
Funded Status [Surplus/(Deficit)]	C.Y.	(109.66)	(103.28)
	P.Y.	(83.73)	(75.73)
Net Defined Benefit Assets/(Liabilities)	C.Y.	(109.66)	(103.28)
	P.Y.	(83.73)	(75.73)

(March 31, 2018)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Defined Benefit Obligation	C.Y.	83.73	75.73
	P.Y.	91.16	72.94
Fair Value of Plan Assets	C.Y.	-	-
	P.Y.	-	-
Funded Status [Surplus/(Deficit)]	C.Y.	(83.73)	(75.73)
	P.Y.	(91.16)	(72.94)
Net Defined Benefit Assets/(Liabilities)	C.Y.	(83.73)	(75.73)
	P.Y.	(91.16)	(72.94)

Movement in Net defined benefit obligation

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Net defined benefit liability at the start of the period	C.Y.	84	76
	P.Y.	91.17	72.94
Acquisition adjustment	C.Y.	-	5.24
	P.Y.	8.88	54.79
Total Service Cost	C.Y.	18.49	24.15
	P.Y.	14.72	17.60
Net Interest cost (Income)	C.Y.	6.53	5.91
	P.Y.	6.70	5.36
Re-measurements	C.Y.	39.90	18.67
	P.Y.	(15.31)	(30.31)
Contribution paid to the Fund	C.Y.	-	-
	P.Y.	-	-
Benefit paid directly by the enterprise	C.Y.	(38.99)	(26.41)
	P.Y.	(22.44)	(44.64)
Net defined benefit liability at the end of the period	C.Y.	110	103
	P.Y.	84	76

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(March 31, 2018)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Net defined benefit liability at the start of the period	C.Y.	91.17	72.94
	P.Y.	69.77	47.81
Acquisition adjustment	C.Y.	8.88	54.79
	P.Y.	-	-
Total Service Cost	C.Y.	14.72	17.60
	P.Y.	12.87	16.08
Net Interest cost (Income)	C.Y.	6.70	5.36
	P.Y.	5.58	3.82
Re-measurements	C.Y.	(15.31)	(30.31)
	P.Y.	2.95	5.41
Contribution paid to the Fund	C.Y.	-	-
	P.Y.	-	-
Benefit paid directly by the enterprise	C.Y.	(22.44)	(44.64)
	P.Y.	-	(0.19)
Net defined benefit liability at the end of the period	C.Y.	83.73	75.73
	P.Y.	91.17	72.94

Amount Recognized in Statement of Profit and Loss

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Total Service Cost	C.Y.	18.49	24.15
	P.Y.	14.72	17.60
Net Interest Cost	C.Y.	6.53	5.91
	P.Y.	6.70	5.36
Net actuarial (gain) / loss recognized in the period	C.Y.	-	18.67
	P.Y.	-	(30.31)
Cost Recognized in P&L	C.Y.	25.02	48.72
	P.Y.	21.43	(7.35)

Amount recognized in Other Comprehensive Income (OCI)

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Net cumulative unrecognized actuarial gain/(loss) opening	C.Y.	-	Since the benefit of earned leave can be availed during service period. Hence its not a defined benefit obligation, it may be considered to be long service award
	P.Y.	-	
Actuarial gain / (loss) for the year on PBO	C.Y.	39.90	
	P.Y.	(15.31)	
Actuarial gain / (loss) for the year on Asset	C.Y.	-	
	P.Y.	-	
Unrecognized actuarial gain/(loss) For the Period	C.Y.	39.90	be considered to be long service award
	P.Y.	(15.31)	

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Actuarial Gain/Loss on Obligation (March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	C.Y.	-	-
	P.Y.	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	C.Y.	2.32	2.30
	P.Y.	(6.25)	(5.77)
Actuarial (Gain)/Loss on arising from Experience Adjustment	C.Y.	37.58	16.37
	P.Y.	(9.06)	(24.54)

Bifurcation of PBO at the end of year in current and non current. (March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Current liability (Amount due within one year)	C.Y.	1.31	1.36
	P.Y.	0.96	0.99
Non-Current liability (Amount due over one year)	C.Y.	108.34	101.92
	P.Y.	82.76	74.74
Total PBO at the end of year	C.Y.	110	103
	P.Y.	84	76

Sensitivity Analysis (March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Present Value of Obligation at the end of the period		110	103
Discount rate	0.50%	(8.13)	(7.91)
	-0.50%	9.00	8.75
Present Value of Obligation at the end of the period		110	103
Salary growth rate	0.50%	8.76	8.52
	-0.50%	(8.00)	(7.78)

(March 31, 2018)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Present Value of Obligation at the end of the period		83.73	75.73
Discount rate	0.50%	(6.33)	(5.81)
	-0.50%	7.04	6.44
Present Value of Obligation at the end of the period		83.73	75.73
Salary growth rate	0.50%	6.85	6.28
	-0.50%	(6.24)	(5.72)

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Actuarial Assumption (March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Method used	C.Y.	PUC Menthod	PUC Menthod
	P.Y.	PUC Menthod	PUC Menthod
Discount rate	C.Y.	7.66%	7.66%
	P.Y.	7.80%	7.80%
Rate of salary increase	C.Y.	10.00%	10.00%
	P.Y.	10.00%	10.00%
Mortality rate	C.Y.	100% IALM (2006-08)	100% IALM (2006-08)
	P.Y.	100% IALM (2006-08)	100% IALM (2006-08)

Actuarial Assumption (March 31, 2018)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Method used	C.Y.	PUC Menthod	PUC Menthod
	P.Y.	PUC Menthod	PUC Menthod
Discount rate	C.Y.	7.80%	7.80%
	P.Y.	7.35%	7.35%
Rate of salary increase	C.Y.	10.00%	10.00%
	P.Y.	10.00%	10.00%
Mortality rate	C.Y.	100% IALM (2006-08)	100% IALM (2006-08)
	P.Y.	100% IALM (2006-08)	100% IALM (2006-08)

Expected Benefit Payments (March 31, 2019)

Year of payment	Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Year ended March 31, 2020	1.31	1.36
Year ended March 31, 2021	1.81	2.11
Year ended March 31, 2022	2.08	2.02
Year ended March 31, 2023	2.07	1.96
Year ended March 31, 2024	2.05	1.91
Year ended March 31, 2025	2.07	11.87
April 2025 onwards	98.26	82.05

Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Funds managed by Insurer	NIL

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 25. Related party transactions

A. Name of related party and relationship

Subsidiary Companies - held directly		
Name of Entity	Relationship	
Max India Limited	Holding Company	
Antara Purukul Senior Living Limited	Wholly Owned Subsidiary	
Antara Gurgaon Senior Living Limited	Wholly Owned Subsidiary	

Name of Entity	Controlling %	Place of Operation
Max India Limited	100	India
Antara Purukul Senior Living Limited	100	India
Antara Gurgaon Senior Living Limited	100	India

Name of Subsidiary Entity	Description
Antara Purukul Senior Living Limited	258,827,089 shares @ 10/- each
Antara Gurgaon Senior Living Limited	50,000 shares @ 10 each

Enterprises owned or significantly influenced by key management personnel or their relatives

Max Bupa Health Insurance Limited
 Max Healthcare Institute Limited
 Pharmax Corporation Limited

Key Management Personnel (KMP)

Analjit Singh(Non Executive Director and Chairman of Board)
 Tara Singh Vachani(Managing Director and CEO)
 Sharmila Tagore (Independent Director)
 Pradeep Pant (Independent Director)
 Ajay Agrawal (CFO)
 Deepa Sood (Company Secretary)

- B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
KMP Compensation				
Managerial remuneration	Tara Singh Vachani(Managing Director and CEO)	131.89	158.72	117.57
Salary and Wages	Ajay Agrawal (CFO)	65.96	-	-
Salary and Wages	Deepa Sood (Company Secretary)	51.47	59.67	-
Salary and Wages	A V K Rao (CFO)- Since Resigned	-	108.98	-
Director Sitting Fees	Sharmila Tagore	7.00	14.00	13.00
Director Sitting Fees	Pradeep Pant	11.00	14.14	15.00
Long term employee benefits				
Leave encashment	A V K Rao (CFO)- Since Resigned	-	0.25	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Termination benefit				
Gartuity	A V K Rao (CFO)- Since Resigned	-	13.01	-
Others				
Sale of services-Marketing fees	Antara Purukul Senior Living Limited	53.36	66.96	69.03
Corporate guarantee given	Antara Purukul Senior Living Limited	22,000.00	22,000.00	27,700.00
Interest income on loans	Antara Purukul Senior Living Limited	-	-	1,021.94
Rent including lease rental	Antara Purukul Senior Living Limited	-	2.90	-
Loan received back by the Company	Antara Purukul Senior Living Limited	-	-	10,720.81
Rent including lease rental	Pharmax Corporation Limited	71.76	67.72	22.29
Health Insurance	Max Bupa Health Insurance Limited	19.46	-	-

C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade receivables	Antara Purukul Senior Living Limited	-	0.51	-
Other current liabilities	Antara Purukul Senior Living Limited	-	2.71	-
Long term loans and advances				
Security deposit given	Pharmax Corporation Limited	11.15	11.15	11.15
Corporate guarantees given at the year end	Antara Purukul Senior Living Limited	22,000.00	22,000.00	27,700.00

26. Customer Contracts, Leases, Commitments and Contingencies

A. Customer Contracts

(i) Revenue

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Sale of services - Marketing fees	53.36	66.96
Consultancy Services	8.93	-
Miscellaneous income	15.63	-
Less: Impairment	-	-
(b) Income from investment activities/Others		
Profit on sale of Mutual Fund Investment	8.08	26.85
Interest Accretion on Security Deposit	(1.68)	(2.65)
Fair value gain/(loss) on financial assets valued at FVTPL	1.50	5.92
Profit on sale of assets	0.22	-
Total	86.03	97.08

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(ii) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Type of goods	For the year ended 31 March 2019	For the year ended 31 March 2018
Marketing Fees/Consultancy Services & others	77.92	66.96
Total revenue from contracts with customers	77.92	66.96

Category of Revenue	Status
Geographical region	Domestic
Type of Customer	Non Government
Contract Duration	Short Term
Timing	Revenue from services transferred over time.

(iii) Contract balances

Particulars		As at 31 March 2019	As at 31 March 2018
Trade receivables	Opening	0.51	-
	Closing	9.89	0.51
Contract Assets		-	-
Contract liabilities		-	-

(iv) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	As at 31 March 2019	As at 31 March 2018
Revenue as per contracted price	77.92	66.96
Adjustments		
Discount	-	-
Revenue from contracts with customers	77.92	66.96

(v) Performance obligations

Information about the Group's performance obligations are summarised below:

(i) Marketing Fees/Consultancy Services

Revenues from Marketing Fees, Consultancy Services and other revenue are recognized upon rendering of service. There is no performance obligations relating to the revenue recognized in relation the contracts with the customers.

B. Operating leases

The Company has entered into operating leases for its office spaces and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is INR 71.76 lakhs (March 31, 2018: INR 211.69 lakhs). The Company has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Company by entering into these leases.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

C. Leases:

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

D. Commitments

Capital commitment	March 31, 2019	March 31, 2018	April 01, 2017
i) Estimated value of contracts in capital account remaining to be executed (net of advance)	4.96	0.55	-
Total	4.96	0.55	-

E. Contingent liabilities

Corporate guarantee :

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Corporate guarantee given to bank in respect of financial assistance availed by a subsidiary company.	22,000	22,000	27,700

26(A). Entity Wide Disclosures

Details of major customer contributing more than 10% of revenue from operation

Particulars	March 31, 2019	March 31, 2018
Customer I	53.36	66.96
Customer II	8.93	-
Customer III	15.63	-

Note

For information about Product and Services and geographical areas relevant disclosure has been given in IND-AS 115

27. Expenditure in Foreign Currency (on accrual basis)

Particulars	For the year ended 31 March, 2019 (Rs./lacs)	For the year ended 31 March, 2018 (Rs./lacs)	For the year ended 31 March, 2017 (Rs./lacs)
Legal and professional	6.43	6.43	-
Travelling and conveyance	5.10	2.83	-
Directors sitting fees	7.70	9.83	13.78
Staff welfare	-	10.07	-
	19.23	29.15	13.78

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

27. Transition from IGAAP to IND AS

These financial statements, for the year ended March 31, 2019, are first financial statements prepared by company in accordance with Ind AS. For years upto and including the year ended March 31, 2018, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

In preparing these financial statements, the company has prepared opening IND AS balance sheet as at 1st April, 2017 the company's date of transition to Ind-AS in accordance with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the balance sheet as at April 1, 2017 and the financial statements as at and for the year ended March 31, 2018 are quantified. However the basic approach adopted is again summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2017 have been measured at fair value.
- iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.
- iv) The estimates as at April 1, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).
- v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. **Accordingly, the company has availed the following exemptions as per IND AS 101:**
 - a) Entity has elected to apply para D7AA of Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the group has elected to measure all of its property, plant and equipment and intangible assets.

- b) Entity has elected to apply para D14 of Ind AS 101 entity has availed the exemption and chooses to measure its investment at cost on the date of transition.
- c) **Fair value measurement of financial assets or financial liabilities at initial recognition:** Para D20 of Ind AS 101, the financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

28 Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

Provisions

(Amount in Lakhs)

Particulars	Opening balance as on 01.04.18	Additions/ Transfers during the year	Utilization during the year	Released during the year	Closing balance as on 31.03.19
Provision for Compensated absence	72.94	30.34			103.28
Total	72.94	30.34	-	-	103.28
Particulars	Opening balance as on 01.04.17	Additions/ Transfers during the year	Utilization during the year	Released during the year	Closing balance as on 31.03.18
Provision for Incentive	135.00		(135.00)	-	-
Total	135.00	-	(135.00)	-	-

29 Payment to the Statutory Auditors

(Amount in Lakhs)

Particulars	2018-19	2017-18
Statutory Audit Fees	3.00	3.00
Reimbursements of expenses and levies	0.34	-
Total	3.34	3.00

30. Disclosures in respect of Ind AS 107 - Financial Instruments

30.1 Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(Amount in Lakhs as of March 31, 2019)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Non Current Financial Assets:					
- Non-current investments	25,912.81			25,912.81	25,912.81
- Loans/Security Deposits		-		-	-
Current Financial Assets:					
- Investments		159.58		159.58	159.58
- Trade Receivable	9.89			9.89	9.89
- Other Financial Asset	41.95			41.95	41.95
- Cash and cash equivalents	36.28			36.28	36.28
Non Current Financial Liabilities:					
- Borrowings	17.36			17.36	17.36
Current Financial Liabilities:					
- Trade Payable	161.67			161.67	161.67
- Other Financials Liabilities- vehicle Loan	25.48	-	-	25.48	25.48

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(Amount in Lakhs as of March 31, 2018)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Non Current Financial Assets:					
- Non-current investments	24,172.81	-	-	24,172.81	24,172.81
- Loans/Security Deposits	28.55	-	-	28.55	28.55
Current Financial Assets:					
- Investments		86.70		86.70	86.70
- Trade Receivable	0.51			0.51	0.51
- Other Financial Asset	66.89			66.89	66.89
- Cash and cash equivalents	280.49			280.49	280.49
		-	-	-	-
Non Current Financial Liabilities:					
- Borrowings	-			-	-
Current Financial Liabilities:					
- Trade Payable	108.23			108.23	108.23
- Other Financials Liabilities- vehicle Loan	17.20			17.20	17.20

(Amount in Lakhs as at April 1, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Non Current Financial Assets:					
- Non-current investments	15,422.81	-	-	15,422.81	15,422.81
- Loans/Security Deposits	73.33	-	-	73.33	73.33
Current Financial Assets:					
- Investments		630.19	-	630.19	630.19
- Trade Receivable	-	-	-	-	-
- Other Financial Asset	1.14			1.14	1.14
- Cash and cash equivalents	89.42	-	-	89.42	89.42
Non Current Financial Liabilities:					
- Borrowings	-	-	-	-	-
Current Financial Liabilities:					
- Trade payables	168.56	-	-	168.56	168.56
- Other Financial Liabilities	31.75	-	-	31.75	31.75

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

30.2 Fair Value Hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.

Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

(Amount in INR lakhs, unless otherwise stated)

The following table present fair value hierarchy of assets and liabilities measured at fair value

(Amount in Lakhs as of March 31, 2019)					
Particulars	Level 1	Level 2	Level 3	Significant Input	Method
Financial Assets at Amortized Cost:					
- Loans/Security Deposits		-	-	11.28%	DCF
Financial Assets at Fair Values:					
- Mutual Fund	159.58				NAV of Mutual Funds

(Amount in Lakhs as of March 31, 2018)					
Particulars	Level 1	Level 2	Level 3	Significant Input	Method
Financial Assets at Amortized Cost:					
- Loans/Security Deposits		-	28.55	11.28%	DCF
Financial Assets at Fair Values:					
- Mutual Fund	86.70				NAV of Mutual Funds

(Amount in Lakhs as of April 01, 2017)					
Particulars	Level 1	Level 2	Level 3	Significant Input	Method
Financial Assets at Amortized Cost:					
- Loans/Security Deposits		-	73.33	11.28%	DCF
Financial Assets at Fair Values:					
- Mutual Fund	630.19				NAV of Mutual Funds

30.3 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Risk	Exposure arising from	Measurement	Managment
Market risk- Interest rate	Long term borrowings at variable rate of interest	Sensitivity analysis	Company has obtained borrowing at competitive interest rate from banks.
Credit risk	Cash and cash equivalent, trade receivables, financial instruments.	Ageing analysis Credit rating	Company has evaluated and classified its receivables as unsecured but considered goods on case to case basis
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Company has efficient cash management system to meet its liquidity risk

a) Market Risk

Interest rate risk

The company's main interest rate risk arised from long term borrowings with variable rates, which expose the company to cash flow interest rate risk. During March 31, 2019 and March 31, 2018, Company's borrowings are denominated in INR currency.

The exposure of company's borrowings to interest rate changes at the end of reporting period are as follows:

(Amount in Lakhs)			
Particulars	3/31/2019	3/31/2018	4/1/2017
Variable rate borrowings	-	-	-
Fixed rate borrowings	23.01	-	-
Total borrowings	23.01	-	-

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with such banks that are majority owned by the Government of India and subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company has outstanding trade receivables amounting to Rs. 9.89 lakh (March 31, 2019), Rs. 0.51 Lakh (March 31, 2018) and NIL as at (April 1, 2017). Trade receivables are typically unsecured and are derived from revenue earned from customers.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(Amount in Rupees)

Particulars	March 31, 2019		March 31, 2018		April 01, 2017	
	Gross Amount	Impairment	Gross Amount	Impairment	Gross Amount	Impairment
Not past due	-	-	-	-	-	-
Past due less than six months	9.89	-	0.51	-	-	-
Past due more than six months	-	-	-	-	-	-
Total	9.89	-	0.51	-	-	-

Trade receivables are impaired when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

The company does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets.

c) Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, other payable arising during the normal course of business as at each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(Amount in Rupees as at March 31, 2019)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Long Term Borrowing	2.76	2.89	12.23	5.13	-	23.01
Trade Payable	162.27	-	-	-	-	162.27
Total	165.03	2.89	12.23	5.13	-	185.28

*The above figures are shown at their original carrying amount excluding Ind AS Adjustments

(Amount in Rupees as at March 31, 2018)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Long Term Borrowing	-	-	-	-	-	-
Trade Payable	108.23	-	-	-	-	108.23
Total	108.23	-	-	-	-	108.23

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(Amount in Rupees as at March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Long Term Borrowing	-	-	-	-	-	-
Trade Payable	168.56	-	-	-	-	168.56
Total	168.56	-	-	-	-	168.56

Capital Management

A. Risk Management:

The Company's objectives when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits to other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

company monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
Net Debt	23.01	-
Share holder fund	26,557.13	-
Capital Gearing Ratio	0.09	-

31. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic EPS

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

(Amount in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit (loss) for the year, attributable to the owners of the company	(1,815.85)	(2,039.30)
Earnings used in calculation of basic earnings per share(A)	(1,815.85)	(2,039.30)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	80.00	80.00
Basic EPS(A/B)	(23.86)	(25.53)

b) Diluted EPS

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit (loss) for the year, attributable to the owners of the company	(1,815.85)	(2,039.30)
Earnings used in calculation of basic earnings per share	(1,815.85)	(2,039.30)
Interest on convertible preference shares	-	-
Profit attributable to equity holders of the owner adjusted for the effect of dilution (A)	(1,815.85)	(2,039.30)
Weighted average number of ordinary shares for the purpose of basic earnings per share	80.00	80.00
Share application money pending for allotment	-	-
Weighted average number of Equity shares adjusted for the effect of dilution (B)	80.00	80.00
Diluted EPS(A/B)	(23.86)	(25.53)

32. Effect of Ind AS Adoption on the standalone Balance Sheet as at April 1, 2017 and March 2018.

Particulars	Balance Sheet as at March 31, 2018				Balance Sheet as at April 1, 2017		
	Indian GAAP	Adjust. (16-17)	Adjust. (17-18)	Ind AS	Indian GAAP	Adjust. (16-17)	Ind AS
I ASSETS							
1 Non current assets							
(a) Property, Plant and Equipment	88.19	-	-	88.19	135.29	-	135.29
(b) Other Intangible assets	9.36	-	-	9.36	18.35	-	18.35
(c) Intangible assets under development	-	-	-	-	0.40	-	0.40
(d) Financial Assets					0	-	
(i) Investments	24,172.81	-	-	24,172.81	15,422.81	-	15,422.81
(ii) Trade Receivables	-	-	-	-	0	-	-
(iii) Loans	30.04	(7.41)	5.92	28.55	81.25	(7.41)	73.33
(iv) Others Financial Assets					0	-	
(e) Tax assets	98.34	-	-	98.34	94.99	-	94.99
(f) Other non- current assets	0.50	1.34	(1.34)	0.50	-	1.34	1.84
	24,399.25	(6.07)	4.58	24,397.75	15,753.09	(6.07)	15,747.01
2 Current assets							
(a) Financial Assets						-	
(i) Investments	84.57	4.78	(2.65)	86.70	625.41	4.78	630.19
(ii) Trade receivables	0.51	-	-	0.51	-	-	-
(iii) Cash and cash equivalents	280.49	-	-	280.49	89.42	-	89.42
(iv) Other Financial Assets	66.89	-	-	66.89	1.14	-	1.14
(b) Other current assets	419.77	5.58	(4.24)	421.11	319.76	5.58	325.34
	852.22	10.36	(6.89)	855.69	1,035.73	10.36	1,046.09
Total	25,251.47	4.29	(2.31)	25,253.45	16,788.81	4.29	16,793.11
I EQUITY AND LIABILITIES							

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	Balance Sheet as at March 31, 2018				Balance Sheet as at April 1, 2017		
	Indian GAAP	Adjust. (16-17)	Adjust. (17-18)	Ind AS	Indian GAAP	Adjust. (16-17)	Ind AS
1 Equity							
(a) Equity Share capital	800.00	-	-	800.00	19,121.42	-	800.00
(b) Entirely in nature of equity	28,271.42			28,271.42	-		18,321.42
(c) Other Equity	(4,184.89)	10.29	(6.94)	(4,181.54)	(2,867.88)	10.29	(2,857.59)
LIABILITIES	24,886.53	10.29	(6.94)	24,889.88	16,253.54	10.29	16,263.83
2 Non- current liabilities							
(a) Financial Liabilities							
(i) Borrowings	-	-	-	-	-	-	-
(ii) Trade Payables	-	-	-	-	-	-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified	-	-	-	-	-	-	-
(b) Provisions	157.50	-	-	157.50	159.15	-	159.15
(c) Deferred tax liabilities (Net)	-	-	-	-	-	-	-
(d) Other non-current liabilities	-	-	-	-	-	-	-
(e) Deferred Income	-	-	-	-	-	-	-
	157.50	-	-	157.50	159.15	-	159.15
3 Current liabilities							
(a) Financial Liabilities							
(i) Borrowings	-	-	-	-	-	-	-
(ii) Trade Payables	-	-	-	-	-	-	-
` - MSME	-	-	-	-	-	-	-
` - Other than MSME	108.23	-	-	108.23	168.56	-	168.56
(b) Other Financial Liabilities	17.20	-	-	17.20	31.75	-	31.75
(b) Other current liabilities	80.07	(6.00)	4.62	78.69	29.86	0	29.86
(c) Provisions	1.95	-	-	1.95	145.96	(6.00)	139.95
Regulatory Deferral Account Balance					-		
	207.45	(6.00)	4.62	206.07	407.88	(6.00)	370.13
Total	25,251.48	4.29	(2.31)	25,253.46	16,788.81	4.29	16,793.11

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Explanation shall be given for adjustment under Ind AS

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

33 Reconciliation of Statement of Profit & Loss (including OCI) for the year ended March 31, 2018

(Amount in Lakhs)

Particulars	Indian Gaap *	Adjust.	Ind AS
Income			
i) Revenue From Operations	66.96	-	66.96
ii) Other Income	26.85	3.27	30.12
Total Income	93.81	3.27	97.08
Expenses			
i) Operating and Direct Expenses	-	-	-
ii) Employees' Benefit Expenses	1,178.63	15.31	1,193.94
iii) Finance Cost	-	-	-
iv) Depreciation & Amortization Expenses	41.56	-	41.56
v) Other Expenses	890.68	10.21	900.88
Total expenses	2,110.87	25.52	2,136.38
Profit/(loss) before prior period items, exceptional items and tax	(2,017.05)	(22.25)	(2,039.30)
Prior period items (net)	-	-	-
Profit/(loss) before exceptional items and tax	(2,017.05)	(22.25)	(2,039.30)
Exceptional Items	-	-	-
Profit Before Tax	(2,017.05)	(22.25)	(2,039.30)
Tax expense:	-	-	-
(i) Current tax	-	-	-
(ii) Deferred tax liability/ (assets)	-	-	-
Total Tax Expense	-	-	-
Profit/(loss) for the period from continuing operations			
I Profit/(loss) for the Period	(2,017.05)	(22.25)	(2,039.30)
II Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss	-	15.31	15.31
ii) Items that will be reclassified to profit or loss	-	-	-
Other Comprehensive Income	-	15.31	15.31
Total Comprehensive Income for the period	(2,017.05)	(6.94)	(2,023.99)

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Explanation shall be given for adjustment under Ind AS

34 Reconciliation of Other Equity as at March 31, 2018 and April 1, 2017

Particulars	3/31/2018	4/1/2017
Other Equity (Shareholders fund as per previous gaps)	(4,184.89)	(2,867.88)
Adjustments:		
Fair value gain/(loss) on mutual funds	(2.65)	4.78
Fair Value Adjustment of Security Deposit	0.34	(0.49)
Lease equalisation reserve adjustment	(4.62)	6.00
Adjustment balance transfer from Previous Year	10.29	-
Total Adjustments	3.35	10.29
Other Equity as per Ind AS	(4,181.54)	(2,857.59)

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

35 Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Year Ended March 31, 2018
Profit after tax as per previous GAAP	(2,017.05)
Adjustments	
- Prior Period Item	-
Fair value gain/(loss) on mutual funds	(2.65)
-Remeasurement of Actuarial (gain)/loss	(15.31)
Fair Value Adjustment of Security Deposit	0.34
Lease equalisation reserve adjustment	(4.62)
Total Adjustments	(22.25)
Profit after tax as per Ind AS	(2,039.30)
Other comprehensive income	15.31
Total comprehensive income as per Ind AS	(2,023.99)

36 Impact on Cash flow statement on adoption of Ind AS

Particulars	Year Ended March 31, 2018	Adjustments	Ind AS
Net cash flow from operating activities	(2,289.51)	-	(2,289.51)
Net cash flow from Investing activities	(8,169.42)	-	(8,169.42)
Net cash flow from financing activities	10,650.00	-	10,650.00
Net Increase/(Decrease) in cash and cash equivalent	191.07	-	191.07
Cash and cash equivalent as on April 1, 2017			
Cash and cash equivalent as on March 31, 2018	191.07	-	191.07

37 Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 16th May 2019

As per our report of even date attached

For **Ravi Rajan & Co.**
Chartered Accountants
Firm Registration No. 009073N

Deepak Gupta
Partner
MRN - 516002

Place: New Delhi
Date: 16th May 2019

For and on behalf of the Board of Directors

Pradeep Pant
(Director)
DIN No: 00677064

Ajay Agrawal
(Chief Financial Officer)

Tara Singh Vachani
(Managing Director & CEO)
DIN No: 02610311

Deepa Sood
(Company Secretary)

**ANTARA PURUKUL
SENIOR LIVING LIMITED**

DIRECTORS' REPORT

Your Directors have the pleasure in presenting the 24th Annual Report together with the Audited Accounts for the financial year ended March 31, 2019.

Financial Performance

The financial highlights of your Company for the year under review are given below:

	(₹ in Lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Income	6421.98	15684.47
Total expenses	6444.28	15683.48
EBITDA	(22.30)	0.99
Less: Depreciation	291.46	259.13
Less: Finance cost	2580.68	3435.54
Profit / (Loss) Before Tax	(2894.44)	(3693.68)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(2894.44)	(3693.68)
Other Comprehensive Income	7.99	41.71
Total Comprehensive Income	(2886.45)	(3651.97)

The Company registered a net loss amounting to ₹ 2886.45 lakhs as compared to a net loss of ₹ 3651.97 lakhs in the previous financial year. The Company is making continuous endeavour to improve its financial position by identifying new opportunities of revenues and constant measures for cost reductions.

Review of Operations and Operational Initiatives

The team has been working towards generating revenue to meet its cost and reduce operation loss due to lower occupancy. The operations team have been working on various ideas and plans to attract footfall in the community and generate revenue. In addition, there are certain cost savings achieved. Overall, the team is working towards financial sustainability.

The holding Company, M/s Antara Senior Living Limited (Antara Senior), continues to render booking and marketing services to the Company. Marketing efforts were channelized towards generating footfall at the Community

alongwith focused and quality leads through the most effective avenues. In the year gone by, the Community won accolades at the Ageing Asia Awards for best 'Silver Interior Design'.

Future Outlook

Your Company's focus will continue to generate revenues and minimize costs so as to make the Community financially self-sustainable. In this direction various marketing efforts are being curated to increase the footfall. The Company will continue to build its brand positioning and product awareness amongst the target customers through community visits and experiential stays.

Dividend

Your Directors have not recommended any dividend for the year under review in view of loss incurred by the Company.

Share Capital

During the financial year under review, the Company raised its Authorized Share Capital from ₹ 260,00,00,000 (Rupees Two Hundred Sixty Crores only) divided into 26,00,00,000 (Twenty Six Crores only) Equity Shares of ₹ 10/- each to ₹ 275,00,00,000 (Rupees Two Hundred Seventy Five Crores only) divided into 27,50,00,000 (Twenty Seven Crores Fifty Lakhs only) Equity Shares of ₹ 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

As on date, the paid-up share capital of the Company is ₹ 2,59,99,70,890/- comprising 25,99,97,089 equity shares of ₹ 10/- each. The entire paid up share capital is held by Antara Senior.

During the financial year under review, the Company has allotted 1,74,00,000 (One Crore Seventy Four Lacs only) Equity Shares of ₹ 10/- each in various tranches by way of rights issue to the existing shareholders, Antara Senior. Further, the Company has on May 16, 2019 allotted 11,70,000 (Eleven Lacs Seventy Thousand only) Equity Shares of ₹ 10/- each to Antara Senior by way of rights issue.

Material change affecting the financial position of the Company since March 31, 2019 to the date of the Report

There is no material change affecting the financial position of the Company since March 31, 2019 to the date of Report.

Transfer to Reserves

The Company does not propose to transfer any amount to the reserves.

Board of Directors

During the year under review, Mr. Jatin Khanna's appointment as an additional director was regularized by the shareholders at the 23rd Annual General Meeting (AGM) of the Company.

Pursuant to Section 161 of the Companies Act, 2013 (Companies Act) read with Articles of Association of the Company, Mrs. Ambica Chaturvedi was appointed as additional director on the Board of the Company on October 29, 2018 to hold office upto the date of ensuing AGM. Your Company has further received recommendation under Section 160 of the Companies Act from the Board proposing the candidature of Mrs. Ambica Chaturvedi for being appointed as the Director of the Company, subject to approval of shareholders of the Company.

Further, Mr. Rohit Kapoor resigned as the Director of the Company effective October 29, 2018. Your Directors place on record their appreciation for the valuable contributions by Mr. Rohit Kapoor during his association with the Company.

In accordance with the requirement of the Companies Act, Mr. Jatin Khanna, Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed along with their shareholding in the Company as stipulated under Secretarial Standard 2 is appended as an annexure to the Notice of the ensuing AGM.

Key Managerial Personnel

As on the date of this Report, Mr. Ajay Agrawal, CFO, Mr. Ashish Loach, Manager and Ms. Samridhi Kinra, Company Secretary are the Key Managerial Personnels (KMP) of the Company, pursuant to the provisions of the Companies Act.

During the year under review, Mr. Jishnu Veliyath resigned

as the Manager and KMP of the Company with effect from August 17, 2018 due to personal reason. Your Directors place on record their appreciation for the contribution made by Mr. Jishnu Veliyath during his association with the Company.

Mr. Ajay Agarwal was appointed as CFO and KMP of the Company effective August 1, 2018 by the Board of Directors at their meeting held on July 23, 2018.

Further, Mr. Ashish Loach and Ms. Samridhi Kinra were appointed as Manager & KMP and Company Secretary & KMP of the Company respectively by the Board of Directors at their meeting held on January 17, 2019.

Internal Financial Controls

Your Company has in place adequate internal financial control systems that commensurate with the size of its operations. These controls ensure that transactions are authorized, recorded and reported on time. They ensure that assets are safe guarded and protected against loss or unauthorized disposal.

The internal auditors carried out audits in different areas of your Company's operations. Post-audit reviews were carried out to ensure that audit recommendations were implemented whereas no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. The Board reviewed the audit program and findings of the internal audit.

Auditors and Auditors' Report

Statutory Auditor

In terms of the provisions of Section 139 of the Companies Act read with Rules made thereunder M/s. Ravi Rajan & Co., Chartered Accountants were appointed with your approval at the 23rd AGM as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of 23rd AGM till the conclusion of 28th AGM. They continue as the Statutory Auditors of the Company.

Statutory Auditors' Report

All observations made in the Statutory Auditors' Report and notes to the accounts are self-explanatory and do not contain any adverse remarks or qualification from the Statutory Auditors and thus not call for any further comments under Section 134 of the Companies Act.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Ravi Rajan & Co., Statutory Auditors of the Company for the financial year 2018-19 as annexed in the Annual Report.

Secretarial Auditor

Pursuant to Section 204 of the Companies Act, your Company has appointed M/s P.C Jain & Co., Company Secretaries as its Secretarial Auditor to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for financial year ended March 31, 2019 is annexed herewith marked as **Annexure-1** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

Disclosures:

Number of meetings of Board of Directors and its Committees

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. During the year under review, the Board of Directors duly met five times on April 12, 2018, May 14, 2018, July 23, 2018, October 29, 2018 and January 17, 2019.

Proper notices were given for the above-mentioned meetings and the proceedings were properly recorded and signed minutes were maintained in the minutes book.

Particulars of the Loans, Investment or Guarantees

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act are given in the notes to the Financial Statements.

Particulars of Contracts or Arrangements with Related Parties

All arrangements / transactions entered into by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable. However, names of Related Parties and details of transactions with them during the financial year 2018-19 is annexed herewith marked as **Annexure-2** to this Report.

Vigil Mechanism

The Company endeavors to maintain the highest standards of professionalism, integrity and ethical behavior in the conduct of the affairs of its constituents in a fair and transparent manner.

Pursuant thereto, the Company had "whistleblower policy or a vigil mechanism" in place. In accordance with the Policy, the directors and employees can report their concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct and Ethics.

The Company had created Email ID speakup@antaraseniorliving.com for team members to reach out. Drop boxes are also installed at different office locations for anonymous complaints.

During the financial year under review, no complaints were received by the Company.

Public Deposits

During the financial year under review, the Company has not accepted or renewed any deposits from the public.

Risk Management Policy

Your Company continues to focus on a system-based approach to business risk management by implementing a risk management policy adopted by the Board of directors for assessing the key risks faced by the organization such as strategic, financial, credit, market, liquidity, information technology, legal, regulatory and other risks.

Every quarter, the Board reviews the principal risks and uncertainties that can impact the ability of the Company to achieve its strategic objectives and seek measures to minimize the adverse impact of these risks.

Conservation of Energy and Technology Absorption

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Companies Act read with Companies (Accounts) Rules, 2014 is as follows:

a) Conservation of Energy

- (i) the steps taken or impact on conservation of energy: Regular efforts are made to conserve the energy through various means such as use of low

energy consuming lightings, using energy efficient equipment incorporating latest technology and regular maintenance etc. Smart electricity saving plan have been introduced by managing lights in corridors and other Community areas. Switching lights on timers and introducing sensors in basement are some other initiatives being taken by the Company.

(ii) the steps taken by the Company for using alternate sources of energy: Since your Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.

(iii) Capital investment on energy conservation equipment: Nil

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned: NIL

Total Foreign Exchange used: ₹ 5.58 Lacs

(₹ in Lakhs)		
PARTICULARS	2018-19	2017-18
Foreign Exchange Outgo		
Director's Sitting Fees	-	6.27
Marketing expense	5.58	-
Capital Work in Progress	-	2.13
Total	5.58	8.40

Extract of Annual Return

Extract of Annual Return in Form No. MGT-9 as provided under Section 92(3) of the Companies Act is annexed herewith as **Annexure-3** to this report.

Secretarial Standards

Your Directors confirm compliance of all applicable

Secretarial Standards during the financial year 2018-19.

Particulars of Employees

The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the **Annexure- 4** to this Report. None of the employees listed in the said Annexure is related to any Director of the Company.

Prevention of Sexual Harassment of Women at Workplace

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No case under the said Act has been reported during the financial year under review.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, with respect to Directors' Responsibility Statement, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors would like to express their sincere appreciation to the various government departments, its stakeholders, bankers, service partners and all its business associates for their co-operation and support extended to the Company. Your Directors also wish to express their gratitude to the management and its team members for their hard work, dedication and commitment during the year under review.

**By the order of the Board
For Antara Purukul Senior Living Limited**

Tara Singh Vachani
Director
DIN No. 02610311

Ambica Chaturvedi
Director
DIN No. 08091229

Place: New Delhi

Date: May 16, 2019

ENCLOSURES:

Annexure-1: Secretarial Auditor Report for financial year 2018-19

Annexure-2: List of Related Party Transactions for financial year 2018-19

Annexure-3: Extract of Annual Return of the Company

Annexure-4: Particulars of Employees and their remuneration

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Antara Senior Living Limited
Guniyal Gaon, P.O. - Sinola, Dehradun, Uttarakhand 248003

We have conducted the Secretarial Audit of compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Antara Purukul Senior Living Limited CIN: U74120UR1995PLC018283 (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not applicable during the period under review.)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not applicable during the period under review.)**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Not applicable during the period under review.)**

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) No Other laws are applicable specifically to the Company during the financial Year under Audit.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

(ii) Being an unlisted company, no listing agreement is required to be entered with any Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period following specific events/ actions were taken by the Company which have major bearing on the Company's affairs in pursuance of the acts, rules, regulations, guidelines, standards etc.

Date: 26.04.2019
Place: Faridabad

referred above:-

1. The Company has allotted 1,54,00,000 (One Crore and Fifty four Lakh) equity shares of Rs. 10/- each to Antara Senior Living Ltd, the existing equity shareholders of the Company, for cash at par during the period under review.

The Details of the Allotment during the financial year are as follows-

- Allotment of 50,00,000 equity shares of Rs. 10/- each vide its circular resolution dated 14th May, 2018.
 - Allotment of 40,00,000 equity shares of Rs. 10/- each vide its circular resolution dated 23rd July, 2018.
 - Allotment of 5,00,000 equity shares of Rs. 10/- each vide its circular resolution dated 26th October, 2018.
 - Allotment of 35,00,000 equity shares of Rs. 10/- each dated 29th October, 2018.
 - Allotment of 24,00,000 equity shares of Rs. 10/- each vide its circular resolution dated 17th January, 2019.
2. Allotment of 20,00,000 equity shares of Rs. 10/- each vide its circular resolution dated 28th March, 2019.
 3. The Company has amended its Memorandum of Association in respect of capital clause by way of increase in its Authorized Share Capital in its Extra Ordinary General Meeting held on 18th January, 2019 from Rs. 260,00,00,000 divided into 26,00,00,000 equity shares of Rs. 10/- each to Rs. 275,00,00,000 divided into 27,50,00,000 equity shares of Rs.10/- each.

For P. C. Jain & Co.
Company Secretaries
(FRN: P2016HR051300)
(P C Jain)
Partner
CP No. 3349
FCS 4103

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Antara Senior Living Limited
Guniyal Gaon, P.O. - Sinola, Dehradun, Uttarakhand 248003

Sir,

Our Secretarial Audit Report for the financial year 2018-19 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, personal records of employee(s) and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 26.04.2019

Place: Faridabad

For P. C. Jain & Co.
Company Secretaries
(FRN: P2016HR051300)
(P C Jain)
Partner
CP No. 3349
FCS 4103

Annexure-2

Notes to financial Statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

41. B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
KMP Compensation				
Salary and Wages	Ashish Loach	4.43	-	-
Salary and Wages	Samridhi Kinra (Company Secretary)	1.65	-	-
Salary and Wages	A V K Rao (CFO)	-	28.01	100.20
Salary and Wages	Jishnu Veliath	-	53.61	41.49
Salary and Wages	Ashima Jain (Company Secretary)	2.92	3.81	-
Salary and Wages	Jigyasa Gulati (Company Secretary)	-	-	5.91
Director Sitting Fees	Sharmila Tagore	-	9.42	13.68
Director Sitting Fees	Pradeep Pant	-	10.86	17.10
Long term employee benefit				
Leave encashment	A V K Rao (CFO)	-	11.06	-
Leave encashment	Jishnu Veliath	-	3.94	-
Leave encashment	Ashima Jain (Company Secretary)	0.15	-	-
Leave encashment	Jigyasa Gulati (Company Secretary)	-	-	0.39
Transaction with Director of holding company				
Refund of advance on shifting to a smaller apartment	Dr. Shubnum Singh	61.04	-	-
Transaction with related party				
Interest expense on borrowings	Max India Limited	186.09	858.02	632.37
Loan taken by the Company	Max India Limited	1,233.81	3,300.00	1,900.00
Loan repaid to the Company	Max India Limited		8,750.00	
Corporate Guarantee taken	Max India Limited	22,000.00	22,000.00	27,700.00
Marketing fees	Antara Senior Living Limited	62.96	78.27	78.70
Corporate guarantee given	Antara Senior Living Limited	22,000.00	22,000.00	27,700.00

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Interest expense on loans	Antara Senior Living Limited	-	-	1,021.94
Rent including lease rental	Antara Senior Living Limited	-	2.23	-
Loan received back by the Company	Antara Senior Living Limited	-	-	10,720.81
Rent including lease rental	Pharmax Corporation Limited	-	13.00	78.54
Health Insurance	Max Bupa Health Insurance Limited	5.81	-	-

C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade payable	Antara Senior Living Limited	-	0.51	-
Other financial assets	Antara Senior Living Limited	-	2.71	-
Corporate guarantees given at the year end	Antara Senior Living Limited	22,000.00	22,000.00	27,700.00
Long term loans and advances				
i). Security deposit given	Pharmax Corporation Limited	-	8.00	8.00
Advance to related party	Max Bupa Health Insurance Limited	0.53	-	-
Advance from customer	Mr. Analjit Singh	-	-	1,502.85
Advance from customer	Dr. Shubnum Singh	-	296.81	296.81
Security deposit	Mr. Analjit Singh	187.86	187.86	-
Security deposit	Dr. Shubnum Singh	28.18	-	-
Interest payable to Max India	Max India	168.38	0.91	-
Loan balance at the year end	Max India	1,933.81	700.00	6,150.00
Corporate guarantees given at the year end	Max India	22,000.00	22,000.00	27,700.00

For and on behalf of Board
Antara Purukul Senior Living Limited

Tara Singh Vachani
Director
DIN No.: 02610311

Ambica Chaturvedi
Director
DIN No.: 08091229

Annexure-3

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74120UR1995PLC018283
ii	Registration Date	21/06/1995
iii	Name of the Company	ANTARA PURUKUL SENIOR LIVING LIMITED
iv	Category/Sub-category of the Company	UNLISTED PUBLIC COMPANY
v	Address of the Registered office & contact details	ANTARA SENIOR LIVING, GUNIYAL GAON, P.O. - SINOLA, DEHRADUN, UTTARAKHAND 248003 IN
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	MAS SERVICES LIMITED T-34, 2ND FLOOR, OKHLA INDUSTRIAL AREA PHASE-II, NEW DELHI-110020 PH: 011-26387281 FAX: 011-26387384

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Real Estate Activities with owned or leased property	NIC Code 2008 6810	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	ANTARA SENIOR LIVING LIMITED	U74140DL2011PLC218781	HOLDING	100	2(46)

IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt.or State Govt.									
c) Bodies Corporates	8218994	233208095	241427089	100	258827089		258827089	100	7.20
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	8218994	233208095	241427089	100	258827089		258827089	100	7.20
(2) Foreign									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter	8218994	233208095	241427089	100	258827089		258827089	100	7.20
(A)= (A)(1)+(A)(2)									
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):					NOT APPLICABLE				
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.10 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 10 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):									
Total Public Shareholding (B)= (B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	8218994	233208095	241427089	100	258827089		258827089	100	7.20

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	ANTARA SENIOR LIVING LIMITED	241427089	100	0	258827089	100	0	7.20%
	Total	241427089	100	0	258827089	100	0	7.20%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	241427089	100	241427089	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1,74,00,000	Allotment Equity shares of Rs. 10/- each		
	At the end of the year	258827089	100	258827089	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SI. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Not Applicable			
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	21,383.82	700.00		22,083.82
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	9.46	-		9.46
				-
Total (i+ii+iii)	21,393.28	700.00		22,093.28
				-
Change in Indebtedness during the financial year				
	-			
Additions		1,233.81		1,233.81
Reduction	1,872.58	-		1,872.58
Net Change	(1,872.58)	1,233.81		(638.77)
Indebtedness at the end of the financial year				
	-			
i) Principal Amount	19,352.32	1,933.81		21,286.13
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	168.38	-		168.38
Total (i+ii+iii)	19,520.70	1,933.81		21,286.13

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	Gross salary	Managing Director	WTD	Ashish Loach*	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	N.A	N.A	443,103.00	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	N.A	N.A	0	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A
2	Stock option	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission				
	as % of profit	N.A	N.A	N.A	N.A
	others (specify)	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total (A)			443,103.00	0
	Ceiling as per the Act				

*Appointed as a Manager & KMP effective January 17, 2019

Sl. No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors	NIL	
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify		
	Total (1)		
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify.		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Cieling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Company Secretary	CFO	Total
			Ashima Jain* Samridhi Kinra**		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	306,664.00	164,516.14	N.A
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A
2	Stock Option	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission as % of profit	N.A	N.A	N.A	N.A
	others, specify	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total	N.A	306,664.00	164,516.14	N.A

*Resigned as a CS & KMP effective December 10, 2018

**Appointed as a CS & KMP effective January 17, 2019

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal+F2I made if any (give details)
A. COMPANY					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For and on behalf of Board
Antara Purukul Senior Living Limited

Place: New Delhi
Date: May 16, 2019

Tara Singh Vachani
Director
DIN No.: 02610311

Ambica Chaturvedi
Director
DIN No.: 08091229

Independent Auditor's Report

**To,
The Members of
Antara Purukul Senior Living Limited
Unmodified Opinion**

We have audited the accompanying standalone financial statements of Antara Purukul Senior Living Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its Loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,

2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTERS	RESPONSE TO KEY AUDIT MATTERS
Accuracy of adjustment, recognition, measurement, presentation and disclosures required for 1st time adoption of IND-AS and application of IND-AS 17 for Finance Lease: a) During the year Antara Purukul Senior Living Limited (APSL) has first time adopted IND AS with the transition date as April 1, 2017. b) APSL engaged in business of construction and leasing of senior living residential units, has evaluated its lease agreements as per the requirements of IND AS 17 and concluded that its lease agreements qualify as Finance lease. The application of IND AS involves complexity and its implementation is dependent on certain judgements, interpretation and estimates taken by the management. The management has chosen certain optional exemptions and applied management judgements during implementation of IND AS which have direct impact on the recognition, measurement principles of accounting and its presentation and disclosures in the financial statements.	Following procedures are performed by us: - a) Obtained and read the management assessment on first time adoption of IND AS and lease agreements treated or qualify as Finance Lease. b) Assessed the Company's process to identify the impact of first time adoption of the new accounting standards and Lease accounting. c) Performed substantive testing of the IND AS adjustments and calculation of conversion of PPE to Inventory, valuation of Inventory leased or un-leased, accounting and its presentation and disclosures.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(1) of the Companies Act 2013, auditor are also responsible for expressing an opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures,

and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation on precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in

agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations, if any, on its financial position in its standalone financial statements.
 - ii. The Company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

For,
Ravi Rajan & Co.,
 (Chartered Accountants)
 Firm's registration number: 009073N
Deepak Gupta
 Partner
 Membership number: 516002

Place: New Delhi
 Date: 16th May, 2019

Annexure - A to the Auditors' Report

Annexure A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report to the members of the Company on the Ind AS financial statements for the year ended 31st March, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a policy to verify its fixed assets once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets. The physical verification was carried out during the previous year 2017-2018. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed /conveyance deed provided to us, we report that the title deeds, comprising all the immovable properties of land and building which are freehold, are held in the name of the company as at the balance sheet date.
- (ii) In respect of Inventory:
 - (a) As explained to us the inventory (Consumables) of the company has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and as per information and explanation provided to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firm, LLP, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a) to (c) of Clause (iii) of the order are not applicable.
- (iii) In our opinion and according to the information and explanation given to us, the company has complied with the provision of Section 185 and 186 of the Act, in making investment and providing guarantee to related parties. The company has not granted any loans, or provided securities.
- (iv) As per books of accounts, records and information and explanation given to us, the company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.
- (v) Having regard to the nature of the Company's business/ activities, reporting under clause (VI) of the CARO, 2016 is not applicable.
- (vi) According to the information and explanations given to us in respect of statutory dues: -
 - (a) As per our examination of the records, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, GST cess, and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, GST, cess and other material statutory dues as at 31st March 2019 for a period of more than 6 months from the date they become payable.
 - (b) There were no outstanding statutory dues including Income tax, Provident Fund, ESI, GST, Cess etc. as at 31st March, 2019 on account of disputes.
- (vii) In our opinion, according to information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government. In addition, the Company has not issued any debentures.
- (viii) The Company has not raised any money by way of initial public offer or further public offer (including

debt instruments) or term loans during the year. Accordingly, clause (ix) of the CARO, 2016 is not applicable.

(ix) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the company by its officers or employees has been noticed or reported during the year.

(x) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approval mandated by the provision of Section 197 read with Schedule v to the Companies' Act 2013.

(xi) The Company is not a Nidhi company and hence reporting under Clause (xii) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transaction have been disclosed in the Ind AS financial statements as required by the applicable Indian accounting standards.

(xiii) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, clause (xiv) of the CARO 2016 is not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or directors of its holding, subsidiary or associates company, as applicable or person connected with them and hence provision of the Section 192 of the Companies Act, 2013 not applicable.

(xv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Deepak Gupta

Partner

Membership number: 516002

Place: New Delhi

Date: 16th May, 2019

Annexure - B to the Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Purukul Senior Living Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Antara Purukul Senior Living Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over

Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria

established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For,
Ravi Rajan & Co.,
(Chartered Accountants)
Firm's registration number: 009073N
Deepak Gupta
Partner
Membership number: 516002

Place: New Delhi
Date: 16th May, 2019

Balance Sheet as at March 31, 2019

(All amount in lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	3	8,754.83	8,964.69	6,156.19
(b) Capital work in progress	4	-	-	5,212.94
(c) Intangible assets	5	14.42	32.69	36.05
(d) Intangible assets under development	6	-	-	4.23
(e) Financial assets				
- Loans	7	26.00	26.00	38.96
(f) Other non current assets	8	23.84	54.82	1,494.19
Total Non-current assets		8,819.09	9,078.20	12,942.56
(2) Current assets				
(a) Inventories	9	27,964.19	31,913.33	39,431.21
(b) Financial assets				
- Investments	10	143.09	1.06	1,138.37
- Trade receivables	11	69.50	47.82	-
- Cash and cash equivalents	12	99.42	479.45	1,110.92
- Loans	13	0.51	8.55	-
- Other Financial Assets	14	0.62	3.41	8.45
(c) Current tax assets (net)	15	179.57	192.04	81.15
(d) Other current assets	16	189.33	156.88	33.46
Total current assets		28,646.23	32,802.54	41,803.56
Total Assets		37,465.32	41,880.74	54,746.12
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	17	25,882.71	24,142.71	15,392.71
(b) Other equity	18	(19,575.25)	(16,805.80)	(13,153.83)
Total equity		6,307.46	7,336.91	2,238.88
LIABILITIES				
(1) Non- current liabilities				
(a) Financial liabilities				
- Borrowings	19	20,496.04	20,667.66	22,580.66
- Others	20	-	43.59	480.39
(b) Provisions	21	34.07	36.61	132.92
Total non- current liabilities		20,530.11	20,747.86	23,193.97
(2) Current liabilities				

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(a) Financial liabilities				
- Borrowings	22	238.56	1,000.16	-
- Trade payables	23			
Total outstanding dues of Micro Enterprises and Small Enterprises		10.38	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		183.45	201.98	412.90
- Other financial liabilities	24	3,627.73	3,468.65	10,573.75
(b) Other current liabilities	25	6,567.40	9,124.80	18,149.76
(c) Provisions	26	0.23	0.38	176.86
Total current liabilities		10,627.75	13,795.97	29,313.27
Total equity and liabilities		37,465.32	41,880.74	54,746.12

As per our report of even date attached

For **Ravi Rajan & Co.**

Chartered Accountants

Firm Registration No. 009073N

Deepak Gupta

Partner

MRN - 516002

Place: New Delhi

Date: 16th May 2019

For and on behalf of the Board of Directors

Tara Singh Vachani

(Managing Director & CEO)

DIN No: 02610311

Ambica Chaturvedi

(Director)

DIN No: 08091229

Ajay Agrawal

(Chief Financial Officer)

Samridhi Kinra

(Company Secretary)

Statement of Profit and Loss for the year ending March 31, 2019

(All amount in lakhs)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	27	6,388.49	14,745.51
Other income	28	33.49	938.96
Total income		6,421.98	15,684.47
Expenses			
Cost of construction/ materials consumed		4,683.90	13,222.16
Employee benefits expense	29	650.46	771.92
Finance costs	30	2,580.68	3,435.54
Depreciation and amortisation expense		291.46	259.13
Other expenses	31	1,109.92	1,689.40
Total expenses		9,316.42	19,378.15
Profit before tax		(2,894.44)	(3,693.68)
Tax expense :			-
Current tax		-	-
Deferred tax		-	-
Profit for the period (I)		(2,894.44)	(3,693.68)
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		7.99	41.71
Income tax effect		-	-
Other comprehensive income for the period (II)		7.99	41.71
Total Comprehensive Income for the period (I + II)		(2,886.45)	(3,651.97)
EPS:			
Basic EPS	43	(1.15)	(2.40)
Dilluted EPS	43	(1.15)	(2.40)

As per our report of even date attached

For **Ravi Rajan & Co.**

Chartered Accountants

Firm Registration No. 009073N

Deepak Gupta

Partner

MRN - 516002

Place: New Delhi

Date: 16th May 2019

For and on behalf of the Board of Directors

Tara Singh Vachani

(Managing Director & CEO)

DIN No: 02610311

Ambica Chaturvedi

(Director)

DIN No: 08091229

Ajay Agrawal

(Chief Financial Officer)

Samridhi Kinra

(Company Secretary)

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	1,539.27	15,392.71
Issue of share capital	875.00	8,750.00
At March 31, 2018	2,414.27	24,142.71
Issue of share capital	174.00	1,740.00
At March 31, 2019	2,588.27	25,882.71

B. Other equity

Particulars	Retained earnings	Share Application Money Pending for Allotment	Re-measurement gains (losses) on defined benefit plans	Total
At April 01, 2017	(13,153.83)			(13,153.83)
Profit for the Year	(3,693.68)			(3,693.68)
Changes during the year				
Other Comprehensive Income			41.71	41.71
Addition/ (adjustment) during the year		-		-
At March 31, 2018	(16,847.51)	-	41.71	(16,805.80)
Profit for the Year	(2,894.44)			(2,894.44)
Other Comprehensive Income			7.99	7.99
Changes during the year				-
Addition/ (adjustment) during the year		117.00		117.00
At March 31, 2019	(19,741.95)	117.00	49.70	(19,575.25)
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

As per our report of even date attached

For **Ravi Rajan & Co.**

Chartered Accountants

Firm Registration No. 009073N

Deepak Gupta

Partner

MRN - 516002

Place: New Delhi

Date: 16th May 2019

For and on behalf of the Board of Directors

Tara Singh Vachani

(Managing Director & CEO)

DIN No: 02610311

Ambica Chaturvedi

(Director)

DIN No: 08091229

Ajay Agrawal

(Chief Financial Officer)

Samridhi Kinra

(Company Secretary)

Cash flow statement for the year ended March 31, 2019

(All amount in lakhs)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities			
Profit/ (Loss) before tax		(2,894.44)	(3,693.68)
Adjustments for:			
Depreciation and amortisation expense		291.46	259.13
Finance costs		2,580.68	3,435.54
Actuarial Gain/Loss		7.99	41.71
Interest income from others		(7.26)	(19.03)
Liability written back		(7.61)	-
Interest on income tax refund		(5.62)	-
Loss on sale of fixed assets		4.40	-
Profit on sale of assets		(0.17)	-
Profit on sale of land		-	(878.26)
Amortisation of transaction cost		154.57	(50.60)
Net gain on sale of current investments in mutual funds		(8.10)	(32.66)
Operating loss before working capital changes		115.90	(937.85)
Changes in working capital:			
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(8.14)	(210.92)
Short-term provisions		(0.15)	(176.48)
Long-term provisions		(2.54)	(96.31)
Other financial liabilities-Current		751.33	1,934.45
Other current liabilities		(2,557.40)	(9,024.96)
Other financial assets		2.79	5.04
Other long-term liabilities		(43.59)	(436.80)
		(1,857.70)	(8,005.98)
Adjustments for (increase) / decrease in operating assets:			
Short-term loans and advances			
Long-term loans and advances		-	12.96
Other current assets		3,903.04	7,341.65
		3,903.04	(1589.22)
Cash flow from/(used) in operations		2,161.24	(110.89)
Net income tax paid		12.48	(1700.11)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Net cash flow from/(used in) operating activities	A.	2,173.72	(1,700.11)
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances		(923.76)	59.34
Proceeds from sale of fixed assets		0.47	3,405.92
Interest income from others		7.26	19.03
Liability written back		7.61	-
Interest on income tax refund		5.62	-
- Purchased		(1,118.34)	(4,113.95)
- Proceeds from sale		984.41	5,283.93
Net cash flow used in investing activities	B.	(1,036.73)	4,535.59
Cash flow from financing activities			
Proceeds from issue of equity share capital		1,857.00	8,750.00
Proceeds from long -term borrowings		(952.27)	(8,790.87)
Finance costs		(2,421.75)	(3,426.08)
Net cash flow from financing activities	C.	(1,517.02)	(3,466.95)
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	(380.03)	(631.47)
Cash and cash equivalents at the beginning of the year		479.45	1,110.92
Cash and cash equivalents at the end of the period*	12	99.42	479.45
Cash and cash equivalents at the end of the period*			
*Comprises:			
(a) Cash on hand		3.20	1.50
(b) In current account		96.22	477.95
Total		99.42	479.45

As per our report of even date attached

For **Ravi Rajan & Co.**

Chartered Accountants

Firm Registration No. 009073N

Deepak Gupta

Partner

MRN - 516002

Place: New Delhi

Date: 16th May 2019

For and on behalf of the Board of Directors

Tara Singh Vachani

(Managing Director & CEO)

DIN No: 02610311

Ambica Chaturvedi

(Director)

DIN No: 08091229

Ajay Agrawal

(Chief Financial Officer)

Samridhi Kinra

(Company Secretary)

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

1 Corporate information

ANTARA PURUKUL SENIOR LIVING LIMITED ("the Company") is a wholly owned subsidiary of ANTARA SENIOR LIVING LIMITED. The Company has been set up to primarily engage in the business of construction, leasing and operations of residential senior living communities.

The Company has completed the construction of senior living community situated at Dehradun and has hand over the possession to the residents.

2 a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS). The Company has prepared these financial statements to comply in all material respects with the Indian accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2016, (as amended) and the Company has complied in all material respects with the Indian Accounting Standards notified under the Companies Act, 1956/the Companies Act, 2013 as amended time to time.

For and up-to the year ended 31 March 2018, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with para 7 of the Companies (Accounts) Rules 2014 (Indian GAAP).

The financial statements have been prepared on an accrual basis. The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

The financial statements are presented in Indian Rupees ('INR') except when otherwise indicated.

b) Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standard requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- i) Expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

the settlement of the liability for at least twelve months after the reporting period

All other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Property, plant and equipment

Property, Plant & Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use, including borrowing cost. Any trade discounts and rebates are deducted in arriving at the purchase price.

Property, plant and equipment under construction and not ready for its intended use are disclosed as capital work in progress.

Stores and Spare which meet the definition of property, plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the underlying assets.

Expense on existing PP&E viz., major inspection/overhaul/repair is recognized in the carrying amount of respective assets as replacement if the recognition criteria are satisfied. All day-to-day servicing of the item related to PP&E are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount

of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management. Pursuant to this policy, assets are depreciated over the following term-

Asset Type

Furniture and Fixtures	: 10 years
Building	: 60 years
Office Equipment	: 5 years
IT Equipment (End user devices)	: 3 years
IT Equipment (Servers and network)	: 6 years
Vehicles	: 8 years

Useful lives are based on the management's estimate of the useful life of tangible assets and which can be lower than the lives arrived at on the basis of Schedule II of Companies Act, 2013.

f) Leases

Company as a lessor:

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. The Company is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss.

Leases in which the Company does not transfer substantially all the risks and benefits of

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

ownership of the asset are classified as operating leases. Assets subject to operating leases are included in PPE. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

g) Impairment of Non - Financial Assets

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

h) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a

result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent Assets

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

i) Retirement and other Employee Benefits

Short term employee benefits:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employee Provident Fund and Employee State Insurance Scheme ('ESI') to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan:

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at balance sheet date using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date.

Other Long term employee benefits

The employees can carry-forward a portion of the un-utilize accrued compensated absences and utilize it in future service periods or receive cash compensation during employment as per policy of the Company or on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an

obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Re-measurement of employee benefits including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

j) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents.

k) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

I) Fair value measurement

The Company measures financial instruments, specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

Financial assets carried at amortized cost

A financial asset other than specific investments,

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through Statement of Profit and Loss

A financial asset comprising mutual funds which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Assets Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Investment in subsidiaries

The company has accounted for its investment in subsidiaries at cost. The company assesses whether there is any indication that these investments may be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

Impairment of other financial assets

The Company assesses impairment based on expected credit losses (ECL) model for

measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables etc.

Financial liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade and other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at Amortized Cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from food and beverages, maintenance and club services are recognized upon rendering of service. Sales are net of discounts. Goods service tax is reduced from sales.

Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

Other Income is accounted on accrual basis. Interest income is recognised on time proportion basis using EIR method. Dividend Income is recognised when the right to receive is established.

n) Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of

profit and loss.

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes considering the tax rate and tax laws that have been enacted or substantively enacted as on the reporting date.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes probable that sufficient future taxable income will be available.

o) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

p) Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the

period from commencement of activities relating to construction /development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

q) GST input credit

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

r) Inventories

Stores and Spares are valued at lower of cost and net realisable value. Cost is determined using the weighted average method.

Assets held for financial lease are valued at lower of cost and net realisable value. The cost comprises of raw materials, direct labour, other direct cost including borrowing cost.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 3. Property, plant and equipment

Particulars	Freehold land	Building	Plant & Machinery	Computers	Furniture and fixtures	Vehicles	Office equipment	Total
At April 01, 2017 (refer note below)	5,883.83	-	-	39.35	93.32	64.48	75.21	6,156.19
Additions	-	5,124.41	900.53	18.05	971.82	0.63	20.52	7,035.96
Deletion	1,446.37	-	-	-	-	-	-	1,446.37
Disposals/written off	2,513.69	-	-	0.38	-	24.37	-	2,538.44
At March 31, 2018	1,923.77	5,124.41	900.53	57.02	1,065.14	40.74	95.73	9,207.34
Additions	-	28.41	-	1.56	35.54	-	2.52	68.03
Disposals/ written off	-	-	-	5.40	-	-	-	5.40
At March 31, 2019	1,923.77	5,152.82	900.53	53.18	1,100.68	40.74	98.25	9,269.97
Depreciation								
At April 01, 2017 (refer note below)	-	-	-	-	-	-	-	-
Charge for the year	-	65.25	52.27	19.29	81.38	10.09	25.16	253.44
Disposals/ written off	-	-	-	0.38	-	10.41	-	10.79
At March 31, 2018	-	65.25	52.27	18.91	81.38	(0.32)	25.16	242.65
Charge for the year	-	81.89	57.03	12.44	103.08	6.65	16.53	277.62
Disposals/ written off	-	-	-	5.13	-	-	-	5.13
At March 31, 2019	-	147.14	109.30	26.22	184.46	6.33	41.69	515.14
Net block								
At April 01, 2017	5,883.83	-	-	39.35	93.32	64.48	75.21	6,156.19
At March 31, 2018	1,923.77	5,059.16	848.26	38.11	983.76	41.06	70.57	8,964.69
At March 31, 2019	1,923.77	5,005.68	791.23	26.96	916.22	34.41	56.56	8,754.83

Note -

The Company has elected Ind-AS 101 exemption and continued with the carrying value for all of it's Property, Plant and Equipment as its deemed cost as at the date of transition

Particulars	Freehold land	Building	Plant & Machinery	Computers	Furniture and fixtures	Vehicles	Office equipment	Total
Gross block	5,883.83	-	-	98.41	108.99	79.72	92.47	6,263.42
Accumulated depreciation	-	-	-	59.06	15.67	15.24	17.26	107.23
Deemed Cost as at April 01, 2017	5,883.83	-	-	39.35	93.32	64.48	75.21	6,156.19

* refer explanatory note 45

Note 4: Capital work in progress

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital work-in-progress	-	-	5,212.94
Total	-	-	5,212.94

* refer explanatory note 45

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 5 : Intangible assets

Particulars	Computer software	Total
Cost		
At April 01, 2017 (refer note below)	36.05	36.05
Additions	2.33	2.33
Disposals	-	-
At March 31, 2018	38.38	38.38
Additions	-	-
Disposals/written off	15.89	15.89
At March 31, 2019	22.49	22.49
Depreciation		
At April 01, 2017 (refer note below)	-	-
Charge for the year	5.69	5.69
Disposals	-	-
Assets written off	-	-
At March 31, 2018	5.69	5.69
Charge for the year	13.83	13.83
Disposals/written off	11.45	11.45
At March 31, 2019	8.07	8.07
Net block		
At April 01, 2017	36.05	36.05
At March 31, 2018	32.69	32.69
At March 31, 2019	14.42	14.42

Note -

The Company has elected Ind-AS 101 exemption and continued with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition.

Particulars	Computer software	Total
Gross block	48.38	48.38
Accumulated depreciation	12.33	12.33
Net block	36.05	36.05

* refer explanatory note 45

Note 6: Intangible assets under development

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Computer software	-	-	4.23
Total	-	-	4.23

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 7: Loans- Non - current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured - Considered Good			
Security deposits - Non current	26.00	26.00	38.96
Total	26.00	26.00	38.96

Note 8: Other non current assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital advances	23.84	54.82	1,490.63
MAT credit entitlement	-	-	3.56
Total	23.84	54.82	1,494.19

Note 9: Inventories

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Stores and spares	135.95	137.29	
Others (Assets held for finance lease)	27,828.24	31,776.04	39,431.20
Total	27,964.19	31,913.33	39,431.20

Note 10: Current Investments

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Axis Liquid fund - Direct growth			
6900.75 units NAV 2073.52 (March 31, 2018 : 54.877 units NAV 1927.53, April 01, 2017 : 63129.75 units NAV 1803.23)	143.09	1.06	1,138.37
Total	143.09	1.06	1,138.37

Note 11: Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured - Considered Good			
Trade receivables	69.50	47.82	-
Less: Allowances for bad and doubtful debts			
Total	69.50	47.82	-

Note 12: Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash on hand	3.20	1.50	2.32
Balances with banks	96.22	477.95	1,108.60
Total	99.42	479.45	1,110.92

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 13: Loans- current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured - Considered Good			
Security deposits	0.51	8.55	-
Total	0.51	8.55	-

Note 14: Other Financial Assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured - Considered Good:			
Employee advance	0.09	0.27	8.21
Advance to related Party	0.53	-	0.24
Receivable from related party	-	3.14	
Total	0.62	3.41	8.45

Note 15: Current tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Advance income tax (net of provisions)	179.57	192.04	81.15
Total	179.57	192.04	81.15

Note 16: Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Prepaid Expenses	14.45	11.54	26.09
Balances with statutory/government authorities	154.35	121.43	-
Advance to suppliers	20.53	23.91	7.37
Total	189.33	156.88	33.46

Note 17 : Share capital

Particulars	As at March 31, 2019		As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount INR/lacs	Number of shares	Amount INR/lacs	Number of shares	Amount INR/lacs
(a) Authorised						
Equity share capital	275,000,000	27,500	260,000,000	26,000	175,000,000	17,500
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights						
(b) Issued and Subscribed	259,997,089	25,999.71	241,427,089	24,143	153,927,089	15,392.71
(c) Subscribed and fully paid up						
Equity share capital						
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	258,827,089	25,882.71	241,427,089	24,142.71	153,927,089	15,392.71
Total		25,882.71		24,142.71		15,392.71

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Refer Notes (i) to (iv) below

- (i) The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights of Rs. 10 each						
Antara Senior Living Limited and its nominees ('Holding Company')	258,827,089	100.00	241,427,089	100.00	153,927,089	100.00

- (iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Shares issued	Closing balance
Equity shares with voting rights of Rs. 10 each			
For the year ended 31 March, 2019			
- Number of shares	241,427,089	17,400,000	258,827,089
- Amount (INR/lacs)	24,142.71	1,740.00	25,882.71
For the year ended 31 March, 2018			
- Number of shares	153,927,089	87,500,000	241,427,089
- Amount (INR/lacs)	15,392.71	8,750.00	24,142.71

- (iv) Details of shares application money received pending allotment through Antara Senior Living, the holding company:

Particulars	Amount INR/lacs		
	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2017
Share application money pending for allotment	117.00	-	-

Note 18: Other Equity

Particular	Amount
i) Retained earnings	
At 1 April 2017	(13,153.83)
Changes during the year	(3,651.97)
At 31 March 2018	(16,805.80)
Changes during the year	(2,886.45)
At 31 March 2019	(19,692.25)

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particular	Amount
ii) Share application money pending for allotment	
At 1 April 2017	
Addition/adjustment during the year	-
At 31 March 2018	
Addition/adjustment during the year	117.00
At 31 March 2019	117.00
Total (i) + (ii)	(19,575.25)
* refer explanatory statement note 51	

Note 19: Non current Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Term loan from bank	-	-	16,427.52
Term loan from financial institution	18,562.23	19,967.66	-
Loan from related party	1,933.81	700.00	6,150.00
Vehicle loan	-	-	3.14
Total	20,496.04	20,667.66	22,580.66

The rate of interest applicable on long term borrowings are as under:

(rates are per annum)

- Term loans from financial institution / bank	10% - 11.35%	10.00% - 11.35%	11.35% - 11.50%
- Term loans from related parties	10.50% - 11.85%	10.50% - 11.85%	12.00% - 14.00%
- Vehicle loans	Nil	9.65% - 11.00%	10.75% - 11.00%

Loan from financial institutions - Aditya Birla Finance Limited and Bajaj Finance Limited

The loan is repayable in 72 structured monthly installments from January, 2018 with an option to prepay.

- For 1st & 2nd year	2% annually in equal monthly installment
- For 3rd, 4th, 5th and 6th year	24% annually in equal monthly installment

Loan from related party

Loan from related party is repayable in two half yearly installments commencing from February, 2024.

Note 20: Other financial liabilities - non current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Retention money payable- Non Current	-	43.59	480.39
Total	-	43.59	480.39

Note 21: Provisions - non current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits :			
Provision for leave encashment	11.73	17.98	78.82
Provision for gratuity (refer note 38)	22.34	18.63	54.10
Total	34.07	36.61	132.92

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 22: Borrowings -Current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loan from financial institutions	238.56	1,000.16	-
Total	238.56	1,000.16	-

Note 23: Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total outstanding dues of Micro Enterprises and Small Enterprises	10.38	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	183.45	201.98	412.90
Total	193.83	201.98	412.90

Details of outstanding dues of Micro Enterprises and Small Enterprises

There is no Micro, Small and Medium Enterprise to which the Company owes undisputed dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Details of outstanding dues of Micro Enterprises and Small Enterprises	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	10.38	-	-
b) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) Amount of interest accrued and remaining unpaid at the end of each accounting year and	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Total	10.38	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 24: Other financial liabilities-Current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital Creditors	49.73	936.43	2,056.80
Term loan from financial institution - current	551.52	416.00	-
Term loan from bank - current	-	-	8,344.63
Interest Accrued and not due	168.38	9.46	-
Security deposits received	2,858.10	2,039.01	162.39
Payable to related Party	-	64.61	-
Employee car deposits	-	-	5.83
Vehicle loan	-	3.14	4.10
Total	3,627.73	3,468.65	10,573.75

Note 25: Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory dues	41.20	99.98	218.03
Advance from customers	6,526.20	9,024.82	17,931.73
Total	6,567.40	9,124.80	18,149.76

Note 26: Provisions- Current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Provision for leave encashment	0.16	0.34	7.04
Provision for gratuity	0.07	0.04	1.82
Others:			
Provision for incentive	-	-	168.00
Total	0.23	0.38	176.86

Note- 27- Revenue from Operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from finance leases	5,658.40	14,275.11
Apartment lease rentals	23.01	-
Food & Beverages	200.81	77.97
Maintenance charges	271.52	150.15
Club membership fee	89.76	166.10
Club services & others	144.99	76.18
Total	6,388.49	14,745.51

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 28: Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income:		
Interest income from others	7.26	19.03
Interest on income tax refund	5.62	-
Sub Total	12.88	19.03
Net gain on sale of current investments in mutual funds	8.10	32.66
Liability Written Back	7.61	-
Profit on sale of assets	0.17	878.26
Scrap sale	0.15	6.78
Leasing of vehicle	-	2.23
Miscellaneous income	4.58	-
Total	33.49	938.96

Note 29: Employee benefits expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	496.75	545.52
Contributions to provident and other funds	27.83	25.96
Gratuity expense	11.74	14.33
Staff welfare expenses	114.14	186.11
Total	650.46	771.92

Note 30: Finance costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Borrowings	2,426.08	3,485.63
Others	0.03	0.51
Amortisation of transaction cost on Term Loan	154.57	(50.60)
Total	2,580.68	3,435.54

Note 31: Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales commission	62.96	78.27
Marketing expense	190.10	390.48
Electricity charges	151.37	143.25
Rent including lease rentals	-	13.00
Repairs and maintenance - Others	160.47	139.32
Rates and taxes	37.24	116.75
Communication	15.45	31.26
Travelling and conveyance	8.63	28.57
Printing and stationery	7.50	13.98

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Security & Housekeeping expense	242.65	358.45
Business promotion, advertisement and publicity	-	2.52
Legal and professional	61.98	84.39
Directors sitting fees	-	20.28
Membership fees	-	8.80
Payments to auditors (refer note below)	5.60	5.29
Loss on sale of fixed assets	4.40	-
Delay compensation	24.10	88.34
Irrecoverable debts written off	23.01	-
Laundry expenses	33.56	48.59
Other Operational expenses	32.86	72.05
Miscellaneous expenses	48.04	45.81
Total	1,109.92	1,689.40

Payment to the Statutory Auditors

Particulars	2018-19	2017-18
Audit Fees	5.00	5.00
Reimbursements of expenses and levies	0.60	0.29
Total	5.60	5.29

32 Transition from IGAAP to IND AS

These financial statements, for the year ended March 31, 2019, are first financial statements prepared by company in accordance with Ind AS. For years upto and including the year ended March 31, 2018, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

In preparing these financial statements, the company has prepared opening IND AS balance sheet as at 1st April, 2017 the company's date of transition to Ind-AS in accordance with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the balance sheet as at April 1, 2017 and the financial statements as at and for the year ended March 31, 2018 are quantified. However the basic approach adopted is again summarized hereunder:

- All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2017 have been measured at fair value.
- In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.
- The estimates as at April 1, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

- v) Security deposit are in nature of perpetuity and are classified as non current and not revalued at fair value.
- vi) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. **Accordingly, the company has availed the following exemptions as per IND AS 101:**
- a) Entity has availed para D7AA of Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the group has elected to measure all of its property, plant and equipment and intangible assets.

- b) **Fair value measurement of financial assets or financial liabilities at initial recognition:** Para D20 of Ind AS 101, the financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

Note : 33 Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Commitments"

(a) Provisions

Particulars	(Amount in Lakhs)				
	Opening balance as on 01.04.18	Additions/ Transfers during the year	Utilization during the year	Released during the year	Closing balance as on 31.03.19
Provision for incentive	-	-	-	-	-

Particulars	(Amount in Lakhs)				
	Opening balance as on 01.04.17	Additions/ Transfers during the year	Utilization during the year	Released during the year	Closing balance as on 31.03.18
Provision for incentive	168.00	-	(168.00)	-	-

(b) Contingent Liabilities (not provided for):

Claim against the Company not acknowledged as debt INR 633.03 lakhs (Nil as on March 31, 2018 and Nil as on April 01, 2017)

A vendor had supplied pre-fabricated doors and frames to The Company at Dehradun Community and has filed a recovery claim against The Company before the Micro Small Entrepreneurs Facilitation Council (MSEF).

The Company has disputed the amount claimed by the vendor. Committee members of MSEF has suggested the parties to conciliate the matter amicably. In furtherance of the suggestions of MSEF, The Company has initiated settlement talks with the vendor. Since MSEF is a conciliatory body and the directions passed by MSEF is not binding on the parties. Thus, the claim filed before MSEF cannot be considered as a litigation.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(c) Commitments

Amount in Lakhs

Capital commitment	For the year ended March 31, 2019	For the year ended March 31, 2018
Estimated value of contracts in capital account remaining to be executed	42.87	10.40
Less: Capital advances	-	-
Total	42.87	10.40

Note 34: Expenditure in Foreign Currency (on accrual basis)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Directors sitting fees	-	6.27
Capital work in progress	-	2.13
Marketing expenses	5.58	-
	5.58	8.40

Note 35: Disclosures in respect of Ind AS 107 - Financial Instruments

35.1 Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(Amount in Lakhs as on March 31, 2019)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets:					
Non-current assets					
- Loans	26.00	-	-	26.00	26.00
Current assets					
- Investments	-	143.09	-	143.09	143.09
- Trade receivables	69.50	-	-	69.50	69.50
- Cash and cash equivalents	99.42	-	-	99.42	99.42
- Loans	0.51	-	-	0.51	0.51
- Other Financial Assets	0.62	-	-	0.62	0.62
Financial Liabilities:					
Non-current liabilities					
- Borrowings	20,496.04	-	-	20,496.04	20,496.04
- Others	-	-	-	-	-
Current liabilities					
- Borrowings	238.56	-	-	238.56	238.56
- Trade payables	183.45	-	-	183.45	183.45
- Other financial liabilities	3,627.73	-	-	3,627.73	3,627.73

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(Amount in Lakhs as of March 31, 2018)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets:					
Non-current assets					
- Loans	26.00	-	-	26.00	26.00
Current assets					
- Investments		1.06	-	1.06	1.06
- Trade receivables	47.82	-	-	47.82	47.82
- Cash and cash equivalents	479.45	-	-	479.45	479.45
- Loans	8.55	-	-	8.55	8.55
- Other Financial Assets	3.41	-	-	3.41	3.41
Financial Liabilities:					
Non- current liabilities					
- Borrowings	20,667.66	-	-	20,667.66	20,667.66
- Others	43.59	-	-	43.59	43.59
Current liabilities					
- Borrowings	1,000.16	-	-	1,000.16	1,000.16
- Trade payables	201.98	-	-	201.98	201.98
- Other financial liabilities	3,468.65	-	-	3,468.65	3,468.65

(Amount in Lakhs as at April 1, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets:					
Non-current assets					
- Loans	38.96	-	-	38.96	38.96
Current assets					
- Investments		1,138.37	-	1,138.37	1,138.37
- Trade receivables	-	-	-	-	-
- Cash and cash equivalents	1,110.92	-	-	1,110.92	1,110.92
- Loans	-	-	-	-	-
- Other Financial Assets	8.45	-	-	8.45	8.45
Financial Liabilities:					
Non- current liabilities					
- Borrowings	22,580.66	-	-	22,580.66	22,580.66
- Others	480.39	-	-	480.39	480.39
Current liabilities					
- Borrowings	-	-	-	-	-
- Trade payables	412.90	-	-	412.90	412.90
- Other financial liabilities	10,573.75	-	-	10,573.75	10,573.75

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

35.2 Fair Value Hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.

Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table present fair value hierarchy of assets and liabilities measured at fair value

(Amount in Lakhs as of March 31, 2019)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs
Financial liabilities at fair values:					
Investment in Mutual funds	143.09	-	-	143.09	NAV of mutual funds
Total	143.09	-	-	143.09	

(Amount in Lakhs as of March 31, 2018)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs
Financial liabilities at fair values:					
Investment in Mutual funds	1.06	-	-	1.06	NAV of mutual funds
Total	1.06	-	-	1.06	

(Amount in Lakhs as at April 1, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs
Financial liabilities at fair values:					
Investment in Mutual funds	1,138.37	-	-	1,138.37	NAV of mutual funds
Total	1,138.37	-	-	1,138.37	

35.3 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Managment
Market risk- Interest rate	Long term borrowings at variable rate of interest	Sensitivity analysis	Company has obtained borrowings at competitive interest rate from bank.
Credit risk	Cash and cash equivalent, trade receivables, financial instruments.	Ageing analysis Credit rating	Company has evaluated and classified its receivables as unsecured but considered goods on case to case basis.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Company has efficient cash management system to meet its liquidity risk

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

a) Market Risk

Interest rate risk

The company's main interest rate risk arises from long term borrowings with variable rates, which expose the company to cash flow interest rate risk. During March 31, 2019 and March 31, 2018, Company's borrowings are denominated in INR currency.

The exposure of company's borrowings to interest rate changes at the end of reporting period are as follows:

(Amount in Lakhs)			
Particulars	31-Mar-19	31-Mar-18	1-Apr-17
Variable rate borrowings	21,443.89	22,396.16	31,183.89
Fixed rate borrowings	-	3.14	7.24
Total borrowings	21,443.89	22,399.30	31,191.13

Sensitivity

Profit or loss is sensitive to higher/lower expense from borrowings as a result of change in interest rates. The table summarises the impact of increase/decrease in interest rates on Profit or loss.

(Amount in Lakhs)		
Particulars	Impact on profit before tax	
	31-Mar-19	31-Mar-18
Interest rates- increase by 50 Bsc Pts	113.17	173.64
Interest rates- decrease by 50 Bsc Pts	(113.17)	(173.64)

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company has outstanding trade receivables amounting to INR 69.50 lakhs, INR 47.82 lakhs (as at March 31, 2018) and Nil (as at April 1, 2017). Trade receivables are typically unsecured and are derived from revenue earned from customers.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

Particulars	31-Mar-19		31-Mar-18		1-Apr-17
	Gross Amount	Impairment	Gross Amount	Impairment	Gross Amount
Not past due	-	-	-	-	-
Past due less than six months	48.02	-	31.71	-	-
Past due more than six months but not more than one year	12.52	-	16.10	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	31-Mar-19		31-Mar-18		1-Apr-17
	Gross Amount	Impairment	Gross Amount	Impairment	Gross Amount
Past due more than one year but not more than three year	8.96	-	-	-	-
More than three year		-	-	-	-
Total	69.50	-	47.81	-	-

Trade receivables are impaired when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

The company does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets.

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with such banks that are majority owned by the Government of India and subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared with available cash and cash equivalent to determine any shortfall of cash liquidity.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, other payable arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term operational liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals and support from holding company and ultimate holding company.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows. The amount are gross and undiscounted and include contractual interest payment and exclude impact of netting agreement.

(Amount in Lakhs as of March 31, 2019)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
ABFL and BFL loan	0.01	551.51	9,984.00	8,736.00	-	19,271.52
Short term borrowing from ABFL	238.56	-	-	-	-	238.56
Max India Limited	-	-	-	1,051.10	1,051.10	2,102.19
Trade and other payable	193.83	-	-	-	-	193.83
Capital Creditors	49.73	-	-	-	-	49.73
Security deposits received*	-	2,858.10	-	-	-	2,858.10

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Statutory dues	41.20	-	-	-	-	41.20
Advance from customers**	-	6,526.20	-	-	-	6,526.20
Total	523.33	9,935.81	9,984.00	9,787.10	1,051.10	31,281.33

*Deposits are against leased apartments.

** Advance from customers are amount received against sale of apartments, repayable on demand.

(Amount in Lakhs as of March 31, 2018)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
ABFL loan	216.55	216.55	6,552.00	9,984.00	3,735.45	20,704.55
Short term borrowing from ABFL	1,000.16	-	-	-	-	1,000.16
Max India Limited	-	-	-	-	700.91	700.91
Vehicle loan	3.14	-	-	-	-	3.14
Other payables	43.59	-	-	-	-	43.59
Trade payable	201.98	-	-	-	-	201.98
Capital Creditors	936.43	-	-	-	-	936.43
Security deposits received	-	2,039.01	-	-	-	2,039.01
Payable to related Party	64.61	-	-	-	-	64.61
Statutory dues	99.98	-	-	-	-	99.98
Advance from customers	-	9,024.82	-	-	-	9,024.82
Total	2,566.43	11,280.38	6,552.00	9,984.00	4,436.36	34,819.17

(Amount in Lakhs as of April 1, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Axis bank	3,910.58	4,172.32	16,689.26	-	-	24,772.15
Max India Limited	-	-	6,150.00	-	-	6,150.00
Vehicle loan	2.47	1.63	3.14	-	-	7.24
Other payables	480.39	-	-	-	-	480.39
Trade payable	412.90	-	-	-	-	412.90
Capital Creditors	2,056.80	-	-	-	-	2,056.80
Security deposits received	-	162.39	-	-	-	162.39
Employee car deposits	5.83	-	-	-	-	5.83
Statutory dues	218.03	-	-	-	-	218.03
Advance from customers	-	17,931.73	-	-	-	17,931.73
Total	7,086.99	22,268.07	22,842.40	-	-	52,197.46

Capital Management

A. Risk Management:

The Company's objectives when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

shareholders and benefits to other stakeholders, and

2. Maintain an optimal capital structure to reduce the cost of capital.
The company monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

Particulars	As at March 31, 2019	As at March 31, 2018
Net Debt	21,443.89	22,396.16
Share holder fund	6,307.46	7,336.91
Capital and Debt	27,751.35	29,733.07
Gearing Ratio	77%	75%

Note 36: Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs"

The amount capitalized with Property, Plant & Equipments as borrowing cost is Nil lakhs for the year ended March 31, 2019 & INR 333.14 lakhs for the year ended March 31, 2018.

Note 37: Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

During the year, the company assessed the impairment loss of assets and is of the opinion that the fair market value of the property is high than carrying value of asset.

Note 38: Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

General description of various defined employee's benefits schemes are as under:

a) Defined Contribution Plan

The company has certain defined contribution plans. The expense recognised uring the period towards defined contribution plan is INR 27.83 lakhs (Previous Year INR 33.50 lakhs)

b) Gratuity:

For Employee covered under Employees Provident Fund and Miscellaneous Provision Act, 1952:

- a) Gratuity in respect of employees covered under Employees Provident Fund and Miscellaneous Provision Act, 1952 have been accounted for on actuarial valuation basis. The said valuation is based on projected unit credit method.

The company provides for gratuity to employees in india as per the payment of gratuity act, 1972. Employees who are in continious service for a period of 5 years are eligible for gratuity. Salary for the purpose of calculation of gratuity is taken as last drawn qualifying salary.

c) Leave Encashment:

Salary for the purpose of calculating earned leave is taken as the last drawn qualifying salary . Yearly accrual of leaves is 21 days which can be accumulated maximum to 45 days . Benefit on normal retirement is maximum upto 45 days or actual accumulation whichever is less.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

- (i) The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Defined Benefit Obligation	C.Y.	22.42	11.89
	P.Y.	18.67	18.32
Fair Value of Plan Assets	C.Y.	-	-
	P.Y.	-	-
Funded Status [Surplus/(Deficit)]	C.Y.	(22.42)	(11.89)
	P.Y.	(18.67)	(18.32)
Net Defined Benefit Assets/(Liabilities)	C.Y.	(22.42)	(11.89)
	P.Y.	(18.67)	(18.32)

(March 31, 2018)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Defined Benefit Obligation	C.Y.	18.67	18.32
	P.Y.	55.92	85.86
Fair Value of Plan Assets	C.Y.	-	-
	P.Y.	-	-
Funded Status [Surplus/(Deficit)]	C.Y.	(18.67)	(18.32)
	P.Y.	(55.92)	(85.86)
Net Defined Benefit Assets/(Liabilities)	C.Y.	(18.67)	(18.32)
	P.Y.	(55.92)	(85.86)

- (ii) Movement in Net defined benefit obligation

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Net defined benefit liability at the start of the period	C.Y.	18.67	18.32
	P.Y.	55.92	85.86
Acquisition adjustment	C.Y.	-	(5.24)
	P.Y.	(8.88)	(54.79)
Total Service Cost	C.Y.	10.29	6.30
	P.Y.	10.22	9.16
Net Interest cost (Income)	C.Y.	1.46	1.43
	P.Y.	4.11	6.31
Re-measurements	C.Y.	(7.99)	(4.48)
	P.Y.	(41.71)	(12.82)
Contribution paid to the Fund	C.Y.	-	-
	P.Y.	-	-
Benefit paid directly by the enterprise	C.Y.	-	(4.45)
	P.Y.	(0.99)	(15.40)
Net defined benefit liability at the end of the period	C.Y.	22.42	11.89
	P.Y.	18.67	18.32

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(March 31, 2018)

Particulars		Gratuity (Funded)	Earned Leave (Non-Funded)
Net defined benefit liability at the start of the period	C.Y.	55.92	85.86
	P.Y.	47.70	84.11
Acquisition adjustment	C.Y.	(8.88)	(54.79)
	P.Y.	-	-
Total Service Cost	C.Y.	10.22	9.16
	P.Y.	17.36	29.34
Net Interest cost (Income)	C.Y.	4.11	6.31
	P.Y.	3.82	6.73
Re-measurements	C.Y.	(41.71)	(12.82)
	P.Y.	(12.95)	(24.54)
Contribution paid to the Fund	C.Y.	-	-
	P.Y.	-	-
Benefit paid directly by the enterprise	C.Y.	(0.99)	(15.40)
	P.Y.	-	(9.78)
Net defined benefit liability at the end of the period	C.Y.	18.67	18.32
	P.Y.	55.92	85.86

(iii) Amount Recognized in Statement of Profit and Loss

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Total Service Cost	C.Y.	10.29	6.30
	P.Y.	10.22	9.16
Net Interest Cost	C.Y.	1.46	1.43
	P.Y.	4.11	6.31
Net actuarial (gain) / loss recognized in the period	C.Y.	-	(4.48)
	P.Y.	-	(12.82)
Cost Recognized in P&L	C.Y.	11.74	3.25
	P.Y.	14.33	2.65

(iv) Amount recognized in Other Comprehensive Income (OCI)

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Net cumulative unrecognized actuarial gain/(loss) opening	C.Y.	-	-
	P.Y.	-	-
Actuarial gain / (loss) for the year on PBO	C.Y.	7.99	-
	P.Y.	41.71	-
Actuarial gain / (loss) for the year on Asset	C.Y.	-	-
	P.Y.	-	-
Unrecognized actuarial gain/(loss) For the Period	C.Y.	7.99	-
	P.Y.	41.71	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(v) Actuarial Gain/Loss on Obligation

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	C.Y.	-	-
	P.Y.	5.20	3.36
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	C.Y.	0.49	0.30
	P.Y.	(0.53)	(0.72)
Actuarial (Gain)/Loss on arising from Experience Adjustment	C.Y.	(8.49)	(4.78)
	P.Y.	(46.39)	(15.46)

(vi) Bifurcation of PBO at the end of year in current and non current.

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Current liability (Amount due within one year)	C.Y.	0.07	0.16
	P.Y.	0.04	0.35
Non-Current liability (Amount due over one year)	C.Y.	22.34	11.73
	P.Y.	18.63	17.98
Total PBO at the end of year	C.Y.	22.42	11.89
	P.Y.	18.67	18.32

(vii) Sensitivity Analysis

(March 31, 2019)

Assumption	Change in Assumption	Gratuity (Non-Funded)	Earned Leave (Non-Funded)
- Present Value of Obligation at the end of the period		22.42	11.89
Discount rate	0.50%	(1.95)	(1.04)
	-0.50%	2.20	1.18
- Present Value of Obligation at the end of the period		22.42	11.89
Salary growth rate	0.50%	2.14	1.14
	-0.50%	(1.91)	(1.02)

(March 31, 2018)

Assumption	Change in Assumption	Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Present Value of Obligation at the end of the period		18.67	18.32
Discount rate	0.50%	(1.48)	(1.48)
	-0.50%	1.66	1.65
Present Value of Obligation at the end of the period		18.67	18.32
Salary growth rate	0.50%	1.62	1.60
	-0.50%	(1.46)	(1.46)

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(viii) Actuarial Assumption

(March 31, 2019)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Method used	C.Y.	PUC Method	PUC Method
	P.Y.	PUC Method	PUC Method
Discount rate	C.Y.	7.66%	7.66%
	P.Y.	7.80%	7.80%
Rate of salary increase	C.Y.	10.00%	10.00%
	P.Y.	10.00%	10.00%
Mortality rate	C.Y.	100% IALM (2006-08)	100% IALM (2006-08)
	P.Y.	100% IALM (2006-08)	100% IALM (2006-08)

Actuarial Assumption

(March 31, 2018)

Particulars		Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Method used	C.Y.	PUC Method	PUC Method
	P.Y.	PUC Method	PUC Method
Discount rate	C.Y.	7.80%	7.80%
	P.Y.	7.35%	7.35%
Rate of salary increase	C.Y.	10.00%	10.00%
	P.Y.	10.00%	10.00%
Mortality rate	C.Y.	100% IALM (2006-08)	100% IALM (2006-08)
	P.Y.	100% IALM (2006-08)	100% IALM (2006-08)

(ix) Expected Benefit Payments (March 31, 2019)

Year of payment	Gratuity (Non-Funded)	Earned Leave (Non-Funded)
Year ended March 31, 2020	0.07	0.16
Year ended March 31, 2021	0.07	0.27
Year ended March 31, 2022	0.11	0.25
Year ended March 31, 2023	0.23	0.25
Year ended March 31, 2024	1.99	0.23
Year ended March 31, 2025	2.02	0.79
April 2025 onwards	17.93	9.94

(x) Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Funds managed by Insurer	NIL

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 39: Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segment, and are as set out in the significant accounting policies.

Note 40: Entity-Wide Disclosures

Information about major customers

Customer Name	For the year ended March 31, 2019	For the year ended March 31, 2018
Customer - I	-	-

- If revenues from transactions with a single external customer amount to 10 per cent or more of an entity's revenues, the entity shall disclose that fact, the total amount of revenues from each such customer, and the identity of the segment or segments reporting the revenues. The entity need not disclose the identity of a major customer or the amount of revenues that each segment reports from that customer.

Note 41: Related party transactions

A. Name of related party and relationship

Ultimate Holding Company

Max India Limited (formerly known as 'Taurus Ventures Limited')

Holding Company

Antara Senior Living Limited

Fellow Subsidiaries

Pharmax Corporation Limited

Max Bupa Health Insurance Company Limited

Director of the Holding Company

Mr. Analjit Singh

Dr. Shubnum Singh

Key Management Personnel (KMP)

Ajay Agrawal (Chief financial officer)

Samridhi Kinra (Company Secretary)

Ashish Loach (Manager)

- B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
KMP Compensation				
Salary and Wages	Ashish Loach	4.43	-	-
Salary and Wages	Samridhi Kinra (Company Secretary)	1.65	-	-
Salary and Wages	A V K Rao (CFO)	-	28.01	100.20
Salary and Wages	Jishnu Veliath	-	53.61	41.49

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Salary and Wages	Ashima Jain (Company Secretary)	2.92	3.81	-
Salary and Wages	Jigyasa Gulati (Company Secretary)	-	-	5.91
Director Sitting Fees	Sharmila Tagore	-	9.42	13.68
Director Sitting Fees	Pradeep Pant	-	10.86	17.10
Long term employee benefit				
Leave encashment	A V K Rao (CFO)	-	11.06	-
Leave encashment	Jishnu Veliath	-	3.94	-
Leave encashment	Ashima Jain (Company Secretary)	0.15	-	-
Leave encashment	Jigyasa Gulati (Company Secretary)	-	-	0.39
Transaction with Director of holding company				
Refund of advance on shifting to a smaller apartment	Dr. Shubnum Singh	61.04	-	-
Transaction with related party				
Interest expense on borrowings	Max India Limited	186.09	858.02	632.37
Loan taken by the Company	Max India Limited	1,233.81	3,300.00	1,900.00
Loan repaid to the Company	Max India Limited		8,750.00	
Corporate Guarantee taken	Max India Limited	22,000.00	22,000.00	27,700.00
Marketing fees	Antara Senior Living Limited	62.96	78.27	78.70
Corporate guarantee given	Antara Senior Living Limited	22,000.00	22,000.00	27,700.00
Interest expense on loans	Antara Senior Living Limited	-	-	1,021.94
Rent including lease rental	Antara Senior Living Limited	-	2.23	-
Loan received back by the Company	Antara Senior Living Limited	-	-	10,720.81
Rent including lease rental	Pharmax Corporation Limited	-	13.00	78.54
Health Insurance	Max Bupa Health Insurance Limited	5.81	-	-

C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade payable	Antara Senior Living Limited	-	0.51	-
Other financial assets	Antara Senior Living Limited	-	2.71	
Corporate guarantees given at the year end	Antara Senior Living Limited	22,000.00	22,000.00	27,700.00
Long term loans and advances				
i). Security deposit given	Pharmax Corporation Limited	-	8.00	8.00

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Advance to related party	Max Bupa Health Insurance Limited	0.53	-	-
Security deposit	Mr. Analjit Singh	187.86	187.86	-
Security deposit	Dr. Shubnum Singh	28.18	-	-
Interest payable to Max India	Max India	168.38	0.91	-
Loan balance at the year end	Max India	1,933.81	700.00	6,150.00
Corporate guarantees given at the year end	Max India	22,000.00	22,000.00	27,700.00

Note 42: Leases disclosure

42.1 Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

A. As lessor

i) Finance Lease

The Company is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss. Accordingly the reconciliation between gross investment in the lease and the present value of minimum lease payments receivable and accounting of unearned finance component is not required.

There is no contingent rent on the leases recognised for finance lease.

ii) Operating Lease

There is no future minimum lease payments under non-cancellable operating leases.

B. As lessee

The Company has entered into operating leases for its office spaces and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is Nil (March 31, 2018: INR 13 lakhs and April 01, 2017: INR 78.54 lakhs). The Company has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Company by entering into these leases.

42.2 Customer Contracts

A. Customer Contracts

(i) Revenue

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Apartment lease rentals	23.01	-
Maintenance charges	271.52	150.15
Club membership fee	89.76	166.10
Interest income from others	7.26	19.03
Less: Impairment	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(b) Revenue from leasing activities		
Income from finance leases	5,658.40	14,275.11
(c) Income from investment activities/others		
Food & Beverages	200.81	77.97
Club services & others	144.99	76.18
Interest on income tax refund	5.62	-
Net gain on sale of current investments in mutual funds	8.10	32.66
Liability Written Back	7.61	-
Profit on sale of assets	0.17	878.26
Scrap sale	0.15	6.78
Leasing of vehicle	-	2.23
Miscellaneous income	4.58	-
Total	6,421.98	15,684.47

(ii) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Type of goods/services	For the year ended 31 March 2019	For the year ended 31 March 2018
Community operations	361.28	316.25
Short term leasing/others	30.27	19.03
Total revenue from contracts with customers	391.55	335.28
Category of Revenue	Status	
Geographical region	Domestic	
Type of Customer	Non Government	
Contract Duration	Short Term	
Timing	Revenue from services transferred over time.	

(iii) Contract balances

Particulars	As at 31 March 2019	As at 31 March 2018
Trade receivables	47.82	-
	69.50	47.82
Contract Assets	-	-
Contract liabilities	-	-

(iv) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue as per contracted price	391.55	335.28
Adjustments		
Discount	-	-
Revenue from contracts with customers	391.55	335.28

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(v) Performance obligations

Information about the Group's performance obligations are summarised below:

(i) Community operations

Revenue from Maintenance and club services are recognized upon rendering of service. Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

(ii) Short term leasing

Revenues from short term leases of apartments are recognized over the period of the contract as and when services are rendered.

42.3 Standard issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Note 43 : Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic EPS

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit / (loss) after tax	(2,894.44)	(3,693.68)
Earnings used in calculation of basic earnings per share(A)	(2,894.44)	(3,693.68)
Weighted average number of equity shares outstanding during the year (Nos.)	250,799,966	154,166,815
Basic earnings per share (Rs.)	(1.15)	(2.40)
Face value per equity Share (Rs.)	10.00	10.00

b) Diluted EPS

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

potential Equity shares into Equity shares.

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit (loss) for the year, attributable to the owners of the company	(2,894.44)	(3,693.68)
Earnings used in calculation of basic earnings per share		
Profit attributable to equity holders of the owner adjusted for the effect of dilution (A)	(2,894.44)	(3,693.68)
Weighted average number of ordinary shares for the purpose of basic earnings per share	250799966	154166815
Weighted average number of Equity shares adjusted for the effect of dilution (B)	250,799,966	154,166,815
Diluted EPS(A/B)	(1.15)	(2.40)
Since, Potential Equity Share has Anti-Dilutive Effect on EPS. Hence, we have not taken while computing DEPS		

Note 44: Assets Pledged as Security

The carrying amount of assets pledged as security for current & non current borrowings are:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Financial Assets	313.14	540.29	2,257.74
Non-Financial Assets	28,333.09	32,262.25	39,545.82
Total Current assets pledge as security.	28,646.23	32,802.54	41,803.56
Non Current			
Financial Assets	26.00	26.00	38.96
Non-Financial Assets	8,793.09	9,052.20	12,903.60
Total Non Current assets pledge as security.	8,819.09	9,078.20	12,942.56
Total	37,465.32	41,880.74	54,746.12

Loans from financials institutions (secured) :

- a) Term loan from Aditya Birla Finance Limited and Bajaj Finance Limited is INR 19,352.32 lacs on EIR method (including current maturities of long term borrowings Rs. 790.08 lacs) (previous year with Aditya Birla Finance Limited: INR 21,383.82 lacs, current maturities of long term borrowings Rs. 1,416.16 lacs) together with interest, additional interest, further interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by the Company is secured by the following security interest created in favour of the Bank or the Security Trustee:

Particular	(March 31, 2019)		
	Non Current	Current	Total
Long term loan			
Aditya Birla finance limited	12,262.23	364.05	12,626.29
Bajaj finance limited	6,300.00	187.47	6,487.47
Short term borrowing			

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particular	(March 31, 2019)		
	Non Current	Current	Total
Aditya Birla finance limited	-	238.56	238.56
Total	18,562.23	790.08	19,352.32

Particular	(March 31, 2018)		
	Non Current	Current	Total
Long term loan			
Aditya Birla finance limited	19,967.66	416.00	20,383.66
Short term borrowing			
Aditya Birla finance limited	-	1,000.16	1,000.16
Total	19,967.66	1,416.16	21,383.82

Particular	(April 01, 2017)		
	NonCurrent	Current	Total
Long term loan			
Axis Bank Limited	16,427.52	8,344.63	24,772.15
Total	16,427.52	8,344.63	24,772.15

- b) Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Antara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.
- c) Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales /leasing of area /project receipts/all other cash flows pertaining to project.
- d) Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and
- All the FSI ,rights,title,interest, benefits,claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;
 - Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and
 - all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond , guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.

Note 45 : Effect of Ind AS Adoption on the standalone Balance Sheet as at April 1, 2017 and March 2018.

(Amount in Lakhs)

Particulars	Note **	Balance Sheet as at March 31, 2018			Balance Sheet as at April 1, 2017		
		Indian GAAP *	Adjustments	Ind AS	Indian GAAP *	Adjustments (2016-17)	Ind AS
I ASSETS							
1 Non current assets							
(a) Property, Plant and Equipment		52,927.97	(43,963.28)	8,964.69	6,156.19	-	6,156.19
(b) Capital work-in-progress	5	-	-	-	44,905.89	(39,692.95)	5,212.94
(c) Other Intangible assets		54.13	(21.44)	32.69	36.05	-	36.05
(d) Intangible assets under development		-	-	-	4.23	-	4.23

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	Note **	Balance Sheet as at March 31, 2018			Balance Sheet as at April 1, 2017		
		Indian GAAP *	Adjustments	Ind AS	Indian GAAP *	Adjustments (2016-17)	Ind AS
(e) Financial Assets			-				
- Loans		21.50	4.50	26.00	38.96	-	38.96
(f) Other non current assets		54.82	-	54.82	1,494.19	-	1,494.19
Total Non-current assets		53,058.42	(43,980.22)	9,078.20	52,635.51	(39,692.95)	12,942.56
2 Current assets							
(a) Inventories		137.29	31,776.04	31,913.33	-	39,431.21	39,431.21
(b) Financial Assets							
(i) Investments	2	1.05	0.01	1.06	1,132.33	6.04	1,138.37
(ii) Trade receivables		47.82	-	47.82		-	-
(iii) Cash and cash equivalents		479.45	-	479.45	1,110.92	-	1,110.92
(iv) Loans		8.55	-	8.55		-	-
(v) Others Financial Assets		3.41	-	3.41	8.45	-	8.45
(c) Current tax assets (net)		192.04	-	192.04	81.15	-	81.15
(d) Other current assets		156.88	-	156.88	33.46	-	33.46
Total current assets		1,026.49	31,776.05	32,802.54	2,366.31	39,437.26	41,803.56
Total Assets		54,084.91	(12,204.17)	41,880.74	55,001.82	(255.70)	54,746.12
I. EQUITY AND LIABILITIES							
Equity							
(a) Equity Share capital		24,142.71	-	24,142.71	15,392.71	-	15,392.71
(b) Other Equity	2	(19,023.84)	2,218.04	(16,805.80)	(13,159.87)	6.04	(13,153.83)
Total equity		5,118.87	2,218.04	7,336.91	2,232.84	6.04	2,238.88
Liabilities							
1 Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings	1	20,980.00	(312.34)	20,667.66	22,842.40	(261.74)	22,580.66
(ii) Trade Payables				-		-	-
(iii) Other financial liabilities (other than those specified in item (ii), to be specified		43.59	-	43.59	480.39	-	480.39
(b) Provisions		36.61		36.61	132.92	-	132.92
Total non-current liabilities		21,060.20	(312.34)	20,747.86	23,455.71	(261.74)	23,193.97
2 Current liabilities							
(a) Financial Liabilities							
(i) Borrowings		1,000.16	-	1,000.16	-	-	-
(ii) Trade Payables							
- MSME		-	-	-		-	-
- Other than MSME		139.33	62.65	201.98	412.90	-	412.90

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	Note **	Balance Sheet as at March 31, 2018			Balance Sheet as at April 1, 2017		
		Indian GAAP *	Adjustments	Ind AS	Indian GAAP *	Adjustments (2016-17)	Ind AS
(iii) Other financial liabilities		2,967.86	500.79	3,468.65	10,573.75	-	10,573.75
(b) Other current liabilities		23,798.11	(14,673.31)	9,124.80	18,149.76	-	18,149.76
(c) Provisions		0.38	-	0.38	176.86	-	176.86
Total current liabilities		27,905.84	(14,109.87)	13,795.97	29,313.27	-	29,313.27
Total		54,084.91	(12,204.17)	41,880.74	55,001.82	(255.70)	54,746.12

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Explanation in note 45A shall be given for adjustment under Ind AS.

Note: 45 A

Notes to Reconciliation to Equity and Other Comprehensive Income

Note : 1

Under IGAAP, company has charged the processing fee paid for obtaining loan to capital work in progress as per borrowing cost in FY 2016-17 and to profit and loss account in year FY 2017-18 . Under Ind AS, any directly attributable transaction cost incurred in obtaining loan is to be amortised over the tenure of the loan. Further Capital work in progress has been reclassified to Inventory. Hence the processing fee earlier capitalised in Capital work in progress and Inventory has been reversed and is adjusted from Loan on EIR method.

Note : 2

Under the previous GAAP, investments in mutual funds were classified as current investments based on the intended holding period and realisability. Investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of mutual funds designated as at Fair Value through Profit or Loss "FVTPL", have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2018 and 31 March 2019.

Note : 3

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note : 4

Under Ind AS, material prior period error needs to be retrospectively restated in the relevant period. Prior period errors pertaining to fy 2017-18 are adjusted in relevant year i.e 2017-18.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note : 5

After evaluating the arrangement from Ind AS 17 perspective and based on certain judgements, interpretation and estimates taken by the management, the company has reclassified the lease arrangements entered till 31.03.2018 from operating lease to finance lease. Consequently, lease rental income and depreciation of leased assets booked in previous years have been reversed back and profit on finance lease is booked. The Company is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss. The cost of unleased assets is appearing under Inventories at end of each reporting period.

Note 46 : Reconciliation of total comprehensive income for the year ended March 31, 2018

(Amount in Lakhs)

Particulars	Note **	Indian Gaap *	Adjustments	Ind AS
Income				
i) Revenue From Operations	5	572.99	14,172.52	14,745.51
ii) Other Income	2	944.99	(6.03)	938.96
Total Income		1,517.98	14,166.49	15,684.47
Expenses				
i) Operating and Direct Expenses	5	58.42	13,163.74	13,222.16
ii) Employees' Benefit Expenses	3	729.99	41.93	771.92
iii) Finance Cost	1	3,486.14	(50.60)	3,435.54
iv) Depreciation & Amortization Expenses	5	1,475.93	(1,216.80)	259.13
v) Other Expenses	4	1,631.48	57.92	1,689.40
Total expenses		7,381.96	11,996.19	19,378.15
Profit/(loss) before prior period items, exceptional items and tax		(5,863.98)	2,170.30	(3,693.68)
Prior period items (net)				
Profit/(loss) before tax		(5,863.98)	2,170.30	(3,693.68)
Tax expense:		-	-	-
(i) Current tax				
(ii) Deferred tax		-	-	-
Total Tax Expense		(5,863.98)	2,170.30	(3,693.68)
Profit/(loss) for the period from continuing operations		(5,863.98)	2,170.30	(3,693.68)
I Profit/(loss) for the Period		(5,863.98)	2,170.30	(3,693.68)
Other Comprehensive Income				
i) Items that will not be reclassified to profit or loss	3		41.71	41.71
Re-measurement gains/ (losses) on defined benefit plans			-	-
II Other Comprehensive Income		-	41.71	41.71
Total Comprehensive Income for the period (I + II)		(5,863.98)	2,212.01	(3,651.97)

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Explanation in note 45A shall be given for adjustment under Ind AS.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 47 : Reconciliation of other Equity as at March 31, 2018 and April 1, 2017

Particulars	Note	31-Mar-18	1-Apr-17
Other Equity (Shareholders fund as per previous gaps)		(19,023.84)	(13,159.87)
Adjustments:			
Fair value gain/(loss) on mutual funds	2	(6.03)	6.04
Finance lease income booked	5	14,275.11	-
Cost of inventory booked for units leased	5	(13,163.74)	-
Operating lease income reversed	5	(102.59)	-
Depreciation reversed	5	1,216.80	-
Amortisation of finance cost	1	50.60	-
Adjustment balance transfer from Previous Year		6.04	-
Prior Period Error	4	(58.15)	-
Total Adjustments		2,218.04	6.04
Other Equity as per Ind AS		(16,805.80)	(13,153.83)

Note 48 : Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Note No.**	Year Ended March 31, 2018
Profit after tax as per previous GAAP		(5,863.98)
Adjustments		
Fair value gain/(loss) on mutual funds	2	(6.03)
Finance lease income booked	5	14,275.11
Cost of inventory booked for units leased	5	(13,163.74)
Operating lease income reversed	5	(102.58)
Depreciation reversed	5	1,216.80
Amortisation of finance cost	1	50.60
Prior Period Error	4	(58.15)
-Remeasurement of Actuarial (gain)/loss	3	(41.71)
Total Adjustments		2,170.30
Profit after tax as per Ind AS		(3,693.68)
Other comprehensive income	3	41.71
Total comprehensive income as per Ind AS		(3,651.97)

Note 49 : Impact on Cash flow statement on adoption of Ind AS

Particulars	Indian Gaap	Adjustments	Ind AS
Net cash flow from operating activities	5,144.59	(6,844.69)	(1,700.11)
Net cash flow from Investing activities	(2,257.54)	6,793.13	4,535.59
Net cash flow from financing activities	(3,518.52)	51.57	(3,466.95)
Net Increase/(Decrease) in cash and cash equivalent	(631.47)	(0.00)	(631.47)
Cash and cash equivalent as on April 1, 2017	1,110.92	-	1,110.92
Cash and cash equivalent as on March 31, 2018	479.45	(0.00)	479.45

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Note 50: Deferred Tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

(a) Statement of profit and loss:

(i) Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	-	-
Deferred tax (net):		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	-	-

(ii) OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax charged to OCI	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2019 and March 31, 2018:

Particulars	March 31, 2019	March 31, 2018
Accounting profit before income tax	(2,894.44)	(3,693.68)
At India's statutory income tax rate	26.00%	26.00%
Computed Tax Expense	(752.55)	(960.36)
Adjustments:		
Income not considered for tax purpose including Indas impact	301.10	(257.49)
ICDS impact and others	-	(291.23)
Item not allowed for tax purpose, capital nature	6.26	133.47
Unabsorbed losses of current year	851.28	1,744.99
Income tax expense reported in the statement of profit and loss	-	-
Effective tax rate for unrecognised tax expense	0%	0%

A deferred tax asset shall be recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. In the absence of probability of future taxable profit we have recognised deferred tax assets to the extent of deferred tax liability. Deferred tax liability is arisen on timing difference in the respective years.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(c) Deferred tax asset/ liability:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax liability			
Mutual fund	0.37	0.00	1.26
Depreciation	1,481.02	1,489.03	8.10
Deferment of Capital Gain	1,553.05	1,830.83	-
Total	3,034.44	3,319.86	9.36
Deferred tax asset			
Unabsorbed losses of previous period	2,527.69	782.71	792.07
Current year losses	851.28	1,744.99	-
Inventory	2,358.66	3,048.23	-
Expenses allowable on payment basis	9.64	11.59	109.34
Total	5,747.28	5,587.51	901.41
Unrecognised net deferred tax assets at the year end	2,712.84	2,267.65	892.05
Unrecognised net deferred tax assets of current year	445.19	1,375.60	

In the absence of probability of future taxable profits, The Company has not recognised deferred tax asset (net) for the above periods.

(d) Statement of profit and loss

Particulars	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Mutual fund	0.37	0.00
Depreciation	(8.01)	1,489.03
Deferment of Capital Gain	(277.78)	1,830.83
	(285.42)	3,319.86
Deferred tax asset		
Unabsorbed losses	285.42	(3,319.86)
	285.42	(3,319.86)
Net deferred tax expenses for the current year	-	-

(e) Reflected in the balance sheet as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	3,034.44	3,319.86	9.36
Deferred tax liabilities	(3,034.44)	(3,319.86)	(9.36)
Deferred tax asset/(liabilities), net	-	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(f) Reconciliation of recognised deferred tax asset/(liability) (net):

Particulars	March 31, 2019	March 31, 2018
Opening balance as of 1 April	-	-
Tax income/(expense) during the period recognised in profit or loss	-	-
Tax income/(expense) during the period recognised in OCI	-	-
Closing balance as at 31 March	-	-

Note 51 : Other Explanatory Note

The Company has incurred significant losses in the current year and the previous year and has accumulated losses of Rs. 19,692.25 lakh (Previous year 16,805.80 lakh) as at the year end resulting in substantial erosion of the net worth of the Company. Antara Senior Living Limited ('holding company') and Max India Limited (formerly known as 'Taurus Ventures Limited') ('ultimate holding company'), have confirmed to provide financial support as the need arises. In view of the above, these financial statements have been prepared on a "going concern basis" as the holding company and ultimate holding company have confirmed to provide such financial support.

Note 52 : Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on May 16, 2019.

As per our report of even date attached

For **Ravi Rajan & Co.**

Chartered Accountants

Firm Registration No. 009073N

Deepak Gupta

Partner

MRN - 516002

Place: New Delhi

Date: 16th May 2019

For and on behalf of the Board of Directors

Tara Singh Vachani

(Managing Director & CEO)

DIN No: 02610311

Ambica Chaturvedi

(Director)

DIN No: 08091229

Ajay Agrawal

(Chief Financial Officer)

Samridhi Kinra

(Company Secretary)

**ANTARA GURGAON SENIOR
LIVING LIMITED**

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Accounts for the period from April 01, 2018 to March 31, 2019.

Financial Performance

The financial highlights of your Company for the year under review are given below:

	(Rs. in Lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Income	Nil	Nil
Total expenses	1.12	0.46
EBITDA	(1.12)	(0.46)
Less: Depreciation	Nil	Nil
Less: Finance cost	Nil	Nil
Profit / (Loss) Before Tax	(1.12)	(0.46)
Less : Tax expense	Nil	Nil
Profit / (Loss) After Tax	(1.12)	(0.46)
Other Comprehensive Income	Nil	Nil
Total Comprehensive Income	(1.12)	(0.46)

The Company has been scouting for potential location for development of a senior living community in Delhi NCR.

Review of Operations

Your Company shall commence its operations once a new business opportunity is identified and implemented.

Dividend

Your Directors are not recommending any dividend for the year under review in view of losses in the Company.

Share Capital

There is no change in the share capital structure of the Company during the year under review.

The Authorised Share Capital of the Company is Rs. 5,00,000/-. The paid-up share capital of the Company is Rs. 5,00,000/- comprising 50,000 equity shares of Rs. 10/- each.

The entire paid-up share capital of the Company is held by Antara Senior Living Limited and its nominees.

Material change affecting the financial position of the Company since March 31, 2019 to the date of the Report

There is no material change affecting the financial position of the Company since March 31, 2019 to the date of Report.

Board of Directors

Pursuant to Section 161 of the Companies Act, 2013 (Companies Act) read with Articles of Association of the Company, Mr. Sanjay Bhatia had been co-opted as additional director on the Board of Directors of the Company effective October 29, 2018 to hold office upto the date of ensuing Annual General Meeting ("AGM") of the Company. The Company has received recommendation under Section 160 of the Companies Act from the Board proposing the candidature of Mr. Sanjay Bhatia for being appointed as the Director of the Company at the ensuing AGM.

Further, Mr. Rohit Kapoor resigned as the Director of the Company effective October 29, 2018. Your Directors place on record their appreciation for the valuable contributions by Mr. Rohit Kapoor during his association with the Company.

As on date, the composition of Board of Directors is as follows:

1. Mrs. Tara Singh Vachani
2. Mr. Sanjay Bhatia
3. Mrs. Ambica Chaturvedi

In accordance with the requirement of the Companies Act, Mrs. Tara Singh Vachani, director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed along with their shareholding in the Company as stipulated under Secretarial Standard 2 is appended as an annexure to the Notice of the ensuing AGM.

Particulars of Deposits

The Company has not accepted any deposits during the period under review.

Particulars of Employees

The Company had no employee during the period under review.

Auditors and Auditors' Report**Statutory Auditor**

In terms of the provisions of Section 139 of the Companies Act read with Rules made thereunder, M/s. Ravi Rajan & Co., Chartered Accountants were appointed with your approval at the 6th AGM as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of 6th AGM till the conclusion of 11th AGM. They continue as the Statutory Auditors of the Company.

Statutory Auditors' Report

All observations made in the Statutory Auditors' Report and notes to the accounts are self-explanatory and do not contain any adverse remarks or qualification from the Statutory Auditors and thus not call for any further comments under Section 134 of the Companies Act.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Ravi Rajan & Co., Statutory Auditors of the Company for the financial year 2018-19 as annexed in the Annual Report.

Disclosures:**Number of meetings of Board of Directors**

During the year under review, the Board of Directors duly met four (4) times on 14.05.2018, 24.07.2018, 29.10.2018 and 17.01.2019 in respect of which proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.

Particulars of the Loans, Investment or Guarantees

There were no loan, guarantees given or investment made by the Company during the period under review.

Particulars of Contracts or Arrangements with Related Parties

There were no contract or arrangements with related parties during the period under review.

Extract of Annual Return

Extract of Annual Return in Form No. MGT-9 as provided under Section 92(3) of the Companies Act is annexed herewith as **Annexure- 1** to this Report.

Secretarial Standards

Your Directors confirm compliance of all applicable Secretarial Standards during the Financial year 2018-19.

Conservation of Energy And Technology Absorption

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Companies Act read with Companies (Accounts) Rules, 2014 is as follows:

a) Conservation of Energy

(i) the steps taken or impact on conservation of energy:
NA

(ii) the steps taken by the Company for using alternate sources of energy: Since the Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.

(iii) Capital investment on energy conservation equipment: Nil

b) Technology Absorption-Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

There was no foreign exchange earnings and outgo during the previous financial year.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, with respect to Directors Responsibility Statement, your Directors confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act
- d. for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

For and on behalf of the Board of Directors

Antara Gurgaon Senior Living Limited

sd/-
Tara Singh Vachani
Director
DIN No. 02610311

sd/-
Ambica Chaturvedi
Director
DIN No. 08091229

Place: New Delhi
Date: May 16, 2019

Enclosure:
Annexure-1: Extract of Annual return of the Company

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74140DL2012PLC244411
ii	Registration Date	5th Nov, 2012
iii	Name of the Company	ANTARA GURGAON SENIOR LIVING LIMITED
iv	Category/Sub-category of the Company	UNLISTED PUBLIC COMPANY
v	Address of the Registered office & contact details	MAX HOUSE,1 DR. JHA MARG, OKHLA, NEW DELHI
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	CONSTRUCTION	99531122	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	ANTARA SENIOR LIVING LIMITED	U74140DL2011PLC218781	HOLDING	100	2(46)

IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of Total Shares	% change during the year
	Demat	Physical	Total	Demat	Physical	Total		
A. Promoters								
(1) Indian								
a) Individual/HUF								
b) Central Govt.or State Govt.								
c) Bodies Corporates		50,000	50,000	50,000		50,000	100	N.A
d) Bank/FI								
e) Any other								
SUB TOTAL:(A) (1)		50,000	50,000	50,000		50,000	100	N.A
(2) Foreign								

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of Total Shares	% change during the year	
	Demat	Physical	Total	Demat	Physical	Total			
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter		50,000	50,000	50,000		50,000	100	N.A	N.A
(A)= (A)(1)+(A)(2)									
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
C) Cenntal govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):									
Total Public Shareholding (B)= (B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	N.A	50,000	50,000	50,000		50,000	100	N.A	N.A

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	ANTARA SENIOR LIVING LIMITED	50,000	100	0	50,000	100	0	0
	Total	50,000	100	0	50,000	100	0	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)				
	At the end of the year				

NO CHANGE DURING THE YEAR

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	N.A	N.A	N.A	N.A
	At the end of the year (or on the date of separation, if separated during the year)	N.A	N.A	N.A	N.A

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A

V **INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Additions				
Reduction			NIL	
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. **Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	N.A	N.A	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	N.A	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A	N.A
2	Stock option	N.A	N.A	N.A	N.A	N.A

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
3	Sweat Equity	N.A	N.A	N.A	N.A	N.A
4	Commission	N.A	N.A	N.A	N.A	N.A
	as % of profit	N.A	N.A	N.A	N.A	N.A
	others (specify)	N.A	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (A)	N.A	N.A	N.A	N.A	N.A
	Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify		
	Total (1)		
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings	NOT APPLICABLE	
	(b) Commission		
	(c) Others, please specify.		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Cieling as per the Act.		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross Salary	CEO	Company Secretary	CFO	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	N.A	N.A	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	N.A	N.A	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	
2	Stock Option	N.A	N.A	N.A	
3	Sweat Equity	N.A	N.A	N.A	
4	Commission as % of profit	N.A	N.A	N.A	
	others, specify	N.A	N.A	N.A	
5	Others, please specify	N.A	N.A	N.A	
	Total				

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposedw	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For and on behalf of Board of Directors
Antara Gurgaon Senior Living Limited

New Delhi
Date: May 16, 2019

Sd/-
Tara Singh Vachani
Director
DIN No. 02610311

Sd/-
Ambica Chaturvedi
Director
DIN No. : 08091229

Independent Auditor's Report

To,
The Members of
Antara Gurgaon Senior Living Limited

Unmodified Opinion

We have audited the accompanying standalone financial statements of **Antara Gurgaon Senior Living Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and **its Loss**, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance

including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(1) of the Companies Act 2013, auditor are also responsible for expressing an opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company does not have any pending litigations which would impact its financial position.
- ii. The Company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Deepak Gupta

Partner

Membership number: 516002

Place: New Delhi

Date: 16th May, 2019

Annexure - A to the Auditors' Report

Annexure A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report to the members of the Company on the Ind AS financial statements for the year ended 31st March, 2019, we report that:

- (i) The Company does not have any fixed assets and hence reporting under clause (i) of the CARO 2016 is not applicable.
- (ai) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firm, LLP, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a) to (c) of Clause (iii) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made loans to directors etc. or made investment covered under Section 185 and 186 of the Act.
- (v) As per books of accounts, records and the information and explanations given to us, the company has not accepted any deposits within the meaning of Sections 73 to 76 or other relevant provisions of the Act and Rules framed there under.
- (vi) Having regard to the nature of the Company's business/activities, reporting under clause (vi) of the CARO, 2016 is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of

Our examination of the records, the Company is regular in depositing undisputed statutory dues including Income Tax, Cess and other statutory dues applicable to it with the appropriate authorities. As per the information provided to us, provisions of Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the company and the operations of the Company during the year did not give rise to any liability for Goods & Services Tax, and there were no undisputed amounts payable in respect of Income Tax, Cess, and other material statutory dues as at 31st March, 2019 for a period of more than 6 months from the date they become payable.

- (b) There were no outstanding statutory dues including Income tax, Provident Fund, GST, Cess etc. as at 31st March, 2019 on account of disputes. As per the information provided to us, the operations of the Company during the year did not give rise to any liability for Goods & Services Tax.
- (viii) In our opinion and according to the information and explanation given by the management and as per the records, the company has not taken any loans or borrowings from financial institutions, banks and Government nor has it issued any debentures. Hence, reporting under clause (viii) of CARO 2016 is not applicable to the Company.

- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, clause (ix) of the CARO, 2016 is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported to us during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration and accordingly reporting under clause (xi) of CARO 2016 is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, Clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, clause (xiv) of the CARO 2016 is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the CARO 2016 is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For,
Ravi Rajan & Co.,
(Chartered Accountants)
Firm's registration number: 009073N

Deepak Gupta
Partner
Membership number: 516002

Place: New Delhi
Date: 16th May, 2019

Annexure - B to the Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Gurgaon Senior Living Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Antara Gurgaon Senior Living Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if

such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial

Reporting issued by the Institute of Chartered Accountants of India.

For,
Ravi Rajan & Co.,
(Chartered Accountants)
Firm's registration number: 009073N

Deepak Gupta
Partner
Membership number: 516002

Place: New Delhi
Date: 16th May, 2019

Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Particulars	Notes	As at	As at	As at
		March 31, 2019	March 31, 2018	April 01, 2017
		Rs./Lacs	Rs./Lacs	Rs./Lacs
(1) ASSETS				
Non-current assets				
(a) Financial assets				
(i) Loans	3	0.10	-	-
Total Non-current assets		0.10	-	-
(2) Current assets				
(a) Financial assets				
(i) Cash and cash equivalents	4	1.78	2.91	3.17
Total current assets		1.78	2.91	3.17
Total Assets		1.88	2.91	3.17
(1) EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	5	5.00	5.00	5.00
(b) Other equity	6	(3.60)	(2.49)	(2.03)
Total equity		1.40	2.51	2.97
LIABILITIES				
(1) Current liabilities				
(a) Financial liabilities				
(i) Trade payables				
- Total outstanding dues to micro and small enterprises		0.01	-	-
- Total outstanding dues to parties other than micro and small enterprises	7	0.47	0.40	0.20
Total current liabilities		0.48	0.40	0.20
Total equity and liabilities		1.88	2.91	3.17

As per our report of even date

For **Ravi Rajan & Co.**
Chartered Accountants
FRN-009073N

Deepak Gupta
Partner
MRN: 516002

Place : New Delhi
Date : 16 May, 2019

For and on behalf of the Board of Directors

Ambica Chaturvedi
(Director)
DIN No: 08091229

Tara Singh Vachani
(Director)
DIN No: 02610311

Statement of Profit and Loss for the Year Ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
		Rs./Lacs	Rs./Lacs
Income		-	-
Expenses			
Other expenses	8	1.11	0.46
Total expenses		1.11	0.46
Loss before tax		(1.11)	(0.46)
Tax expense :		-	-
Loss for the period		(1.11)	(0.46)
Other comprehensive Income for the period		-	-
Total Loss for the period		(1.11)	(0.46)
EPS:			
Basic EPS		(2.21)	(0.92)
Dilluted EPS		(2.21)	(0.92)

As per our report of even date

For **Ravi Rajan & Co.**
Chartered Accountants
FRN-009073N

Deepak Gupta
Partner
MRN: 516002

Place : New Delhi
Date : 16 May,2019

For and on behalf of the Board of Directors

Ambica Chaturvedi
(Director)
DIN No: 08091229

Tara Singh Vachani
(Director)
DIN No: 02610311

Cash Flow Statement for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
		Rs./lacs	Rs./lacs
A. Cash flow from operating activities			
Loss before tax		(1.11)	(0.46)
Operating loss before working capital changes		(1.11)	(0.46)
Changes in working capital:			
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		0.08	0.20
		0.08	0.20
Adjustments for (increase) / decrease in operating assets:			
Long-term loans and advances		(0.10)	-
		(0.10)	-
Cash (used) in operations		(1.13)	(0.26)
Net income tax (paid)/refund		-	-
Net cash flow used in operating activities	(A)	(1.13)	(0.26)
B. Cash flow from investing activities			
Net cash flow from investing activities	(B)	-	-
C. Cash flow from financing activities			
Net cash flow used in financing activities	(C)	-	-
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	(1.13)	(0.26)
Cash and cash equivalents at the beginning of the year		2.91	3.17
Cash and cash equivalents at the end of the year*	4	1.78	2.91
Cash and cash equivalents (Refer Note 3)		1.78	2.91
Net Cash and cash equivalents (as defined in IND AS 7 Cash Flow Statements) included in Note 4		1.78	2.91
Cash and cash equivalents at the end of the year*			
*Comprises:			
(a) Cash on hand		-	-
(b) Balances with banks		1.78	2.91
Total		1.78	2.91

As per our report of even date

For **Ravi Rajan & Co.**
Chartered Accountants
FRN-009073N

Deepak Gupta
Partner
MRN: 516002

Place : New Delhi
Date : 16 May, 2019

For and on behalf of the Board of Directors

Ambica Chaturvedi
(Director)
DIN No: 08091229

Tara Singh Vachani
(Director)
DIN No: 02610311

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount (Rs./Lacs)
At April 01, 2017	50,000.00	5.00
Issue of share capital	-	-
At March 31, 2018	50,000.00	5.00
Issue of share capital	-	-
At Mar 31, 2019	50,000.00	5.00

B. Other equity

Particulars	Retained earnings	Re-measurement gains (losses) on defined benefit plans	Total (Rs./Lacs)
At April 01, 2017	(2.03)		(2.03)
Profit for the Year	(0.46)	-	(0.46)
Changes during the year		-	
Other Comprehensive Income		-	-
At March 31, 2018	(2.49)	-	(2.49)
Profit for the Year		-	-
Other Comprehensive Income		-	-
Changes during the year	(1.11)	-	(1.11)
At March 31, 2019	(3.60)	-	(3.60)

As per our report of even date

For **Ravi Rajan & Co.**
Chartered Accountants
FRN-009073N

Deepak Gupta
Partner
MRN: 516002

Place : New Delhi
Date : 16 May, 2019

For and on behalf of the Board of Directors

Ambica Chaturvedi
(Director)
DIN No: 08091229

Tara Singh Vachani
(Director)
DIN No: 02610311

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

1 Corporate information

ANTARA GURGAON SENIOR LIVING LIMITED ('the Company') is a wholly owned subsidiary of Antara Senior Living Limited. The Company has been set up to primarily engage in the business of marketing and operation of senior living communities.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS.

The financial statements have been prepared as a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

a) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

resources will not be required to settle the obligation

- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

c) Fair value measurement

The Company measures financial instruments, specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

Financial assets carried at amortized cost

A financial asset other than specific investments, is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through Statement of Profit and Loss

A financial asset comprising mutual funds which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Assets Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Investment in subsidiaries

The company has accounted for its investment in subsidiaries at cost. The company assesses whether there is any indication that these investments may be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

Impairment of other financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables etc.

Financial liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade and other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at Amortized Cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

d) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

e) Foreign currencies

The financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

i) Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified

from equity to profit or loss on disposal of the net investment.

ii) Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

iii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and when specific criteria have been met for each of the Company's activities, as described below, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Notes to Standalone Financial Statements for the year ended 31 March 2019

(Amount in INR lakhs, unless otherwise stated)

Note 3: Loans-Non current

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Security deposits	0.10	-	-
Application money pending for allotment	-	-	-
Total	0.10	-	-

Note 4: Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash on hand	-	-	-
Balances with banks	1.78	2.91	3.17
Total	1.78	2.91	3.17

Note 5 Share capital

Particulars	As at 31 Mar, 2019		As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(a) Authorised						
Equity share capital	50,000	5.00	50,000	5.00	50,000	5.00
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights						
(b) Issued, subscribed and fully paid up						
Equity share capital						
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	50,000	5.00	50,000	5.00	50,000	5.00
Preference share capital						
Convertible preference shares of Rs. 100 (Previous year Rs. 100)	-	-	-	-	-	-
		5.00		5.00		5.00

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 Mar, 2019		As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights of Rs. 10 each						
Antara Senior Living Limited and its nominees ('holding company')	50,000	100.00	50,000	100.00	50,000	100.00
Antara Senior Living Limited ('holding company')	-	100.00	-	100.00	-	100.00

Note 6 Other Equity

Particulars	Amount
i) Retained earnings	
At 1 April 2017	(2.03)
Changes during the year	(0.46)
At 31 March 2018	(2.49)
Changes during the year	(1.11)
At 31 Mar 2019	(3.60)

Note 7: Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total outstanding dues of Micro Enterprises and Small Enterprises	0.01	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.47	0.40	0.20
Total	0.48	0.40	0.20

Details of outstanding dues of Micro Enterprises and Small Enterprises

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Details of outstanding dues of Micro Enterprises and Small Enterprises	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.01	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Details of outstanding dues of Micro Enterprises and Small Enterprises	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
b) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) Amount of interest accrued and remaining unpaid at the end of each accounting year and	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Total	0.01	-	-

Note 8 Other expenses

S.no	Particulars	As at Mar 31, 2019	As at March 31, 2018
(a)	Rates and taxes	0.23	0.01
(b)	Legal and professional	0.60	0.25
(c)	Audit Fee	0.20	0.20
(d)	Out of Pocket Expense	0.07	-
(e)	Bank Charges	0.01	-
	Total	1.11	0.46

9 Transition from IGAAP to IND AS

These financial statements, for the year ended March 31, 2019, are first financial statements prepared by company in accordance with Ind AS. For years upto and including the year ended March 31, 2018, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

In preparing these financial statements, the company has prepared opening IND AS balance sheet as at 1st April, 2017 the company's date of transition to Ind-AS in accordance with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

statements, including the balance sheet as at April 1, 2017 and the financial statements as at and for the year ended March 31, 2018 are quantified. However the basic approach adopted is again summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2017 have been measured at fair value.
- iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.
- iv) The estimates as at April 1, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).
- v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. **Accordingly, the company has availed the following exemptions as per IND AS 101:**

- a) Entity has elected to apply para D7AA of Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the group has elected to measure all of its property, plant and equipment and intangible assets.

- b) Entity has elected to apply para D14 of Ind AS 101 entity has availed the exemption and chooses to measure its investment at cost on the date of transition.
- c) **Fair value measurement of financial assets or financial liabilities at initial recognition:** Para D20 of Ind AS 101, the financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

10 Payment to the Statutory Auditors

(Amount in Lakhs)		
Particulars	2018-19	2017-18
Audit Fees	0.20	0.20
Reimbursements of expenses (incl. GST)	0.07	-
Total	0.27	0.20

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

11 Disclosures in respect of Ind AS 107 - Financial Instruments

11.1 Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(Amount in Lakhs as of March 31, 2019)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets:					
Security deposits	0.10	-	-	0.10	0.10
Financial Liabilities:					
Total outstanding dues of Micro Enterprises and Small Enterprises	0.01			0.01	0.01
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.47	-	-	0.47	0.47

(Amount in Lakhs as of March 31, 2018)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets:					
Security deposits	-	-	-	-	-
Financial Liabilities:					
Total outstanding dues of Micro Enterprises and Small Enterprises	0.40			0.40	0.40

(Amount in Lakhs as at April 1, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets:					
Security deposits	-	-	-	-	-
	-	-	-	-	-
Financial Liabilities:					
Total outstanding dues of Micro Enterprises and Small Enterprises	0.20		-	0.20	
	-	-	-	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

12 Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

12.1 Disclosures for Other than Govt. Related Entities

List of key management personnel

Name	Designation
Tara Singh Vachani	Director
Ambica Chaturvedi	Director
Sanjay Kumar Bhatia	Director

13 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic EPS

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit (loss) for the year, attributable to the owners of the company	(1.11)	(0.46)
Earnings used in calculation of basic earnings per share(A)	(1.11)	(0.46)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	0.50	0.50
Basic EPS(A/B)	(2.21)	(0.92)

b) Diluted EPS

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit (loss) for the year, attributable to the owners of the company	(1.11)	(0.46)
Earnings used in calculation of basic earnings per share	(1.11)	(0.46)
Interest on convertible preference shares	-	-
Profit attributable to equity holders of the owner adjusted for the effect of dilution (A)	(1.11)	(0.46)
Weighted average number of ordinary shares for the purpose of basic earnings per share	0.50	0.50
Share application money pending for allotment	-	-
Weighted average number of Equity shares adjusted for the effect of dilution (B)	0.50	0.50
Diluted EPS(A/B)	(2.21)	(0.92)

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

14 Effect of Ind AS Adoption on the standalone Balance Sheet as at April 1, 2017 and March 2018.

(Amount in Lakhs)

Particulars	Balance Sheet as at Mar 31, 2018			Balance Sheet as at April 1, 2017		
	Indian GAAP *	Adjust.	Ind AS	Indian GAAP *	Adjust.	Ind AS
I ASSETS						
1 Current assets						
(a) Financial Assets						
(i) Cash and cash equivalents	2.91	-	2.91	3.17	-	3.17
Total	2.91	-	2.91	3.17	-	3.17
I. EQUITY AND LIABILITIES						
Equity						
(a) Equity Share capital	5.00	-	5.00	5.00	-	5.00
(b) Other Equity	(2.49)	-	(2.49)	(2.03)	-	(2.03)
	2.51	-	2.51	2.97	-	2.97
LIABILITIES						
Current liabilities						
(a) Financial Liabilities						
(i) Trade Payables	0.40	-	0.40	0.20	-	0.20
Total	2.91	-	2.91	3.17	-	3.17

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Explanation shall be given for adjustment under Ind AS

15 Effect of Ind AS Adoption on the standalone Statement for the period ended 31 March 2018.

(Amount in Lakhs)

Particulars	Indian Gaap	Adjust.	Ind AS
Income	-	-	-
Expenses			
i) Other Expenses	0.46	-	0.46
Total expenses	0.46	-	0.46
Profit/(loss) before prior period items, exceptional items and tax	(0.46)	-	(0.46)
Prior period items (net)	-	-	-
Profit/(loss) before exceptional items and tax	(0.46)	-	(0.46)
Exceptional Items	-	-	-
Profit/(loss) before tax	(0.46)	-	(0.46)
Tax expense:	-	-	-
Profit/(loss) for the period from continuing operations	-	-	-
I Profit/(loss) for the Period	(0.46)	-	(0.46)
II Other Comprehensive Income	-	-	-
Other Comprehensive Income	-	-	-
Total Loss for the period	(0.46)	-	(0.46)

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

**Explanation shall be given for adjustment under Ind AS

16 Reconciliation of total Equity as at March 31, 2018 and April 1, 2017

Particulars	March 31, 2018	April 1, 2017
Total Equity (Shareholders fund as per previous gaps)	(2.49)	(2.03)
Total Adjustments	-	-
Total Equity as per Ind AS	(2.49)	(2.03)

17 Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Year Ended March 31, 2018
Profit after tax as per previous GAAP	(0.46)
Total Adjustments	-
Profit/(Loss) after tax as per Ind AS	(0.46)
Other comprehensive income	-
Total Profit/(loss) as per Ind AS	(0.46)

18 Impact on Cash flow statement on adoption of Ind AS

Particulars	Year Ended March 31, 2018	Adjust.	Ind AS March 31, 2018
Net cash flow from operating activities	(0.26)	-	(0.26)
Net cash flow from Investing activities	-	-	-
Net cash flow from financing activities	-	-	-
Net Increase/(Decrease) in cash and cash equivalent	(0.26)	-	(0.26)
Cash and cash equivalent as on April 1, 2017	3.17	-	3.17
Cash and cash equivalent as on March 31, 2018	2.91	-	2.91

19 Other Explanatory Note

The Company has incurred significant losses in the current year and the previous year and has accumulated losses of Rs. 3.60 lakh (Previous year 2.49 lakh) as at the year end resulting in substantial erosion of the net worth of the Company. Antara Senior Living Limited ('holding company') and Max India Limited (formerly known as 'Taurus Ventures Limited') ('ultimate holding company'), have confirmed to provide financial support as the need arises. In view of the above, these financial statements have been prepared on a "going concern basis" as the holding company and ultimate holding company have confirmed to provide such financial support.

20 Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 16 May, 2019

As per our report of even date

For **Ravi Rajan & Co.**
Chartered Accountants
FRN-009073N

Deepak Gupta
Partner
MRN: 516002

Place : New Delhi
Date : 16 May, 2019

For and on behalf of the Board of Directors

Ambica Chaturvedi
(Director)
DIN No: 08091229

Tara Singh Vachani
(Director)
DIN No: 02610311



DIRECTORS' REPORT

For the Financial Year ended March 31, 2019

Dear Shareholders,

Your Directors have the pleasure in presenting the 16th Annual Report, along with the audited financial statements of Max Skill First Limited (your Company), for the financial year ended on 31st March 2019.

FINANCIAL PERFORMANCE

The Company's total income for the financial year 2018-19 was at Rs 52.89 Crores which was Rs. 45.15 Crores in previous financial year 2017-18, there is an increase in total income of 17.13% and Losses for the year is Rs. (2.49) Crores due to provision for impairment of investment in subsidiary.

The summary of the financial highlights are shown below as per Ind AS:

	(In Rupees)	
Particulars	FY 2018-19	FY 2017-18
Total Income	52,88,50,337	45,15,05,143
Operating Expenses	48,58,95,229	41,92,21,179
EBITDA	4,29,55,108	3,22,83,964
Depreciation	36,35,769	17,38,367
Finance cost	5,09,399	8,38,766
Provision for Impairment of Investment	5,60,00,000	-
Taxes	80,65,907	63,80,092
(Loss)/Profit for the year	(2,52,55,967)	2,33,26,739
Other comprehensive income for the year	2,92,623	(4,50,962)
Total Comprehensive Income for the year, net of tax attributable to Equity shareholder	(2,49,63,344)	2,28,75,777
No. of Equity Shares	96,95,000	96,95,000
Earnings Per Share	(2.61)	2.41

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report, however

your Company is proposing the amalgamation of Max One Distribution and Services Limited, wholly owned subsidiary into Max Skill First Limited, holding company which is to be completed by the end of FY 20.

IN PRINCIPLE APPROVAL OF MERGER OF MAX ONE DISTRIBUTION AND SERVICES LIMITED INTO MAX SKILL FIRST LIMITED

In the Board Meeting held on May 9, 2019, the Board considered and approved, in principle, the merger of Max One Distribution and Services Limited into its holding Company, viz., Max Skill First Limited. This is subject to requisite approvals of shareholders, creditors and requisite authorities

OPERATIONS

Max Skill First provides sales and services training. Its major engagements continue to be with Max Life Insurance Company Limited, Max Healthcare Institute Limited and Max Bupa Health Insurance Co. Ltd. In FY 19 Max Skill First has acquired two additional channels in Max Life insurance company along with one External client in B2B sector (India Shelter).

Max Skill First has started one more "direct to customer" training facility in Saket for our B2C allied healthcare training domain. Max Skill First imparts four vocational diploma courses, namely Lab Technician, Operation Theatre Technician, Dialysis Technician and Radiology Technician to train aspirants willing to work in the Allied Healthcare space. These courses are affiliated with reputed national bodies and are well-recognized amongst healthcare service providers. Further, 80% of the student form these courses were successfully employed within 3 months of the course completion.

Max Skill First has been awarded with the great place to work certificate after being analyzed and evaluated on the two organizational metrics Trust index & culture audit, for which its score was above India's top 50 average score.

PROVISIONS FOR IMPAIRMENT OF INVESTMENT IN WHOLLY-OWNED SUBSIDIARY

The Company made a long term strategic investment in its wholly owned subsidiary Max One Distribution

and Services Limited which is engaged in the business of sales and distribution of various financial products. The Subsidiary has accumulated losses due to the initial gestation period. During the year, in accordance with the impairment policy of the Company, considerations have been given to other than temporary diminution in value of Investments as at March 31, 2019. Post such assessment, the Company has made a provision for Impairment in value of Investment of the equity shares held in its subsidiary. The total impairment loss recognized is Rs 5,60,00,000 (March 31, 2018: Nil) in the Profit & Loss account.

DIVIDEND

In order to conserve the resources of the Company for future growth, the Board of Directors of the Company has not recommended any dividend to the shareholders.

TRANSFER TO RESERVES

The Company did not transfer any amount to any reserve.

SHARE CAPITAL

During the year under review, there has been no change in the authorized share capital and paid up share capital of the Company. The authorized share capital of the Company, as on March 31, 2019, was Rs. 10,00,00,000/- (Rupees Ten Crore only) comprising of 1,00,00,000 equity shares of Rs. 10/- each.

The paid up share capital of the Company, as on March 31, 2019, was Rs. 9,69,50,000/- (Rupees Nine Crore Sixty-Nine lakhs Fifty Thousand only). The entire paid up share capital of the Company is held by Max India Limited (Formerly Taurus Ventures Limited).

SUBSIDIARIES

During the year under review, your Company has only one wholly owned subsidiary company named Max One Distribution and Services Limited, with a total investment of INR 5,60,00,000/- (Rupees Five Crore Sixty lacs only). There has been no material change in the nature of the business of the subsidiary company.

The financial performance of Max One Distribution and Services Limited is as under:

(Amount in Rs. 000s except per share value)

Particulars	2018-19	2017-2018
Total Income	239	1939
Total Expenses	299	165

(Loss)/Profit Before Tax	(60)	1774
Taxes	0	239
(Loss)/Profit After Tax	(60)	1535
Earnings Per Share	(0.01)	0.27

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder, your Company was not required to prepare consolidated financial statements. A separate statement containing the salient features of financial statements of subsidiaries, joint ventures and associates in **Form AOC-1** are forming part of the Annual Report as **"Annexure-1"**.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholder/s during working hours at the Company's registered office and that of the respective subsidiary companies concerned.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had entered into transaction with related parties which could be considered material. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in **Form AOC-2** are appended in **"Annexure-2"**. Suitable disclosure as required by the Indian Accounting standards has been made in the notes to the Financial Statements.

INTERNAL CONTROL

The Internal Auditor of the Company monitors the internal control of the Company as well as all the compliance, accounting procedures and policies of the Company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no

complaints pertaining to sexual harassment.

DEPOSITS

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

INSURANCE

Your Company has taken appropriate insurance for all assets against foreseeable perils.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

BOARD OF DIRECTORS

The Company is not required to appoint any Independent Director on its Board pursuant to the provisions of the Companies Act (Act) and the rules made there under. The present strength of Board of Max Skill First Limited comprises of four Directors. There have been some changes in the composition of Board of Directors of the Company during the year.

The Board of the Company comprised following directors during 2018-19 and thereafter till the date of report:

Mr. Rajesh Sud (Director cum Chairman)	from 1.05.2015 to 31.03.2019
Mr. Rajit Mehta (Non- Executive Director)	from 1.05.2015
Ms. Marielle Theron (Non- Executive Director)	from 1.05.2015
Mr. Sahil Vachani (Director cum Chairman)	from 1 st April 2019
Mr. V. Viswanand (Non- Executive Director)	from 1 st April 2019

Mr. Rajesh Sud resigned from the Directorship and Chairmanship of the Company w.e.f. 31st March 2019 and ceased to be director of the Company.

Mr. Sahil Vachani (DIN No. 00761695) and Mr. V. Viswanand (DIN No. 08260553) were appointed as Additional Directors and shall hold the office up to ensuing Annual General Meeting. Also Mr. Sahil Vachani, Additional Director has been elected as Chairman of the Board of

Directors and shall remain as Chairman unless otherwise decided by the Board.

DISCLOSURE ABOUT DIRECTOR

As per the disclosures made by the Directors in terms of Section 184 of the Companies Act, 2013 read with Companies (Meeting of Board and its Power) Rules, 2014, no relationships exists between the Directors inter-se.

BRIEF RESUMES OF THE DIRECTORS WHO JOINED THE COMPANY

Mr. Sahil Vachani

Mr. Sahil Vachani holds a Bachelor's degree in Management Sciences from the University of Warwick, U.K., which he completed in 2003, which was further backed up by an Executive Management Program on Disruptive Innovation from the Harvard Business School. He has been the Chief Executive Officer and Managing Director of Max Ventures and Industries Limited, a holding company of Max Estates Limited since January 15, 2016. Mr. Vachani has diverse experience across various sectors, including consumer durables and real estate. He served as an Executive Director of Dixon Technologies (India) Limited. He started his career as an investment banker with Citigroup in London. He joined the Board of Directors of Max Life Insurance Company Limited, the subsidiary of the Company, as a non-executive director, effective May 18, 2018. He has been a Director of Max Ventures and Industries Limited since January 15, 2016. He serves as a Director of Max Speciality Films Limited.

Mr. V. Viswanand

Mr. V. Viswanand holds a Master's degree in Management Studies from BITS, Pilani. He has been active in the financial services sector for nearly three decades. He is the Deputy Managing Director at Max Life Insurance and a member of the Board. In his role, he is responsible for Distribution, including Proprietary Channels, Bancassurance and Third Party Business, Institutional Sales, Business Development and Distribution Operations. Prior to joining Max Life Insurance, he was a retail banker with ANZ Grindlays Bank for nearly a decade.

KEY MANAGERIAL PERSONNEL

As on 31st March 2019, the Company has the following Key Managerial Personnel: -

- a) Mr. Rajender Sud, Chief Executive Officer

b) Ms. Astha Sharma, Company Secretary

MEETINGS OF THE BOARD

During the financial year under review, five (5) Board meetings were held on 16th May 2018, 25th July 2018, 30th October 2018, 4th February 2019 and 19th March 2019. The maximum time gap between any two meetings was not more than 120 days.

The attendance of each Director at the Board Meetings held during the year under review is as under:

Name of Directors	Meetings	
	Held	Attended
Mr. Rajesh Sud	5	5
Ms. Marielle Theron	5	5
Mr. Rajit Mehta	5	5

COMMITTEE OF BOARD OF DIRECTORS

The Company is not required to constitute any committee of Board of Directors in terms of the provisions of the Act and the rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has invested in the securities of Max One Distribution and Services Limited and the Company has also granted loans in compliance to all requirements of Companies Act, 2013. Pursuant to Rule 11 of the Companies (Meetings of Board and its Power) Rules, 2014, the requirement of sub-section (3) of section 186 of the Act is not applicable on investments made by Company in its wholly owned subsidiaries.

The Company has not made any guarantees during the period under review which are to be covered under Section 186 of the Act.

AUDITOR & AUDITORS' REPORT

Pursuant to Section 139 & 142 of the Act, M/s S.R Batliboi & Co. (FRN 301003E) were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on September 28, 2016 for a period of five years.

There were no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s S.R Batliboi & Co., Statutory Auditors of the Company for the FY 2018-19 as attached elsewhere in this Annual Report. The report given by Statutory Auditors is self-explanatory and therefore do not call for any comments under Section 134

of the Companies Act, 2013.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE COMPANIES ACT, 2013

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company u/s 143(12) of the Companies Act, 2013.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Risk Management Policy that governs how the Company conducts the business and manages associated risks.

EXTRACT OF ANNUAL RETURN

The Extracts of the Annual Return as on March 31, 2019 forms part of this report as "Annexure-3".

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are explained as under:

(A) Conservation of Energy & Technology Absorption

The Company has taken measures to reduce the energy consumption, by using energy efficient equipment, incorporating latest technology and regular maintenance. No expenditures were incurred on Research and Development.

(B) Foreign Exchange Earnings and Outgo

During the year under report, there have been no foreign exchange earnings. However, there were following foreign expenditure incurred: -

S.No.	Particulars	Amount] (in Rupees)
1.	Legal & Professional fees	18,89,509
	Total	18,89,509

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) and 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained, your Directors hereby confirm that:

- (a) in the preparation of the annual financial statements, the applicable Indian Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- (b) such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2019 and of the profit and loss of the Company for the year ended on that date;
- (c) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual financial statements have been prepared on a going concern basis;

- (e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (f) proper systems to ensure compliance with the provisions of all applicable laws including the compliance of applicable Secretarial Standards were in place and were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from the Shareholders and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff for their performance during the year.

By Order of the Board
For Max Skill First Limited

Sahil Vachani

Chairman

DIN: (0761695)

Date: May 9, 2019

Place: Gurugram

ANNEXURE '1' TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2019

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. '000s)

MAX SKILL FIRST LIMITED

1. Name of the subsidiary	-	Max One Distribution and Services Limited
2. Reporting period for the subsidiary concerned	-	01/04/2018 to 31/03/2019
3. Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	-	N.A.
4. Share Capital	-	Rs. 56,000
5. Reserves & Surplus-	-	Rs. (52,995)
6. Total assets	-	Rs. 3,234
7. Total liabilities	-	Rs. 3,234
8. Investments	-	Nil
9. Turnover	-	Rs. 239
10. (Loss)/Profit before taxation	-	Rs. (60)
11. Provision for taxation	-	Nil
12. (Loss)/Profit after taxation	-	Rs. (60)
13. Proposed Dividend	-	Nil
14. % of shareholding	-	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures -
Not Applicable

By Order of the Board
For Max Skill First Limited

Date: May 9, 2019
Place: Gurugram

Sahil Vachani
Chairman
DIN: (0761695)

ANNEXURE '2' TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2019**FORM NO. AOC-2**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) date (s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis

S No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or transactions Including the value	Date of approval by the Board / AGM / EGM	Amount paid as advances, if any
1.	Max Life Insurance Company Limited (MLIC)	Functional Support	3 years	Max Skill First provided training to MLIC's agency and other channels for a fee of INR 40.138 Crores for FY 2018-19.	B.M- 25.7.2018 AGM- 28.09.2018	No
2.	Max Life Insurance Company Limited (MLIC)	Cost Allocation agreement	1 year	MLIC had provided office space and IT support for a cost of INR 1.19 Crores for FY 2018-19.	B.M- 25.7.2018 AGM- 28.09.2018	No
3.	Max India Limited (Holding Company)	Functional Support	1 year	The Company took functional support in the operations of the Company from Max India Limited. The total agreement for FY 2018-19 was INR 43 lacs	B.M- 16.05.2018	No

S No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or transactions Including the value	Date of approval by the Board / AGM / EGM	Amount paid as advances, if any
4.	Max Bupa Health Insurance Company Limited (Fellow Subsidiary)	Service Agreement	1 year	The Company provided Sales & Services training to employees and agents of Max Bupa Health Insurance Company. - Amount charged by Company for FY 2018-19 originally was INR 6.13 Crore (5.83 Crore plus bonus 0.30 Crore). - Further additional 7 trainers at a cost of INR 0.0675 Crore per month were added for period between 1st Jan'19- 31st Mar'19 and total amount charged by Company was INR 6.0325 Crore. - Company decided to give discount of INR 0.27 Crore and Contract value was reduced to INR 6.06 Crore for 33 trainers.	B M - 11.04.2018 BM- 30.10.2018 E G M - 02.11.2018 BM- 04.02.2019 E G M - 06.02.2019	No
5.	Pharmax Corporation Limited (Fellow Subsidiary Company)	Lease Agreement	11 Months	The Company entered into lease agreement with Pharmax Corporation Limited for a period of 11 months from 1 st January, 2019 to 30 th November, 2019 at a monthly rent of Rs. 6,000/-.	BM- 04.02.2019	

ANNEXURE '3'
TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2019
FORM NO. MGT 9 (EXTRACT OF ANNUAL RETURN)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

CIN	U85199DL2003PLC119249
Registration Date	04-03-2003
Name of the Company	MAX SKILL FIRST LIMITED
Category / Sub-category	Company limited by share/ Indian Non-Government Company
Address of the Registered office and contact details	Max House, 1, Dr. Jha Marg, Okhla. New Delhi - 110020 Tel No. 01142598000 Fax No. 01126324126
Whether listed company	No
Name, Address and Contact details of the Registrar & Transfer Agent	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

Sr. No.	Name and description of main Products/ Services	NIC Code of the Product/ service	% to total turnover of the company
1	Other professional, scientific and technical activities n.e.c.	74909	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max India Limited (Formerly Taurus Ventures Limited) 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144 533.	L85100PB2015PLC039155	Holding Company	100%	2 (46)
2.	Max One Distribution and Services Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi 110020	U74140DL2013PLC254577	Subsidiary Company	100%	2 (87).

IV. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub Total(A)(1)	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil
(2) Foreign									
a) NRIs-Individuals	--	--	--	--	--	--	--	--	--
b) Other-Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total(A)(2)	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil
B. Public Shareholding	--	--	--	--	--	--	--	--	--
1. Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds / UTI	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions	--	--	--	--	--	--	--	--	--
a) Bodies Corporate	--	--	--	--	--	--	--	--	--
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	--	--	--	--	--	--	--	--

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	--	--	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+ (B)(2)	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil

B) Shareholding of Promoter-

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Max India Limited (Formerly Taurus Ventures Limited)	9694950	100	Nil	9694950	100	Nil	Nil
2.	Mrs. Sujatha Ratnam*	01	--	Nil	01	--	Nil	
3.	Mr. V. Krishnan*	01	--	Nil	01	--	Nil	
4.	Mr. Jatin Khanna*	10	--	Nil	10	--	Nil	
5.	Mr. B. Das*	20	--	Nil	20	--	Nil	
6.	Mr. M.G. Rajagopalan*	07	--	Nil	07	--	Nil	
7.	Mr. Rajinder Kumar*	10	--	Nil	10	--	Nil	
8.	Mr. Pushkar Saran*	01	--	Nil	01	--	Nil	100
Total :		9695000	100%		9695000	100%		

* shares held as nominees of Max India Limited (Formerly Taurus Ventures Limited)

C) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	9695000	100%	9695000	100%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the end of the year	9695000	100%	9695000	100%

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
3.	At the end of the year	0	0	0	0

V. **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment:
(Amount in INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	19,16,34,399	Nil	19,16,34,399
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	19,16,34,399	Nil	19,16,34,399
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
- Addition				
- Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	19,16,34,399	Nil	19,16,34,399
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	19,16,34,399	Nil	19,16,34,399

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NA**
- B. Remuneration to other directors: **NIL**
- C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD:

(amount in INR)

S. no.	Particulars of Remuneration	Key Managerial Personnel		
		CEO Mr. Rajender Sud	Company Secretary Ms. Astha Sharma	Total
1.	Gross salary	1,70,18,014.00	9,01,930.00	1,79,19,944.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	58,811.00		58,811.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify			
	-Performance Bonus	87,20,550.00	53,832.00	1,64,5,382.00
	-Other Earning in Salary	72,00,00.00		
	-Employer Contribution of NPS	4,80,000.00		
	Total	3,34,77,375.00	9,55,762.00	3,44,33,137.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No penalties/punishment/compounding of offences have been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2019.

INDEPENDENT AUDITOR'S REPORT

To the Members of Max Skill First Limited

Report on the Audit of the Max Skill First Limited Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Max Skill First Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

"Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to

the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for

expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 095169

Place of Signature: Gurgaon

Date: May 9, 2019

Annexure 1 referred to in paragraph 1 under the heading “Reporting on Other Legal and Regulatory Requirements” of our report of even date.

Re: Max Skill First Limited (“the Company”)

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (i) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (ii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iii) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. Further, as per information and explanations given by management, provision of section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (iv) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.
- (v) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to employees’ state insurance, duty of custom are not applicable to the Company.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
- (vi) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (vii) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (viii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud / material fraud on the Company by the officers and employees of the Company has been noticed or reported during

the year.

- (ix) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (x) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xi) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xii) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under

review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

- (xiii) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xiv) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 095169

Place of Signature: Gurgaon

Date: May 9, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MAX SKILL FIRST LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Max Skill First Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on

the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting

with reference to these financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 095169

Place of Signature: Gurgaon

Date: May 9, 2019

Balance Sheet as at 31st March 2019

(Amount in ₹)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
Non-current assets				
Property, plant and equipment	3	4,381,707	3,332,005	1,903,571
Intangible assets	4	4,190,606	1,156,121	1,224,674
Financial assets				
(i) Investments	5	-	56,000,000	56,000,000
(ii) Loans		1,316,220	303,958	54,000
(iii) Others		2,397,118	2,234,618	2,079,496
Other non-current assets	6	3,008,307	301,946	-
Non-current tax assets	7	76,388,687	37,391,481	7,804,128
Deferred tax assets (net)	8	17,468,341	20,012,905	17,757,537
		109,150,986	120,733,034	86,823,406
Current assets				
Financial assets				
(i) Investments	9	907,150	91,626,416	-
(ii) Trade Receivables		48,606,697	22,465,192	25,789,230
(iii) Cash and cash equivalents		56,934,032	44,905,883	89,858,703
(iv) Others		53,725,239	13,659,280	35,254,779
Other current assets	10	4,649,642	3,537,305	4,623,726
Current tax assets	11	-	6,319,522	13,198,037
		164,822,760	182,513,598	168,724,475
TOTAL ASSETS		273,973,746	303,246,632	255,547,881
EQUITY AND LIABILITIES				
Equity				
(i) Equity share capital	12	96,950,000	96,950,000	96,950,000
(ii) Other equity		(172,716,629)	(147,753,285)	(170,629,062)
Total Equity		(75,766,629)	(50,803,285)	(73,679,062)
Non-current liabilities				
Provisions	13	11,500,498	12,648,065	8,781,240
		11,500,498	12,648,065	8,781,240
Current liabilities				
Financial liabilities				
(i) Borrowings	14	191,634,399	191,634,399	191,634,399
(ii) Trade Payables				
-Total outstanding dues of micro enterprises and small enterprises		85,566	85,566	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		112,867,358	116,056,820	98,448,258
Provisions	15	17,604,364	15,743,295	20,338,498
Other current liabilities	16	16,048,190	17,881,772	10,024,548
TOTAL LIABILITIES		338,239,877	341,401,852	320,445,703
TOTAL EQUITY AND LIABILITIES		273,973,746	303,246,632	255,547,881
Summary of significant accounting policies				
Contingent liabilities, commitments, and litigation				
Other notes to accounts				
The accompanying notes are an integral part of financial statements				

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005

Chartered Accountants

Per Sanjay Vij

Partner

Membership no.: 095169

**For and behalf of board of directors of
Max Skill First Limited****THERON MARIELLE**

(DIRECTOR)

DIN No.02667356

RAJIT MEHTA

(DIRECTOR)

DIN No.01604819

RAJENDER SUD

(Chief Executive Officer)

ASTHA SHARMA

(Company Secretary)

Membership No. A32527

PUSHKAR SARAN(SVP and Head - Business
Operations & Strategy)

Place : Gurugram

Date : May 09, 2019

Place : Gurugram

Date : May 09, 2019

Statement of Profit and loss for the year ended March 31, 2019

(Amount in ₹)

	Notes	for the year ended March 31, 2019	for the year ended March 31, 2018
Income			
Revenue from operations	17	526,703,522	444,674,841
Other income	18	2,146,815	6,830,302
Total income		528,850,337	451,505,143
Expenses			
Employee benefits expense	19	369,533,916	327,268,543
Finance Cost	20	509,399	838,766
Depreciation and amortization expense	21	3,635,769	1,738,367
Other expenses	22	116,361,313	91,952,636
Total expenses		490,040,397	421,798,312
Profit before exceptional items and tax		38,809,940	29,706,831
Exceptional items			
Provision for Impairment of Investment	23	56,000,000	-
(Loss)/Profit before tax		(17,190,060)	29,706,831
Tax expense :			
Current tax		8,173,646	10,234,052
Deferred tax		2,431,779	(2,081,556)
Income tax adjustment related to earlier years		(2,539,518)	(1,772,404)
(Loss)/Profit for the year		(25,255,967)	23,326,739
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		405,408	(624,774)
Income tax effect		(112,785)	173,812
Other comprehensive income for the year		292,623	(450,962)
Total Comprehensive Income for the year, net of tax attributable to Equity shareholder		(24,963,344)	22,875,777
Earning per equity share (Nominal Value of Share Rs. 10/-) (refer note 25.5)			
Basic (Rs.)		(2.61)	2.41
Diluted (Rs.)		(2.61)	2.41
Summary of significant accounting policies	2		
Contingent liabilities, commitments, and litigation	24		
Other notes to accounts	25		
The accompanying notes are an integral part of financial statements			

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005

Chartered Accountants

Per Sanjay Vij

Partner

Membership no.: 095169

**For and behalf of board of directors of
Max Skill First Limited****THERON MARIELLE**

(DIRECTOR)

DIN No.02667356

RAJIT MEHTA

(DIRECTOR)

DIN No.01604819

RAJENDER SUD

(Chief Executive Officer)

PUSHKAR SARAN(SVP and Head - Business
Operations & Strategy)**ASTHA SHARMA**

(Company Secretary)

Membership No. A32527

Place : Gurugram**Date : May 09, 2019****Place : Gurugram****Date : May 09, 2019**

Statement in changes in Equity for the year ended March 31, 2019

a) Equity share capital

	Nos	Amount in ₹
As at April 1, 2017	9,695,000	96,950,000
Add : Equity Share issued during the year	-	-
As at March 31, 2018	9,695,000	96,950,000
Add : Equity Share issued during the year	-	-
As at March 31, 2019	9,695,000	96,950,000

b) Other equity

	Amount in ₹
	Retained Earnings
As at April 1, 2017	(170,629,062)
Profit for the year	23,326,739
Other comprehensive income for the year	(450,962)
As at March 31, 2018	(147,753,285)
Loss for the year	(25,255,967)
Other comprehensive income for the year	292,623
As at March 31, 2019	(172,716,629)

Summary of significant accounting policies	2
Contingent liabilities, commitments, and litigation	24
Other notes to accounts	25

The accompanying notes are an integral part of financial statements

Cash flow statement for the year ended March 31, 2019

Amount in ₹

	For the year ended March 31,2019	For the year ended March 31,2018
Cash flow from operating activities		
Profit/(Loss) before tax	(17,190,060)	29,706,831
Adjustments to reconcile profit before tax to net cash flows		
Depreciation / Amortization	3,635,769	1,738,367
Profit on Sale of Mutual Funds	(1,780,733)	(5,455,288)
Interest income	(366,083)	(1,375,014)
Provision for Impairment of Investment	56,000,000	-
Other Comprehensive Income	292,623	(450,962)
Operating Profit Before Working Capital Changes	40,591,516	24,163,934
Movement in working capital :		
Increase/ (decrease) in trade payables	(3,189,462)	17,694,128
Increase/ (decrease) in long-term provisions	(1,147,567)	3,866,825
Increase/ (decrease) in short-term provisions	1,861,069	(4,595,203)
Increase / (decrease) in other current liabilities	(1,833,582)	7,857,224
Decrease / (increase) in long-term loans and advances	(9,925,361)	(7,604,231)
Decrease / (increase) in short-term loans and advances	(40,065,959)	21,595,497
Decrease / (increase) in trade receivables	(26,141,505)	3,324,038
Decrease / (increase) in other current assets	5,044,683	7,809,814
Cash generated from/(used in) operations	(34,806,168)	74,112,027
Direct taxes paid (net of refunds)	38,311,811	31,170,486
Net cash flow from operating activities (A)	(73,117,979)	42,941,540
Cash flow from investing activities		
Purchase of non- current investments	(108,000,000)	(300,745,930)
Purchase of current investments	198,719,267	209,119,512
Profit on Sale of Current Investment (Mutual Funds)	1,780,733	5,455,288
Purchase of property plant and equipment	(3,222,267)	(2,578,027)
Purchase of Intangible Assets	(4,497,688)	(520,221)
Interest Received	366,083	1,375,014
Net cash flow from /(used in) investing activities (B)	85,146,128	(87,894,363)
Cash flow from financing activities		
Proceeds from issuance of share capital	-	-
Net cash flow from /(used in) financing activities (C)	-	-
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	12,028,149	(44,952,823)
Cash and cash equivalents at the beginning of the year	44,905,883	89,858,706
Cash and cash equivalents at the end of the year	56,934,032	44,905,883
Components of cash and cash equivalent		
Cash on hand	4,500	4,500
Cheques on hand	-	-

	For the year ended March 31,2019	For the year ended March 31,2018
With banks -		
on current account	56,929,532	44,901,383
Total cash and cash equivalents	56,934,032	44,905,883

Summary of Significant Accounting Policies**Contingent liabilities, commitments, and litigation****Other notes to accounts**

The accompanying notes are an integral part of financial statements

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005

Chartered Accountants

Per Sanjay Vij

Partner

Membership no.: 095169

**For and behalf of board of directors of
Max Skill First Limited**

THERON MARIELLE

(DIRECTOR)

DIN No.02667356

RAJIT MEHTA

(DIRECTOR)

DIN No.01604819

RAJENDER SUD

(Chief Executive Officer)

ASTHA SHARMA

(Company Secretary)

Membership No. A32527

PUSHKAR SARAN

(SVP and Head - Business
Operations & Strategy)

Place : Gurugram

Date : May 09, 2019

Place : Gurugram

Date : May 09, 2019

Notes to Financial Statements for the year ended March 31, 2019

1 Corporate Information

Max Skill First Limited is a Company registered under the Companies Act, 2013. The name of the Company has been changed from "Max Healthstaff International Limited" to "Max Skill First Ltd" w.e.f 29 April 2015. The Company is engaged in the business to pursue the activities of learning and development and distribution of insurance and other financial products and investing in companies having similar objective. The registered office of the Company is situated at Max House 1 Dr. Jha marg, Okhla New Delhi 110020. The financial statements were authorised by the Board of Directors for the issue in accordance with resolutions passed on May 9, 2019.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all years up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2019 are the first financial statements which has been prepared in accordance with Ind AS notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rule 2015 as amended from time to time and other provision of the Act. Refer to note 25.12 for information on how the Company has adopted Ind AS.

The financial statements have been prepared on a historic cost basis, except for the following assets and liabilities which have been measured at fair value

- (i) Certain financial assets and financial liabilities
- (ii) Defined benefit plans -plan assets.

Financial statements are presented in INR except when otherwise stated.

2.2 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle

b) Property, plant and equipment

Under the previous GAAP (Indian GAAP) all assets were carried at cost less accumulated depreciation and impairment losses, if any. On the date of transition to Ind AS, the Company has applied to exemptions of Ind AS 101 to continue the carrying value of all property, plant and equipment as at the date of transition as its

Notes to Financial Statements for the year ended March 31, 2019

deemed cost.

Property, plant and equipment including capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Company identifies and determines cost of each component/part of the asset separately if the component/part was a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital work in progress include cost of property, plant and equipment under installation/under development as at the balance sheet date.

Depreciation on property, plant and equipment is calculated on a written down value-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The company has used the following lives to provide depreciation on its property, plant and equipment:

Motor Vehicles	- 8 years
Computers	- 3 Years
Furniture	- 8 years
Office Equipment's	-5 Years
Lab Equipment	- 5 years

c) Intangible assets

The Company has applied exemptions of Ind AS 101 to continue the carrying value of intangible assets as at the date of transition as its deemed cost.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a written down value basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset over the best estimate of its useful life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from

Notes to Financial Statements for the year ended March 31, 2019

indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets with finite useful life are annualized on straight line basis over their estimated useful life of 3-5 years

d) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or

declining growth rate for subsequent years, unless an increasing rate can be justified

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation reserve.

e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

i) Financial assets

The company classified its financial assets in the following measurement categories :

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).
- Those to be measured at amortized cost.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following four categories :

Notes to Financial Statements for the year ended March 31, 2019

- (i) Debt instruments at amortized cost
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (iii) Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discounts the estimate future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the company estimates the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in other income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in statement of profit and loss and presented net in the statement of profit and loss within other gain or loss in the period in which it arises. Interest income from these debt instruments is included in other income..

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument

Notes to Financial Statements for the year ended March 31, 2019

as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred an asset, the Company evaluate whether it has transferred substantially all the risk and rewards of the ownership of the financial assets. In such case financial assets is derecognized. Where the entity has not transferred substantially all the risk and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all of the risks and rewards of the financial asset, the financial asset is derecognized if the Company has not retained the control of the financial asset, where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing

involvement in the financial assets.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure

- Financial assets that are debt instruments, and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for

Notes to Financial Statements for the year ended March 31, 2019

financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

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(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, net of directly attributable transaction costs.

The subsequent measurement of financial liabilities depends on their classification, as described below :

Trade payables

These amount represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amount are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at fair value and subsequently measured at amortized cost using EIR method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair

value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the

Notes to Financial Statements for the year ended March 31, 2019

net amount is reported in the balance sheet if there is currently enforceable legal rights to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(f) Investments in Subsidiaries

The investment in subsidiaries are carried at cost as per IND AS 27. Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, an investor controls an investee if and only if the investor has all the following:

- (a) power over the investee
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Training income

The Company has contract with customers to provide training services. Revenues from training services are recognized over the period of the contract as and when services are rendered. The company collects service

tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(h) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the income computation and disclosure standards (ICDS) enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate, if any.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

Notes to Financial Statements for the year ended March 31, 2019

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside the statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(i) Borrowing costs

Borrowing cost includes interest expenses as per effective interest rate (EIR). Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(j) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use

the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2017, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payment are structured to increase in line with expected general inflation to compensate for the losses in expected inflationary cost increase.

(k) Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Company does not recognize

Notes to Financial Statements for the year ended March 31, 2019

a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(I) Employee benefits

Provident fund

Retirement benefit in the form of Provident Fund is a defined benefit obligation as the Company and its employees are contributing to a provident fund trust "Max Financial Services Limited Employees Provident Fund Trust" managed by the Max Financial Services Limited and the contributions are charged to statement of profit and loss account of the year when the contributions to the respective funds are due. Shortfall in the fund, if any, is adequately provided for by the Company.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

(i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.

(ii) Net interest expenses or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which

they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

Long term incentive plan

Employees of the Company receive defined incentive, whereby employees render services for a specified period. Long term incentive plan is measured on accrual basis over the period as per the terms of the contract.

Notes to Financial Statements for the year ended March 31, 2019

(m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(n) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(o) Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). the Company's financial statements are presented in Indian rupee (₹) which is also the Company's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency items at the balance sheet date

Foreign currency monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(p) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the

measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Notes to Financial Statements for the year ended March 31, 2019

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

- (a) Operating lease commitments - Company as lessee

The Company has taken various commercial properties

on leases. the Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

Notes to Financial Statements for the year ended March 31, 2019

(b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

(c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. the Company uses judgement in making these assumptions and

selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(e) Impairment of non-Financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use.

It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

Notes to Financial Statements for the year ended March 31, 2019

3 Property, Plant and equipment

Amount in ₹

	Computer	Furniture and Fittings	Laboratory Equipment	Office Equipment	Motor Vehicle	Total
At cost						
Deemed cost as at April 1, 2017	360,205	-	-	-	1,543,366	1,903,571
Additions	889,447	639,817	864,737	184,026	-	2,578,027
Disposals	-	-	-	-	-	-
As at March 31, 2018	1,249,652	639,817	864,737	184,026	1,543,366	4,481,598
Additions	1,312,240	510,928	628,983	770,116	-	3,222,267
Disposals	-	-	-	-	-	-
As at March 31, 2019	2,561,892	1,150,745	1,493,720	954,142	1,543,366	7,703,865
Depreciation						
As at April 1, 2017						-
Additions	501,339	103,984	76,135	21,276	446,859	1,149,593
Disposals	-	-	-	-	-	-
As at March 31, 2018	501,339	103,984	76,135	21,276	446,859	1,149,593
Additions	963,623	279,490	226,454	395,693	307,305	2,172,565
Disposals	-	-	-	-	-	-
As at March 31, 2019	1,464,962	383,474	302,589	416,969	754,164	3,322,158
Net carrying amount						-
As at March 31, 2019	1,096,930	767,271	1,191,131	537,173	789,202	4,381,707
As at March 31, 2018	748,313	535,833	788,602	162,750	1,096,507	3,332,005
As at April 1, 2017	360,205	-	-	-	1,543,366	1,903,571

4 Intangible assets

Amount in ₹

	Software	Content development	Total
At cost			
Deemed cost as at April 1, 2017	1,224,674	-	1,224,674
Additions	270,221	250,000	520,221
Disposals	-	-	-
As at March 31, 2018	1,494,895	250,000	1,744,895
Additions	518,016	3,979,672	4,497,688
Disposals	-	-	-
As at March 31, 2019	2,012,911	4,229,672	6,242,583
Depreciation			
As at April 1, 2017			-
Additions	551,236	37,538	588,774
Disposals	-	-	-
As at March 31, 2018	551,236	37,538	588,774
Additions	594,453	868,750	1,463,203

Notes to Financial Statements for the year ended March 31, 2019

	Software	Content development	Total
Disposals			-
As at March 31, 2019	1,145,689	906,288	2,051,977
Net carrying amount			-
As at March 31, 2019	867,222	3,323,384	4,190,606
As at March 31, 2018	943,659	212,462	1,156,121
As at April 1, 2017	1,224,674	-	1,224,674

5 Non-current financial assets

(i) Investment

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments carried at cost			
Unquoted Equity Shares			
Investment in Subsidiaries			
Max One Distribution and Services Limited	56,000,000	56,000,000	56,000,000
5,600,000 (March 31, 2018: 5,600,000) Equity shares of Rs. 10 each fully paid up			
Less : Provision for Impairment of Investment	(56,000,000)	-	-
	-	56,000,000	56,000,000

Company made a long term strategic investment in its wholly owned subsidiary Max One Distribution and Services Limited which is engaged in the business of sales and distribution of various financial products. The Subsidiary has accumulated losses due to the initial gestation period. During the year, in accordance with the impairment policy of the Company, considerations have been given to other than temporary diminution in value of Investments as at March 31, 2019. Post such assessment, the Company has made a provision for Impairment in value of Investment of the equity shares held in its subsidiary. The total impairment loss recognized is Rs 5,60,00,000 (March 31, 2018: Nil) in the Profit & Loss account.

(ii) Loans (Unsecured considered good)

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Security deposits	1,316,220	303,958	54,000
	1,316,220	303,958	54,000

(iii) Others

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Other bank balances - Margin money *	2,397,118	2,234,618	2,079,496
	2,397,118	2,234,618	2,079,496

* To secure bank guarantee given to Protector General of Immigrant

Notes to Financial Statements for the year ended March 31, 2019

6 Other non-current assets

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Prepaid expenses	3,008,307	301,946	
	3,008,307	301,946	-

7 Non-current tax assets

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Tax deducted at source receivable (Net of Provision for taxation)	76,388,687	37,391,481	7,804,128
	76,388,687	37,391,481	7,804,128

8 Income tax and Deferred tax

(a) Income tax expense in the statement of profit and loss comprises :

Amount in ₹

	As at March 31, 2019	As at March 31, 2018
Current income tax charge	8,173,646	10,234,052
Deferred Tax		
Relating to origination and reversal of temporary differences	2,431,779	(2,081,556)
Income tax expense reported in the statement of profit or loss	10,605,425	8,152,496

(b) Other Comprehensive Income

Amount in ₹

	As at March 31, 2019	As at March 31, 2018
Re-measurement (gains)/ losses on defined benefit plans	(112,785)	173,812
Income tax related to items recognized in OCI during the year	(112,785)	173,812

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :

Amount in ₹

	As at March 31, 2019	As at March 31, 2018
Accounting Profit/(loss) before tax	(17,190,060)	29,706,831
Applicable tax rate	27.82%	27.55%
Computed Tax Expense	(4,782,275)	8,184,232
Income not considered for tax purpose	-	-
Expense not allowed for tax purpose	15,694,784	285,292
Additional allowances for tax purpose	-	(139,706)
Short Provision of Previous year	-	(2,989,056)
Difference in tax rate	(194,300)	2,959,590
Others	-	25,957
Income tax charged to Statement of Profit and Loss at effective rate of (March 31, 2018)	10,718,209	8,326,309

Notes to Financial Statements for the year ended March 31, 2019

(d) Deferred tax assets/(liabilities) comprises :

Amount in ₹

	As at March 31, 2019	As at March 31, 2018
Deferred tax liability		
Others	(444,011)	(769,566)
Deferred tax asset		
Accelerated Depreciation for Tax purposes	246,322	195,567
Expenses allowable on payment basis	16,098,308	20,489,066
Others	15,727	97,838
Recognised deferred tax asset / (liability)	15,916,345	20,012,905
	15,916,345	20,012,905

(e) Reconciliation of deferred tax assets/(liabilities) (net)

Amount in ₹

	As at March 31, 2019	As at March 31, 2018
Opening balance as per last balance sheet	20,012,905	17,757,537
(Charged)/Credited during the year		
- to Profit and Loss Account	(2,431,779)	2,081,556
- to Other comprehensive income	(112,785)	173,812
Closing balance	17,468,341	20,012,905

9 Current financial assets

(i) Current Investment

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Mutual funds			
Unquoted mutual funds (valued at fair value through profit & loss)			
HDFC Liquid Fund- Direct Plan- Growth Option			
82.021 (March 31, 2018: 9900.706) units of face value Rs. 1000/- per unit.	301,695	33,898,821	-
ICICI Prudential Liquid-Direct Plan-Growth		-	
1,087.868 (March 31, 2018: 1,29,941.946) units of face value Rs. 100/- per unit.	300,704	33,412,816	-
Reliance Liquid Funds-Treasury plan- Direct growth plan- Growth plan		-	
66.802 (March 31, 2018: 5,734.694) units of face value Rs. 1000/- per unit.	304,751	24,314,779	-
	907,150	91,626,416	-

Notes to Financial Statements for the year ended March 31, 2019

(ii) Trade receivables

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unsecured, considered good			
Trade receivables	44,049,037	22,465,192	8,793,228
Trade receivables from related parties	4,557,660	-	16,996,002
	48,606,697	22,465,192	25,789,230

Note : No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person or amount due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) Cash and cash equivalents

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash in hand	4,500	4,500	424
Cheques on hand	-	-	319,477
Balances with banks	56,929,532	44,901,383	89,538,802
	56,934,032	44,905,883	89,858,703

Note : Change in liabilities arising from financing activities

Proceed from Borrowings /repayment of Borrowings	-	-	-
	-	-	-

(iv) Other financial assets

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unbilled revenue	53,725,239	13,659,280	35,254,779
	53,725,239	13,659,280	35,254,779

10 . Other current assets

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Prepaid Expenses	3,535,624	1,900,830	527,026
Balances with statutory/government authorities	-	41,169	3,150,857
Others	1,114,018	1,595,306	945,843
	4,649,642	3,537,305	4,623,726

11 Current tax assets

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Tax deducted at source receivable (Net of Provision for taxation)	-	6,319,522	13,198,037
	-	6,319,522	13,198,037

Notes to Financial Statements for the year ended March 31, 2019

12 Share Capital and other equity

12 (i) Equity share capital

a) Authorised share Capital

	Amount in ₹		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
10,000,000 (March 31, 2018: 10,000,000) Equity Shares of Rs. 10 each	100,000,000	100,000,000	100,000,000
	100,000,000	100,000,000	100,000,000
Issued, Subscribed and Fully Paid-up Shares :			
9,695,000 (March 31, 2018: 9,695,000) Equity Shares of Rs. 10 each fully paid up	96,950,000	96,950,000	96,950,000
	96,950,000	96,950,000	96,950,000

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Amount in ₹					
	As at March 31, 2019		As at March 31, 2018		April 1, 2017	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity Shares						
At the beginning of the year	9,695,000	96,950,000	9,695,000	96,950,000	9,695,000	96,950,000
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	9,695,000	96,950,000	9,695,000	96,950,000	9,695,000	96,950,000

c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Shares held by holding Company

Out of equity shares issued by the Company, shares held by its holding company are as below:

	Amount in ₹		
Name of Shareholder	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Max India limited *			
9,695,000 (March 31, 2018: 9,695,000) equity shares of Rs. 10 each fully paid	96,950,000	96,950,000	96,950,000
(Max India Limited, the holding Company)			
	96,950,000	96,950,000	96,950,000

* Includes 50 equity shares held by nominees of Max India Limited

Notes to Financial Statements for the year ended March 31, 2019

e) Details of shareholder holding more than 5% shares in the Company:

Amount in ₹

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018		April 1, 2017	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Max India Limited	9,695,000	100	9,695,000	100	9,695,000	100

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders, regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

12 (ii) Other Equity

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Retained earnings			
Opening Balance	(147,753,285)	(170,629,062)	(170,629,062)
Profit/(loss) for the year	(24,963,344)	22,875,777	-
	(172,716,629)	(147,753,285)	(170,629,062)

13 Provisions

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for employee benefits			
Gratuity (refer note no. 25.2)	11,500,498	12,648,065	8,781,240
	11,500,498	12,648,065	8,781,240

14 Current financial liabilities

(i) Borrowings

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unsecured			
Interest free loans from related parties	191,634,399	191,634,399	191,634,399
	191,634,399	191,634,399	191,634,399

This represents interest free loan from Max India Limited repayable on demand (Unsecured)

(ii) Trade payables

Amount in ₹

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	112,952,924	116,142,386	98,448,258
	112,952,924	116,142,386	98,448,258

Notes to Financial Statements for the year ended March 31, 2019

Disclosures required under the Micro, Small & Medium Development Act, 2006

- (i) Delayed payments due as at the end of each accounting year on account of Principal – Rs. Nil and Interest due thereon – Rs. Nil
- (ii) Total interest paid on all delayed payments during the year under the provisions of the Act – Rs. Nil
- (iii) Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act – Rs. Nil
- (iv) Interest accrued but not due- Rs. Nil (Represents interest accrued as at the end of the year but not due as interest is computed at monthly rests from the due date)
- (v) Total Interest Due but not paid – Rs. Nil (Represents all interest amounts remaining due together with that from prior year(s) until such date when the interest was actually paid to the small enterprises. Mainly to ascertain the amount of interest disallowable for income tax purposes)

15 Provisions

Provision for employee benefits

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Leave encashment	13,348,867	12,709,519	13,320,046
Gratuity (refer note no. 25.2)	4,255,497	3,033,776	7,018,452
	17,604,364	15,743,295	20,338,498

16 Other current liabilities

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Statutory dues	10,362,812	13,953,981	10,024,548
Unearned Revenue	5,685,378	3,927,791	-
	16,048,190	17,881,772	10,024,548

17 Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
Training Income	526,703,522	444,674,841
	526,703,522	444,674,841

17.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment

	For the year ended March 31, 2019	For the year ended March 31, 2018
Training Income	526,703,522	444,674,841
Total revenue from contracts with customers	526,703,522	444,674,841
India	526,703,522	444,674,841
Outside india	-	-
Total revenue from contracts with customers	526,703,522	444,674,841

Notes to Financial Statements for the year ended March 31, 2019

17.2 Contract balances

	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Trade receivables	48,606,697	22,465,192
Contract liabilities	-	-

Trade receivables are non interest bearing. Credit period generally falls in the range of 30 to 45 days.

17.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Amount in ₹	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue as per contracted price	526,703,522	444,674,841
Adjustments		
Discount	-	-
Revenue from contracts with customers	526,703,522	444,674,841

17.4 Performance obligations

Obligation of the Company is to provide training services to its customers and accordingly recognises revenue over the period of the contract based on the services rendered.

18 Other income

	Amount in ₹	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income on :		
Fixed deposits	180,555	172,358
Security deposits	106,108	18,866
Others Interest	79,420	1,179,663
Profit on sale of current investments	1,837,264	3,005,672
Exchange Gain on foreign exchange fluctuations	-	4,127
Fair value gain/(loss) on financial investments at fair value through profit & loss	(56,532)	2,449,616
	2,146,815	6,830,302

19 Employee benefit expenses

	Amount in ₹	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	347,300,612	310,876,471
Contribution to provident and other funds	13,166,982	9,477,437
Gratuity expense (refer note no.25.2)	3,120,059	3,874,420
Staff welfare expenses	5,946,263	3,040,215
	369,533,916	327,268,543

Notes to Financial Statements for the year ended March 31, 2019

20 Finance Cost

	Amount in ₹	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Bank Charges	93,930	27,761
Interest	415,469	811,005
	509,399	838,766

21 Depreciation and amortisation expense

	Amount in ₹	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation and amortisation expense	3,635,769	1,738,367
	3,635,769	1,738,367

22 Other expenses

	Amount in ₹	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent	6,322,054	1,753,490
Recruitment & Relocation Expenses	3,728,274	3,420,750
Training Expenses	7,414,217	4,358,263
Insurance	2,847,472	2,696,794
Rates and Taxes	-	32,792
Infrastructure Cost	14,424,584	8,824,654
Printing and stationery	1,046,306	979,807
Travelling and conveyance	31,921,053	25,107,193
Communication	1,186,312	1,164,025
Legal and professional	34,807,561	35,442,499
Business Promotion	7,260,043	4,975,000
Advertisement and publicity	4,407,015	2,265,320
Miscellaneous	996,422	932,049
	116,361,313	91,952,636
Payment to Auditor		
As auditor		
Audit fee	700,000	500,000
	700,000	500,000

23 Provision for Impairment

	Amount in ₹	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Provision for impairment of investment in subsidiary	56,000,000	-
	56,000,000	-

Notes to Financial Statements for the year ended March 31, 2019

24 Contingent liabilities, commitments, and litigation

Lease Commitments

Operating lease commitments- Company as lessee

- (a) The Company has entered into operating lease agreements for office space under operating lease agreements. The lease has an average life between 3 to 9 years
- (b) Future minimum lease payments and payment profile of non-cancellable operating lease are as under :

	Amount in ₹		
	For the year ended		
	March 31, 2019	March 31, 2018	April 1, 2017
(i) Not later than one year	6,941,938	2,497,084	-
(ii) Later than one year and not later than five years	30,981,924	11,300,880	-
(iii) Later than five years	25,778,982	10,998,364	-
	63,702,844	24,796,328	-

Lease payments recognized in the statement of profit and loss as rent expense for the year Rs. 63,22,054/-

25 Other notes to accounts

25.1 Investment on Subsidiaries, associates and Joint Ventures

- (a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements"
- (b) The Company's investment in Subsidiary are as under :

Amount in ₹					
Name of Subsidiary	Country of Incorporation	Portion of Ownership Interest as at March 31, 2019	Portion of Ownership Interest as at March 31, 2018	Portion of Ownership Interest as at April 1, 2017	Method used to account for Investment
Max One Distribution and Services Limited	India	100%	100%	100%	At Cost

25.2 Gratuity

The Company has a defined benefit Gratuity Plan. Under Gratuity Plan , every employee who has completed 5 years or more of services gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The gratuity plan is governed by Payment of Gratuity Act,1972. Under the act, employees who have completed five years of service is entitled to specific benefits. The level of benefits provided depend on the members length of service and salary of retirement age.

The following table summarises the component of net benefit expense recognised in the statement of Profit and Loss and the amount recognised in the Balance Sheet in respect of defined benefit plans.

Notes to Financial Statements for the year ended March 31, 2019

Amount in ₹

	For the year ended	
	March 31, 2019	March 31, 2018
Statement of Profit and Loss		
(a) Net defined benefit expense (recognised in the statement of profit & loss)		
Current service cost	2,139,079	2,146,797
Past service cost	-	582,145
Interest cost on benefit obligations	1,097,729	1,145,478
Net defined benefit expense debited to statement of profit and loss	3,236,808	3,874,420
Other Comprehensive (Income)/Expenses	(405,408)	624,774
(b) Net defined benefit asset/ (liability) recognized in the balance sheet		
Present value of Defined Benefit Obligations	15,755,995	15,681,841
Amount recognized in balance sheet- asset / (liability)	15,755,995	15,681,841
(c) Reconciliation of opening and closing balances of defined benefit obligation		
Defined benefit obligation at the beginning of the year	15,681,841	15,799,692
Current Service Cost	2,139,079	2,146,797
Past Service Cost	-	582,145
Interest cost	1,097,729	1,145,478
Benefits paid	(2,858,214)	(4,617,045)
Liability transferred from Group Companies	100,968	-
Actuarial (gain)/loss on obligation	(405,408)	624,774
Defined benefit obligation at year end	15,755,995	15,681,841
The principal assumptions used in determining benefit obligations for the gratuity is shown below.		
Discount Rate	7.00%	7.25%
Salary Increase	6%	8%
Retirement age	58 Years	58 Years
Quantitative sensitivity analysis for significant assumptions is as below :		
Increase/(decrease) on present value of defined benefits obligations at the year end		
Discount Rate		
Increase by 1%	(466,371)	(594,286)
Decrease by 1 %	495,702	632,836
Salary Growth Rate		
Increase by 1%	417,725	548,772
Decrease by 1 %	(497,272)	(517,787)

Notes to Financial Statements for the year ended March 31, 2019

	For the year ended	
	March 31, 2019	March 31, 2018
Attrition Rate		
Increase by 1%	(39,705)	(68,344)
Decrease by 1 %	40,588	70,967
Estimate of expected benefits payments (undiscounted)		
Within next 12 months	4,470,552	3,312,471
Between 1 and 2 years	4,731,382	3,630,784
Between 2 and 3 years	5,059,068	3,584,729
Between 3 and 4 years	5,164,638	3,829,372
Between 4 and 5 years	5,470,635	3,797,691

Amounts for current year and previous four years are as follows

	Amount in ₹				
	31-Mar-19	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Defined Benefit Obligation	15,755,995	15,681,841	15,799,692	2,442,975	-
Surplus / (Deficit)	(15,755,995)	(15,681,841)	(15,799,692)	(2,442,975)	-
Experience adjustments on plan assets	-	-	-	-	-
Experience adjustments on plan liabilities	(400,822)	-	(4,073,557)	-	-

The Company has a deposit of Rs. 10,97,420/- as at 31st Mar 2019 (Previous Year Rs. 10,18,200) under Employee Group Gratuity Scheme with Life Insurance Corporation of India. The above deposit was made in the name of Max Healthstaff International Ltd (Old name of Company). Since Max Skill First Ltd is not utilizing this deposit against payment of gratuity liability hence same has not been considered in actuarial valuation of gratuity liability as at 31st March 2019 and previous year also.

25.3 Provident Fund

The Company has set up a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund" which is managed by Max Financial Services Limited. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan as per Ind AS-19 (Revised).

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Company and its subsidiaries.

The actuary has accordingly provided a valuation for "Max India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its subsidiaries based on assumptions provided below.

The details of fund and plan asset position as at March 31, 2019 as per the actuarial valuation of active members are as follows:

Notes to Financial Statements for the year ended March 31, 2019

Amount in ₹

	March 31, 2019	March 31, 2018
Plan assets at year end at fair value	134,787,383	122,254,856
Present value of defined benefit obligation at year end	131,956,602	120,567,261
Surplus as per actuarial certificate	2,830,781	1,687,595
Shortfall recognised in balance sheet	-	-

Active members as at year end (Nos)	470	322

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

Amount in ₹

	March 31, 2019	March 31, 2018
Discount rate for the term of the obligation	6.76%	7.18%
Average historic yield on the investment portfolio	8.55%	8.94%
Guaranteed rate of return	8.65%	8.55%

25.4 Segment reporting

As the Company's business activity primarily falls within single business and geographical segment, thus there are no additional disclosure to be provided under Ind-AS 108 "Operating Segment". The management/Chief Operating decision maker (CODN) consider that training business constitute single business segment. The Company has 3 major customers contributing to 10% or more of total amount of revenue.

25.5 Earnings per share (EPS)

	For the year ended	
	March 31, 2019	March 31, 2018
Basic and Diluted		
(Loss)/Profit for the year	(25,255,967)	23,326,739
Weighted average number of equity share outstanding during the year (Nos)	9,695,000	9,695,000
Basic Earning per share (Rs.)	(2.61)	2.41
Dilutive Earning per share (Rs.)	(2.61)	2.41

25.6A Fair value of financial instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value as follows:

Amount in ₹

	Carrying Value			Fair Value		
	March 31, 2019	March 31, 2018	April 1, 2017	March 31, 2019	March 31, 2018	April 1, 2017
1) Financial asset at amortized cost						
Others	56,122,358	15,893,898	37,334,275	56,122,358	15,893,898	37,334,275
Trade Receivables	48,606,697	22,465,192	25,789,230	48,606,697	22,465,192	25,789,230
Cash and cash equivalents	56,934,032	44,905,883	89,858,703	56,934,032	44,905,883	89,858,703
Loans	1,316,220	303,958	54,000	1,316,220	303,958	54,000
Investments	907,150	147,626,416	56,000,000	907,150	147,626,416	56,000,000
2) Financial liabilities at amortized cost						
Borrowings	191,634,399	191,634,399	191,634,399	191,634,399	191,634,399	191,634,399
Trade Payables	112,952,924	116,142,386	98,448,258	112,952,924	116,142,386	98,448,258

Notes to Financial Statements for the year ended March 31, 2019

(i) Quantative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2019

Amount in ₹

Particulars	Carrying value March 31, 2019	Fair Value		
		Level 1	Level 2	Level 3
Others	56,122,358	-	-	56,122,358
Trade Receivables	48,606,697	-	-	48,606,697
Cash and cash equivalents	56,934,032	-	-	56,934,032
Loans	1,316,220	-	-	1,316,220
Investments	907,150	-	-	907,150

(ii) Quantative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2018

Amount in ₹

Particulars	Carrying value March 31, 2018	Fair Value		
		Level 1	Level 2	Level 3
Others	15,893,898	-	-	15,893,898
Trade Receivables	22,465,192	-	-	22,465,192
Cash and cash equivalents	44,905,883	-	-	44,905,883
Loans	303,958	-	-	303,958
Investments	147,626,416	-	-	147,626,416

(iii) Quantative disclosure of fair value measurement hierarchy for financial assets as on April 1, 2017

Amount in ₹

Particulars	Carrying value April 1, 2017	Fair Value		
		Level 1	Level 2	Level 3
Others	37,334,275	-	-	37,334,275
Trade Receivables	25,789,230	-	-	25,789,230
Cash and cash equivalents	89,858,703	-	-	89,858,703
Loans	54,000	-	-	54,000
Investments	56,000,000	-	-	56,000,000

(iv) Quantative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2019

Amount in ₹

Particulars	Carrying value March 31, 2019	Fair Value		
		Level 1	Level 2	Level 3
Borrowings	191,634,399	-	-	191,634,399
Trade Payables	112,952,924	-	-	112,952,924

(iv) Quantative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2018

Amount in ₹

Particulars	Carrying value March 31, 2018	Fair Value		
		Level 1	Level 2	Level 3
Borrowings	191,634,399	-	-	191,634,399
Trade Payables	116,142,386	-	-	116,142,386

Notes to Financial Statements for the year ended March 31, 2019

(iv) Quantative disclosure of fair value measurement hierarchy for financial liabilities as on April 1, 2017

Amount in ₹

Particulars	Carrying value	Fair Value		
	April 1, 2017	Level 1	Level 2	Level 3
Borrowings	191,634,399	-	-	191,634,399
Trade Payables	98,448,258	-	-	98,448,258

25.7 Financial risk management objectives and policies

The Company is exposed to Capital risk, market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Capital risk

The Company's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to its shareholders and benefits for other stakeholders and to provide for sufficient capital expansion. The capital structure of the Company consists of debt, which includes the borrowings, and equity as disclosed in the statement of financial position. The Company have interest free debts from its holding company.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency risk, interest rate risk and price risks, such as equity price risk and commodity price risk. The sensitivity analyses in the following sections relate to the position as at As at March 31, 2019. The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and therefore it does not have any exposure to foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any interest payment on loans or borrowings and therefore not subject to interest rate risk as defined in Ind AS 107.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employees prudent liquidity risk management practices which inter alia means maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared not only for the entities but the Group as a whole and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment. Longer term cash flow forecasts are updated from time to time and reviewed by the Investment and Performance

Notes to Financial Statements for the year ended March 31, 2019

Review Committee of the Board.

The table below represents the maturity profile of Company's financial liabilities at the end of April 1, 2017, March 31, 2018 and March 31, 2019 based on contractual undiscounted payments :-

April 1, 2017	0-1 Years	1-5 Years	More than 5 Years	Total
Trade payable	98,448,258	-	-	98,448,258
Borrowings	191,634,399	-	-	191,634,399
March 31, 2018	0-1 Years	1-5 Years	More than 5 Years	Total
Trade payable	116,142,386	-	-	116,142,386
Borrowings	191,634,399	-	-	191,634,399
March 31, 2019				
Trade payable	112,952,924			112,952,924
Borrowings	191,634,399			191,634,399

d) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management Department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The Company provides credit to individuals on exceptional basis only. An impairment analysis is performed at each reporting date on an individual basis. The management does not expect any significant loss from non-performance by counterparties on credit granted during the financial year under review that has not been provided for.

Trade receivables

Amount in ₹

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Neither past due or impaired	23,402,711	5,576,991	13,130,836
0 to 180 days due past due date	21,216,545	9,215,807	9,870,071
More than 180 days due past due date	3,987,442	7,672,394	2,788,324
Total trade receivables	48,606,698	22,465,192	25,789,231

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

Notes to Financial Statements for the year ended March 31, 2019

25.8 Related Party Transactions

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below:-

(A) Names and relationship with related parties where control exists irrespective of whether transactions have occurred or not

(i) Holding Company	Max India Limited
(ii) Subsidiary Company	Max One Distribution and Services Limited
(iii) Fellow Subsidiaries	Max Bupa Health Insurance Company Limited
	Pharmax Corporation Limited
	Antara Senior Living Limited
	Antara Purukul Senior Living Limited
	Antara Gurgaon Senior Living Limited
	Max Ateev Limited
	Max UK Limited, UK

(B) Key Management Personnel (with whom transaction have taken place during the year)

(i) Mr. Rajender Sud	Chief Executive Officer
(ii) Ms. Astha Sharma	Company Secretary

(C) Transaction during the year

	Amount in ₹							
	Holding company		Fellow Subsidiaries		KMP		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Transactions during the year:								
Services received								
-Max India Limited	4,300,000	4,000,000	-	-	-	-	4,300,000	4,000,000
Training Services revenue								
- Max Bupa Health Insurance Company Limited	-	59,791,083	50,166,000	-	-	-	59,791,083	50,166,000
Rent Payment								
- Pharmax Corporation Limited	-	72,000	72,000	-	-	-	72,000	72,000
Security Deposit received								
- Pharmax Corporation Limited	-	36,000	-	-	-	-	36,000	-
Balance Outstanding at the end of year:								
Amount Payable - Max India Limited								
- Borrowings	191,634,399	191,634,399	-	-	-	-	191,634,399	191,634,399
- Services	1,161,000	1,080,000	-	-	-	-	1,161,000	1,080,000
Security Deposit								
- Pharmax Corporation Limited	-	-	18,000	54,000	-	-	18,000	54,000

Notes to Financial Statements for the year ended March 31, 2019

	Holding company		Fellow Subsidiaries		KMP		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Amount Receivable against Services								
Max Bupa Health Insurance Company Limited	-	-	4,557,630	(300,000)	-	-	4,557,630	(300,000)
Remuneration								
Mr. Rajender Sud, Chief Executive Officer	-	-	-	-			-	-
Ms. Astha Sharma, Company Secretary	-	-	-	-			-	-

Terms and conditions of transactions with related parties :

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transaction's. There have been no guarantees provided or received for any related party receivables or payables.

For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amount owned by related parties except as disclosed in note 9(ii). This assessment is undertaken each financial year through examining the financial portion of the related party and the market in which related party operate.

25.9 Capital management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital structure and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 40% and 60%. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Borrowings (refer note 14 (i))	191,634,399	191,634,399	191,634,399
Less: cash and cash equivalents (refer note 9(iii))	(56,934,032)	(44,905,883)	(89,858,703)
Net debt	134,700,367	146,728,516	101,775,696
Equity (refer note 12 (i))	96,950,000	96,950,000	96,950,000
Total capital	96,950,000	96,950,000	96,950,000
Total capital and net debt	231,650,367	243,678,516	198,725,696
Gearing ratio	58%	60%	51%

Notes to Financial Statements for the year ended March 31, 2019

25.10A Reconciliation statement of equity as previously reported under IGAAP to Ind AS

Amount in ₹

	Balance sheet as at April 1, 2017		
	Regrouped Indian GAAP	Adjustments	As at April 1, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	1,903,571	-	1,903,571
Intangible assets	1,224,674	-	1,224,674
Financial assets			
(i) Investments	56,000,000		56,000,000
(ii) Loans	54,000		54,000
(iii) Others	2,079,496		2,079,496
Other non-current assets	-		-
Non-current tax assets	7,804,128		7,804,128
Deferred Tax Assets (Net)	17,757,537	-	17,757,537
	86,823,406	-	86,823,406
Current assets			
Financial assets			
(i) Investments			
(ii) Trade Receivables	25,789,230	-	25,789,230
(iii) Cash and cash equivalents	89,858,703	-	89,858,703
(iv) Others	35,254,779	-	35,254,779
Other current assets	4,623,726		4,623,726
Current tax assets	13,198,037		13,198,037
	168,724,475	-	168,724,475
TOTAL ASSETS	255,547,881	-	255,547,881
EQUITY AND LIABILITIES			
Equity			
(i) Equity share capital	96,950,000	-	96,950,000
(ii) Other equity	(170,629,062)	-	(170,629,062)
Total Equity	(73,679,062)	-	(73,679,062)
Non-current liabilities			
Provisions	8,781,240	-	8,781,240
	8,781,240	-	8,781,240
Current liabilities			
Financial liabilities			
(i) Borrowings	191,634,399	-	191,634,399
(ii) Trade Payables			
-Total outstanding dues of micro enterprises and small enterprises			
-Total outstanding dues of creditors other than micro enterprises and small enterprises	98,448,258		98,448,258
Provisions	20,338,498	-	20,338,498
Other current liabilities	10,024,548	-	10,024,548
TOTAL LIABILITIES	320,445,703	-	320,445,703
TOTAL EQUITY AND LIABILITIES	255,547,881	-	255,547,881

Notes to Financial Statements for the year ended March 31, 2019

25.10B Reconciliation statement of equity as previously

Amount in ₹

reported under IGAAP to Ind AS	Balance sheet as at March 31, 2018		
	Regrouped Indian GAAP	Adjustments	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3,332,005	-	3,332,005
Intangible assets	1,156,121	-	1,156,121
Financial assets			
(i) Investments	56,000,000	-	56,000,000
(ii) Loans	659,055	(355,096)	303,958
(iii) Others	2,234,618	-	2,234,618
Other non-current assets	-	301,946	301,946
Non-current tax assets	37,391,481		37,391,481
Deferred Tax Assets (Net)	20,533,560	(520,655)	20,012,905
	121,306,839	(573,805)	120,733,034
Current assets			
Financial assets			
(i) Investments	89,176,800	2,449,616	91,626,416
(ii) Trade Receivables	22,465,192	-	22,465,192
(iii) Cash and cash equivalents	44,905,883	-	44,905,883
(iv) Others	13,659,280	-	13,659,280
Other current assets	3,495,779	41,526	3,537,305
Current tax assets	6,319,522		6,319,522
	180,022,456	2,491,142	182,513,598
TOTAL ASSETS	301,329,295	1,917,337	303,246,632
EQUITY AND LIABILITIES			
Equity			
(i) Equity share capital	96,950,000	-	96,950,000
(ii) Other equity	(149,670,622)	1,917,337	(147,753,285)
Total Equity	(52,720,622)	1,917,337	(50,803,285)
Non-current liabilities			
Provisions	12,648,065	-	12,648,065
	12,648,065	-	12,648,065
Current liabilities			
Financial liabilities			
(i) Borrowings	191,634,399	-	191,634,399
(ii) Trade Payables			
-Total outstanding dues of micro enterprises and small enterprises			
-Total outstanding dues of creditors other than micro enterprises and small enterprises	116,142,386		116,142,386
Provisions	15,743,295	-	15,743,295
Other current liabilities	17,881,772	-	17,881,772
TOTAL LIABILITIES	341,401,852	-	341,401,852
TOTAL EQUITY AND LIABILITIES	301,329,295	1,917,337	303,246,632

Notes to Financial Statements for the year ended March 31, 2019

25.10C Reconciliation statement of Profit & loss as previously reported under IGAAP to Ind AS

Amount in ₹

	Year ended March 31, 2018		
	IGAAP	Adjustments	IndAS
Income			
Revenue from operations	444,674,841	-	444,674,841
Other income	4,361,820	2,468,482	6,830,302
Total income	449,036,661	2,468,482	451,505,143
Expenses			
Employee benefits expense	327,893,317	(624,774)	327,268,543
Finance Cost	838,766	-	838,766
Depreciation and amortization expense	1,738,367	-	1,738,367
Other expenses	91,922,146	30,490	91,952,636
Total expenses	422,392,596	(594,284)	421,798,312
Profit before tax	26,644,065	3,062,766	29,706,831
Tax expense :			
Current tax	10,234,052	-	10,234,052
Deferred tax	(2,776,023)	694,467	(2,081,556)
Income tax adjustment related to earlier years	(1,772,404)	-	(1,772,404)
Profit for the year	20,958,440	2,368,299	23,326,739
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans	-	(624,774)	(624,774)
Income tax effect		173,812	173,812
Other comprehensive income for the year	-	(450,962)	(450,962)
Total Comprehensive Income for the year, net of tax attributable to Equity shareholder	20,958,440	1,917,337	22,875,777

25.11 Footnotes to the reconciliation of equity as at April 1, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018

1) Property, plant and equipment

The Company has elected to apply the exemption available under Ind AS -101 to continue the carrying value for all of its property, plant and equipment and intangibles as recognized in the financial statement as at the date of transition to Ind AS, measured as per the previous GAAP and on that as its deemed cost as at the date of transition (April 1, 2017).

2) Security deposits

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid expenses. Amortization of prepaid expenses has been recognized in other expenses which is partially set off with notional interest income in statement of profit & loss.

3) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous IGAAP, these remeasurements were forming part of the profit or loss for the year.

Notes to Financial Statements for the year ended March 31, 2019

4) Retained earnings

Retained earnings as at April 1, 2017 and March 31, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

5) Other comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' Includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.

6) Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

7) Mutual Fund Investments

Under Indian GAAP, All current investments including mutual funds are measured at lower of cost or market value. As per Ind AS 109, Investments in mutual funds are required to be recognized at their fair value, for which changes in fair value being recognized in profit & loss.

8) Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profit and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under India GAAP.

25.12 First -time adoption of Ind AS (Exception and exemption availed)

These financial statements, for the year ended March 31, 2019, are the first financial statements which have been prepared in accordance with Ind AS notified under the Companies Indian Accounting Standard Rules 2015.

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for year om March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant policies. In preparing these financial statements, the company's opening balance sheet was prepared as at April 1, 2017, the company's date of transition to Ind AS. This note explains the principal adjustments by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2017 and the financial statements as at and for the year ended March 31, 2018.

Ind-AS optional exemption

Ind AS 101 allows first-time adopters certain exemptions form the retrospective application of certain requirements under Ind AS. The company has applied the following exemptions:

Deemed Cost

Ind AS 101 permits a first time adopter to elect to fair values of its property, plant and equipment as recognized in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and recognized in the financial statements as at the date of submission to Ind AS. This exemption can be also used for intangible assets for covered

Notes to Financial Statements for the year ended March 31, 2019

by Ind AS 38.

The company has elected to consider carrying value of its property, plant and equipment as its deemed cost on the date of transition to Ind AS.

Investment in Subsidiaries

Ind AS 101 permits the first time adopter to measure investment in subsidiaries, joint ventures and associates in accordance with Ind AS 27 at one of the following:

- a) Cost determined in accordance with Ind AS 27 or
- b) Deemed Cost
 - (i) Fair value at date of transition
 - (ii) Previous GAAP carrying amount at that date.

The company has elected to consider previous GAAP carrying amount of its investment in subsidiaries on the date of transition to Ind AS as its deemed cost for the purpose of determining cost in accordance with principles of Ind AS 27- "Separate financial statements".

Ind AS mandatory exceptions

Estimates

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates at April 1, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Derecognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 107 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

Classification of financial assets & Liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the company has applied the above requirement prospectively.

Impairment of financial assets

Ind AS, requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 107 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date financial instrument was initially recognized and compare it to the credit risk at the date of transition to Ind AS. The company has applied this exception prospectively.

Fair value measurement of financial assets or liabilities (Ind AS 101.D20)

First-time adopters may apply Ind AS 109 to day on gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day on loss transaction that occurred prior to the date of transition to Ind AS do not need to be retrospectively related.

25.13 Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two

Notes to Financial Statements for the year ended March 31, 2019

recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Transition to Ind AS 116:

The Company is proposing to use the "Modified Retrospective Approach" for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Company is currently in process of assessing the impact of this standard on financial statements.

25.14 Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below. Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Company.

25.15 Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005

Chartered Accountants

Per Sanjay Vij

Partner

Membership no.: 095169

**For and behalf of board of directors of
Max Skill First Limited**

THERON MARIELLE

(DIRECTOR)

DIN No.02667356

RAJIT MEHTA

(DIRECTOR)

DIN No.01604819

RAJENDER SUD

(Chief Executive Officer)

ASTHA SHARMA

(Company Secretary)

Membership No. A32527

PUSHKAR SARAN

(SVP and Head - Business
Operations & Strategy)

Place : Gurugram

Date : May 09, 2019

Place : Gurugram

Date : May 09, 2019

**MAX ONE
DISTRIBUTION AND
SERVICES LIMITED**

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors are pleased to present the Company's sixth Annual Report and the audited financial statements for the financial year ended on 31st March, 2019 together with the report of Statutory Auditor thereon.

Your Company was incorporated on June 28, 2013 and have now completed almost six years of operations. On March 19, 2015, it became a wholly owned subsidiary of Max Skill First Limited (formerly known as Max Healthstaff International Limited), which is a wholly owned subsidiary of Max India Limited.

FINANCIAL PERFORMANCE

Financial highlights of your Company as per Ind AS for the year under review are given below is shown below:

(In Rupees Thousands)

Particulars	FY 2018-19	FY 2017-18
Total Income	239	1,939
Operating Expenses	295	163
EBITDA	(55)	1,776
Depreciation	0	1
Finance cost	5	1
Taxes	0	239
Net Profit After Tax	(60)	1,535
No. of Equity Share	56,00,000	56,00,000
Earnings Per Share	(0.01)	0.27

*mentioned in actual numbers

During the year under review your Company's total income for the financial year 2018-19 stands at Rs 2.39 lakhs which was Rs. 19.39 lakhs in previous financial year 2017-18, there is a decrease in total income by 87.67%. Your Company has registered a net Loss amount Rs. 0.6 lakhs due to expenses incurred by Company during the period from April 01, 2018 to March 31, 2019. Financials of the company are prepared as per Indian Accounting Standards (Ind-AS)

MATERIAL CHANGES AFFECTING FINANCIAL POSITION

There are no material changes and commitments, affecting financial position of the Company which has occurred between end of the financial year of the Company i.e. March 31, 2019 and date of this Directors' Report.

However, Your Company is proposing to get amalgamate with its holding Company i.e., Max Skill First Limited.

In Principle approval of Merger of Max One Distribution and Services Limited into Max Skill First Limited

In the Board Meeting held on May 7, 2019, the Board considered and approved, in principle, the merger of Max one Distribution and Services Limited into its holding company, viz., Max Skill First Limited. This is subject to requisite approvals of shareholders, creditors and requisite authorities.

OPERATIONS

Your Company commenced business operations on October 3, 2013. It is engaged in the business of distribution and selling of Mutual funds of Asset Management Companies. Your Company had a total income of Rs. 2.39 lakhs from operations.

SHARE CAPITAL

During the year under review, there was no change in the Authorized Share Capital and Paid up Share Capital of the Company. The Authorized Share capital of the Company, as on March 31, 2019, was Rs. 5,70,00,000/- (Rupees Five Crore Seventy Lacs only) comprising of 57,00,000 equity shares of Rs. 10/- each.

The Paid-up capital of the Company as on March 31, 2019 was Rs. 5,60,00,000/- (Rupees Five Crore Sixty Lacs only). The entire share capital of the Company is owned by Max Skill First Limited (formerly Max Healthstaff International Limited). The ultimate holding company is Max India Limited, a public limited listed company in India.

TRANSFER TO RESERVES

The Company did not transfer any amount to any reserve.

SUBSIDIARIES

During the year under review, your Company did not have any subsidiary, associate or joint venture company.

CONSOLIDATED FINANCIAL STATEMENTS

Since there was no subsidiary, associate or joint venture of the Company, your Company did not require to prepare consolidated financial statements for the financial year 2018-19.

DIVIDEND

Your Directors are not recommending any dividend for the

year under review in view of losses in the Company.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to the provisions of the Companies Act, 2013, all Related Party Transactions (RPTs) entered into during the financial year under review were in the ordinary course of business of the Company and were on arm's length basis. There were no materially significant RPTs entered into by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had entered into transaction with related parties which could be considered material. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 are appended in "Annexure-1". Suitable disclosure as required by the Indian Accounting standards has been made in the notes to the Financial Statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

During the year under review, there were no case has been reported pertaining to sexual harassment as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

INSURANCE

Your Company has taken appropriate insurance for all assets against foreseeable perils.

PARTICULARS OF DEPOSITS

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

PARTICULARS OF EMPLOYEES

During the year under review, the Company has not employed any individual who are in receipt of remuneration. There is only one employee who is seconded by Max Skill First Limited, the holding company. Therefore, disclosures

as required pursuant to the provisions of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 were not applicable on Company.

BOARD OF DIRECTORS

As of the date of this report, the Board of Directors comprises of Mr. Amitabh Lal Das (DIN 03589752), Mr. Rahul Ahuja (DIN 06533944) and Mr. V. Krishnan (Din 00402601).

Mr. Rohit Kapoor and Mr. Rajesh Sud resigned from the Directorship due to some other professional commitments of the Company w.e.f. 21st November, 2018 and 31st March 2019 respectively and ceased to be directors of the Company. Your Board places on record, its appreciation for the valuable contribution made by Mr. Rajesh Sud and Mr. Rohit Kapoor during their association with the Company.

Your Company has appointed Mr. Amitabh Lal Das (DIN No 03589752) as an Additional Director (Non- Executive) w.e.f 1st April, 2019 who shall hold the office up to ensuing Annual General Meeting. The Board of Directors of the Company recommend the appointment of Mr. Amitabh Lal Das in ensuing Annual General Meeting.

Brief Resume of Mr. Amitabh Lal Das who joined the Company as a Director effective April 1, 2019

Mr. Amitabh Lal Das holds a degree in Law from Campus Law Centre, Delhi University, which he completed in 1995. He is a St. Stephen's College alumnus and a recipient of British Chevening Scholarship for Young India Lawyers. In 2000, he got a Diploma in British and EC Commercial Laws and Practice from the College of Law, York, England.

Mr. Amitabh is qualified to practice law in India as well as UK and brings in strong functional expertise and a well rounded experience base, both international and domestic, founded on nearly two decades of working across the entire spectrum of the legal services spanning litigation in courts and alternative dispute resolution, working in large corporate law firms, and being General Counsel of large MNCs. He joined Max Life Insurance after a seven year stint at Yahoo India, where he served as Senior Legal Director, General Counsel & Head of Government Relations, being responsible for legal affairs of all the India incorporated entities, working on general as well as specialized laws and regulations. Mr. Amitabh counsels and advises the company on the entire gamut of Legal, Compliance, Company Secretarial, Regulatory and Commercial matters

at Max Life Insurance Company Limited.

The Company is not required to appoint any Independent Director or Woman Director on its Board pursuant to the provisions of the Companies Act, 2013 and the rules made there under.

The Board of the Company comprised following directors during 2018-19 and thereafter till the date of report:

Mr. Rajesh Sud (Director cum Chairman)	from 06.12.2013 to 31.03.2019
Mr. Rohit Kapoor Non- Executive Director)	from 28.6.2013 to 21.11.2018
Mr. Rahul Ahuja (Non- Executive Director)	from 1.05.2015
Mr. V. Krishnan (Non- Executive Director)	from 28.6.2013
Mr. Amitabh Lal Das (Non- Executive Director)	from 1.04.2019

DISCLOSURE ABOUT DIRECTOR

As per the disclosures made by the Directors in terms of Section 184 of the Companies Act, 2013 read with Companies (Meeting of Board and its Power) Rules, 2014, no relationships exists between the Directors inter-se.

KEY MANAGERIAL PERSONNEL

As on 31st March 2019, in compliance with the provisions of Section 2 (51) of the Companies Act, 2019, Ms. Astha Sharma, Company Secretary, hold the position of Key Managerial Personnel since 2nd February, 2018.

MEETINGS OF THE BOARD

During the financial year under review, five (5) Board Meetings were held on 11th May 2018, 3rd August 2018, 31st October 2018, 4th February 2019 and 26th March 2019.

The maximum time gap between any two meetings was not more than 120 days.

The attendance of each Director at the Board Meetings held during the year under review is as under:

Name of Directors	Meetings	
	Held	Attended
Mr. Rajesh Sud	5	2
Mr. Rahul Ahuja	5	4
Mr. Rohit Kapoor	3	1
Mr. V. Krishnan	5	3

COMMITTEE OF BOARD OF DIRECTORS

The Company is not required to constitute any committee

of Board of Directors in terms of the provisions of the Companies Act, 2013 and the rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan, given any guarantee or provides security in connection with a loan and acquired any securities during the year under review which are to be covered under Section 186 of the Companies Act, 2013.

AUDITOR & AUDITORS' REPORT

Pursuant to Section 139 & 142 of the Companies Act, 2013, M/s Nangia & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at Annual General Meeting held on September 28, 2018 for a period of five years till 2023.

There were no audit qualifications or reporting of fraud in the Statutory Auditors' Report given by M/s Nangia & Co., Statutory Auditors of the Company for the FY 2018-19 as annexed elsewhere in this Annual Report. The report given by Statutory Auditors is self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

The Board would like to thank them for their valuable support and guidance during the audit of accounts under review.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE COMPANIES ACT, 2013

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company under section 143(12) of the Companies Act, 2013.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form Risk Management Policy that governs how the Company conducts business and manages associated risks.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act,

2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are explained as under:

(A) Conservation of Energy & Technology Absorption

The Company has taken measures to reduce the energy consumption, by using energy efficient equipment, incorporating latest technology and regular maintenance. No expenditures were incurred on Research & Development.

(B) Foreign Exchange Earnings and Outgo

There has been no foreign exchange earnings and outgo during the year under report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) and 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and

d according to the information and explanations obtained, your Directors hereby confirm that:

- (a) in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit and loss of the Company for the year ended on that date;
- (c) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company

and for preventing and detecting fraud and other irregularities;

- (d) the annual financial statements have been prepared on a going concern basis;
- (e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (f) proper systems to ensure compliance with the provisions of all applicable laws including the compliance of applicable Secretarial Standards were in place and were adequate and operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

SECRETARIAL STANDARDS

Your Directors confirm compliance of all applicable Secretarial Standards during the Financial year 2018-19.

EXTRACTS OF ANNUAL RETURN

The Extract of Annual Return of the Company is annexed herewith as "**Annexure-2**" to this Board Report in Form MGT-9.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from holding company and their employees, directors and KMP's, ultimate holding company and their employees, directors and KMP's and other business constituents during the year under review.

By Order of the Board

For Max One Distribution and Services Limited

Venkatraman Krishnan

Director

DIN: 00402601

Address: A-38 Lajpat Nagar,
Sahibabad 201005 UP IN

Amitabh Lal Das

Director

DIN: 03589752

Address: A-184, Westend Heights, DLF City Phase 5,
Galleria DLF-IV, Gurgaon, Haryana - 122009

Date: 7th May, 2019

Place: Gurugram

**“ANNEXURE 1” TO BOARD’S REPORT FOR THE YEAR ENDED 31ST MARCH 2019
FORM NO. AOC-2**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms’ length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm’s length basis: Not Applicable
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) date (s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm’s length basis

S No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or transactions Including the value	Date of approval by the Board / AGM / EGM	Amount paid as advances, if any
1.	Pharmax Corporation Limited (Fellow Subsidiary Company)	Lease Agreement	11 Months	The Company entered into lease agreement with Pharmax Corporation Limited for a period of 11 months from 1 st April, 2018 to 28 th February, 2019 at a monthly rent of Rs. 900/-.	▪ BM- 03.08.2018	

By Order of the Board
For Max One Distribution and Services Limited

Venkatraman Krishnan

Director

DIN: 00402601

Address: A-38 Lajpat Nagar,
Sahibabad 201005 UP IN

Amitabh Lal Das

Director

DIN: 03589752

Address: A-184, Westend Heights, DLF City Phase 5,
Galleria DLF-IV, Gurgaon, Haryana - 122009

Date: 7th May, 2019

Place: Gurugram

“ANNEXURE-2” TO BOARD’S REPORT FOR THE YEAR ENDED 31ST MARCH, 2019**FORM NO. MGT 9****(EXTRACT OF ANNUAL RETURN)**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

CIN	U74140DL2013PLC254577
Registration Date	June 28, 2013
Name of the Company	Max One Distribution and Services Limited
Category / Sub-category	Company limited by share/ Indian Non-Government Company
Address of the Registered office and contact details	1, Dr. Jha Marg, Okhla. New Delhi - 110020 Tel No. 01142598000 Fax No. 01126324126
Whether listed company	No
Name, Address and Contact details of the Registrar & Transfer Agent	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Commission earned (for selling of Mutual funds)	65991	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max India Limited (Formerly Taurus Ventures Limited) 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144533.	L85100PB2015PLC039155	Ultimate Holding Company	100%	2 (46)
2.	Max Skill First Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110020	U85199DL2003PLC119249	Holding Company	100%	2 (46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Bodies Corp.	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub Total(A)(1)	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil
(2) Foreign									
a) NRIs-Individuals	--	--	--	--	--	--	--	--	--
b) Other-Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total(A)(2)	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil
B. Public Shareholding	--	--	--	--	--	--	--	--	--
1. Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds / UTI	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions	--	--	--	--	--	--	--	--	--
a) Bodies Corporate	--	--	--	--	--	--	--	--	--
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	--	--	--	--	--	--	--	--
c) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	--	--	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+ (B)(2)	--	--	--	--	--	--	--	--	--

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil

B) Shareholding of Promoter-

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Max Skill First Limited (Formerly Max Healthstaff International Ltd.)	5599940	100	Nil	5599940	100	Nil	Nil
2.	Mrs. Sujatha Ratnam*	10	--	Nil	10	--	Nil	
3.	Mr. Rahul Ahuja*	10	--	Nil	10	--	Nil	
4.	Mr. V. Krishnan*	10	--	Nil	10	--	Nil	
5.	Mr. Vaibhav Gupta*	10	--	Nil	10	--	Nil	
6.	Mr. M.G. Rajagopalan*	10	--	Nil	10	--	Nil	
7.	Mr. Rajinder Kumar*	10	--	Nil	10	--	Nil	
Total :		5600000	100%		5600000	100%		Nil

* shares held as nominees of Max Skill First Limited (Formerly Max Healthstaff International Limited)

C) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	5600000	100%	5600000	100%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the end of the year	5600000	100%	5600000	100%

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	20*	0.00	20*	0.00
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
3.	At the end of the year	20*	0.00	20*	0.00

* shares held as nominees of Max Skill First Limited (Formerly Max Healthstaff International Limited)

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
- Addition				
- Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NA**
- B. Remuneration to other directors: **NIL**
- C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD: **NIL**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No Penalties/punishment/compounding of offences have been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2019.

INDEPENDENT AUDITOR'S REPORT

To The Members of Max One Distribution and Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Max One Distribution and Services Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and Loss including Other Comprehensive Income, statement of changes in equity and the cash flow statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS"), of the state of affairs of the Company as at 31 March, 2019, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and (changes in equity) of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise

professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The financial statements dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended)
 - e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanation given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of the section 197 read with Schedule V of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- i) The Company does not have any pending litigations which would impact its financial position.
 - i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

For **Nangia & Co. LLP**

Chartered Accountants

FRN No. 002391C/N500069

Vikas Gupta

F.C.A Partner

Membership # 076879

Signed at New Delhi on

May 07, 2019

Signed at New Delhi on **ANNEXURE 'A' TO THE
INDEPENDENT AUDITORS' REPORT**

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Max One Distribution and Services Limited** on the financial statements for the year ended on 31 March, 2019. Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (a) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (b) According to the information and explanation given to us, there is no immovable property held by the company during the year. Therefore the provisions of para 3(i)(c) of the order are not applicable to the Company.
- ii In our opinion, the Company is a service company, engaged in the field of advisory services and investment activities does not hold any physical inventory. Therefore, the provisions of paragraph 3(ii) of the Order are not applicable to the Company.
- iii The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv In our opinion, according to the information and explanations given to us, the Company has not given any loan to Directors or persons connected with them as per the provisions mentioned in section 185 of the

companies Act, 2013.

According to the information and explanations given to us, the Company has not made any investments, loans, guarantees and securities to any person or other bodies corporates as per the provisions mentioned in section 186 of the Companies Act, 2013.

- v In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of para 3(vi) of the Order are not applicable.
- vii The Company is regular in depositing undisputed statutory dues including income-tax, goods and service tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
 - a) There are no dues in respect of income-tax, Goods and Service Tax that have not been deposited with the appropriate authorities on account of any dispute.
- viii The Company has not taken any loans from financial institutions, Banks, Government or through debenture during the year. Accordingly, the provisions of para 3(viii) of the Order are not applicable.
- ix The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- X No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- Xi According to the information and explanations given to us, no managerial remuneration has been paid or provided in accordance with the requisite approvals

mandated by the provisions of Section 197 read with schedule V to the Act.

xii In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

xiii In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.

xiv During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv In our opinion, during the year the company has not entered into any non-cash transactions with the

directors or persons connected with them covered under Section 192 of the Act.

xvi The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Vikas Gupta
F.C.A Partner
Membership # 076879
Signed at New Delhi on
May 07, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Max One Distribution and Services Limited ("the Company")** as of 31 March, 2019 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established

and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial

controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established

by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Vikas Gupta
F.C.A Partner
Membership # 076879

Signed at New Delhi on
May 07, 2019

Balance Sheet as at March 31, 2019

(All amount in INR thousands unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Assets				
Non-current assets				
Property, plant and equipment	3	8	8	9
Intangible Assets	4	19	19	19
		27	27	28
Other non-current assets	5	733	733	-
Total non-current assets		760	760	28
Current assets				
Financial Assets				
- Trade receivables	6	17	95	198
- Cash and cash equivalents	7	2,153	2,004	314
- Other financial assets	8	11	38	129
Current tax assets	9	21	-	853
Other current assets	10	272	299	547
Total current assets		2,474	2,436	2,041
Total assets		3,234	3,196	2,069
Equity and liabilities				
Equity				
Equity share capital	11	56,000	56,000	56,000
Other equity	12	(52,995)	(52,935)	(54,470)
		3,005	3,065	1,530
Current liabilities				
Financial liabilities				
Trade payables	13			
- total outstanding dues of micro enterprises and small enterprises		-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		206	17	31
Other financial liabilities	14	-	45	335
Current tax liabilities	9	-	64	-
Other current liabilities	15	23	5	173
		229	131	539
Total equity and liabilities		3,234	3,196	2,069
Significant Accounting Policies	2(b)			
Notes to the financial statements	3 to 32			

As per our separate report of even date attached

FOR NANGIA & CO. LLP
CHARTERED ACCOUNTANTS
ICAI FRN 002391C/N500069

For Max One Distribution and Services Limited

VIKAS GUPTA
F. C. A. Partner
MRN 076879

Rahul Ahuja
Director
DIN.06533944

V Krishnan
Director
DIN.00402601

Signed at New Delhi On
May 07, 2019

Astha Sharma
Company Secretary
MRN A32527

Statement of Profit and Loss

for the year ended March 31, 2019

(All amount in INR thousands unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	16	239	1,910
Other income	17	-	29
Total income		239	1,939
Expenses			
Finance costs	18	5	1
Depreciation and amortization expense	19	0	1
Other expenses	20	295	163
Total expenses		299	165
Profit before tax		(60)	1,774
Tax expense :			
Current tax	23	-	239
Profit/ loss for the year		(60)	1,535
Other Comprehensive Income (OCI)	21	-	-
Other comprehensive income for the year		-	-
Total Comprehensive Income for the year		(60)	1,535
Earnings per equity share:			
(1) Basic (Nominal value of ₹ 10 each)	22	(0.01)	0.27
(2) Diluted (Nominal value of ₹ 10 each)	22	(0.01)	0.27
Significant Accounting Policies	2(b)		
Notes to the financial statements	3 to 32		

As per our separate report of even date attached

FOR NANGIA & CO. LLP
CHARTERED ACCOUNTANTS
ICAI FRN 002391C/N500069

**For Max One Distribution and
Services Limited**

VIKAS GUPTA
F. C. A. Partner
MRN 076879

Rahul Ahuja
Director
DIN.06533944

V Krishnan
Director
DIN.00402601

Signed at New Delhi On
May 07, 2019

Astha Sharma
Company Secretary
MRN A32527

Cash flow statement

for the year ended March 31, 2019

(All amount in INR thousands unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extra-ordinary items	(60)	1,774
Add:		
Depreciation	0	1
Operating profit before working capital changes	(60)	1,775
Add: Working Capital Changes :		
Increase/ (decrease) in trade payables	189	(15)
Increase/ (decrease) in other financial liabilities	(45)	(290)
Increase/ (decrease) in other current liabilities	18	(168)
(Increase)/ decrease in other non-current assets	-	(733)
(Increase)/ decrease in other financial assets	27	91
(Increase)/ decrease in long-term trade receivables	77	103
(Increase)/ decrease in tax assets		853
(Increase)/ decrease in other current assets	28	248
Cash Flow from operations	234	1,864
Less: Direct taxes paid (net)	85	175
NET CASH FROM (USED IN) OPERATING ACTIVITIES (A)	149	1,690
CASH FLOW FROM INVESTING ACTIVITIES (B)	-	-
CASH FLOW FROM FINANCING ACTIVITIES (C)	-	-
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	149	1,690
Cash And Cash Equivalents - Opening Balance	2,004	314
Cash And Cash Equivalents - Closing Balance	2,153	2,004
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	149	1,690

As per our separate report of even date attached

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Statement of changes in equity

for the year ended March 31, 2019

(All amount in INR thousands unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10 each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	5,600,000	56,000
Issue of share capital	-	-
At March 31, 2018	5,600,000	56,000
Issue of share capital	-	-
At March 31, 2019	5,600,000	56,000

B. Other equity

Particulars	Retained earnings	Total
At April 01, 2017	(54,470)	(54,470)
Profit for the Year	1,535	1,535
Changes during the year	-	-
Other Comprehensive Income	-	-
At March 31, 2018	(52,935)	(52,935)
Profit/(Loss) for the Year	(60)	(60)
Other Comprehensive Income	-	-
Changes during the year	-	-
At March 31, 2019	(52,995)	(52,995)

As per our separate report of even date attached

FOR NANGIA & CO. LLP
CHARTERED ACCOUNTANTS
ICAI FRN 002391C/N500069

For Max One Distribution and Services Limited

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Company Secretary
MRN A32527

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

1. Corporate information

Max One Distribution and Services Ltd. ('the Company') was incorporated on 28 June' 2013 as a public limited company under the Companies Act, 1956 to undertake and carry on the distribution of various financial products.

2(a) Basis of preparation

i. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements up to and for the year ended 31 March 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 32.

The financial statements were authorized for issue by the Company's Board of Directors on 07 May, 2019.

Details of the Company's accounting policies are included in Note 2(b).

ii. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

iii. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Financial assets and liabilities	Fair value

iv. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

v. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 30 – financial instruments;

2(b) Significant accounting policies

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

i. Foreign currency transactions:

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

ii. Financial instruments:

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement and gain and losses

Financial assets

On initial recognition, a financial asset is classified as measured at:

Financial Assets at FVPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial Assets at amortised cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gains or loss or derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other income and net gains and losses accumulated in OCI are reclassified to profit or loss.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividend income are recognized in profit or loss unless dividend clearly represents a recovery of part of cost of investment. Other income and net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).

iii. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- (a) expected to be realised in, or is intended to be sold or consumed in Company's normal operating cycle;
- (b) held primarily for the purpose of being traded;
- (c) expected to be realised within 12 months

after the reporting date; or

- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A Liability is current when:

- (a) it is expected to be settled in Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

iv. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Accordingly, all items of property, plant and equipment as at 1 April 2017 and subsequent deletion thereof, have been disclosed at carrying values (net of accumulated depreciation/ impairment as at 31 March 2018).

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation on property, plant and equipment is provided on written down value (WDV) basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

v. Other intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Intangible assets are amortised over the best estimate of the respective useful lives as under:-

Computer software: Amortized over the period of 3 years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Accordingly, all items of other intangible assets as at 1 April 2017 and subsequent deletion thereof, have been disclosed at carrying values (net of accumulated depreciation/impairment as at 31 March 2018).

vi. Impairment

Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the

Company's historical experience and informed credit assessment and including forwardlooking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the financial asset is 90 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probabilityweighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

vii. **Non-current assets or disposal group held for sale**

Non-current assets, or disposal groups comprising assets and liabilities are classified as

held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, and employee benefit assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property and plant and equipment are no longer amortised or depreciated.

viii. **Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

ix. **Leases**

Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

x. Revenue recognition

Revenue from the sale of goods and services in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT), goods and service tax (GST). This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue from the rendering of service is recognized as the service is performed by the proportionate completion method / service contract method.

All other item of income are accounted on accrual basis.

xi. Provisions and contingent liabilities (other than employee benefits)

Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the legal or contractual obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

be required to settle or a reliable estimate of the amount cannot be made.

xii. Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Tax benefits of deductions earned on exercise of employee stock options in excess of compensation charged to income are credited to other comprehensive income.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

xiii. Earnings per share

Basic earnings/ (loss) per share are calculated

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

xiv. **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

xv. **Changes in Accounting Standards and other recent accounting pronouncements**

Ind AS 116, Leases: The Ministry of Corporate Affairs has notified the Ind AS 116, Leases which will be effective from April 1, 2019. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless

the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Company is currently evaluating the requirements of Ind AS 116 on the financial statements.

Amendment to Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

3. Property, plant and equipment

Particulars	Office equipments	Computers	Total
Cost (deemed cost) (gross carrying value)			
At April 01, 2017	1	8	9
Additions	-	-	-
Disposals	-	-	-
At March 31, 2018	1	8	9
Additions	-	-	-
Disposals	-	-	-
At 31 March 31, 2019	1	8	9
Depreciation			
At April 01, 2017	-	-	-
Charge for the year	1	-	1
Disposals	-	-	-
At March 31, 2018	1	-	1
Charge for the year*	0	-	0
Disposals	-	-	-
At March 31, 2019	1	-	1
Net block			
At April 01, 2017	1	8	9
At March 31, 2018	1	8	8
At March 31, 2019	1	8	8

* Depreciation charge for the current year is less than ₹ 500, hence it is reflecting as 0 due to rounding off.

Note -

Note: The Company has elected Ind-AS 101 exemption and continued with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition.

4. Intangible assets

Particulars	Softwares	Total
Cost (deemed cost) (gross carrying value)		
At April 01, 2017	19	19
Additions	-	-
Disposals	-	-
At March 31, 2018	19	19
Additions	-	-
Disposals	-	-
Assets held for sale	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

At 31 March 31, 2019	19	19
Depreciation		
At April 01, 2017	-	-
Charge for the year	-	-
Disposals	-	-
At March 31, 2018	-	-
Charge for the year	-	-
Disposals	-	-
At March 31, 2019	-	-
Net block		
At April 01, 2017	19	19
At March 31, 2018	19	19
At March 31, 2019	19	19

Note:

The Company has availed Ind AS-101 exemption and continued with the carrying value for all of its Intangible Assets as its deemed cost as at the date of transition.

Net value of computer and software is the residual value of the assets as the useful life of the asset is exhausted.

5. Other non-current assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Income tax refundable	733	733	-
Total	733	733	-

6. Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
-Trade Receivables considered good - Secured;	-	-	-
-Trade Receivables considered good - Unsecured;	17	95	198
-Doubtful	-	-	-
	17	95	198
Less: Provision for doubtful receivables	-	-	-
Total	17	95	198

The companies exposure to currency and liquidity risks related to the above financial liabilities is disclosed in Note 28(b).

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

7. Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Balances with banks:			
- On current accounts	2,153	2,004	314
	2,153	2,004	314

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash and Cash Equivalents as per balance sheet	2,153	2,004	314
	2,153	2,004	314

8. Other financial assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unbilled revenue	11	38	129
Total	11	38	129

9. Current tax assets/ liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
TDS receivable/ Provision for income tax (net)	21	-64	853
Total	21	-64	853

Note : Movement

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Opening balance	5	-	-
Current tax payable for the year	-	239	-
Less: Advance tax paid	-	-	-
Less: Tax deducted at source during the year	16	175	853
Tax asset/ (liabilities) (net)	21	-64	853

10. Other assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Prepaid expenses	-	9	-
Balance with statutory / government authorities			
Unsecured, considered good	272	290	547
	272	290	547
Less: Provision for other doubtful advances	-	-	-
	272	290	547
Total	272	299	547

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

11. Equity share Capital

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorised shares			
57,00,000 (March 31, 2018 : 57,00,000 and April 01, 2017 : 57,00,000) equity shares of INR 10 each	57,000	57,000	57,000
Issued, subscribed and fully paid equity capital			
56,00,000 (March 31, 2018 : 56,00,000 April 01, 2017 : 56,00,000) equity shares of INR 10 each	56,000	56,000	56,000
Total	56,000	56,000	56,000

(i) Reconciliation of authorised share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	5,700,000.00	57,000.00
Changes during the period		
At March 31, 2018	5,700,000.00	57,000.00
Changes during the period	-	-
At March 31, 2019	5,700,000.00	57,000.00

(ii) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	5,600,000	56,000
Changes during the period	-	-
At March 31, 2018	5,600,000	56,000
Changes during the period		
At March 31, 2019	5,600,000	56,000

(iv) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Max Skill First Limited	5,600,000	100%	5,600,000	100%

(v) Details of shares held by holding company -

Out of the equity shares issued by the Company, shares held by the holding company are as below:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Max Skill First Limited	5,600,000	100%	5,600,000	100%

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

12. Other Equity

i) Retained earnings

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Opening balance	(52,935)	(54,470)	(54,158)
Changes during the year	(60)	1,535	(312)
Closing balance	(52,995)	(52,935)	(54,470)

13. Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	206	17	31
Total	206	17	31

The companies exposure to currency and liquidity risks related to the above financial liabilities is disclosed in Note 28(b). For information related to MSME refer Note 26.

14. Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Payable to Employees	-	-	261
Other payables	-	45	74
Total	-	45	335

15. Other liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Statutory Dues	23	5	173
Total	23	5	173

16. Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of services	239	1,910
Total	239	1,910

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

17. Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- on income tax refund	-	6
	-	6
Other non-operating income		
- Sundry Balances Written Back		23
	-	23
Total	-	29

18. Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense:		
Interest on TDS	5	1
Total	5	1

19. Depreciation and amortization expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipment (refer note 3)	0	1
Total	0	1

20. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent	10	-
Communication	-	4
Legal and professional	172	80
Payment to auditor (refer below)	100	50
Membership and Subscription	9	9
Miscellaneous expenses	4	20
Total	295	163

Payment to auditors:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
For audit	100	50
Total	100	50

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

21. Components of other comprehensive income

There are no component of other comprehensive income that are required to be reported or to be disclosed.

22. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in EPS computations :

Particulars	March 31, 2019	March 31, 2018
Profit attributable to equity holders of the parent	(60)	1,535
Total	(60)	1,535
Weighted average number of equity shares used for computing Basic Earning per Share	56,00,000	56,00,000
Total	56,00,000	56,00,000
Basic EPS	(0.01)	0.27
Diluted EPS*	(0.01)	0.27

*Diluted EPS is same as of basic EPS as there are no potential equity shares.

23. Income Tax

The major components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	-	239
Income tax adjustment related to earlier years	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	-	239

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income tax charged to OCI	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Accounting profit before income tax	(60)	1,774
At India's statutory income tax rate 25.75%	-	457
Adjustments:		
- Effect of lower tax rate as per MAT provisions		(119)
- Adjustments in respect of current income tax of previous years	-	-
- Utilisation of previously unrecognised tax losses/ unabsorbed depreciation	-	(98)
At the effective income tax rate of 19.05%	-	239
Income tax expense reported in the statement of profit and loss	-	239

24 Contingent liabilities and capital commitments

The Company does not have any contingent liabilities or capital commitments as on March 31, 2019 (March 31, 2018: Nil, April 01, 2017: Nil).

25 Segment Information

The Company is engaged in the business of undertaking and carrying on the distribution of various financial products. The entire operations are governed by the same set of risk and returns and, hence, the same has been considered as representing a single segment and there is no separate reportable business segment as per Ind AS 108 on Operating Segments.

Information about geographical areas

The Company sells its products and services within India and do not have any operations in economic environments with different set of risks and returns. Hence, it is considered to be operating in a single geographical segment.

- 26** The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year-end has been made based on information received and available with the Company.

Particulars	As at March 31, 2019	As at March 31, 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

27 Commitments relating to lease arrangements

The Company has not entered into any operating or financial lease, thus no further information is required to be disclosed.

28 Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency risk, interest rate risk and price risks, such as equity price risk and commodity price risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and therefore it does not have any exposure to foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any loans or borrowings and therefore not subject to interest rate risk as defined in Ind AS 107.

b) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

- (i) The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1-5 Years	More than 5 Years	Total
Trade payable	-	206	-	-	-	206
Other financial liabilities	-	-	-	-	-	-
As at March 31, 2018						
Trade payable	-	17	-	-	-	17
Other financial liabilities	-	45	-	-	-	45
As at April 01, 2017						
Trade payable	-	31	-	-	-	31
Other financial liabilities	-	335	-	-	-	335

c) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by each Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable). The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions.

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

29 Related Party Disclosures

(i) Related parties where control exists: Subsidiaries (including step down subsidiaries)

Max Bupa Health Insurance Company Limited
Pharmax Corporation Limited
Max Ateev Limited
Max UK Limited, UK
Antara Senior Living Limited
Antara Purukul Senior Living Limited
Antara Gurgaon Senior Living Limited

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

(ii) Other related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Ultimate holding company

Max India Limited

Holding company

Max Skill First Limited

Key management personnel

(iii) Transactions with related parties

Summary of transactions / balances with related parties	Holding Company (including Entities where control exists)		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Pharmax Corporation Limited						
Rent paid	9,900	-	-	-	-	-
Total	9,900	-	-	-	-	-

30 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Category	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
1) Financial assets at amortized cost						
Trade receivables (current / non current)	17	17	95	95	198	198
Cash and cash equivalents	2153	2153	2004	2004	314	314
Other financial asset (current / non current)	11	11	38	38	129	129
Total	2,181	2,181	2,137	2,137	641	641
2) Financial Liabilities at amortized cost						
Trade payables	206	206	17	17	31	31
Other financial liabilities (current / non current)	-	-	45	45	335	335
Total	206	206	62	62	366	366

31 Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Trade receivables	17	-	-	-
Cash and cash equivalents	2,153	-	-	-
Other financial assets	11	-	-	-
Total	2,181	-	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2019:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at amortised cost				
Trade payables	206	-	-	-
Other financial liabilities	-	-	-	-
Total	206	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Trade receivables	95	-	-	-
Cash and cash equivalents	2,004	-	-	-
Other financial assets	38	-	-	-
Total	2,137	-	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2018:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at amortised cost				
Trade payables	17	-	-	-
Other financial liabilities	45			
Total	62	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at April 01, 2017:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Trade receivables	198	-	-	-
Cash and cash equivalents	314	-	-	-
Unbilled revenue	129	-	-	-
Total	641	-	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at April 01, 2017:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at amortised cost				
Trade payables	31	-	-	-
Other financial liabilities	335			
Total	366	-	-	-

Management has assessed that trade receivables, cash and cash equivalents, other financial assets and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

There have been no transfers between Level 1 and Level 2 during the period.

32. First time adoption of Ind AS

As stated in Note 2a, these financial statements for the year ended March 31, 2019, are the Company's first financial statements prepared in accordance with Ind AS. For the periods upto and included as at March 31, 2018, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Act ('previous GAAP').

Accordingly, the Company has prepared these financial statements which comply with Ind AS applicable for year ended

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

on March 31, 2019, together with the comparative period data for the year ended March 31, 2018 and Ind AS opening balance sheet as at April 01, 2017. Further, in presenting the comparative information, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The accounting policies set out in Note 2b have been applied in preparing these financial statements for the year ended March 31, 2019 including the comparative information for the year ended March 31, 2018 and the opening consolidated Ind AS balance sheet on the date of transition i.e. as at April 01, 2017.

Exemptions applicable and availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

A Ind AS optional exemptions

i Deemed cost for property, plant and equipment and intangible assets:

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

B Mandatory exceptions

i. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS or as at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is a objective evidence that those estimates were in error. However the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of comparative period, as the case may be.

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies, if any).

ii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

(a) Reconciliation of equity as at

Particulars	As at April 1, 2017			As at March 31, 2018		
	Regrouped Indian GAAP	Ind AS adjustments	Ind AS	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
I Assets						
Non-current assets						
Property, plant and equipment	9	-	9	8	-	8
Intangible Assets	19	-	19	19	-	19
Other non-current assets	-	-	-	733	-	733
Current assets						
Financial Assets						
- Trade receivables	198	-	198	95	-	95
- Cash and cash equivalents	314	-	314	2,004	-	2,004
- Other financial assets	129	-	129	38	-	38
Current tax assets	853	-	853	-	-	-
Other current assets	547	-	547	299	-	299
Total assets	2,069	-	2,069	3,196	-	3,196
II Equity and liabilities						
Equity						
Equity share capital	56,000	-	56,000	56,000	-	56,000
Other equity	(54,470)	-	(54,470)	(52,935)	-	(52,935)
Current liabilities						
Financial liabilities						
- Trade payables						
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	31	-	31	17	-	17
- Other financial liabilities	335	-	335	45	-	45
Current tax liabilities	-	-	-	64	-	64
Other current liabilities	173	-	173	5	-	5
Total equity and liabilities	2,069	-	2,069	3,196	-	3,196

(b) Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
Income			
Revenue from operations	1,910	-	1,910
Other income	29	-	29
Total income	1,939		1,939
Expenses			
Finance costs	1	-	1

Notes to financial statements for the year ended March 31, 2019

(All amount in INR thousands, unless otherwise stated)

Particulars	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
Depreciation and amortization expense	1	-	1
Other expenses	163	-	163
Total expenses	165	-	165
Profit before tax	1,774	-	1,774
Tax expense :			
Current tax	239	-	239
Profit for the period	1,535	-	1,535
Other Comprehensive Income (OCI)	-	-	-
Items that will not be reclassified to profit or loss	-	-	-
Re-measurement gains (losses) on defined benefit plans	-	-	-
Income tax effect	-	-	-
Other comprehensive income for the period	-	-	-
Total Comprehensive Income for the period	1,535	-	1,535

(c) Cash flow statement

The transition from previous GAAP to Ind AS do not have a material impact on the statement of cash flows.

The notes referred to above form an integral part of the financial statements

As per our separate report of even date attached

FOR NANGIA & CO. LLP
CHARTERED ACCOUNTANTS
ICAI FRN 002391C/N500069

For Max One Distribution and Services Limited

VIKAS GUPTA
F. C. A. Partner
MRN 076879

Rahul Ahuja
Director
DIN.06533944

V Krishnan
Director
DIN.00402601

Signed at New Delhi On
May 07, 2019

Astha Sharma
Company Secretary
MRN A32527

Pharmax Corporation Limited

DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure in presenting the 30th Board's Report together with the Audited Statement of Accounts for the financial year ended March 31, 2019. This Board's report is prepared on the basis of Standalone financial statements of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & OPERATIONS

Pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, Indian Accounting Standards ('IND AS') become applicable to the Company effective from Financial Year 2018-19 and accordingly, the financials for the year ended March 31, 2019 have been prepared as per IND AS.

(Amount in INR lakhs)		
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from Operations	164.59	236.01
Other Income	1634.73	75.68
Total Income	1799.32	311.69
Finance costs	145.98	123.46
Depreciation and amortization expense	42.36	42.93
Other expenses	501.9	462.72
Total Expense	690.24	629.11
Profit/(Loss) before tax	1109.08	(317.42)
Tax Expense		
Current tax	244.79	106.23
MAT credit entitlement	(203.95)	-
Deferred tax	(79.41)	(101.27)
Profit for the period	1147.65	(322.38)
Total Comprehensive Income for the period	1147.65	(322.38)
EPS	2.07	(0.58)

The Company has, leasing of its properties situated at 1, Dr. Jha Marg, Okhla, New Delhi - 110 020 to its group companies as its only business activity.

Revenue earned from operations during the year under review has decreased to Rs. 164.59 Lakh as against Rs. 236.01 Lakh during the corresponding previous financial year. The decrease in revenue income was primarily on

account of vacation of certain properties of the Company which were leased out to group companies. The other income for the period under review has increased to Rs.1634.73 Lakh as against Rs.75.68 Lakh, primarily on account of gain on sale of a portion of property owned by the Company as a result of which the Company has earned profit (after tax) of Rs.1147.65 Lakh during period under review as against the Loss of Rs. 322.38 Lakh during corresponding previous financial year.

SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2019 was Rs. 25,70,00,000/- (Rupees Twenty Five Crore Seventy Lakh only) comprising of (i) 6,00,00,000 equity shares of Re. 1 each, (ii) 4,70,000 - 10% Cumulative Convertible Preferences Shares of Rs. 100/- each and (iii) 15,00,000 - 9% Cumulative Redeemable Preference Shares of Rs. 100/- each.

The Paid-up Capital of the Company as on March 31, 2019 was Rs. 20,53,25,752/- (Rupees Twenty Crore Fifty Three Lakh Twenty Five Thousand Seven Hundred and Fifty Two only) comprising of 5,53,25,752 fully paid up equity shares of Re. 1/- each and 15,00,000 fully paid up 9% cumulative redeemable preference shares of Rs. 100/- each.

There has been no change in the Authorized and Paid-up Share capital of the Company during the year under review.

HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company does not have any Subsidiary.

The particulars of the Holding and Associate Company are given in the extracts of Annual Return (Form- MGT-9) annexed with this report.

Form AOC-1 containing salient features of financial statements of Company's associate company is attached as **Annexure-I**.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the requirements of the Act and applicable Accounting Standards, the Audited Consolidated Financial Statements form part of Annual Report of the Company for Financial Year 2018-19.

DIVIDEND

Considering future plans of the company, your directors have not recommended any dividend for the financial year ended March 31, 2019, on the shares of the Company.

BOARD OF DIRECTORS

As on March 31, 2019, the Board of Directors comprised of 5 (five) members with 1 (one) Executive Director and 4 (four) Non-Executive Directors of which 2 (two) were Independent directors including a Woman Independent Director.

In terms of Section 152 of the Act, Mr. Kishansingh Ramsinghaney (DIN: DIN:00329411) shall retire at the ensuing AGM and being eligible, offers himself for re-appointment.

The relevant information containing detailed profiles of Mr. Kishansingh Ramsinghaney form part of Notice of Annual General Meeting.

The Board met 4 times during the year under review as per details given below:

S.No.	Date of Board Meeting	Number of Directors Present (Board Strength- 5)
1	May 28, 2018	5
2	August 9, 2018	5
3	October 31, 2018	4
4	February 1, 2019	4

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

In terms of Section 149(7) of the Act, the Company has received declaration of Independence from its Independent Directors namely Mrs. Kiran Sharma and Mr. Sanjay Khandelwal.

COMMITTEE OF BOARD OF DIRECTORS

The Company has the following committees which have been established in compliance with the requirements of the relevant provisions of applicable laws and statutes.

1. Audit Committee:

The Audit Committee of the Company as on March 31, 2019 comprised of Mrs. Kiran Sharma, Mr. Sanjay

Khandelwal and Mr. Jatin Khanna. Three meetings of the Committee were held during the financial year 2018-19 viz. on May 28, 2018, October 31, 2018 and February 1, 2019, in the presence of all its members.

2. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee of the Company as on March 31, 2019 comprised of Mrs. Kiran Sharma, Mr. Sanjay Khandelwal and Mr. K.S. Ramsinghaney. One meeting of the Committee was held during the financial year 2018-19 viz. on October 31, 2018. Mrs. Kiran Sharma and Mr. Sanjay Khandelwal attended the above meeting.

3. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee of the Company as on March 31, 2019, comprised of Mr. P. Dwarakanath, Mr. K.S. Ramsinghaney, both Non-executive directors and Mr. Jatin Khanna. Six meetings of the Committee were held during the financial year 2018-19 viz. on April 2, 2018, May 9, 2018, June 4, 2018, July 13, 2018, August 10, 2018 and September 18, 2018, in the presence of Mr. P. Dwarakanath and Mr. Jatin Khanna.

4. Committee of Independent Directors:

The Committee of Independent Directors comprising of Mrs. Kiran Sharma and Mr. Sanjay Khandelwal met on May 28, 2019 to:

1. Review the performance of non-independent Directors and the Board as a whole;
2. Review the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors and;
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The review concluded by affirming that the Board as a whole as well as its Chairman, all of its members, individually and the Committees of the Board continued to display commitment to good governance

by ensuring a constant improvement of processes and procedures and contributed their best in overall growth of the organization.

UPDATES ON RE-DEVELOPMENT OF MAX HOUSE PROPERTY

Subsequent to shareholder's approval, the Company, during the year 2017-18, had entered into an Agreement to Sell with Max Estates Limited ("MEL"), to sell a part of building comprising of the First floor and 50 per cent of the Second floor alongwith an undivided interest equivalent to 50% of the underlying parcel of Land and pro rata allocation of the common areas, rights, easements, privileges appurtenant thereto, of its freehold property at Block A, Max House, Okhla, New Delhi for an aggregate consideration of Rs. 2,700 lakhs collectively referred to as 'MEL Property'.

Simultaneously, the Company entered into a Construction Service Agreement with MEL for redevelopment of the Company's share of remaining property consisting of part of building comprising of the Ground floor and 50 per cent of the Second floor along with the undivided interest equivalent to 50% of the underlying parcel of Land and pro rata allocation of the common areas, rights, easements, privileges appurtenant thereto, collectively referred to as the 'PCL Property' for an aggregate consideration of Rs. 2,750 lakhs and also executed an Option Agreement with MEL in respect of the PCL Property. The Option Agreement provides for:

- a) call option to MEL to acquire the PCL Property. The said call option shall remain valid for a period of 5 years from the date of registration of Sale Deed for MEL property. The said call option shall be exercised only if the FAR is increased to 1.5 times (Base FAR) within the initial one year and the agreed consideration of Rs. 2750 lakhs will be increased based on the increase or the potential increase in the Base FAR. In case the call option is exercised after the aforementioned period of one year and up to the expiry of the said 5 years period, the consideration for the PCL Property will be calculated on the basis of its fair market value; and
- b) a put option to the Company to sell the PCL Property to MEL at fair market value, after expiry of the aforesaid 5 years and upto a maximum period of 6 years, from the date of registration of Sale Deed for MEL property.

In order to avoid time delays in completion of the

redevelopment process, the Company has vide its letter dated 11 January 2019 transferred the possession of the MEL Property to MEL to enable MEL commence construction and development on this property.

The Company and MEL have executed a Sale Deed on 2 May 2019 for sale of the aforementioned MEL Property.

POLICY ON QUALIFICATION AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has framed a Policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors, Key Managerial Personnel and other employees. The Policy is attached herewith marked as **Annexure II**.

KEY MANAGERIAL PERSONNEL

The Board of directors in its meeting held on October 31, 2018 appointed Ms. Priya Mehrotra as the Company Secretary of the Company with effect from November 1, 2018 in place of Ms. Sangeeta who resigned as the Company Secretary of the Company owing to personal reasons effective April 30, 2018.

Mr. Pradeep Pal Chadha resigned from the position of Chief Financial Officer (CFO) of the Company effective from closure of Business hours on March 27, 2019. The Board of directors in its meeting held on April 19, 2019 appointed Mr. Ankit Kalra as the Chief Financial Officer (CFO) of the Company w.e.f. April 19, 2019 without any remuneration. Mr. Ankit Kalra is an employee of the holding company viz. Max India Limited.

Ms. Priya Mehrotra resigned from the position of Company Secretary of the Company effective from closure of Business hours on April 30, 2019. The Company shall appoint a qualified Company Secretary in her place within the Statutory time limit permissible under Companies Act, 2013.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits from the public.

LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

The details of loans, guarantees and investments pursuant

to the provisions of Section 186 of the Act have been provided in Notes 4, 5 and 6 to the financial statements of the Company for the FY 2018-19.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered during the financial year were in the ordinary course of business of the Company and were on arm's length basis.

There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, the requirement of furnishing details in Form AOC-2 are not applicable to the Company.

TRANSFER TO RESERVES

The closing balance of retaining earnings of the Company for the financial year 2018-19, after all appropriations and adjustments was Rs. 11.20 Crores.

AUDITOR & AUDITORS' REPORT

Pursuant to Sections 139 & 142 of the Act, M/s. Dewan P. N. Chopra & Co., Chartered Accountants (FRN. 000472N) was appointed as the Statutory Auditors of the Company at 28th Annual General Meeting held on September 26, 2017 to hold office for a period of five consecutive years till the conclusion of the 33rd Annual General Meeting, subject to ratification of their appointment by members at every Annual General Meeting required by the Companies Act 2013.

Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 29th Annual General Meeting.

The Notes to the Financial Statements read with the Auditors' Reports are self-explanatory and therefore, do not call for any further comments or explanations. There are no audit qualifications or reporting of fraud in the Auditors Report issued by M/s Dewan P. N Chopra & Co., Statutory

Auditors of the Company for the FY 2018-19 as annexed elsewhere in this Annual Report.

SECRETARIAL STANDARDS

Your company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), from time to time.

RISK MANAGEMENT POLICY

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structure, processes, standards, code of conduct and behavior together form Risk Management Policy that governs how the Company conducts the business and manages associated risks.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The disclosures to be made under sub-section (3) (m) of Section 134 of the Act read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 by your Company are explained as under:

(A) Conservation of Energy & Technology Absorption

The Company has taken measures to reduce the energy consumption, by using energy efficient equipment, incorporating latest technology and regular maintenance. No expenditures were incurred on Research and Development.

(B) Foreign Exchange Earnings and Outgo

There has been no foreign exchange earnings and outgo during the year under report.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2019 forms part of this report as **Annexure III**.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the

Act, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls

to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MATERIAL CHANGES AFFECTING FINANCIAL POSITION

There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2019 and the date of the Directors' report i.e. May 28, 2019.

ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from Shareholders, Bankers, Regulatory Bodies and other business constituents during the year under review.

**By Order of the Board
For Pharmax Corporation Limited**

**P. Dwarakanath
Director
DIN: 00231713**

**Jatin Khanna
Managing Director
DIN : 07089135**

**New Delhi
May 28, 2019**

Annexure:

- I Form AOC-1
- II Nomination and Remuneration policy
- III Extract of Annual Return in Form MGT 9

Form AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of subsidiaries / associate companies / joint ventures Part "A" - Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rs)

(Amt in Rs Lakhs)														
Sl. No.	Name of Subsidiary Company	Reporting period for the subsidiary concerned	Reporting Currency and Exchange rate as on the last date of relevant financial year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Not applicable													

Part "B" - Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amt in Rs Lakhs)										
Name of Associates/Joint Ventures										
(1) Latest audited Balance Sheet date										
(2) Shares of Associates/Joint Ventures held by the company on the year end										
No.										
Amount of Investment in Associates/Joint Ventures										
Extend of Holding %										
(3) Description of how there is significant influence										
(4) Reason why the associate/joint venture is not consolidated										
(5) Networth attributable to Shareholding as per latest audited Balance Sheet										
(6) Profit/Loss for the year										
i. Considered in Consolidation										
ii. Not Considered in Consolidation										
For and on behalf of the Board of Directors of Pharmax Corporation Limited										
Jatin Khanna (Managing Director)										
P. Dwarakanath (Director)										
Ankit Kalra (Chief Financial Officer)										

Date: May 28, 2019
Place: New Delhi

Annexure-II**APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 ("THE ACT")****Preamble**

In terms of Section 178 of the Act, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP") and other employees.

Appointment Criteria and Qualification

It is the responsibility of the NRC to develop competency requirements for the Board based on the industry and strategy of the Company. For this purpose, the NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person, conduct appropriate reference checks and due diligence before recommending him /her to the Board.

For the appointment of KMPs [other than Managing Director/ Whole time Director/Manager/CEO], Senior Management and other employees, a person should possess adequate qualification, expertise and experience for the position, he / she is considered for the appointment.

Remuneration Policy

The remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on a regular basis and is in consonance with the existing industry practice. This Policy has been adopted in accordance with the requirements of Section 178 of the Act with respect to the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management.

Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fee, as the case may be, to the Non-Executive/ Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board /shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act, as amended from time to time.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	U24232PB1989PLC009741
Registration Date	27-09-1989
Name of the Company	Pharmax Corporation Limited
Category	Public Company
Sub-category	Company Limited by Shares
Address of the Registered office & contact details	Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab 144 533. Phone : 01881-462000 Fax : 01881-273607
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited T-34, 2 nd Floor, Okhla Industrial Area Phase - II, New Delhi - 110020 Phone : 011- 26387281/82/83 Fax : 011 - 26387384 E-mail : info@masserv.com

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

The Company has leasing of its properties (NIC code: 68100) situated at 1, Dr. Jha Marg, Okhla, New Delhi - 110 020 as its only business activity.

III **PARTICULARS OF HOLDING and Associate Companies as on March 31, 2019 are as under:**

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1.	Max India Limited (Formerly Taurus Ventures Limited) Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab - 144 533.	L85100PB2015PLC039155	Holding Company	85.17%	2 (46) of the Companies Act, 2013
2.	Forum 1 Aviation Private Limited, 505, G-5, Building, IGI Airport, Opp. Domestic Airport Arrival Terminal, New Delhi - 110 037	U62200DL2004PTC131655	Associate Company	20%	2(6) of Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**A Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	47122747	47122747	85.17	-	47122747	47122747	85.17	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	47122747	47122747	85.17	-	47122747	47122747	85.17	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	645778	645778	1.17	-	645778	645778	1.17	0.00
b) Banks / FI	-	100875	100875	0.18	-	100875	100875	0.18	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	355867	355867	0.64	-	355867	355867	0.64	0.00
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) FDI	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	1102520	1102520	1.99	-	1102520	1102520	1.99	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	614774	614774	1.11	-	614774	614774	1.11	0.00
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
ii) Individual shareholders holding nominal share capital up to Rs.2 lakh	-	6462790	6462790	11.68	-	6462790	6462790	11.68	0.00
c) Others (specify)									
Non Resident Indians / OCBs	-	22921	22921	0.04	-	22921	22921	0.04	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	7100485	7100485	12.83	-	7100485	7100485	12.83	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	8203005	8203005	14.83	-	8203005	8203005	14.83	0.00
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	55325752	55325752	100.00	-	55325752	55325752	100.00	0.00

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2018]			Shareholding at the end of the year [As on 31-March-2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Max India Limited (Formerly Taurus Ventures limited)	4,71,22,747	85.17	0.00	4,71,22,747	85.17	0.00	0.00

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Max India Limited (formerly Taurus Ventures Limited)				
	At the beginning of the year	4,71,22,747	85.17	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	4,71,22,747	85.17

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Unit Trust of India				
	At the beginning of the year	645778	1.17	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	645778	1.17
2.	Medicare Investments Limited				
	At the beginning of the year	450000	0.81	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	450000	0.81
3.	General Insurance Corporation of India				
	At the beginning of the year	212033	0.38	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	212033	0.38

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	National Insurance Co. Ltd.				
	At the beginning of the year	110852	0.20	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	110852	0.20
5.	SBI Capital Markets Limited				
	At the beginning of the year	104450	0.19	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	104450	0.19
6.	Canara Bank				
	At the beginning of the year	100875	0.18	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100875	0.18
7.	United India Insurance Co. Ltd.				
	At the beginning of the year	32982	0.06	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	32982	0.06
8.	Sukhbir Singh Dhupia				
	At the beginning of the year	28310	0.05	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	28310	0.05
9.	Shyam Sundar Mullick				
	At the beginning of the year	20000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	20000	0.04
10.	Salam Hasim Bardolia				
	At the beginning of the year	20000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	20000	0.04

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. K.S. Ramsinghaney – Director				
	At the beginning of the year	310	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	310	0.00

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment: Nil**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

The Company has not paid any Remuneration to its Managing Director/Directors or Manager.

B. Remuneration to other Directors :

Mrs. Kiran Sharma: Rs. 60,000/- (Sitting fees payable)

Mr. Sanjay Khandelwal: Rs. 60,000/- (Sitting fees payable)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM

During the year under review, the Company paid Rs. 75,000/- to Ms. Priya Mehrotra, Company Secretary of the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Penalties/punishment/compounding of offences have been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2019. : NIL

INDEPENDENT AUDITOR'S REPORT

To the Members of Pharmax Corporation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pharmax Corporation Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these

financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in

aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information

and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 23 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Dewan P. N. Chopra & Co.**
Chartered Accountants
Firm Regn. No. 000472N

(Sandeep Dahiya)
Partner
Membership No. 505371

Place of Signature: New Delhi
Date: 28.05.2019

ANNEXURE-ATO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph - 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date.)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:-

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the management has physically verified the fixed assets at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The company does not have inventory, hence paragraph 3(ii) of this order is not applicable.
- (iii) The company has granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
 - (a) In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the company's interest.
 - (b) In our opinion, the schedule of repayment of principal and payment of interest has been stipulated and the repayments and/or receipts are regular.
 - (c) There are no overdue amounts overdue for more than 90 days.
- (iv) In our opinion, in respect of loans, investments, guarantees, and security provisions of Section 185 and 186 of Companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits, hence the paragraph 3(v) of the order is not applicable.
- (vi) In our opinion, paragraph 3(vi) of the order is not

applicable

- (vii) (a) On the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities, though there has been slight delay in a few cases to the extent applicable to it.

In our opinion, no undisputed amounts payable in respect of provident fund, income tax, goods and services tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- (b) On the basis of our examination of the books of accounts and records, there is no dues of income tax or goods and services tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute
- (viii) Company has not taken any loans from financial institutions, Banks, Government or through debentures during the audit period.
- (ix) In our opinion the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans raised during the year have been applied for the purpose for which they were obtained.
- (x) In our opinion, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, No managerial remuneration has been paid or

provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.

(xiii) Based on our examination of the records of the Company and in our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) Based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) Based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

(xvi) Based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Dewan P. N. Chopra & Co.**
Chartered Accountants
Firm Regn. No. 000472N

(Sandeep Dahiya)
Partner
Membership No. 505371

Place of Signature: New Delhi
Date: 28.05.2019

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PHARMAX CORPORATION LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Pharmax Corporation Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018,

based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dewan P. N. Chopra & Co.**
Chartered Accountants
Firm Regn. No. 000472N

(Sandeep Dahiya)

Partner

Membership No. 505371

Place of Signature: New Delhi

Date: 28.05.2019

Balance Sheet as at March 31, 2019

(Amount in INR Lakh, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Assets				
Non-current assets				
Property, plant and equipment	3	238.39	1,463.57	1,500.11
Capital work-in-progress	3	578.73	243.85	-
Financial Assets				
- Investment	4	699.06	699.06	1,035.38
- Loans	6	38.00	38.00	38.00
Deferred tax assets (net)	17	153.06	-	-
		1,707.24	2,444.48	2,573.49
Current assets				
Financial Assets				
- Investments	5	129.35	632.14	613.30
- Trade receivables	9	10.76	13.32	10.11
- Cash and cash equivalents	10	18.87	26.19	33.73
- Other financial assets	7	2,473.67	-	0.67
Current tax assets	10	6.27	6.89	1.40
Other current assets	8	54.22	44.09	5.31
		2,693.14	722.63	664.52
Total assets		4,400.38	3,167.11	3,238.01
Equity and liabilities				
Equity				
Equity share capital	11	555.92	555.92	555.92
Other equity	12	1,967.46	819.81	1,142.19
		2,523.38	1,375.73	1,698.11
Non-current liabilities				
Financial liabilities				
Borrowings	13	-	1,211.31	1,088.53
Other financial liabilities	14	101.23	207.71	207.56
Deferred tax liabilities (net)	17	-	130.30	231.57
		101.23	1,549.32	1,527.66
Current liabilities				
Financial liabilities				
- Trade payables	15	-	-	-
Total outstanding dues of micro and small enterprises		-	-	-
Total outstanding dues of creditors other than micro and small enterprises		247.34	35.49	8.17
- Other financial liabilities	16	1,347.95	-	-
Other current liabilities	17	4.87	206.57	4.07
Current tax liabilities	10	175.61	-	-
		1,775.77	242.06	12.24
Total equity and liabilities		4,400.38	3,167.11	3,238.01

Summary of significant accounting policies

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Other notes to accounts

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Auditor's Report

As per our separate report of even date

For Dewan P.N. Chopra & Co.
Chartered Accountants
FRN : 000472N

Sandeep Dahiya
Partner
Membership Number : 505371

For and on behalf of the Board of Directors of
Pharmax Corporation Limited

Jatin Khanna
(Managing Director)
DIN No. 07089135
C-199, Vivek Vihar, Phase-I, Delhi - 110095

P. Dwarakanath
(Director)
DIN No. 00231713
M1018-A, Magnolias, DLF Golf Links, DLF City,
Phase - V, Gurgaon-122009 (Haryana)

Ankit Kalra
(Chief Financial Officer)

Date: May 28, 2019
Place: New Delhi

Date: May 28, 2019
Place: New Delhi

Statement of Profit and loss for the year ended March 31, 2019

(Amount in INR Lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	18	164.59	236.01
Other income	19	1,634.73	75.68
Total income		1,799.32	311.69
Expenses			
Finance costs	21	145.98	123.46
Depreciation and amortization expense	22	42.36	42.93
Other expenses	23	501.90	462.72
Total expenses		690.24	629.11
Profit before tax		1,109.08	(317.42)
Tax expense :			
Current tax	17	244.79	106.23
MAT credit entitlement		(203.95)	
Deferred tax	17	(79.41)	(101.27)
Profit for the period		1,147.65	(322.38)
Other Comprehensive Income (OCI)	24		
Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		-	-
Income tax effect		-	-
Other comprehensive income for the period		-	-
Total Comprehensive Income for the period		1,147.65	(322.38)
Earnings per equity share:			
(1) Basic		2.07	(0.58)
(2) Diluted		2.07	(0.58)

Summary of significant accounting policies

2

Other notes to accounts

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Auditor's Report

As per our separate report of even date

For Dewan P.N. Chopra & Co.
Chartered Accountants
FRN : 000472N

Sandeep Dahiya
Partner
Membership Number : 505371

For and on behalf of the Board of Directors of
Pharmax Corporation Limited

Jatin Khanna
(Managing Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Ankit Kalra
(Chief Financial Officer)

P. Dwarakanath
(Director)
DIN No. 00231713
M1018-A, Magnolias,
DLF Golf Links, DLF City, Phase - V
Gurgaon-122009 (Haryana)

Date: May 28, 2019

Place: New Delhi

Date: May 28, 2019

Place: New Delhi

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR Lakh, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	55,325,752	553.26
Issue of share capital	-	-
At March 31, 2018	55,325,752	553.26
Issue of share capital	-	-
At March 31, 2019	55,325,752	553.26

B. Other equity

Particulars	Retained earnings	Equity Component of Cumulative Redeemable Preference Shares	Total
At April 01, 2017	276.99	865.20	1,142.19
Profit for the Year	(322.38)		(322.38)
Changes during the year		-	-
Other Comprehensive Income	-		-
At March 31, 2018	(45.39)	865.20	819.81
Profit for the Year	1,147.65		1,147.65
Changes during the year		-	-
Other Comprehensive Income	-		-
At March 31, 2019	1,102.26	865.20	1,967.46

Summary of significant accounting policies

Auditor's Report

As per our separate report of even date

For Dewan P.N. Chopra & Co.
Chartered Accountants
FRN : 000472N

Sandeep Dahiya
Partner
Membership Number : 505371

For and on behalf of the Board of Directors of
Pharmax Corporation Limited

Jatin Khanna
(Managing Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Ankit Kalra
(Chief Financial Officer)

P. Dwarakanath
(Director)
DIN No. 00231713
M1018-A, Magnolias,
DLF Golf Links, DLF City, Phase - V
Gurgaon-122009 (Haryana)

Date: May 28, 2019
Place: New Delhi

Date: May 28, 2019
Place: New Delhi

Cash flow statement for the year ended March 31, 2019

(Amount in INR Lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extra-ordinary items	1,109.08	(317.42)
Add:		
Depreciation	42.36	42.93
Interest income	(3.04)	(3.04)
Interest expense	136.64	122.79
Assets written off	179.38	-
Debit balance written off	0.83	0.28
Net profit on sale of long term investments	-	(16.48)
Net profit on sale of current investments	(24.95)	(55.77)
Profit on sale of fixed assets	(1,606.74)	(0.39)
Operating profit before working capital changes	(166.44)	(227.10)
Add: Working Capital Changes :		
(Decrease) in trade payables	211.85	27.32
(Decrease)/Increase in other current liabilities	(201.70)	202.50
(Decrease)/Increase in loans	(106.48)	0.15
Decrease in trade receivables	2.56	(3.21)
Decrease in non financial assets	(2,473.67)	0.67
(Increase) in short-term trade receivables	(10.96)	(39.06)
Cash Flow from operations	(2,744.84)	(38.73)
Less: Direct taxes paid (net)	(68.56)	(111.73)
NET CASH USED IN OPERATING ACTIVITIES (A)	(2,813.40)	(150.46)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	2,275.30	(249.85)
Proceeds from sale of non-current investments	-	352.80
Purchase of current investments	527.74	36.93
Proceeds from sale/maturity of current investments		
Interest received	3.04	3.04
C NET CASH FROM (USED IN) INVESTING ACTIVITIES (B)	2,806.08	142.92
CASH FLOW FROM FINANCING ACTIVITIES		
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	(7.32)	(7.54)
Cash And Cash Equivalents - Opening Balance	26.19	33.73
Cash And Cash Equivalents - Closing Balance	18.87	26.19
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	(7.32)	(7.54)

Summary of significant accounting policies
Other notes to accounts

2
3 - 40

Auditor's Report
As per our separate report of even date

For Dewan P.N. Chopra & Co.
Chartered Accountants
FRN : 000472N

Sandeep Dahiya
Partner
Membership Number : 505371

For and on behalf of the Board of Directors of
Pharmax Corporation Limited

Jatin Khanna
(Managing Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Ankit Kalra
(Chief Financial Officer)

P. Dwarakanath
(Director)
DIN No. 00231713
M1018-A, Magnolias,
DLF Golf Links, DLF City, Phase - V
Gurgaon-122009 (Haryana)

Date: May 28, 2019
Place: New Delhi

Date: May 28, 2019
Place: New Delhi

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

1. Corporate information

The standalone financial statements comprise financial statements of Pharmax Corporation Limited (the company) for the year ended March 31, 2019. Pharmax Corporation Limited ("Pharmax") is a public limited company registered under Companies Act, 2013. The company is engaged in the business of deals in leasing of Estates.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS. Refer to note 37 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis.

a) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2017.

All the items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management

d) Leases

Company as a lessor:

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. The Company is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in PPE. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term.

Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

In determining fair value less cost of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

f) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the

reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

g) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- a) Debt instruments at amortised cost
- b) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instrument at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the company estimate the expected cash flow by considering all contractual terms of

the financial instruments. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Interest income from these debt instruments is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition of financial assets

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either:
 - (a) the Company has transferred the rights to receive cash flows from the financial assets or
 - (b) the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred its right to receive cash flows from an asset or has entered into a pass through agreement, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss

on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost; e.g. Loans, Security deposits, trade receivable, bank balance, other financial assets etc.

Financial guarantee contracts measured at fair value through profit or loss (FVTPL)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Financial Guarantee Contracts

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

h) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. The Company determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets or liabilities such as derivative instruments.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 29)
- b) Quantitative disclosures of fair value measurement hierarchy (note 31)
- c) Financial instruments (including those carried at amortised cost) (note 30)

i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and when specific criteria have been met for each of the Company's activities, as described below, regardless of when the payment is being made.

j) Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are

recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

3. Property, plant and equipment

Particulars	Land (freehold)	Land (leasehold)	Building	Plant & equipments	Furniture & Fixtures	Computers	Total	Capital work in progress
Cost								
At April 01, 2017 (refer note below)	0.84	1.82	1,401.16	88.53	7.47	0.29	1,500.11	
Additions	-	-	-	6.39	-	-	6.39	243.85
Disposals	-	-	-	-	-	-	-	
At March 31, 2018	0.84	1.82	1,401.16	94.92	7.47	0.29	1,506.50	243.85
Additions	-	89.83	-	-	-	-	89.83	334.88
Disposals	0.42	-	1,295.64	18.09	7.47	0.29	1,321.91	
At 31 March 31, 2019	0.42	91.65	105.52	76.83	-	0.00	274.42	578.73
Depreciation								
At April 01, 2017 (refer note below)	-	-	-	-	-	-	-	
Charge for the year	-	-	28.40	15.17	(0.64)	-	42.93	
Disposals	-	-	-	-	-	-	-	
At March 31, 2018	-	-	28.40	15.17	(0.64)	-	42.93	-
Charge for the year	-	-	22.56	19.34	0.46	-	42.36	
Disposals	-	-	47.04	2.40	(0.18)	-	49.26	
At March 31, 2019	-	-	3.92	32.11	-	-	36.03	-
Net block								
At April 01, 2017	0.84	1.82	1,401.16	88.53	7.47	0.29	1,500.11	-
At March 31, 2018	0.84	1.82	1,372.76	79.75	8.11	0.29	1,463.57	243.85
At March 31, 2019	0.42	91.65	101.60	44.72	-	0.00	238.39	578.73

Note -

The company has exercised the exemption available under Ind AS 101 for property plant and equipment to measure the same at the carrying value as per previous GAAP on the date of transition i.e. Deemed cost. The Deemed cost has been calculated as under:

Deemed Cost as on 1st April, 2017

Particulars	Land (freehold)	Land (leasehold)	Building	Plant & equipments	Furniture & Fixtures	Computers	Total	Capital work in progress
Gross block	0.84	1.82	1,807.72	724.77	59.00	6.11	2,600.26	
Accumulated depreciation	-	-	406.56	636.24	51.53	5.82	1,100.15	
Net block	0.84	1.82	1,401.16	88.53	7.47	0.29	1,500.11	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Carrying Value as on 31st March, 2018

Particulars	Land (freehold)	Land (leasehold)	Building	Plant & equipments	Furniture & Fixtures	Computers	Total	Capital work in progress
Gross block	0.84	1.82	1,807.72	727.04	59.00	6.11	2,602.53	
Accumulated depreciation	-	-	434.96	647.29	50.89	5.82	1,138.96	
Net block	0.84	1.82	1,372.76	79.75	8.11	0.29	1,463.57	

4. Investments in joint ventures and others

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investments carried at cost			
Investment in Joint Venture			
Forum I Aviation Limited *			
74,87,251 (March 31, 2018: 74,87,251 and April 1, 2017:74,87,251) Equity Share of Rs 10/- each fully paid up, Non-Trade	699.06	699.06	699.06
Investment in Other Equity carried at Fair Value through Profit and Loss (FVTPL)			
Max Speciality Films Limited			
Nil (March 31, 2018: Nil and April 1, 2017:3,38,350) Equity Share of Rs 10/- each fully paid up, Non-Trade	-	-	336.32
	699.06	699.06	1,035.38

* Forum I Aviation Limited (FIAL) was incorporated on December 28, 2004 and is engaged in the business of operating Aircrafts on Charter basis under the Non-Scheduled Airlines Permit issued to it by the Ministry of Civil Aviations, India. FIAL primarily provides charter services to its affiliates which are member companies who had entered into service agreement with the Company.

5. Current Investments

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment carried at fair value through profit and loss (FVTPL)			
Investment in mutual funds (unquoted, Non-Trade)			
Nil (March 31, 2018: Nil and April 1, 2017: 2,820.000) Units of Tata Liquid Fund Direct Plan - Growth	-	-	84.59
Nil (March 31, 2018: 9,174.781 and April 1, 2017: 15,746.222) Units of Tata Money Market Fund Direct Plan - Growth	-	251.23	403.58
43,053.200 (March 31, 2018: 136,373.699 and April 1, 2017: 47,884.556) Units of Birla Sun Life Cash Plus - Direct Plan	129.35	380.91	125.13
Total	129.35	632.14	613.30
Aggregate amount of unquoted investments			
- Investment in Joint Venture at Cost	699.06	699.06	699.06
- Investment in Others at FVTPL	129.35	632.14	949.62
Aggregate amount of quoted investments	-	-	-
Aggregate market value of quoted investments	-	-	-
Aggregate amount of impairment in value of investments	-	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

6. Loans

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Non-current			
Loans and advances to joint venture	38.00	38.00	38.00
Total	38.00	38.00	38.00

The deposit have been given to Forum I Aviation Ltd at interest rate of 8% p.a.

7. Other financial assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Recoverable from MEL for sale of land and building (unsecured, considered good)	2,473.00	-	-
Interest accrued on deposit	0.67	-	0.67
Total	2,473.67	-	0.67

8. Other assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Prepaid expenses	-	0.36	0.20
Balance with statutory / government authorities			
Unsecured, considered good	53.77	43.68	5.06
	53.77	43.68	5.06
Other loans- Advances recoverable in cash			
Unsecured, considered good	0.45	0.05	0.05
	0.45	0.05	0.05
Total	54.22	44.09	5.31

9. Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Unsecured, considered good	10.76	13.32	10.11
Total	10.76	13.32	10.11

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer Note 27.

Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

10. Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Balances with banks:			
- On current accounts	18.61	25.97	33.48
Cash on hand	0.26	0.22	0.25
	18.87	26.19	33.73

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash and Cash Equivalents as per balance sheet	18.87	26.19	33.73
	18.87	26.19	33.73

11. Current tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Advance income tax (net of provisions)	6.27	6.89	1.40
	6.27	6.89	1.40

12. Borrowings (carried at amortised cost)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Non- Current			
9% Cumulative Redeemable Preference Shares*	-	1,211.31	1,088.53
	-	1,211.31	1,088.53

*15,00,000 (P.Y. 15,00,000) Cumulative Redeemable Preference Shares are to be redeemed on or before 31st March 2020 i.e 20 years from the date of issue of the said redeemable preference shares.

The 9% Cumulative Redeemable Preference Shares are presented in the Balance Sheet as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Face Value of CRPS issued	1,500.00	1,500.00	1,500.00
Less: Equity Component of CRPS	1,323.09	1,323.09	1,323.09
	176.91	176.91	176.91
Add: Effect of unwinding cost	1,171.04	1,034.41	911.62
	1,347.95	1,211.32	1,088.53
Equity Component of CRPS*	1,323.09	1,323.09	1,323.09

*The equity component of cumulative redeemable preference shares has been presented in the Statement of Changes in Equity net of deferred tax of Rs. 4,57,89,548/-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

13. Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Non-current			
Security deposits received	101.23	207.71	207.56
Total	101.23	207.71	207.56

Security deposits received from various companies for period of 11 months for the lease of office premises. As these are for short term, impact of discounting shall be immaterial.

14. Trade payables (carried at amortised cost)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	247.34	35.49	8.17
Total	247.34	35.49	8.17

There is no Micro and Small Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

15. Other Financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Current Maturities of 9% Cumulative Redeemable Preference Shares	1,347.95	-	-
Total	1,347.95	-	-

16. Other liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Statutory Dues	4.87	4.55	4.07
Advance against Sales Consideration	-	202.02	-
Total	4.87	206.57	4.07

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

17. Equity share Capital

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorised shares			
60,000,000 (March 31, 2018: 60,000,000 and April 1, 2017: 60,000,000) equity shares of Re. 1/- each	600.00	600.00	600.00
10% 470,000 (March 31, 2018: 470,000 and April 1, 2017: 470,000) Cumulative Convertible Preference Shares of Rs. 100/- each	470.00	470.00	470.00
9% 1,500,000 (March 31, 2018: 1,500,000 and April 1, 2017: 1,500,000) Cumulative Redeemable Preference share of Rs. 100/- each	1,500.00	1,500.00	1,500.00
Issued, subscribed and fully paid equity capital			
55,325,752 (March 31, 2018: 55,325,752 and April 1, 2017: 55,325,752) equity shares of Re. 1/- each fully paid up	553.26	553.26	553.26
Forfeited shares	2.66	2.66	2.66
Total	555.92	555.92	555.92

(i) Reconciliation of authorised share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	60,000,000	600.00
Changes during the period		
At March 31, 2018	60,000,000	600.00
Changes during the period		
At March 31, 2019	60,000,000	600.00

(ii) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	55,325,752	553.26
Changes during the period		-
At March 31, 2018	55,325,752	553.26
Changes during the period		-
At March 31, 2019	55,325,752	553.26

(iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Re. 1/- per share. Each holder of equity shares is entitled to one vote per share. The company has not declared any dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

(iv) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of Re 1 each, fully paid-up				
- Max India Limited - the holding company	47,122,747	85.17%	47,122,747	85.17%

18. Other Equity

	Amount
i) Retained earnings	
At 1 April 2017	276.99
Changes during the year	(322.38)
At 31 March 2018	(45.39)
Changes during the year	1,147.65
At 31 March 2019	1,102.26
ii) Equity Component of Cumulative Redeemable Preference Shares	
At 1 April 2017	865.20
Changes during the year	-
At 31 March 2018	865.20
Changes during the year	-
At 31 March 2019	865.20

Nature and purpose of reserves:

Retained earnings - Retained earnings are profits of the company earned till date less transferred to general reserve.

Equity Component of Cumulative Redeemable Preference Shares - Preference shares are to be redeemed on or before March 31, 2020 i.e. 20 years from the date of issue of the said redeemable preference share in terms of Section 80 of the Companies Act, 1956 read with Article 9 of the Articles of Association of the Company.

19. Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations		
Lease rentals	164.59	236.01
Total	164.59	236.01

19.2 Contract balances

	As at March 31, 2019	As at March 31, 2018
Trade receivables	-	-
Contract liabilities	-	-

Trade receivables are non interest bearing. Credit period generally falls in the range of 60 to 90 days.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

19.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at March 31, 2019	As at March 31, 2018
Revenue as per contracted price	164.59	236.01
Adjustments		
Discount	-	-
Revenue from contracts with customers	164.59	236.01

19.4 Performance obligations

Obligation of the Company is to provide shared services to its group companies and accordingly recognises revenue over the period of the contract based on the services rendered.

20. Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- Others	3.04	3.04
	3.04	3.04
Other non-operating income		
Profit on sale of long term investments	-	16.48
Profit on sale of current investments	24.95	55.77
Profit on sale of Property, Plant and Equipments	1,606.74	0.39
	1,631.69	72.64
Total	1,634.73	75.68

21. Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense:		
on CRPS	136.64	122.79
other	-	0.67
Interest on income tax	9.34	-
Total	145.98	123.46

22. Depreciation and amortization expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 3)	42.36	42.93
Total	42.36	42.93

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

23. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Insurance	0.94	0.72
Rates and Taxes	25.21	30.97
Repairs and maintenance	136.83	190.17
Printing and stationery	4.40	2.59
Communication	7.11	0.04
Legal and professional	136.15	231.09
Auditor's remuneration	0.75	0.75
Directors' fee	1.20	1.73
Assets Written Off	179.38	-
Debit Balances Written Off	0.83	0.28
Miscellaneous	9.10	4.38
Total	501.90	462.72

Payment to auditors:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
For audit	0.75	0.75
For other services	-	-
For reimbursement of expenses	-	-
Total	0.75	0.75

24. Income Tax

The major components of income tax expense for the year ended March 31, 2019 and March 31, 2018 are:

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	244.79	106.23
MAT credit entitlement	(203.95)	-
Income tax adjustment related to earlier years		
Deferred tax:		
Relating to origination and reversal of temporary differences	(79.41)	(101.27)
Income tax expense reported in the statement of profit or loss	(38.57)	4.96

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Particulars	March 31, 2019	March 31, 2018
Accounting profit before income tax	1,109.08	(317.42)
At India's statutory income tax rate of 29.12% (31 March 2018: 34.608%)	29.12%	34.61%
Computed tax expense	322.96	(109.85)
Adjustments:		
MAT credit entitlement	(203.95)	
Ind AS impact	(79.41)	(101.27)
Others	(78.17)	216.08
At the effective income tax rate	(38.57)	4.96
Income tax expense reported in the statement of profit and loss	(38.57)	4.96

Deferred tax:

Particulars	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax relates to the following:			
Ind AS impact on deferred tax	50.89	130.30	231.57
MAT credit entitlement	(203.95)		
Net deferred tax assets/(liabilities)	(153.06)	130.30	231.57

Particulars	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax relates to the following:		
Impact of difference between tax and depreciation/amortization charged for the financial reporting		
Post-employment benefits		
Expenses allowable for tax purposes on payment basis		
Ind AS impact on deferred tax	79.41	101.27
Other	203.95	-
Net deferred tax assets/(liabilities)	283.36	101.27

Reflected in the balance sheet as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	153.06	-	-
Deferred tax liabilities	-	130.30	231.57
Deferred tax liabilities, net	153.06	(130.30)	(231.57)

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Reconciliation of deferred tax liabilities (net):

Particulars	March 31, 2019	March 31, 2018
Opening balance as of 1 April	(130.30)	(231.57)
Tax income/(expense) during the period recognised in profit or loss	283.36	101.27
Tax income/(expense) during the period recognised in OCI	-	-
Closing balance as at 31 March	153.06	(130.30)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

25. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in EPS computations :

Particulars	March 31, 2019	March 31, 2018
Profit attributable to equity holders of the parent	1,147.65	(322.38)
Total	1,147.65	(322.38)
Weighted average number of equity shares used for computing Basic and diluted Earning per Share (Nos)	55,325,752	55,325,752
Total	55,325,752	55,325,752
Basic EPS	2.07	(0.58)
Diluted EPS	2.07	(0.58)

26. Commitments and Contingencies

A. Commitments

Capital commitment	March 31, 2019	March 31, 2018	April 01, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,750.00	2,750.00	-
Less: Capital advances			
Net capital commitment for acquisition of capital assets	2,750.00	2,750.00	-

B. Operating leases

Accounting for leases has been done in accordance with the Indian Accounting Standard -17. Following are the details of the transactions for the year

a) Finance Lease:

The Company does not have any finance lease arrangement.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

b) Operating lease:

- i) There are no leases entered into by the company, which are classified as non-cancellable lease.
- ii) The company has entered into lease contracts (cancellable) for its assets as mentioned above with various parties including group companies as under:-

Name of Lessee

Max India Ltd. (the Holding Company)
 Max Financial Services Ltd.
 Max Medical Services Ltd.
 Max Healthcare Institute Ltd.
 Antara Senior Living Ltd.
 Antara Purukul Senior Living Ltd.
 Siva Realty Ventures Pvt. Ltd.
 Max Skill First Ltd.
 Max One distribution and Services Ltd.
 Max Ateev Ltd.

C. Contingent liabilities

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
- Arrears of Dividend on 9% Cumulative Redeemable Preference Share	2,565.00	2,430.00	2,295.00
'Corporate Dividend Tax	522.17	494.70	467.20
- Service Tax	-	-	73.28
Total Contingencies	3,087.17	2,924.70	2,835.48

27. Related party transactions

A. Name of related party and relationship

Holding company

Max India Limited

Step down subsidiary companies

Max Bupa Health Insurance Company Limited

Max Skill First Limited

Max One Distribution And Services Limited

Antara Senior Living Limited

Antara Purukul Senior Living Limited

Antara Gurgaon Senior Living Limited

Max Ateev Limited

Max UK Limited, UK

Advaita Allied Health Services Limited

Joint Venture

Forum I Aviation Limited

Enterprises owned or significantly influenced by key management personnel or their relatives

Key Management Personnel (KMP)

Mr. Patnam Dwarakanath	Director
Mrs. Kiran Sharma	Independent Director
Mr. Sanjay Khandelwal	Independent Director

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Mr. Kishansingh Ramsinghaney	Director
Mr. Jatin Khanna	Managing Director
Mr. Pradeep Pal Chadha	Chief Financial Officer (upto March 29, 2019)
Ms. Sangeeta	Company Secretary (upto April 30, 2018)
Ms. Priya Mehrotra	Company Secretary (w.e.f. November 01, 2018)

- B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Service Income & reimbursement of Expenses received (lease rental)	Max India Limited	64.49	92.14
	Antara Senior Living Limited	71.76	66.54
	Antara Purukul Senior Living Limited	-	11.40
	Max Skill First Limited	0.72	0.72
	Max One Distribution and Services Limited	0.10	-
	Max Ateev Limited	0.05	-
Director sitting fee	Mrs. Kiran Sharma	0.60	0.98
	Mr. Sanjay Khandelwal	0.60	0.75
Legal and professional	Ms. Sangeeta	-	1.41
	Ms. Priya Mehrotra	0.75	-
Interest Income	Forum I Aviation Limited	3.04	3.04
Overhead Expenses paid	Max India Limited	120.00	110.00

- C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Amount receivable	Max Skill First Limited	-	-	0.06
	Max Ateev Limited	0.06	-	-
Amount payable	Max India Limited	154.01	85.00	85.00
	Antara Senior Living Limited	19.14	11.15	11.15
	Antara Purukul Senior Living Limited	-	8.00	8.00
	Max Skill First Limited	0.18	0.54	0.54
Other receivable	Forum I Aviation Limited	38.00	38.00	38.00
	Forum I Aviation Limited	0.67	-	0.67
Investment in Equity	Forum I Aviation Limited	699.06	699.06	699.06

28. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other financial liabilities (non-current) (refer note 14)	101.23	207.71	207.56
Trade payables (refer note 15)	247.33	35.49	8.17
Less: Cash and cash equivalents (refer note 10)	(18.87)	(26.19)	(33.73)
Net debts	329.69	217.01	182.00
Equity share capital	553.26	553.26	553.26
Total Capital	553.26	553.26	553.26
Capital and net debt	882.95	770.27	735.26
Gearing ratio %)	37.34%	28.17%	24.75%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

29. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Mutual Fund investments

Under Indian GAAP, All current investments including mutual funds are measured at lower of cost or market value. As per IND AS 109, Investments in mutual funds are required to be recognized at their fair value, for which changes in fair value being recognized in profit & loss.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 30 for further disclosures.

Particulars	Notes	Carrying value			Fair value		
		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Financial assets							
Amortised Cost:							
Non-current							
- Loans	6	38.00	38.00	38.00	38.00	38.00	38.00
Current							
- Trade receivables	9	10.76	13.32	10.11	10.76	13.32	10.11
- Other financial assets	7	2,473.67	-	0.67	2,473.67	-	0.67
Total		2,522.43	51.32	48.78	2,522.43	51.32	48.78
Financial liabilities							
Amortised Cost:							
Non-current							
- Other financial liabilities	14	101.23	207.71	207.56	101.23	207.71	207.56
Current							
- Trade payables	15	247.33	35.49	8.17	247.33	35.49	8.17
- Other financial liabilities	16	1,347.95	-	-	1,347.95	-	-
Total		1,696.51	243.20	215.73	1,696.51	243.20	215.73

Notes:

- The management assessed that Non current investments, security deposits, ICD, cash and cash equivalents, trade receivables, other financial assets and trade payables approximate their carrying amounts.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

3 The following methods and assumptions were used to estimate the fair values:

The fair values for investments in quoted securities like mutual funds and debentures are based on price quotations available in the market at each reporting date.

The fair values for investments in unquoted equity shares are estimated by valuer following valuation techniques.

The fair values of the financial assets and liabilities like finance guarantee obligation etc. are determined by using DCF method using discount rate that reflects the issuer's incremental borrowing rate as at the end of the reporting period. Loan to related parties are loan repayable on demand and accordingly, carrying value and fair value both are same.

31. Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Note	Carrying value	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:					
Investment in Mutual Funds	5	129.35	129.35	-	-
Assets measured at amortised cost for which fair values are disclosed					
Non-current					
- Loans	6	38.00	-	38.00	-
Current					
- Trade receivables	9	10.76	-	10.76	-
- Other financial assets	7	2,473.67	-	2,473.67	-
Liabilities measured at amortised cost for which fair values are disclosed					
Non-current					
- Other financial liabilities	14	101.23	-	101.23	-
Current					
- Trade payables	15	247.33	-	247.33	-
- Other financial liabilities	16	1,347.95	-	1,347.95	-
There have been no transfers between Level 1 and Level 2 during the period.					

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Note	Carrying value	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:					
Investment in Mutual Funds	5	632.14	632.14	-	-
Assets measured at amortised cost for which fair values are disclosed					
Non-current					
- Loans	6	38.00	-	38.00	-
Current					
- Trade receivables	9	13.32	-	13.32	-
- Other financial assets	7	-	-	-	-
Liabilities measured at amortised cost for which fair values are disclosed					
Non-current					
- Other financial liabilities	14	207.71	-	207.71	-
Current					
- Trade payables	15	35.49	-	35.49	-
- Other financial liabilities	16	-	-	-	-
There have been no transfers between Level 1 and Level 2 during the period.					

Quantitative disclosures fair value measurement hierarchy for assets as at 01 April 2017:

Particulars	Note	Carrying value	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:					
Investment in Mutual Funds	5	613.30	613.30	-	-
Assets measured at amortised cost for which fair values are disclosed					
Non-current					
- Loans	6	38.00	-	38.00	-
Current					
- Trade receivables	9	10.11	-	10.11	-
- Other financial assets	7	0.67	-	0.67	-
Liabilities measured at amortised cost for which fair values are disclosed					
Non-current					
- Other financial liabilities	14	207.56	-	207.56	-
Current					
- Trade payables	15	8.17	-	8.17	-
- Other financial liabilities	16	-	-	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

32. Financial risk management objectives and policies

The Company's principal financial liabilities trade and other payables, security deposits received and finance guarantee obligation. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, ICD's, cash and short-term deposits that derive directly from its operations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include investment in mutual funds.

The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company has developed internal credit rating system/ credit worthiness assessment mechanism as well. As per the management procedure, each party is internally rated on the basis of their external ratings (wherever available), respective industry information / trends available, financial position of party and past transactions with the party. These parties are continuously evaluated after assigning internal grades.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management team assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on group/category basis. The calculation is based on exchange losses historical data and available facts as on date of evaluation. The Company evaluates the concentration of risk with respect to trade receivables as low, as its receivables are from its related parties, therefore it is not exposed to any risk.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	INR lakhs	INR lakhs	INR lakhs	INR lakhs	INR lakhs	INR lakhs
Year ended						
March 31, 2019						
Non-current						
- Borrowings		-				-
- Other financial liabilities		101.23				101.23
Current						
Trade payables		247.33				247.33
Other financial liabilities			1,347.95			1,347.95
	-	348.56	1,347.95	-	-	1,696.51
Year ended						
March 31, 2018						
Non-current						
- Borrowings				1,211.31		1,211.31
- Other financial liabilities		207.71				207.71
Current						
Trade payables		35.49				35.49
Other financial liabilities		-				-
	-	243.20	-	1,211.31	-	1,454.51
April 01, 2017						
Non-current						
- Borrowings				1,088.53		1,088.53
- Other financial liabilities		207.56				207.56
Current						
Trade payables		8.17				8.17
Other financial liabilities		-				-
	-	215.73	-	1,088.53	-	1,304.26

33. First-time adoption of Ind AS

- (I) These financial statements, for the year ended March 31, 2019, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2017, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

(a) Deemed cost:

Ind AS 101 permits a first-time adopter, where there is no change in functional currency, to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(c) Investment in subsidiaries:

As per the requirements of Ind AS 27, company has opted to record its investment in subsidiary at cost. Ind AS 101 provides that while measuring investment at cost, an entity shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (i) cost determined in accordance with Ind AS 27; or
- (ii) deemed cost. The deemed cost of such an investment shall be its
 - (a) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
 - (b) previous GAAP carrying amount at that date.

Accordingly, the Company has opted to record its investment in subsidiaries at previous GAAP carrying value at transition date.

(d) Estimates

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair value through profit and loss (FVPL) - Mutual funds etc.
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2017, the date of transition to Ind AS and as of March 31, 2018.

II) Reconciliation of equity as at April 01, 2017 (date of transition to Ind AS)

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment	3	1,500.11	-	1,500.11
Financial Assets				
- Investment	4	868.04	167.34	1,035.38
- Loans	6	38.00	-	38.00
		2,406.15	167.34	2,573.49

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Current assets				
Financial Assets				
- Investments	5	522.99	90.31	613.30
- Trade receivables	9	10.11	-	10.11
- Cash and cash equivalents	10	33.73	-	33.73
- Other financial assets	7	0.67	-	0.67
Current tax assets	10	1.40	-	1.40
Other current assets	8	5.31	-	5.31
		574.21	90.31	664.52
Total assets		2,980.36	257.65	3,238.01
Equity and liabilities				
Equity				
Equity share capital	11	555.92	-	555.92
Other equity	12	704.64	437.55	1,142.19
		1,260.56	437.55	1,698.11
Non-current liabilities				
Financial liabilities				
Borrowings	13	1,500.00	(411.47)	1,088.53
Other financial liabilities	14	207.56	-	207.56
Deferred tax liabilities (net)	17	-	231.57	231.57
		1,707.56	(179.90)	1,527.66
Current liabilities				
Financial liabilities				
- Trade payables	15	8.17	-	8.17
Other current liabilities	17	4.07	-	4.07
Provisions		-	-	-
Current tax liabilities		-	-	-
		12.24	-	12.24
Total equity and liabilities		2,980.36	257.65	3,238.01

III) Reconciliation of equity as at March 31, 2018 (date of transition to Ind AS)

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment	3	1,463.57	-	1,463.57
Capital work-in-progress	3	243.85	-	243.85
Financial Assets				
- Investment	4	699.06	-	699.06
- Loans	6	38.00	-	38.00
		2,444.48	-	2,444.48
Current assets				

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Financial Assets				
- Investments	5	544.32	87.82	632.14
- Trade receivables	9	13.32	-	13.32
- Cash and cash equivalents	10	26.19	-	26.19
Current tax assets	10	6.89	-	6.89
Other current assets	8	44.09	-	44.09
		634.81	87.82	722.63
Total assets		3,079.29	87.82	3,167.11
Equity and liabilities				
Equity				
Equity share capital	11	555.92	-	555.92
Other equity	12	573.61	246.20	819.81
		-	-	-
		1,129.53	246.20	1,375.73
Non-current liabilities				
Financial liabilities				
Borrowings	13	1,500.00	(288.69)	1,211.31
Other financial liabilities	14	207.71	-	207.71
Deferred tax liabilities (net)	17	-	130.30	130.30
		1,707.71	(158.39)	1,549.32
Current liabilities				
Financial liabilities				
- Trade payables	15	35.49	-	35.49
Other current liabilities	17	206.57	-	206.57
		242.06	-	242.06
Total equity and liabilities		3,079.30	87.81	3,167.11

IV) Reconciliation of profit or loss for the year ended March 31, 2018:

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income				
Revenue from operations		236.01	-	236.01
Other income		245.51	(169.83)	75.68
Total income		481.52	(169.83)	311.69
Expenses				
Finance costs		0.67	122.79	123.46
Depreciation and amortization expense		42.93	-	42.93
Other expenses		462.72	-	462.72
Total expenses		506.32	122.79	629.11
Profit before tax		(24.80)	(292.62)	(317.42)
Tax expense :				
Current tax		106.23	-	106.23
Deferred tax		-	(101.27)	(101.27)
Profit for the period		(131.03)	(191.35)	(322.38)
Other Comprehensive Income (OCI)				
Items that will not be reclassified to profit or loss				

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Re-measurement gains (losses) on defined benefit plans		-	-	-
Income tax effect		-	-	-
Other comprehensive income for the period		-	-	-
Total Comprehensive Income for the period		(131.03)	(191.35)	(322.38)

(V) Footnotes to the reconciliation of equity as at 1 April 2017 and 31 March 2018 and profit or loss for the year ended 31 March 2018:

a) Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds have been recognised at lower of cost or fair value. However, under Ind AS, such investments have been classified and measured at fair value through profit and loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

b) Investment in Compulsarily redeemable preference shares

Pharmax has issued 9% Compulsarily redeemable preference shares to Max India. However, dividend is discretionary. Under Indian GAAP, investment has been recorded at transaction value. However, under Ind AS, such instrument shall be accounted as a 'Compound financial instrument'. At inception (at initial recognition) the financial asset would be recorded at fair value and the differential amount shall be recorded as Max's capital contribution in Pharmax. Interest shall be accreted on the fair value of the investment. Interest accreted upto transition date shall be booked in retained earnings.

c) Deferred Taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

d) Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

e) Fair valuation of equity investment in Max Specialty Film Limited (MSF)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Hence, the Company's equity investment in MSF has been fair valued through profit or loss.

34. The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

a) Ind AS 116: Leases:

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset..

Transition to Ind AS 116:

The Company is proposing to use the "Modified Retrospective Approach" for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Company is currently in process of assessing the impact of this standard on financial statements.

b) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following: The Company is proposing to use the "Modified Retrospective Approach" for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Company is currently in process of assessing the impact of this standard on financial statements.

- i. Whether an entity considers uncertain tax treatments separately
- ii. The assumptions an entity makes about the examination of tax treatments by taxation authorities
- iii. How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- iv. How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise

c) Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

irrespective of which party pays or receives reasonable compensation for the early termination of the contract. The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. These amendments have no impact on the standalone financial statements of the Company

d) Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- i. Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. These amendments have no impact on the standalone financial statements of the Company.
- ii. Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset). The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income. The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

e) Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures. The amendments should be applied retrospectively in accordance with Ind AS 8 for annual reporting periods on or after 1 April 2019.

35. The Company is operating in single line of business and all the other activities revolve around the main business and entire business is conducted within India, However, there are no separate reportable segments as per criterion set out under Ind AS 108 on "Segment Reporting" in the Company either on the basis of business segmentation or geographical segmentation.
36. During the year 2017-18, the Company had entered into an Agreement to Sell with Max Estates Limited ("MEL"), to sell a part of building comprising of the First floor and 50 per cent of the Second floor alongwith an undivided interest equivalent to 50% of the underlying parcel of Land and pro rata allocation of the common areas, rights, easements, privileges appurtenant thereto, of its freehold property at Block A, Max House, Okhla, New Delhi for an aggregate consideration of Rs. 2,700 lakhs collectively referred to as 'MEL Property'.

Simultaneously, the Company entered into a Construction Service Agreement with MEL for redevelopment of the

Notes to financial statements for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

Company's share of remaining property consisting of part of building comprising of the Ground floor and 50 per cent of the Second floor along with the undivided interest equivalent to 50% of the underlying parcel of Land and pro rata allocation of the common areas, rights, easements, privileges appurtenant thereto, collectively referred to as the 'PCL Property' for an aggregate consideration of Rs. 2,750 lakhs and also executed an Option Agreement with MEL in respect of the PCL Property. The Option Agreement provides for:

- (a) call option to MEL to acquire the PCL Property. The said call option shall remain valid for a period of 5 years from the date of registration of Sale Deed for MEL property. The said call option shall be exercised only if the FAR is increased to 1.5 times (Base FAR) within the initial one year and the agreed consideration of Rs. 27.50 crore will be increased based on the increase or the potential increase in the Base FAR. In case the call option is exercised after the aforementioned period of one year and up to the expiry of the said 5 years period, the consideration for the PCL Property will be calculated on the basis of its fair market value; and
- (b) a put option to the Company to sell the PCL Property to MEL at fair market value, after expiry of the aforesaid 5 years and upto a maximum period of 6 years, from the date of registration of Sale Deed for MEL property.

In order to avoid time delays in completion of the redevelopment process, the Company has vide its letter dated 11 January 2019 transferred the possession of the MEL Property to MEL to enable MEL commence construction and development on this property.

The Company and MEL have entered into a Sale Deed on 2 May 2019 for sale of the aforementioned MEL Property.

37. There have been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund.
38. The Company has no outstanding derivative or foreign currency exposure as at the end of the current year and previous year.

39 Events after the Reporting period

There are no events observed after the reported period which have an impact on the company operations

40 Approval of the financial statements

The financial statements were approved for issue by Board of Directors on May 28, 2019.

Auditor's Report

As per our separate report of even date

For Dewan P.N. Chopra & Co.
Chartered Accountants
FRN : 000472N

Sandeep Dahiya
Partner
Membership Number : 505371

For and on behalf of the Board of Directors of
Pharmax Corporation Limited

Jatin Khanna
(Managing Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Ankit Kalra
(Chief Financial Officer)

P. Dwarakanath
(Director)
DIN No. 00231713
M1018-A, Magnolias,
DLF Golf Links, DLF City, Phase - V
Gurgaon-122009 (Haryana)

Date: May 28, 2019
Place: New Delhi

Date: May 28, 2019
Place: New Delhi

MAX UK LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAX UK LIMITED

Report on the audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of M/s Max UK Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising loss and other comprehensive income), changes in equity and its cash flows and for the year then ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to

the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise

professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not applicable to the company for the year under review.

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in equity and the statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position;
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

DINESH KUMAR BACHCHAS

Partner

Membership No. 097820

For and on Behalf of

K. K. Mankeshwar & Co.

Chartered Accountants

FRN - 106009W

New Delhi

dated the April 24, 2019

Balance Sheet as at March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Assets				
Non-current assets				
(a) Property, plant and equipment	3	0.12	0.33	1.57
		0.12	0.33	1.57
Current assets				
(a) Financial Assets				
(i) Trade receivables	4	68.50	85.46	80.53
(ii) Cash and cash equivalents	5	56.44	51.43	22.35
(b) Other current assets	6	57.51	57.02	56.52
		182.45	193.91	159.40
Total assets		182.57	194.24	160.97
Equity and liabilities				
Equity				
(a) Equity share capital	7	213.00	213.00	213.00
(b) Other equity		(42.20)	(43.05)	(71.87)
		170.80	169.95	141.13
Current liabilities				
(a) Financial liabilities				
(i) Trade payables	8			
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		10.26	21.73	16.54
(b) Other current liabilities	9	0.48	0.13	1.18
(c) Provision	10	1.03	2.43	2.12
		11.77	24.29	19.84
Total equity and liabilities		182.57	194.24	160.97

Significant Accounting policies and Notes to Ind AS Financial Statement 1 to 25

As per our separate report of even date

DINESH KUMAR BACHCHAS
Partner
Membership No: 097820

For and on behalf of the board of directors of Max UK Limited

L. Binge
Director

For and on behalf of

K. K. MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W

New Delhi, dated the April 24, 2019

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	11	57.24	115.64
Other income	12	0.46	0.07
Total income		57.70	115.71
Expenses			
Employee benefits expense	13	19.48	39.29
Finance costs	14	0.11	0.16
Depreciation and amortization expense	15	0.21	0.70
Other expenses	16	32.62	65.00
Total expenses		52.42	105.15
Profit before tax		5.28	10.56
Tax expense :			
Current tax	19	1.04	2.26
Deferred tax		-	-
Profit for the period		4.24	8.30
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Effect of change in Foreign currency translation reserve		(3.39)	20.52
Other comprehensive income for the year		(3.39)	20.52
Total Comprehensive Income for the year		0.85	28.82
Earnings per equity share:			
(1) Basic	17	1.41	2.77
(2) Diluted	17	1.41	2.77

Significant Accounting policies and Notes to Ind AS Financial Statement 1 to 25

As per our separate report of even date

DINESH KUMAR BACHCHAS
Partner
Membership No: 097820

For and on behalf of

K. K. MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W

New Delhi, dated the April 24, 2019

For and on behalf of the board of directors of Max UK Limited

L. Binge
Director

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	299,742	213.00
Issue of share capital	-	-
At March 31, 2018	299,742	213.00
Issue of share capital	-	-
At March 31, 2019	299,742	213.00

B. Other equity

Particulars	Reserves and Surplus	Items of other Comprehensive Income	Total
	Retained earnings	Foreign currency translation reserve	
At April 01, 2017	(90.53)	18.66	(71.87)
Profit for the Year	8.30	-	8.30
Changes during the year	-	20.52	20.52
At March 31, 2018	(82.23)	39.18	(43.05)
Profit for the Year	4.24	-	4.24
Changes during the year	-	(3.39)	(3.39)
At March 31, 2019	(77.99)	35.79	(42.20)

Significant Accounting policies and Notes to Ind AS Financial Statement

1 to 25

As per our separate report of even date

For and on behalf of the board of directors of Max UK Limited

DINESH KUMAR BACHCHAS

Partner

Membership No: 097820

L. Binge

Director

For and on behalf of

K. K. MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W

New Delhi, dated the April 24, 2019

Cash flow statement for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extra-ordinary items	5.28	10.56
Add:		
Depreciation	0.21	0.70
Interest income	(0.08)	(0.07)
Net (profit)/loss on sale of fixed assets	(0.38)	0.66
Operating profit before working capital changes	5.03	11.85
Add: Working Capital Changes :		
(Decrease)/ Increase in trade payables	(11.47)	5.19
(Decrease)/Increase in other current liabilities	0.35	(1.05)
(Increase)/Decrease in trade receivables	16.96	(4.93)
(Increase)/Decrease in other current assets	(0.49)	(0.50)
Cash Flow from operations	10.38	10.56
Less: Direct taxes paid (net)	(2.26)	(2.31)
Cash flow before prior period items	8.12	8.25
Add/(less) prior period items		
NET CASH FROM (USED IN) OPERATING ACTIVITIES (A)	8.12	8.25
B CASH FLOW FROM INVESTING ACTIVITIES		
Profit on sale of assets	0.38	-
Interest received	0.08	0.07
NET CASH FROM (USED IN) INVESTING ACTIVITIES (B)	0.46	0.07
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowings	-	-
NET CASH FROM (USED IN) FINANCING ACTIVITIES (C)	-	-
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	8.58	8.32
Impact of foreign exchange fluctuation	(3.57)	20.76
Cash And Cash Equivalents - Opening Balance	51.43	22.35
Cash And Cash Equivalents - Closing Balance	56.44	51.43
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	8.58	8.32
Significant Accounting policies and Notes to Ind AS Financial Statement	1 to 25	

As per our separate report of even date

DINESH KUMAR BACHCHAS
Partner
Membership No: 097820

For and on behalf of

K. K. MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W

New Delhi, dated the April 24, 2019

For and on behalf of the board of directors of Max UK Limited

L. Binge
Director

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

1. Corporate information

Max UK Limited ("Max UK") was incorporated and operates under the applicable laws of England and Wales. The company is engaged in the business of providing business and administrative support services to officials of various group companies of Max India Limited, the parent company at United Kingdom.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis.

Basis of translation into Indian rupees

These financial statements have been prepared for the purpose of compliance with the provisions of Section 129 of the Indian Companies Act, 2013 and have been translated to Indian Rupees (₹) in accordance with Indian Accounting Standard-21 issued by ICAI on 'The Effects of Changes in Foreign Exchange Rates'. The functional currency of the Company is Pound Sterling (GBP).

The translation of foreign currency into (₹) has been carried out:

- i) For assets and liabilities (both monetary and non-monetary items) using the rate of exchange prevailing on the balance sheet date (1GBP = Rs.90.4756 as at March 31, 2019, 1GBP = Rs. 92.2846 as at March 31, 2018 and 1GBP = Rs. 80.8797 as at April 1, 2017).
 - ii) For revenues and expenses using average exchange rates prevailing during the reporting period (1GBP = Rs91.7228 for the year April 1, 2018 to March 31, 2019 and 1GBP = Rs. 85.9014 for the year April 1, 2017 to March 31, 2018).
 - iii) Resulting exchange differences are taken into foreign currency translation reserve as required under IndAS-21.
- a) Current versus non-current classification**
- The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:
- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
 - b. Held primarily for the purpose of trading
 - c. Expected to be realised within twelve months after the reporting period, or
 - d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.
- A liability is current when it is:
- a. Expected to be settled in normal operating cycle
 - b. Held primarily for the purpose of trading
 - c. It is due to be settled within twelve months after the reporting period, or
 - d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities as non-current.

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2017.

All the items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no

future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management

d) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

recognised as a finance cost.

Contingent liability is disclosed in the case of:

A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation

A present obligation arising from past events, when no reliable estimate is possible

A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

e) Retirement and other Employee Benefits

Contributions to defined contribution plans are recognised as an expenses in the period in which the related services is provided.

f) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Financial liabilities

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

g) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

h) Foreign currencies

The financial statements are presented in INR and Company's functional currency is GBP.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- i) Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g.,

consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

- ii) Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- iii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

i) Revenue recognition

Revenue is recognised in the profit & loss account represents amounts receivable from the reimbursement of expenses incurred during the year, exclusive of value added tax.

Revenue is recognised by calculating a cost plus basis on administrative cost incurred during the year.

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

j) Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures,

when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and

attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

l) Significant accounting Judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

3. Property, plant and equipment

Particulars	Furniture & Fixtures	Office equipments	Total
Deemed Cost			
At April 01, 2017 (refer below)	5.08	2.41	7.49
Additions	-	-	-
Disposals	-	0.66	0.66
Exchange difference	-	0.23	0.23
At March 31, 2018	5.08	1.98	7.06
Additions	-	-	-
Disposals	5.08	-	5.08
Exchange difference	-	0.02	0.02
At 31 March 31, 2019	-	1.96	1.96
Depreciation			
At April 01, 2017 (refer note below)	5.08	0.84	5.92
Charge for the year	-	0.70	0.70
Disposals	-	-	-
Exchange difference	-	0.11	0.11
At March 31, 2018	5.08	1.65	6.73
Charge for the year	-	0.21	0.21
Disposals	5.08	-	5.08
Exchange difference	-	0.02	0.02
At March 31, 2019	-	1.84	1.84
Net block			
At April 01, 2017	-	1.57	1.57
At March 31, 2018	-	0.33	0.33
At March 31, 2019	-	0.12	0.12

Note: The Company has elected Ind-AS 101 exemption and continued with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition:

Particulars	Furniture & Fixtures*	Office equipments	Total
Gross block	5.08	2.41	7.49
Accumulated depreciation	5.08	0.84	5.92
Net block	-	1.57	1.57
*Sold during the year			

4. Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Secured, considered good	-	-	-
Unsecured, considered good	68.50	85.46	80.53
Doubtful	-	-	-
	68.50	85.46	80.53
Less: Provision for doubtful receivables	-	-	-
Total	68.50	85.46	80.53

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

5. Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balances with banks:			
- On current accounts	56.35	51.34	22.27
Cash on hand	0.09	0.09	0.08
	56.44	51.43	22.35

6. Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured, considered good			
Prepaid expenses	1.05	1.54	1.61
Others			
- Unbilled Revenue & prepayments	56.46	55.48	54.91
	56.46	55.48	54.91
Total	57.51	57.02	56.52

7. Equity share Capital

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorised shares			
10,00,000 (March 31, 2018 : 10,00,000 and April 01, 2017 : 10,00,000) ordinary shares of GBP 1/- each	710.61	710.61	710.61
Issued, subscribed and fully paid equity capital			
2,99,742 (March 31, 2018 : 2,99,742 and April 01, 2017 : 2,99,742) ordinary shares of GBP 1/- each	213.00	213.00	213.00
Total	213.00	213.00	213.00

(i) Reconciliation of authorised share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	1,000,000	710.61
Changes during the period	-	-
At March 31, 2018	1,000,000	710.61
Changes during the period	-	-
At March 31, 2019	1,000,000	710.61

(ii) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	299,742	213.00
Changes during the period	-	-
At March 31, 2018	299,742	213.00
Changes during the period	-	-
At March 31, 2019	299,742	213.00

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

(iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of GBP 1/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of equity shares in proportion to the amount paid up or credited as paid up on equity shares respectively at the commencement of the winding up.

(iv) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of GBP 1 each, fully paid-up				
- Max India Limited - the holding company	299,742	100.00%	299,742	100.00%

8. Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10.26	21.73	16.54
Total	10.26	21.73	16.54

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

9. Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory Dues	0.48	0.13	1.18
Total	0.48	0.13	1.18

10. Provision

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Provision for tax	1.03	2.43	2.12
Total	1.03	2.43	2.12

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

11. Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale/ Rendering of services		
Overhead recovered	57.24	115.64
Total	57.24	115.64

12. Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- Others	0.08	0.07
	0.08	0.07
Other non-operating income		
- Profit on sale of fixed assets	0.38	-
	0.38	-
Total	0.46	0.07

13. Employee Benefits Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	19.48	39.29
Total	19.48	39.29

14. Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Other finance charges	0.11	0.16
Total	0.11	0.16

15. Depreciation and amortization expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 3)	0.21	0.70
Total	0.21	0.70

16. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Printing and stationery	0.71	1.13
Travelling and conveyance	10.87	30.21
Communication	1.58	6.85
Legal and professional	18.79	24.27
Net loss on sale/disposal of fixed assets	-	0.66
Equipment hiring charges	0.67	0.80
Miscellaneous	-	1.08
Total	32.62	65.00

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

Payment to auditors:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
For audit (Included in legal & professional charges)	4.59	4.30
Total	4.59	4.30

17. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in EPS computations :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to equity holders of the parent	4.24	8.30
Total	4.24	8.30
Weighted average number of equity shares used for computing Basic Earning per Share	299,742	299,742
Total	299,742	299,742
Basic EPS	1.41	2.77
Diluted EPS	1.41	2.77

18. Commitments and Contingencies

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	NIL	NIL

19. Income Tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

Statement of profit and loss:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	1.04	2.26
Income tax adjustment related to earlier years		
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	1.04	2.26

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

20. Related party transactions

A. Name of related party and relationship

Holding company	Max India Limited
Step down subsidiary companies	No
Joint Venture	No
Enterprises owned or significantly influenced by key management personnel or their relatives	
Key Management Personnel (KMP)	Laurence Binge

- B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Overhead recovered	Max India Limited	-	-	25.32
Salary & Wages	Max India Limited	-	-	21.98

- C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade receivable	Max India Limited	-	-	15.01

21. Financial instruments – Fair values and risk management

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the company, other than those with carrying amounts that are reasonable approximations of fair values:

	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial Assets						
At amortized cost:						
Cash and cash equivalent	56.44	56.44	51.43	51.43	22.35	22.35
Trade Receivables	68.50	68.50	85.46	85.46	80.53	80.53
At fair value through profit or loss:						
None	-	-	-	-	-	-
At fair value through other comprehensive income:						
None	-	-	-	-	-	-
Financial liabilities						
At amortized cost:						
Trade payables	10.26	10.26	21.73	21.73	16.54	16.54
At fair value through profit or loss:						
None	-	-	-	-	-	-
At fair value through other comprehensive income:						
None	-	-	-	-	-	-

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

The management of company assessed that cash and cash equivalents, loans, trade payables, non-current financial assets and current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

Carrying values of financial assets and liabilities presented above represent amortized cost, which approximates to the fair values of respective financial assets and liabilities.

22. First-time adoption of Ind AS

(I) These financial statements, for the year ended March 31, 2019, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2017, the Company's date of transition to Ind AS.

II) Reconciliation of equity as at April 1,2017 (date of transition to Ind AS)

Particulars	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets			
Non-current assets			
Property, plant and equipment	1.57	-	1.57
	1.57	-	1.57
Current assets			
Financial Assets			
- Trade receivables	80.53	-	80.53
- Cash and cash equivalents	22.35	-	22.35
Other current assets	56.52	-	56.52
	159.40	-	159.40
Total assets	160.97	-	160.97
Equity and liabilities			
Equity			
Equity share capital	213.00	-	213.00
Other equity	(71.87)	-	(71.87)
	141.13	-	141.13
Current liabilities			
Financial liabilities			
- Trade payables	16.54	-	16.54
Other current liabilities	1.18	-	1.18
Provision	2.12	-	2.12
	19.84	-	19.84
Total equity and liabilities	160.97	-	160.97

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

III) Reconciliation of equity as at March 31, 2018

Particulars	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets			
Non-current assets			
Property, plant and equipment	0.33	-	0.33
	0.33	-	0.33
Current assets			
Financial Assets			
- Investments	85.46	-	85.46
- Trade receivables	51.43	-	51.43
- Cash and cash equivalents	57.02	-	57.02
	193.91	-	193.91
Total assets	194.24	-	194.24
Equity and liabilities			
Equity			
Equity share capital	213.00	-	213.00
Other equity	(43.05)	-	(43.05)
	169.95	-	169.95
Current liabilities			
Financial liabilities			
- Trade payables	21.73	-	21.73
Other current liabilities	0.13	-	0.13
Provision	2.43	-	2.43
	24.29	-	24.29
Total equity and liabilities	194.24	-	194.24

IV) Reconciliation of profit or loss for the year ended March 31, 2018:

Particulars	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income			
Revenue from operations	115.64	-	115.64
Other income	0.07	-	0.07
Total income	115.71	-	115.71
Expenses			
Employee benefits expense	39.29	-	39.29
Finance costs	0.16	-	0.16
Depreciation and amortization expense	0.70	-	0.70
Other expenses	65.00	-	65.00
Total expenses	105.15	-	105.15
Profit before tax	10.56	-	10.56
Tax expense :			
Current tax	2.26	-	2.26

Notes to Ind AS financial statements for the year ended March 31, 2019

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Deferred tax	-	-	-
Income tax adjustment related to earlier years	-	-	-
Profit for the period	8.30	-	8.30
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Effect of change in Foreign currency translation reserve	-	20.52	20.52
Other comprehensive income for the period	-	20.52	20.52
Total Comprehensive Income for the period	8.30	20.52	28.82

- V) The following reconciliation describes the effects of the transtion on the Ind AS on Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Rs. In lakhs
Profit/(loss) as per Previous GAAP	8.30
Adjustment:	
Effects on change in foreign currency translation reserve*	20.52
Profit/(loss) as per Ind AS	28.82

* Under the Previous GAAP, change in foreign currency translation reserve shown directly under the head reserve & surplus in Balance sheet, Under Ind AS such change in foreign currency translation reserve is recognised in OCI as per requirement of Ind AS 101.

23. Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 - During the year company has not paid any interest in terms of the section 18 of the above mentioned act. No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.
24. Other disclosure requirements of Schedule III to the Companies Act, 2013 are not applicable to the Company.
25. Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

As per our separate report of even date

DINESH KUMAR BACHCHAS

Partner

Membership No: 097820

For and on behalf of

K. K. MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W

New Delhi, dated the April 24, 2019

For and on behalf of the board of directors of Max UK Limited

L. Binge

Director

MAX ATEEV LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the 25th Annual Report together with the Audited Balance Sheet as at March 31, 2019 and Statement of Profit & Loss for the year ended on that date.

FINANCIAL RESULTS

Pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended, Indian Accounting Standards ('Ind AS') become applicable from financial year 2018-19 and accordingly, the financials for the year ended March 31, 2019 have been prepared as per Ind AS.

(in Rupees)		
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Total Income	Nil	Nil
Operating Expenses	2,020,886	526,477
Loss before tax	(2,020,886)	(526,477)
Tax Expenses	Nil	Nil
Loss for the year	(2,020,886)	(526,477)
Other comprehensive income for the year	Nil	Nil
Net Profit After Tax/ (Loss)	(2,020,886)	(526,477)
No. of Equity Shares	3,14,43,600	3,14,43,600
EPS(Basic & Diluted)	(0.06)	(0.02)

OPERATIONS

Currently, the Company is not pursuing any business/commercial operations. During the year under review, your Company incurred a loss of Rs.2,020,886/-.

SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2019 was Rs. 31,50,00,000/- (Rupees Thirty One Crore Fifty Lakh only) comprising of 3,15,00,000 equity shares of Rs. 10/- each.

The Paid up capital of the Company as on March 31, 2019 was Rs. 31,44,36,000/- (Rupees Thirty One Crore Forty Four Lakh Thirty Six Thousand only) comprising of 3,14,43,600 equity shares of Rs. 10/- each.

There has been no change in the share capital of the Company during the period under review.

HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

Presently, there is no subsidiary of the Company. The particulars of the Holding Company are given in the extracts of Annual Return (Form- MGT-9) annexed with this report.

As the Company does not have any Subsidiary and/or Associate Company, the requirements of furnishing the details in Form- AOC-1 are not applicable.

CONSOLIDATED FINANCIAL STATEMENTS

Since the Company does not have any subsidiary or Associate/Joint Venture Company, hence no consolidated financial statements are required to be prepared.

DIVIDEND

In view of the losses, your Directors did not recommend any dividend for the year under review.

Transfer to reserves

The Company did not transfer any amount to any reserves.

BOARD OF DIRECTORS

Currently the Board of Directors of the Company comprises of Mr. V. Krishnan, Managing Director, Mrs. Kiran Sharma, Independent Director, Mr. Sanjay Khandelwal, Independent Director and Mr. Jatin Khanna, Non-executive director on the Board.

Mr. V. Krishnan was re-appointed as the Managing Director of the Company for a period of two years effective from February 14, 2019 without payment of any remuneration. In accordance with the provisions of the Act, Mr. Jatin Khanna is due to retire by rotation and being eligible, offers himself for re-appointment. During the period under review, Mr. Pradeep Pal Chadha resigned as Director of the Company with effect from March 27, 2019. Your directors place on record its appreciation for the contribution made by Mr. Pradeep Pal Chadha during his association as director of the Company.

The Board met five times during the year under review, viz., on May 25, 2018, August 9, 2018, November 28, 2018, February 13, 2019 and March 28, 2019, in the presence of all its directors.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149(7) of the Act, your Company has received declaration of Independence

from Mrs. Kiran Sharma and Mr. Sanjay Khandelwal, independent Directors of the Company.

COMMITTEE OF BOARD OF DIRECTORS

The Company has the following committees in compliance with the requirements of the relevant provisions of applicable laws and statutes.

1. Audit Committee:

The Audit Committee currently consists of Mrs. Kiran Sharma, Mr. Sanjay Khandelwal and Mr. V. Krishnan.

Two meetings of Audit Committee were held during the financial year 2018-19 on May 25, 2018 and November 28, 2018, in the presence of all its members.

2. Nomination & Remuneration Committee:

The Nomination and Remuneration Committee currently consists of Mrs. Kiran Sharma, Mr. Sanjay Khandelwal and Mr. Jatin Khanna. This Committee met once during the financial year 2018-19 on February 13, 2019, in the presence of all its members.

3. Committee of Independent Directors:

The Committee of Independent Directors consists of Mrs. Kiran Sharma and Mr. Sanjay Khandelwal. The Committee met on May 28, 2019 to perform the functions stipulated under Code for Independent Directors under Schedule IV to the Companies Act, 2013.

POLICY ON QUALIFICATION AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has framed a Policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors, Key Managerial Personnel and other employees. The Policy is attached herewith marked as **Annexure I**.

KEY MANAGERIAL PERSONNEL

As on the date of this report, Mr. V. Krishnan, Managing Director, Mr. Pankaj Chawla Company Secretary and Mr. Shri Raj, Chief Financial Officer are the Key Managerial Personnel (KMPs) of the Company.

All three KMPs are employees of the Holding Company, Max India Limited. The Company has no employees.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits from the public.

LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

The Company has not given any loans, made any guarantees or acquired any securities or provided for acquisition of any securities during the period under review which are covered under Section 186 of the Companies Act, 2013.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. The requirement of furnishing form AOC-2 is considered to be not applicable to the Company.

There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

It may be further noted that the Company is dependent on its Holding Company, Max India Limited for financial support. Kindly refer note no. 19 to the financial statements for related party transactions between the Company and its Holding Company.

AUDITOR & AUDITORS' REPORT

Pursuant to Section 139 & 142 of the Act, M/s Nangia & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on September 30, 2016 for a period of five years upon ratification of their appointment in every Annual General Meeting held during their tenure.

Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the forthcoming Annual General Meeting of the Company.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Nangia & Co. LLP, Statutory Auditors of the Company for the financial year 2018-19 as annexed elsewhere in this Annual Report.

RISK MANAGEMENT POLICY

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form Risk Management Policy that governs how the Company conducts the business and manages associated risks.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The disclosures to be made under sub-section (3) (m) of Section 134 of the Act read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 by your Company are explained as under:

(A) Conservation of Energy & Technology Absorption

Though, your Company is not carrying any operational activities, yet all possible efforts have been made for conservation of energy, wherever possible. The company is not carrying out any research and development activity.

(B) Foreign Exchange Earnings and Outgo

There has been no foreign exchange earnings and outgo during the year under report.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2019 forms part of this report as **Annexure II**.

Compliance of Secretarial Standards

All applicable Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) from time to time have been duly followed by your Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Act, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MATERIAL CHANGES AFFECTING FINANCIAL POSITION

The Company is dependent on its Holding Company, Max India Limited, for financial support.

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2019 and the date of the Directors' report.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders and other business constituents during the year under review.

By Order of the Board
For Max Ateev Limited

Jatin Khanna
Director
DIN: 07089135

V. Krishnan
Managing Director
DIN: 00402601

Date : May 28, 2019

Place : New Delhi

Annexure:

- I** Nomination and Remuneration Policy
II Extract of Annual Return in Form MGT 9

Annexure - I**APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 ("THE ACT")****Preamble**

In terms of Section 178 of the Act, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP") and other employees.

Appointment Criteria and Qualification

It is the responsibility of the NRC to develop competency requirements for the Board based on the industry and strategy of the Company. For this purpose, the NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person, conduct appropriate reference checks and due diligence before recommending him /her to the Board.

For the appointment of KMPs [other than Managing Director/ Whole time Director/Manager/CEO], Senior Management and other employees, a person should possess adequate qualification, expertise and experience for the position, he / she is considered for the appointment.

Remuneration Policy

The remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on a regular basis and is in consonance with the existing industry practice. This Policy has been adopted in accordance with the requirements of Section 178 of the Act with respect to the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management.

Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive /Independent Director, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board /shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act, as amended from time to time.

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	U74899DL1994PLC060700
Registration Date	04-08-1994
Name of the Company	MAX ATEEV LIMITED
Category	Public Company
Sub-category	Company Limited by Shares
Address of the Registered office & contact details	Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110 020
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Currently, the Company is not pursuing any business/ commercial operations. Hence, this information requirement is not applicable on the Company for the period under review.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Particulars of Holding Company as on March 31, 2019 are as follows:

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max India Limited 419, Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab -144 533	U85100PB2015PLC039155	Holding Company	100%	2 (46) of the Companies Act, 2013

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	31443600	31443600	100%	--	31443600	31443600	100%	Nil
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A)	--	31443600	31443600	100%	--	31443600	31443600	100%	Nil

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding	--	--	--	--	--	--	--	--	--
1. Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions	--	--	--	--	--	--	--	--	--
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	--	--	--	--	--	--	--	--
c) Others (specify)	--	--	--	--	--	--	--	--	--
Non Resident Indians	--	--	--	--	--	--	--	--	--
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - D R	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	--	--	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+ (B)(2)	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	31443600	31443600	100%	--	31443600	31443600	100%	Nil

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Max India Limited	31443580	100.00	Nil	31443580	100.00	Nil	Nil
2.	Mrs. Sujatha Ratnam*	4	0.00	Nil	4	0.00	Nil	Nil
3.	Mr. V. Krishnan*	4	0.00	Nil	4	0.00	Nil	Nil
4.	Mr. Pradeep Pal Chadha*	2	0.00	Nil	2	0.00	Nil	Nil
5.	Mr. B. Das*	2	0.00	Nil	2	0.00	Nil	Nil
6.	Mr. M.G. Rajagopalan*	4	0.00	Nil	4	0.00	Nil	Nil
7.	Mr. Rajinder Kumar*	4	0.00	Nil	4	0.00	Nil	Nil
Total :		31443600	100%		31443600	100%		

* shares held as nominees of Max India Limited

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	31443600	100%	31443600	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	31443600	100%	31443600	100%

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	6*	0.00	6*	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
	At the end of the year	4*	0.00	4*	0.00

*represents the shares held by directors as nominees of Max India Limited

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. : NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company has not paid any Remuneration to its Managing Director/Wholetime Directors or Manager during the financial year 2018-19.

B. Remuneration to other directors:

The Company sitting fees to the Independent Directors during the financial year 2018-19 as detailed below:

Mrs. Kiran Sharma : Rs. 60, 000/-

Mr. Sanjay Khandelwal: Rs. 60,000/-

The Company has not paid any Remuneration/Sitting fees during the financial year 2018-19 to other Directors

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: **Nil**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Penalties/punishment/compounding of offences that has been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2019: **NIL**

INDEPENDENT AUDITOR'S REPORT

To the Members of Max Ateev Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Max Ateev Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and Loss including Other Comprehensive Income, statement of changes in equity and the cash flow statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and

Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report 2018-19 but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section

143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure - A", a statement on the

matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The financial statements dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended)
- e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanation given to us,

the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note 13 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Vikas Gupta
 F.C.A Partner
 Membership # 076879

Signed at Noida on
 May 28, 2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of Max Ateev Limited on the financial statements for the year ended on 31 March, 2019. Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- ii The Company does not have any physical inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- iii The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- v In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii The Company is regular in depositing undisputed statutory dues including income-tax, goods and service tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- a) There are no dues in respect of income-tax, goods and service tax, that have not been deposited with the

appropriate authorities on account of any dispute.

- viii The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- ix The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- X No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- Xi The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- xii In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xv In our opinion, during the year the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- xvi The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Vikas Gupta
F.C.A Partner
Membership # 076879

Signed at Noida on
May 28, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Max Ateev Limited ("**the Company**") as of 31 March, 2019 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established

and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial

controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting with reference to these financial statements were

operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Vikas Gupta
F.C.A Partner
Membership # 076879

Signed at Noida on
May 28, 2019

Balance Sheet as at March 31, 2019

(All amount in INR, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Assets				
Non-Current tax assets	3	-	1,195,645	1,195,645
Total non-current assets		-	1,195,645	1,195,645
Current assets				
Financial Assets				
- Cash and cash equivalents	4	144,508	119,158	312,028
Total current assets		144,508	119,158	312,028
Total assets		144,508	1,314,803	1,507,673
Equity and liabilities				
Equity				
Equity share capital	5	314,436,000	314,436,000	314,436,000
Other equity	6	(385,863,957)	(383,843,071)	(383,316,594)
		(71,427,957)	(69,407,071)	(68,880,594)
Current liabilities				
Financial liabilities				
Borrowings	7	70,976,737	70,546,267	70,213,267
Trade payables				
- total outstanding dues of creditors other than micro enterprises and small enterprises	8	418,922	140,785	160,000
- total outstanding dues of micro enterprises and small enterprises	8	-	-	-
Other current liabilities	9	176,806	34,822	15,000
		71,572,465	70,721,874	70,388,267
Total equity and liabilities		144,508	1,314,803	1,507,673
Significant Accounting Policies	2(b)			
Notes to the financial statements	3 to 22			

The accompanying significant accounting policies and notes form an integral part of the financial statements.

As per our separate report of even date attached

For Nangia & Co. LLP

Chartered Accountants
ICAI FRN 002391C/N500069

Vikas Gupta

F. C. A. Partner
MRN 076879

For Max Ateev Limited

V. Krishnan

(Managing Director)
DIN No : 00402601
A 38, Lajpat Nagar, Sahibabad
Ghaziabad - 201005

Jatin Khanna

(Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Shri Raj

(Chief Financial Officer)

Pankaj Chawla

(Company Secretary)

Signed at Noida on
May 28, 2019

Place: New Delhi
Date: May 28, 2019

Statement of Profit and Loss for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations		-	-
Total income		-	-
Expenses			
Other expenses	10	2,020,886	526,477
Total expenses		2,020,886	526,477
Loss before tax		(2,020,886)	(526,477)
Tax expense :			
Current tax		-	-
Loss for the year		(2,020,886)	(526,477)
Other Comprehensive Income (OCI)	11	-	-
Other comprehensive income for the year		-	-
Total Comprehensive Income for the year		(2,020,886)	(526,477)
Earnings per equity share:			
Basic (Nominal value of INR 10 each)	12	(0.06)	(0.02)
Diluted (Nominal value of INR 10 each)	12	(0.06)	(0.02)
Significant Accounting Policies	2(b)		
Notes to the financial statements	3 to 22		

The accompanying significant accounting policies and notes form an integral part of the financial statements.

As per our separate report of even date attached

For Nangia & Co. LLP

Chartered Accountants
ICAI FRN 002391C/N500069

Vikas Gupta

F. C. A. Partner
MRN 076879

Signed at Noida on
May 28, 2019

For Max Ateev Limited
V. Krishnan

(Managing Director)
DIN No : 00402601
A-38, Lajpat Nagar, Sahibabad
Ghaziabad - 201005

Shri Raj

(Chief Financial Officer)

Place: New Delhi
Date: May 28, 2019

Jatin Khanna

(Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Pankaj Chawla

(Company Secretary)

Statement of changes in equity for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10 each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	31,443,600	314,436,000
Issue of share capital	-	-
At March 31, 2018	31,443,600	314,436,000
Issue of share capital	-	-
At March 31, 2019	31,443,600	314,436,000

B. Other equity

Particulars	Retained earnings	Total
At April 01, 2017	(383,316,594)	(383,316,594)
(Loss) for the Year	(526,477)	(526,477)
Changes during the year	-	-
Other Comprehensive Income	-	-
At March 31, 2018	(383,843,071)	(383,843,071)
(Loss) for the Year	(2,020,886)	(2,020,886)
Other Comprehensive Income	-	-
Changes during the year	-	-
At March 31, 2019	(385,863,957)	(385,863,957)

The accompanying significant accounting policies and notes form an integral part of the financial statements.

As per our separate report of even date attached

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Vikas Gupta
F. C. A. Partner
MRN 076879

Signed at Noida on
May 28, 2019

For Max Ateev Limited

V. Krishnan
(Managing Director)
DIN No : 00402601
A-38, Lajpat Nagar, Sahibabad
Ghaziabad - 201005

Shri Raj
(Chief Financial Officer)

Place: New Delhi
Date: May 28, 2019

Jatin Khanna
(Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Pankaj Chawla
(Company Secretary)

Cash flow statement for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before tax and extra-ordinary items	(2,020,886)	(526,477)
Add: Provision created for IT refund	1,195,645	-
Operating profit before working capital changes	(825,241)	(526,477)
Add: Working Capital Changes :		
Increase/ (decrease) in trade payables	278,137	(19,215)
Increase/ (decrease) in other current liabilities	141,984	19,822
Cash Flow from operations	(405,120)	(525,870)
NET CASH (USED IN) OPERATING ACTIVITIES (A)	(405,120)	(525,870)
CASH FLOW FROM INVESTING ACTIVITIES (B)	-	-
CASH FLOW FROM FINANCING ACTIVITIES (C)		
Proceeds from borrowings	430,470	333,000
NET CASH FROM FINANCING ACTIVITIES (C)	430,470	333,000
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	25,350	(192,870)
Cash And Cash Equivalents - Opening Balance	119,158	312,028
Cash And Cash Equivalents - Closing Balance	144,508	119,158
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	25,350	(192,870)

The accompanying significant accounting policies and notes form an integral part of the financial statements.

As per our separate report of even date attached

For Nangia & Co. LLP

Chartered Accountants
ICAI FRN 002391C/N500069

Vikas Gupta

F. C. A. Partner
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For Max Ateev Limited

V. Krishnan

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(Chief Financial Officer)

Jatin Khanna

(Director)
DIN No. 07089135
C-199, Vivek Vihar
Phase-I, Delhi - 110095

Pankaj Chawla

(Company Secretary)

Signed at Noida on
May 28, 2019

Place: New Delhi
Date: May 28, 2019

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

1. Corporate information

Max Ateev Limited is a public limited company registered under Companies Act, 2013. The Company has scaled down its operations and currently there is no stream of revenue.

2(a) Basis of preparation

i. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements up to and for the year ended 31 March 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 21.

The financial statements were authorized for issue by the Company's Board of Directors on 22 May, 2019.

Details of the Company's accounting policies are included in Note 2(b).

ii. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

iii. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Financial assets and liabilities

iv. Use of estimates and judgements/fair values

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

v. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 20- financial instruments;

2(b) Significant accounting policies

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

i. Financial instruments:

Recognition and initial measurement

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement and gain and losses: Financial assets

Financial Assets at amortised cost- These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gains or loss or derecognition is are recognized in profit or loss.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) - All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as at FVTOCI, all fair value changes on the investment are recognized in Other Comprehensive Income (OCI). The accumulated gains or losses are recognized in OCI are reclassified to retained earnings on sale of such investment.

Financial assets at Fair Value through Profit and loss (FVTPL) - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Classification, subsequent measurement and gains and losses: Financial liabilities

Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the balance sheet date, the carrying value

approximates fair value due to short maturity of these investments.

Derecognition: Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Derecognition: Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

ii. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

- (a) expected to be realised in, or is intended to be sold or consumed in Company's normal operating cycle;
- (b) held primarily for the purpose of being traded;
- (c) expected to be realised within 12 months after the reporting date; or
- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A Liability is current when:

- (a) it is expected to be settled in Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

iii. Impairment

Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

iv. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection

with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

v. Revenue recognition

Revenue from contracts with customer Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Interest income is recognized using the effective interest method and are accounted on accrual basis.

All other item of income are accounted on accrual basis.

vi. Provisions and contingent liabilities (other than employee benefits)

Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the legal or contractual obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

vii. Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Tax benefits of deductions earned on exercise of employee stock options in excess of compensation charged to income are credited to other comprehensive income.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not

recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

viii. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

ix. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

x. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

xi. Changes in Accounting Standards and other recent accounting pronouncements

Ind AS 116, Leases: The Ministry of Corporate Affairs has notified the Ind AS 116, Leases which will be effective from April 1, 2019. Ind AS 116 would replace the existing leases standard Ind AS 17. The

standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Company is currently evaluating the requirements of Ind AS 116 on the financial statements.

Amendment to Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements. Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

3. Non-Current tax assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Income tax refundable*	-	1,195,645	1,195,645
Total	-	1,195,645	1,195,645

* Income tax refundable pertaining to year 2001 to 2006 has been written off during the previous financial year as the management do not foresee the recoverability of these refunds.

4. Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Balances with banks:			
- On current accounts	144,508	119,158	312,028
	144508.24	119158.24	312028

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash and Cash Equivalents as per balance sheet	144508.24	119158.24	312028
	144508.24	119158.24	312028

5. Equity share Capital

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorised shares			
31,500,000 (March 31, 2018 : 31,500,000 and April 01, 2017 : 31,500,000) equity shares of INR 10 each	315,000,000	315,000,000	315,000,000
Issued, subscribed and fully paid equity capital			
31,433,600 (March 31, 2018 : 31,433,600 and April 01, 2017 : 31,433,600) equity shares of INR 10 each	314,436,000	314,436,000	314,436,000
Total	314,436,000	314,436,000	314,436,000

(i) Reconciliation of issued, subscribed and fully paid up share capital as at year end

Particulars	No of shares	Amount
At April 01, 2017	31,443,600	314,436,000
Changes during the period	-	-
At March 31, 2018	31,443,600	314,436,000

(ii) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Max India Limited*	31,443,600	100.00%	31,443,600	100.00%

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

(iii) Details of shares held by holding company -

Out of the equity shares issued by the Company, shares held by the holding company are as below:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Max India Limited*	31,443,600	100.00%	31,443,600	100.00%

*Note:

- (i) As per the records of the Company including its register of shareholders/ members, the above shareholding represents beneficial ownership of shares.
- (ii) Max India Limited holds 314,435,980 (99.99%) of the shareholding in its capacity and the remaining 20 (0.01 %) is held by others as nominees of Max India Limited.

6. Other Equity

i) Retained earnings

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Opening balance	(383,843,071)	(383,316,594)	(383,069,368)
Changes during the year	(2,020,886)	(526,477)	(247,226)
Closing balance	(385,863,957)	(383,843,071)	(383,316,594)

7. Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Loans repayable on demand*	70,976,737	70,546,267	70,213,267
Total	70,976,737	70,546,267	70,213,267

*Terms

- (i) Interest free borrowings from Max India Limited (holding company), repayable on demand.

8. Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total outstanding dues of creditors other than micro enterprises and small enterprises	418,922	140,785	160,000
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total	418,922	140,785	160,000

The companies exposure to liquidity risks related to the above financial liabilities is disclosed in Note 18(b). For information related to MSME refer Note 15.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

9. Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory Dues	176,806	34,822	15,000
Total	176,806	34,822	15,000

10. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent	6,372	-
Rates and taxes	4,062	-
Legal and professional	665,307	381,477
Payment to auditor (refer below)	29,500	25,000
Directors' sitting fees	120,000	120,000
Income tax refund written off*	1,195,645	-
Total	2,020,886	526,477

*Refer foot note to note 3.

Payment to auditors:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
For audit	25,000	25,000
For GST liability on audit fees for previous year	4,500	-
Total	29,500	25,000

11. Components of other comprehensive income

There are no component of other comprehensive income that are required to be reported or to be disclosed.

12. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in EPS computations :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net loss after tax as per statement of profit and loss	(2,020,886)	(526,477)
Total	(2,020,886)	(526,477)
Weighted average number of equity shares used for computing Basic Earning per Share	31,443,600	31,443,600
Total	31,443,600	31,443,600
Basic EPS	(0.06)	(0.02)
Diluted EPS*	(0.06)	(0.02)

*Diluted EPS is same as of basic EPS as there are no potential equity shares.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

13. Contingent liabilities and capital commitments

The Company does not have any capital commitments as on March 31, 2019 (March 31, 2018: Nil, April 01, 2017: Nil).

Contingent liabilities	March 31, 2019	March 31, 2018	April 01, 2017
The ITAT has remanded back the issue under appeal, filed by the Department in AY 2001-02, to the file of the assessing Officer for fresh adjudication.	-	573,230	573,230
Total	-	573,230	573,230

14. Segment Information

The entire operations are governed by the same set of risk and returns and, hence, the same has been considered as representing a single segment and there is no separate reportable business segment as per Ind AS 108 on Operating Segments.

Information about geographical areas

The Company sells its products and services within India and do not have any operations in economic environments with different set of risks and returns. Hence, it is considered to be operating in a single geographical segment.

15 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year-end has been made based on information received and available with the Company.

Particulars	As at March 31, 2019	As at March 31, 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

16. Operating lease

The Company has taken premises on cancellable operating lease.

Amounts recognised in statement of profit or loss

Particulars	Note	For Year ended March 31, 2019	For Year ended March 31, 2018
Lease expense	10	6,372	-

17. During the year the Company has incurred losses of INR 825,241 (previous year INR 526,477). As at March 31, 2019, the accumulated losses of the Company are INR 384,668,312 (previous year INR 383,843,071) as against the shareholder's fund of INR 314,436,000 (previous year INR 314,436,000). The Company is dependent on its holding company i.e. Max India Limited for financial support. In the opinion of the management, in view of the commitment of continued financial support by holding company and in the absence any expressed intention of management of liquidation of the Company in the near future, the Company is continuing with the going concern assumption. Further, the Company does not anticipate that it will not be able to realise its assets and discharge its liabilities in the normal course of business.

18. Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency risk, interest rate risk and price risks, such as commodity price risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and therefore it does not have any exposure to foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has taken interest free borrowings and therefore is not subject to interest rate risk.

(iii) Commodity price risks

There is no revenue during the year and therefore it does not have any exposure to Commodity price risk.

b) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing at an optimised cost.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

- (i) The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1-5 Years	More than 5 Years	Total
Borrowings	70,976,737	-	-	-	-	70,976,737
Trade payable	-	418,922	-	-	-	418,922
As at March 31, 2018						
Borrowings	70,546,267	-	-	-	-	70,546,267
Trade payable	-	133,000	7,785	-	-	140,785
As at April 01, 2017						
Borrowings	70,213,267	-	-	-	-	70,213,267
Trade payable	-	160,000	-	-	-	160,000

c) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including balance with banks and other financial instruments.

(i) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. All balances with banks is subject to low credit risk due to good credit ratings assigned to the Company.

19. Related Party Disclosures

- (i) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Holding company

Max India Limited

Key management personnel

Mr. V Krishnan (Managing Director)

Mrs. Kiran Sharma (Independent director)

Mr. Sanjay Khandelwal (Independent director)

- (ii) Transactions with related parties

Summary of transactions / balances with related parties	Holding Company (including Entities where control exists)		Key management personnel and relatives	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Transactions during the year				
Advance against routine expense				
Max India Limited	430,470	333,000	-	-
Sitting fee				
Mrs. Kiran Sharma	-	-	60,000	60,000
Mr. Sanjay Khandelwal	-	-	60,000	60,000
Total	430,470	333,000	120,000	120,000

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

Balance as at year end	Holding Company (including Entities where control exists)			Key management personnel and relatives		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Amount payable	70,976,737	70,546,267	70,213,267	108,000	108,000	135,000

20 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Category	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
1) Financial assets at amortized cost						
Cash and cash equivalents	144,508	144,508	119,158	119,158	312,028	312,028
Total	144,508	144,508	119,158	119,158	312,028	312,028
2) Financial Liabilities at amortized cost						
Borrowings	70,976,737	70,976,737	70,546,267	70,546,267	70,213,267	70,213,267
Trade payables	418,922	418,922	140,785	140,785	160,000	160,000
Total	71,395,659	71,395,659	70,687,052	70,687,052	70,373,267	70,373,267

Notes

- (i) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Management has assessed that cash and cash equivalents, borrowings and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

21. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Cash and cash equivalents	144,508	-	-	-
Total	144,508	-	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2019:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at amortised cost				
Borrowings	70,976,737	-	-	-
Trade payables	418,922			
Total	71,395,659	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Cash and cash equivalents	119,158	-	-	-
Total	119,158	-	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2018:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at amortised cost				
Borrowings	70,546,267			
Trade payables	140,785	-	-	-
Total	70,687,052	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at April 01, 2017:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at amortised cost				
Cash and cash equivalents	312,028	-	-	-
Total	312,028	-	-	-

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for liabilities as at April 01, 2017:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at amortised cost				
Borrowings	70,213,267			
Trade payables	160,000	-	-	-
Total	70,373,267	-	-	-

Management has assessed that cash and cash equivalents, other financial assets and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

22. First time adoption of Ind AS

As stated in Note 2a, these financial statements for the year ended March 31, 2019, are the Company's first financial statements prepared in accordance with Ind AS. For the periods upto and included as at March 31, 2018, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Act ('previous GAAP').

Accordingly, the Company has prepared these financial statements which comply with Ind AS applicable for year ended on March 31, 2019, together with the comparative period data for the year ended March 31, 2018 and Ind AS opening balance sheet as at April 01, 2017. Further, in presenting the comparative information, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The accounting policies set out in Note 2b have been applied in preparing these financial statements for the year ended March 31, 2019 including the comparative information for the year ended March 31, 2018 and the opening consolidated Ind AS balance sheet on the date of transition i.e. as at April 01, 2017.

Exemptions applicable and availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

A Mandatory exceptions

i. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS or as at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is a objective evidence that those estimates were in error. However the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of comparative period, as the case may be.

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies, if any).

ii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

(a) Reconciliation of equity as at

Particulars	As at April 1, 2017			As at March 31, 2018		
	Regrouped Indian GAAP	Ind AS adjustments	Ind AS	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
I Assets						
Non-current assets						
Other non-current assets	1,195,645	-	1,195,645	1,195,645	-	1,195,645
Current assets						
Financial Assets						
- Cash and cash equivalents	312,028	-	312,028	119,158	-	119,158
Total assets	1,507,673	-	1,507,673	1,314,803	-	1,314,803
II Equity and liabilities						
Equity						
Equity share capital	314,436,000	-	314,436,000	314,436,000	-	314,436,000
Other equity	(383,316,594)	-	(383,316,594)	(383,843,071)	-	(383,843,071)
Current liabilities						
Financial liabilities						
- Borrowings	70,213,267	-	70,213,267	70,546,267	-	70,546,267
- Trade payables						
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	160,000	-	160,000	140,785	-	140,785
Other current liabilities	15,000	-	15,000	34,822	-	34,822
Total equity and liabilities	1,507,673	-	1,507,673	1,314,803	-	1,314,803

Notes to financial statements for the year ended March 31, 2019

(All amount in INR, unless otherwise stated)

(b) Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
Income			
Revenue from operations	-	-	-
Total income	-	-	-
Expenses			
Other expenses	526,477	-	526,477
Total expenses	526,477	-	526,477
Loss before tax	(526,477)	-	(526,477)
Tax expense :		-	
Current tax	-	-	-
Loss for the year	(526,477)	-	(526,477)
Other Comprehensive Income (OCI)	-	-	-
Items that will not be reclassified to profit or loss	-	-	-
Re-measurement gains (losses)	-	-	-
Income tax effect	-	-	-
Other comprehensive income for the period	-	-	-
Total Comprehensive Income for the period	(526,477)	-	(526,477)

(c) Cash flow statement

The transition from previous GAAP to Ind AS do not have a material impact on the statement of cash flows.

The notes referred to above form an integral part of the financial statements

As per our separate report of even date attached

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Vikas Gupta
F. C. A. Partner
MRN 076879

For Max Ateev Limited

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Shri Raj
(Chief Financial Officer)

Jatin Khanna
(Director)
DIN No. 07089135
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Pankaj Chawla
(Company Secretary)

Signed at Noida on
May 28, 2019

Place: New Delhi
Date: May 28, 2019



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