INDEPENDENT AUDITOR'S REPORT

To The Members of Max Financial Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Max Financial Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow statement and the Statement of Change in Equity for the year then ended, and 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 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 March 31, 2019 and its profit, total comprehensive income, its cash flows and the change in equity for the year ended on that date.

Basis for 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 (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the standalone 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Fair value of derivative financial instruments** **(Standalone Financial Statements)** **(Refer note 42 of the standalone financial statements)** Derivatives arose out of Option arrangements executed during the year ended March 31, 2016. The fair value of the derivative is determined through the application of valuation techniques which involves exercise of judgement by the Management and the use of assumptions, estimates and valuation models. Hence, it is considered as a key audit matter.	**Principal Audit Procedures performed:** • Obtained an understanding of the Company's process for determining the valuation and disclosure of derivative. • Tested the design and operating effectiveness of the internal controls on the valuation of the derivatives as at the period end. • Assessed the competency, capability and objectivity of the management's valuer • Tested the mathematical accuracy of the valuation model used. • Involved our internal valuation expert in relation to testing of the appropriateness of the valuation method applied and on sample basis, re-priced the valuation of derivative.

Information Other than the Standalone 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 Board's Report (including annexures thereto), Business Responsibility Statement and Management discussion and analysis (MD&A) (collectively referred to as "other information"), but does not include the standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

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 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 change in equity of the Company in accordance with the Ind AS 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 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 financial 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 standalone 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 financial statements, including the disclosures, and whether the standalone 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 Company to express an opinion on the Standalone financial statements.

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 standalone 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 standalone 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 standalone 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 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, the Cash Flow Statement and Statement of Change in Equity 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 Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2019 and 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 A". 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 the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 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:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 25 of the forming part of standalone financial statements.

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 36 of the notes forming part of standalone financial statements.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 37 of the notes forming part of standalone financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order" or "CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

SATPAL SINGH ARORA
Place: New Delhi
(Partner)

Date: May 28, 2019
(Membership No. 98564)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Financial Services 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 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 of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 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 judgement, including the assessment of the risks of material misstatement of the standalone 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, to the best of our information and according to the explanations given to us, 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 March 31, 2019, based on the criteria for internal financial control over financial reporting 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

SATPAL SINGH ARORA
Place: New Delhi
(Partner)

Date: May 28, 2019
(Membership No. 98564)

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. 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 of the building is held in the name of the Company. According to the information and explanations given to us and the records examined by us, no other immovable properties of land and buildings have been taken on lease and disclosed as fixed asset in the standalone financial statements.

(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, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. The Company does not have any unclaimed deposits and accordingly the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Goods and Service Tax, cess and other material statutory dues as applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Service Tax and cess as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax and Customs Duty which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues (Refer note 25 of the standalone financial statements)	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved (Rs. in Lakhs)	Amount unpaid (Rs. in Lakhs)
Customs Act, 1962	Custom Duty Demand on non-fulfillment of export obligation	Directorate General of Foreign Trade	FY 1994-95	548.97	548.97
Finance Act, 1994 (Service tax)	Service Tax Demand on consultancy services	Commissioner (Central Excise), Chandigarh	FY 1997-98 To FY 2000-01	213.00	201.00
Finance Act, 1994 (Service tax)	Service Tax Demand on Banking and Financial Services	Joint/Additional Commissioner, Service Tax Commissionerate Delhi-II	FY 2011-12 To FY 2015-16	139.58	139.58
Income Tax Act, 1961	Income Tax Demand in disallowance made on various matters	High Court, Punjab	AY 2003-04	159.04	159.04

We are informed that the provisions of Employees State Insurance Act, 1948 are not applicable to the Company and that the operations of the Company do not give rise to any liability for Sales Tax, Excise Duty and Value Added Tax.

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations 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) According to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions 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 CARO 2016 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable Ind AS.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of 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 any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) As per section 45-IA of the Reserve Bank of India Act, 1934 read with RBI / 2006-07 / 158 DNBS (PD) C.C. No. 81 / 03.05.002 / 2006-07 dated 19 October, 2006, a Company whose 50% of total assets and 50% of total income is from financial activity, as at the last audited balance sheet, is said to carry on financial activity as its principal business and hence is required to obtain registration as a Non-Banking Finance Company (NBFC).

As indicated in note 38, the Company is of the view supported by legal opinion that the Company is a 'Core Investment Company' ('CIC') and does not meet the criteria for Systemically Important Core Investment Company ('CIC-SI') as laid down in the CIC Master Circular dated 1 July, 2015 and hence registration under section 45-IA of the Reserve Bank of India Act, 1934 is not required.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

SATPAL SINGH ARORA
Place: New Delhi
(Partner)

Date: May 28, 2019
(Membership No. 98564)

Standalone Balance Sheet as at 31 March, 2019

(Rs. in lakhs)

Particulars		Note No.	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
A. ASSETS					
1. Financial assets					
(a)	Cash and cash equivalents	3	42.77	41.69	728.51
(b)	Bank balances other than (a) above	4	267.22	254.42	257.51
(c)	Derivative financial instruments	5	-	5,549.65	5,734.97
(d)	Receivables - Trade receivables	6	2,179.55	668.74	769.06
(e)	Loans	7	7.37	82.55	92.27
(f)	Investments	8	213,131.82	196,431.64	179,573.58
(g)	Other financial assets	9	114.35	119.73	119.60
Total financial assets			**215,743.08**	**203,148.42**	**187,275.50**
2. Non financial assets					
(a)	Current tax assets (Net)	10	606.21	605.06	520.94
(b)	Property, plant and equipment	11A	3,036.47	3,122.01	3,231.37
(c)	Intangible assets	11B	8.89	21.44	33.88
(d)	Other non-financial assets	12	164.16	193.43	364.48
Total non-financial assets			**3,815.73**	**3,941.94**	**4,150.67**
Total assets			**219,558.81**	**207,090.36**	**191,426.17**
B. LIABILITIES AND EQUITY					
I LIABILITIES					
1. Financial liabilities					
(a)	Derivative financial instruments	13	16,013.45	11,877.41	15,398.15
(b)	Trade payables	14			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,419.86	1,016.93	1,168.01
(c)	Other financial liabilities	15	1,213.06	1,186.84	738.98
Total financial liabilities			**18,646.37**	**14,081.18**	**17,305.14**
2. Non financial liabilities					
(a)	Provisions	16	287.11	486.14	366.53
(b)	Deferred tax liabilities (net)	24	-	-	-
(c)	Other non-financial liabilities	17	623.02	568.28	585.14
Total non-financial liabilities			**910.13**	**1,054.42**	**951.67**
Total liabilities			**19,556.50**	**15,135.60**	**18,256.81**
II EQUITY					
(a)	Equity share capital	18	5,387.72	5,367.68	5,345.40
(b)	Other equity	19	194,614.59	186,587.08	167,823.96
Total equity			**200,002.31**	**191,954.76**	**173,169.36**
Total liabilities and equity			**219,558.81**	**207,090.36**	**191,426.17**
See accompanying notes to the standalone Ind AS financial statements		1 to 43			

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Satpal Singh Arora
Partner
Membership No. 98564

Place : New Delhi
Date : May 28, 2019

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Sujatha Ratnam
(Chief Financial Officer)

Sandeep Pathak
(Company Secretary)
M.No. - FCS-5351

Place : New Delhi
Date : May 28, 2019

Standalone Statement of Profit and Loss for the year ended 31 March, 2019

(Rs. in lakhs)

Particulars		Note No.	Year ended 31.03.2019	Year ended 31.03.2018
1.	**Revenue from operations**			
	(a) Interest income		1.37	13.23
	(b) Dividend income		28,100.90	20,016.07
	(c) Gain on fair value changes			
	- on derivative financial instruments	42	-	3,335.42
	- on investments in mutual funds		832.13	861.49
	(d) Sale of services		2,728.56	2,123.54
2.	**Total revenue from operations**		**31,662.96**	**26,349.75**
3.	Other Income	20	114.85	71.60
4.	**Total Income (2+3)**		**31,777.81**	**26,421.35**
5.	**Expenses**			
	(a) Finance cost	41	2,724.62	-
	(b) Loss on fair value changes on derivative financial instruments	42	10,261.27	-
	(b) Employee benefits expense	21	7,639.60	5,374.17
	(c) Depreciation and amortisation expense	22	175.25	191.99
	(d) Legal and professional expenses		4,351.26	4,630.92
	(e) Other expenses	23	1,687.30	1,830.55
6.	**Total expenses**		**26,839.30**	**12,027.63**
7.	**Profit before tax (4-6)**		**4,938.51**	**14,393.72**
8.	Tax expense			
	(a) Current tax		-	-
	(b) Deferred tax		-	-
9.	**Total tax expense**		**-**	**-**
10.	**Profit after tax (7-9)**		**4,938.51**	**14,393.72**
11.	**Other comprehensive income/(loss)**			
	Items that will not be reclassified to Profit and Loss			
	- Remeasurement of defined benefit obligations		(29.67)	(22.71)
12.	**Total other comprehensive income/(loss)**		**(29.67)**	**(22.71)**
13.	**Total comprehensive income/(loss) for the year (8+10)**		**4,908.84**	**14,371.01**
14.	**Earnings per equity share (EPS)**	28		
	(Face value of Rs. 2 per share)			
	Basic (in Rs.)		1.83	5.36
	Diluted (in Rs.)		1.83	5.35
See accompanying notes to the standalone Ind AS financial statements		1 to 43		

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Satpal Singh Arora
Partner
Membership No. 98564

Place : New Delhi
Date : May 28, 2019

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Sujatha Ratnam
(Chief Financial Officer)

Sandeep Pathak
(Company Secretary)
M.No. - FCS-5351

Place : New Delhi
Date : May 28, 2019

Standalone Cash Flow Statement for the year ended 31 March, 2019

(Rs. in lakhs)

Particulars		Year ended 31.03.2019	Year ended 31.03.2018
A. Cash flow from operating activities			
Profit before tax		4,938.51	14,393.72
Adjustments for :			
Depreciation and amortisation expense		175.25	191.99
Interest income		(35.15)	(41.64)
Dividend income on long term investments		(28,100.90)	(20,016.07)
Net loss / (profit) on sale / disposal of fixed assets		17.73	5.60
Gain on fair value changes			
- on derivative financial instruments		10,261.27	(3,335.42)
- on investments in mutual funds		(832.13)	(861.49)
Liabilities/provisions no longer required written back		(1.26)	(1.19)
Provision for doubtful service tax credit receivable		-	289.94
Expense on employee stock option scheme		719.98	1,651.05
Operating profit/ (Loss) before working capital changes		**(12,856.70)**	**(7,723.51)**
Changes in working capital:			
Adjustments for (increase)/ decrease in operating assets:			
Trade receivables		(1,510.81)	100.32
Loans		75.18	9.72
Other financial assets		2.99	0.47
Other non-financial assets		29.27	(118.89)
Dividend received		28,100.90	20,016.07
Interest received		37.54	41.04
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		404.19	(149.89)
Other financial liabilities		26.22	447.86
Provisions		(228.70)	96.90
Other non-financial liabilities		54.74	(16.86)
Cash generated from operations		14,134.82	12,703.23
Net income tax (paid) / refunds		(1.15)	(84.12)
Net cash flow from operating activities	**(A)**	**14,133.67**	**12,619.11**
B. Cash flow from investing activities			
Capital expenditure on property, plant and equipment including capital advances		(98.97)	(107.35)
Proceeds from sale of property, plant and equipment		4.08	31.56
Bank balances not considered as Cash and cash equivalents (net)		(12.80)	3.09
Investments in mutual funds			
- Purchased		(52,091.12)	(29,553.00)
- Proceeds from sale		52,184.01	28,889.25
Investments in equity shares of subsidiary company			
- Purchased		(16,536.52)	(15,332.82)
Net cash (used in)/from investing activities	**(B)**	**(16,551.32)**	**(16,069.27)**

Particulars		Year ended 31.03.2019	Year ended 31.03.2018
C. Cash flow from financing activities			
Proceeds from ESOPs exercised (including share premium)		2,418.73	2,763.34
Net cash used in financing activities	**(C)**	**2,418.73**	**2,763.34**
Net (decrease)/increase in cash and cash equivalents	**(A+B+C)**	1.08	(686.82)
Cash and cash equivalents as at the beginning of the year		41.69	728.51
Cash and cash equivalents as at the end of the year (See note 3)*		**42.77**	**41.69**
* Comprises:			
a. Cash on hand		0.81	1.29
b. Balance with scheduled banks			
- in current accounts		41.96	40.40
		42.77	**41.69**

See accompanying notes to the standalone Ind AS financial statements 1 to 43

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Satpal Singh Arora
Partner
Membership No. 98564

Place : New Delhi
Date : May 28, 2019

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Sujatha Ratnam
(Chief Financial Officer)

Sandeep Pathak
(Company Secretary)
M.No. - FCS-5351

Place : New Delhi
Date : May 28, 2019

Standalone Statement of Changes in Equity for the year ended 31 March, 2019

a. Equity share capital

Particulars	(Rs. in lakhs) Amount
Balance at 1 April, 2017	**5,345.40**
Changes in equity share capital during the year	
Issue of equity shares (See note 18)	22.28
Balance at 31 March, 2018	**5,367.68**
Changes in equity share capital during the year	
Issue of equity shares (See note 18)	20.04
Balance at 31 March, 2019	**5,387.72**

b. Other equity

(Rs. in lakhs)

Particulars	Reserves and Surplus				Total
	Securities premium	General reserve	Share options outstanding account	Retained earnings	
Balance at 1 April, 2017	**32,265.01**	**16,418.22**	**2,346.83**	**116,793.90**	**167,823.96**
Profit/(Loss) for the year	-	-	-	14,393.72	14,393.72
Other comprehensive income/(loss) for the year	-	-	-	(22.71)	(22.71)
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**14,371.01**	**14,371.01**
Premium on shares issued during the year (See note 19)	5,015.66	-	(2,274.60)	-	2,741.06
Share-based payments to employees (See note 19)	-	-	1,651.05	-	1,651.05
Balance at 31 March, 2018	**37,280.67**	**16,418.22**	**1,723.28**	**131,164.91**	**186,587.08**
Profit/(Loss) for the year	-	-	-	4,938.51	4,938.51
Other comprehensive income/(loss) for the year	-	-	-	(29.67)	(29.67)
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**4,908.84**	**4,908.84**
Premium on shares issued during the year (See note 19)	4,590.23	-	(2,191.54)	-	2,398.69
Share-based payments to employees (See note 19)	-	-	719.98	-	719.98
Balance at 31 March, 2019	**41,870.90**	**16,418.22**	**251.72**	**136,073.75**	**194,614.59**
See accompanying notes to the standalone Ind AS financial statements	1 to 43				

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Satpal Singh Arora
Partner
Membership No. 98564

Place : New Delhi
Date : May 28, 2019

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Sujatha Ratnam
(Chief Financial Officer)

Sandeep Pathak
(Company Secretary)
M.No. - FCS-5351

Place : New Delhi
Date : May 28, 2019

Notes forming part of the standalone financial statements

1. Corporate information

Max Financial Services Limited ("the Company") is a public limited company domiciled in India. The shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company is primarily engaged in making business investments in its subsidiary and providing management advisory services to the group companies.

2. Significant accounting policies

2.1 Basis of preparation

(i) Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Beginning April 1, 2018 the Company has for the first time adopted Ind AS with a transition date of April 1, 2017. The above results have been prepared on the basis of format contained in Division III of Notification G.S.R. 1022(E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India and accordingly, the corresponding comparative figures presented in these financial results have been regrouped/reclassified in order to conform to current period presentation.

Upto the year ended 31 March, 2018, the Company prepared its financial statements in accordance with the requirements of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April, 2017. Refer note 2.2 for the details of the first-time adoption exemptions availed by the Company.

(ii) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs

Notes forming part of the standalone financial statements

for the assets or liability.

2.2 First-time adoption – mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April, 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below.

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April, 2017 (the transition date).

Accounting for changes in parent's ownership in a subsidiary that does not result in a loss of control

The Company has accounted for changes in a parent's ownership in a subsidiary that does not result in a loss of control in accordance with Ind AS 110, prospectively from the date of transition.

Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as at the transition date.

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used 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 recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

Share-based payments

The Company has elected not to apply Ind AS 102 Share-Based Payment, to equity instruments that vested prior to the date of transition to Ind AS.

Deemed cost for property, plant and equipment, and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment, and intangible assets recognised as of 1 April, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Deemed cost for equity investments in subsidiary

The Company has elected to continue with the carrying value of all of its equity investments in subsidiary as of 1 April, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.3 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes forming part of the standalone financial statements

2.4 Cash flow statement

Cash flows are reported using indirect method, whereby Profit/(loss) after tax reported under Statement of Profit and loss 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 available information.

2.5 Property, plant and equipment

For 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 (transition date) measured as per the previous GAAP as their deemed cost as of the transition date.

All the items of property, plant and equipment are stated at historical cost net of cenvat credit less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful life is taken in accordance with Schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.6 Intangible assets

Intangible assets acquired separately Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.7 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and 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). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Notes forming part of the standalone financial statements

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and 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.

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 recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.8 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.

<u>Income from services</u>

Revenue from shared services contracts are recognised over the period of the contract as and when services are rendered.

<u>Interest</u>

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

<u>Dividend</u>

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

2.9 Share-based payment arrangements

The Company has constituted an Employee Stock Option Plan - 2003 for equity settled share based payment transactions. Employee Stock Options granted on or after 1 April, 2005 are measured at the fair value of the equity instruments at the grant date. The Scheme provides for grant of options to employees (including directors) of the Company to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

The Company had constituted a Phantom Stock option plan in 2016, to be settled in cash. The Company is required to make provisions for estimated cash requirement for settlement on the basis of Fair Market Value of equity shares of the Company, Max India

Notes forming part of the standalone financial statements

Limited and Max Ventures and Industries Limited as at end of each financial period/year till the estimated life of phantom stocks. As and when any cash payment is made on account of settlement of phantom stock, the provision is accordingly adjusted.

The Company has constituted another Phantom Stock option plan in 2017, which will be settled in cash. The Company is required to make provisions for estimated cash requirement for settlement on the basis of Fair Market Value of equity shares of the Company as at end of each financial period/year till the estimated life of phantom stocks. As and when any cash payment is made on account of settlement of phantom stock, the provision is accordingly adjusted.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.10 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Investment in subsidiary

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Investments in subsidiary are carried at cost less impairment. Cost comprises price paid to acquire the investment and directly attributable cost.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on

Notes forming part of the standalone financial statements

the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss

Notes forming part of the standalone financial statements

incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables and other contractual rights to receive cash or other financial assets and financial guarantees not designated as at FVTPL.

For trade receivables or any contractual right to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

2.11 Financial liabilities and equity instruments (Including derivative contracts)

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity

Notes forming part of the standalone financial statements

in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other income’ line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Notes forming part of the standalone financial statements

b) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

d) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.12 Employee benefit costs

Employee benefits include provident fund, gratuity fund and compensated absences.

Retirement benefits costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

Notes forming part of the standalone financial statements

b. net interest expense or income; and

c. remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).

- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

2.13 Segment information

The Company determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

2.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor :

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of

Notes forming part of the standalone financial statements

the leases.

The Company as lessee :

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the financial statements as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company general policy on borrowing costs.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional 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 exceptional items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) 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 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 (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for employee share options and bonus shares, if any, as appropriate.

2.16 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such

Notes forming part of the standalone financial statements

deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.17 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 the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.18 Goods and services tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.19 Critical accounting judgements and key sources of estimation uncertainty

Critical accounting judgements

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Contingent liabilities

Assessment of whether outflow embodying economic benefits is probable, possible or remote.

Notes forming part of the standalone financial statements

(See note 25)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurements and valuation processes (See note 34)

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

2.20 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.21 New standards/amendments that are not yet effective and have not been early adopted:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified the following new and amendments to Ind ASs which the Company has not early adopted.

Ind AS 116, Leases:

On March 30, 2019, MCA has notified Ind AS 116, Leases which will replace the existing leases standard, Ind AS 17 Leases, and related interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosures of leases for both lessors and lessees. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. The standard also contains enhanced disclosure requirements for leases. It substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual reporting periods beginning on or after April 1, 2019. The Company proposes to use the simpler Approach for transitioning to Ind AS 116 and take the cumulative adjustment to retained earnings, on the date of initial application, i.e., April 1, 2019. Accordingly, the comparatives of the year ended March 31, 2019 will not be restated. On transition, the Company will be using certain practical expedients that are available.

Currently, the operating lease expenses are charged to the Statement of Profit and Loss.

The Company is in the process of evaluating the impact of this on its financial statements.

Ind AS 12, Income Taxes:

On March 30, 2019, MCA issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those transactions or events in past.

The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2019. The Company is in the process of evaluating the impact of this on its financial statements

On March 30, 2019, MCA has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while determining the taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment or group of tax treatments, that the companies have used or

Notes forming part of the standalone financial statements

plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The Company proposes to adjust the cumulative effect of application of Appendix C in equity on the date of initial application i.e., April 1, 2019 without adjusting comparatives.

The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2019. The Company is in the process of evaluating the impact of this on its financial statements

Ind AS 19, Employee Benefits

On March 30, 2019, MCA has issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

This amendment requires an entity to:

(i) use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

(ii) recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is in the process of evaluating the impact of this on its financial statements.

Notes forming part of the standalone financial statements

3. Cash and cash equivalents

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	Cash in hand	0.81	1.29	0.38
(ii)	Balance with scheduled banks			
	- in current accounts	41.96	40.40	728.13
		42.77	**41.69**	**728.51**

4. Bank balances other than cash and cash equivalents

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	in earmarked accounts			
	- Unpaid dividend accounts (See note 15)	256.02	246.84	249.93
	- Balances held as margin money against guarantee	11.20	7.58	7.58
Total		**267.22**	**254.42**	**257.51**

5. Derivative financial instruments

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	Derivative financial assets (See note 42)	-	5,549.65	5,734.97
	Total	**-**	**5,549.65**	**5,734.97**

6. Receivables

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	Unsecured, considered good			
	- Trade receivables (See note 31)	2,179.55	668.74	769.06
	- Other receivables	-	-	-
	Total	**2,179.55**	**668.74**	**769.06**

Note : Trade receivables are related to the amounts recoverable from group companies. The management based on confirmations from the group companies believes that no expected credit allowance is required to be recognised on these trade receivables.

7. Loans (Carried at amortised cost)

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	Loans to employees - Unsecured, considered good	7.37	82.55	92.27
	Total	**7.37**	**82.55**	**92.27**

Notes forming part of the standalone financial statements

8. Investments

Particulars		Quantity (in number)	As at 31.03.2019 (Rs. in lakhs)	Quantity (in number)	As at 31.03.2018 (Rs. in lakhs)	Quantity (in number)	As at 01.04.2017 (Rs. in lakhs)
A.	**Unquoted investments in equity shares (all fully paid) of subsidiary company (Carried at cost)**						
	Max Life Insurance Company Limited (face value of Rs 10 per share)	1,377,408,564	208,026.12	1,357,531,196	192,065.07	1,343,360,379	176,732.25
	Total (A)		**208,026.12**		**192,065.07**		**176,732.25**
B.	**Investment in mutual funds (unquoted)**						
	Carried at FVTPL						
	(a) Aditya Birla Sun Life Cash Plus Fund - Direct Plan Growth- Face value Rs. 100 per unit	333,920.59	1,003.22	532,783.20	1,488.14	-	-
	(b) Axis Liquid Fund - Direct Plan Growth- Face value Rs. 1000 per unit	98,326.32	2,038.82	-	-	-	-
	(c) ICICI Prudential Liquid Plan - Direct Growth- Face value Rs. 100 per unit	105,023.95	290.30	-	-	-	-
	(d) Sundram Money fund (G) - Direct Growth- Face value Rs. 10 per unit	4,499,591.42	1,773.36	-	-	-	-
	(e) DHFL Pramerica Insta Cash Plus Fund - Direct Plan Growth- Face value Rs. 100 per unit	-	-	-	-	265,084.74	560.27
	(f) DSP BlackRock Liquidity Fund - Direct Plan Growth- Face value Rs. 1,000 per unit	-	-	-	-	1,548.45	36.01
	(g) Invesco India Liquid Fund - Direct Plan Growth- Face value Rs. 1,000 per unit	-	-	6,285.51	150.35	25,383.40	568.25
	(h) JM High Liquidity Fund - Direct Plan Growth- Face value Rs. 10 per unit	-	-	-	-	1,276,613.47	568.27
	(i) L&T Liquid Fund - Direct Plan Growth- Face value Rs. 1,000 per unit	-	-	-	-	25,481.92	568.26
	(j) UTI Money Market Fund - Institutional Plan - Direct Plan Growth- Face value Rs. 1,000 per unit	-	-	139,919.89	2,728.08	29,616.49	540.27
	Total (B)		**5,105.70**		**4,366.57**		**2,841.33**
	Total aggregate unquoted investments		**213,131.82**		**196,431.64**		**179,573.58**
	Total investments carrying value		**213,131.82**		**196,431.64**		**179,573.58**

Notes forming part of the standalone financial statements

9. Other financial assets

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	Security deposits	31.47	110.86	112.15
(ii)	Interest accrued on deposits	0.01	2.40	1.80
(iii)	Interest receivable from erstwhile directors (See note 25)	31.89	-	-
(iv)	Receivable under sale of property, plant and equipment	3.25	-	-
(v)	Income accrued on lease rental	0.30	-	-
(vi)	Other receivables	47.43	6.47	5.65
	Total	**114.35**	**119.73**	**119.60**

10. Non current tax assets (net)

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	Advance tax including TDS recoverable	23,435.64	23,434.49	23,350.37
	Less: Provision for income tax	(22,829.43)	(22,829.43)	(22,829.43)
	Total	**606.21**	**605.06**	**520.94**

Note 11A: Property, plant and equipment

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
Carrying amounts of :				
a)	Buildings	2,552.71	2,596.76	2,640.81
b)	Office equipment	62.31	57.39	76.78
c)	Computers	16.26	11.01	12.56
d)	Leasehold improvements	35.02	-	-
e)	Furniture and fixtures	189.88	206.30	242.70
f)	Vehicles	180.29	226.27	258.52
		3,036.47	**3,097.73**	**3,231.37**
	Capital Work in progress	-	24.28	-
	Total	**3,036.47**	**3,122.01**	**3,231.37**

	Buildings (See note 1 below)	Office equipment	Computers	Leasehold improvements	Furniture and fixtures	Vehicles	Total
Deemed cost							
Balance at 1 April, 2017	**2,640.81**	**76.78**	**12.56**	**-**	**242.70**	**258.52**	**3,231.37**
Additions	-	17.99	4.83	-	-	60.25	83.07
Disposals	-	0.08	-	-	-	40.86	40.94
Balance at 31 March, 2018	**2,640.81**	**94.69**	**17.39**	**-**	**242.70**	**277.91**	**3,273.50**
Additions	-	26.72	11.59	45.99	38.95	-	123.25
Disposals	-	4.24	0.02	-	23.66	4.32	32.24

	Buildings (See note 1 below)	Office equipment	Computers	Leasehold improvements	Furniture and fixtures	Vehicles	Total
Balance at 31 March, 2019	**2,640.81**	**117.17**	**28.96**	**45.99**	**257.99**	**273.59**	**3,364.51**
Accumulated depreciation							
Balance at 1 April, 2017	-	-	-	-	-	-	-
Depreciation expense	44.05	37.32	6.38	-	36.40	55.40	179.55
Elimination on disposals of assets	-	0.02	-	-	-	3.76	3.78
Balance at 31 March, 2018	**44.05**	**37.30**	**6.38**	**-**	**36.40**	**51.64**	**175.77**
Depreciation expenses	44.05	19.84	6.32	10.97	37.74	43.78	162.70
Elimination on disposals of assets	-	2.28	-	-	6.03	2.12	10.43
Balance at 31 March, 2019	**88.10**	**54.86**	**12.70**	**10.97**	**68.11**	**93.30**	**328.04**
Carrying amount							
Balance at 1 April, 2017	2,640.81	76.78	12.56	-	242.70	258.52	3,231.37
Additions	-	17.99	4.83	-	-	60.25	83.07
Disposals	-	0.06	-	-	-	37.10	37.16
Depreciation expense	44.05	37.32	6.38	-	36.40	55.40	179.55
Balance at 31 March, 2018	**2,596.76**	**57.39**	**11.01**	**-**	**206.30**	**226.27**	**3,097.73**
Additions	-	26.72	11.59	45.99	38.95	-	123.25
Disposals	-	1.96	0.02	-	17.63	2.20	21.81
Depreciation expense	44.05	19.84	6.32	10.97	37.74	43.78	162.70
Balance at 31 March, 2019	**2,552.71**	**62.31**	**16.26**	**35.02**	**189.88**	**180.29**	**3,036.47**

Notes:

1. Buildings include property owned by the Company, given to an employee on an operating lease. The employee is given a right to exercise on option to purchase the property for an amount equal to the cost of acquisition of the Company. The settlement will be made on transfer of asset, if option is exercised and cannot be concluded at the current date.

2. The Company has used deemed cost exemption under Ind AS 101 as on the date of transition to Ind AS. Refer note 2.5

11B Other intangible assets

(Rs. in lakhs)

	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
Carrying amounts of :			
Computer software	8.89	21.44	33.88
	8.89	**21.44**	**33.88**

	Computer Software	Total
Deemed cost		
Balance at 1 April, 2017	**33.88**	**33.88**
Additions	-	-

Notes forming part of the standalone financial statements

	Computer Software	Total
Disposals	-	**-**
Balance at 31 March, 2018	**33.88**	**33.88**
Additions	-	-
Disposals	-	**-**
Balance at 31 March, 2019	**33.88**	**33.88**
Accumulated depreciation		
Balance at 1 April, 2017	**-**	**-**
Amortisation expense	12.44	**12.44**
Disposals	-	**-**
Balance at 31 March, 2018	**12.44**	**12.44**
Amortisation expense	12.55	**12.55**
Disposals	-	**-**
Balance at 31 March, 2019	**24.99**	**24.99**
Carrying amount		
Balance at 1 April, 2017	33.88	**33.88**
Additions	-	-
Disposals	-	-
Amortisation expense	12.44	**12.44**
Balance at 31 March, 2018	**21.44**	**21.44**
Additions	-	-
Disposals	-	-
Amortisation expense	12.55	**12.55**
Balance at 31 March, 2019	**8.89**	**8.89**

12. Other non financial assets

(Rs. in lakhs)

		As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i)	Prepaid expenses	54.20	55.38	69.65
(ii)	Deposits under protest	23.40	12.00	12.00
(iii)	Advances recoverable in cash or kind			
	- Unsecured, considered good	25.60	5.72	22.63
	- Unsecured, considered doubtful	303.00	303.00	303.00
		328.60	308.72	325.63
	Less: Impairment allowance for doubtful advances	(303.00)	(303.00)	(303.00)
		25.60	5.72	22.63
(iv)	Balances with government authorities - input tax credit receivable			
	- Unsecured, considered good	60.96	100.33	260.20
	- Unsecured, considered doubtful	202.98	-	443.61
		263.94	100.33	703.81
	Less: Impairment allowance for doubtful balances	(202.98)	-	(443.61)
		60.96	100.33	260.20
(v)	Capital advances	-	20.00	-
	Total	**164.16**	**193.43**	**364.48**

Notes forming part of the standalone financial statements

13. Derivative financial instruments

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i) Derivative financial liabilities (See note 42)	16,013.45	11,877.41	15,398.15
Total	**16,013.45**	**11,877.41**	**15,398.15**

14. Trade payables

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
Trade payables - Other than acceptances			
- total outstanding dues of micro enterprises and small enterprises (See note 40)	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,419.86	1,016.93	1,168.01
Total	**1,419.86**	**1,016.93**	**1,168.01**

15. Other financial liabilities

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i) Security deposits received	3.34	3.91	7.94
(ii) Unclaimed/unpaid dividends (See note 4)	256.02	246.84	249.93
(iii) Liability for employee stock appreciation rights (See note 29)	845.27	830.40	378.16
(iv) Other payables	108.43	105.69	102.95
Total	**1,213.06**	**1,186.84**	**738.98**

16. Provisions

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i) Provision for compensated absences	70.26	139.82	100.20
(ii) Provision for gratuity (See note 27)	216.85	346.32	266.33
Total	**287.11**	**486.14**	**366.53**

17. Other non-financial liabilities

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i) Statutory remittances (Contribution to PF, GST, Service Tax, withholding taxes etc.)	623.02	568.28	585.14
Total	**623.02**	**568.28**	**585.14**

Notes forming part of the standalone financial statements

18. Equity share capital

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
Equity share capital	5,387.72	5,367.68	5,345.40
	5,387.72	**5,367.68**	**5,345.40**
Authorised share capital:			
300,000,000 (As at 31 March, 2018 300,000,000; As at 1 April, 2017 300,000,000) equity shares of Rs. 2 each with voting rights	6,000.00	6,000.00	6,000.00
Issued and subscribed capital comprises:			
269,385,779 (As at 31 March, 2018, 268,384,027; As at 1 April, 2017, 267,270,049) equity shares of Rs. 2 each fully paid up with voting rights	5,387.72	5,367.68	5,345.40

Fully paid equity shares:

	Number of shares	Share capital (Rs. in lakhs)
Balance as at 1 April, 2017	267,270,049	5,345.40
Add: Issue of shares	1,113,978	22.28
Balance as at 31 March, 2018	**268,384,027**	**5,367.68**
Add: Issue of shares	1,001,752	20.04
Balance as at 31 March, 2019	**269,385,779**	**5,387.72**

Refer notes (i) to (iv) below

(i) The Company has only one class of equity shares having a par value of Rs. 2 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:

(Rs. in lakhs)

Name of Shareholder	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Fully paid equity shares with voting rights:				
- Max Ventures Investment Holdings Private Limited	67,518,275	25.06%	43,372,459	16.16%
- Moneyline Portfolio Investments Limited	18,070,048	6.71%	18,070,048	6.73%
- Reliance Capital Trustee Co Limited	15,429,537	5.73%	18,368,381	6.84%
- Liquid Investment and Trading Company Private Limited	3,675,000	1.36%	23,818,876	8.87%
- Mohair Investment and Trading Company Private Limited	4,690,000	1.74%	13,690,570	5.10%
- ICICI Prudential Value Discovery fund	12,540,097	4.65%	13,759,730	5.13%
- Xenok Limited	-	-	-	-

Notes forming part of the standalone financial statements

(Rs. in lakhs)

Name of Shareholder	As at 01.04.2017	
	No. of Shares	% Holding
Fully paid equity shares with voting rights:		
- Max Ventures Investment Holdings Private Limited	43,372,459	16.23%
- Moneyline Portfolio Investments Limited	26,570,048	9.94%
- Reliance Capital Trustee Co Limited	5,223,731	1.95%
- Liquid Investment and Trading Company Private Limited	23,818,876	8.91%
- Mohair Investment and Trading Company Private Limited	8,086,560	3.03%
- ICICI Prudential Value Discovery fund	4,517,866	1.69%

(iii) Shares reserved for issuance

As at 31.03.2019 - 131,015 (As at 31 March, 2018 : 1,132,767; As at 1 April, 2017 : 2,246,745) shares, face value of Rs. 2 each were reserved for issuance towards outstanding employee stock options granted under Employee Stock Option Plan 2003 (ESOP) of the Company. (See note 29.1).

(iv) The Company has issued total 3,158,522 shares (As at 31 March, 2018 : 2,863,738; As at 1 April, 2017 : 2,700,939) 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 employee services.

19. Other equity

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i) Securities premium account	41,870.90	37,280.67	32,265.01
(ii) Share options outstanding account	251.72	1,723.28	2,346.83
(iii) General reserve	16,418.22	16,418.22	16,418.22
(iv) Surplus / (Deficit) in Statement of Profit and Loss	136,073.75	131,164.91	116,793.90
Total	**194,614.59**	**186,587.08**	**167,823.96**

(Rs. in lakhs)

Particulars		Year ended 31.03.2019	Year ended 31.03.2018
a. Securities premium account			
i. Opening balance		37,280.67	32,265.01
ii. Add : Premium on shares issued during the year		4,590.23	5,015.66
iii. Closing balance	(A)	**41,870.90**	**37,280.67**
b. Share options outstanding account			
i. Opening balance		1,723.28	2,346.83
ii. Add : ESOP compensation expense		719.98	1,651.05
iii. Less : Transferred to securities premium account on exercise		(2,191.54)	(2,274.60)
iv. Closing balance	(B)	**251.72**	**1,723.28**
c. General reserve			
i. Opening balance		16,418.22	16,418.22
ii. Add : Addition/(deletion)		-	-
iii. Closing balance	(C)	**16,418.22**	**16,418.22**

Notes forming part of the standalone financial statements

Particulars		Year ended 31.03.2019	Year ended 31.03.2018
d. Surplus in Statement of Profit and Loss			
i. Opening balance		131,164.91	116,793.90
ii. Add: Profit / (Loss) for the year		4,938.51	14,393.72
iii. Other comprehensive income arising from remeasurement of defined benefit obligation		(29.67)	(22.71)
iv. Closing balance	(D)	**136,073.75**	**131,164.91**
(A+B+C+D)		**194,614.59**	**186,587.08**

20. Other Income

(Rs. in lakhs)

	Particulars	As at 31.03.2019	As at 31.03.2018
(a)	Liabilities / provisions no longer required written back	1.26	1.19
(b)	Interest on income tax refund	33.06	21.75
(c)	Interest recovery from erstwhile directors (See note 25)	31.89	-
(d)	Interest on loan to employees	0.72	6.66
(e)	Net gain on foreign currency transactions and translation	4.30	-
(f)	Rental income	42.30	42.00
(g)	Interest on security deposit	1.32	-
Total		**114.85**	**71.60**

21. Employee benefits expense

(Rs. in lakhs)

	Particulars	As at 31.03.2019	As at 31.03.2018
(a)	Salaries and wages (See note (i) below)	5,707.11	2,802.33
(b)	Contribution to provident and other funds (See note 27)	141.17	151.10
(c)	Expense on employee stock option scheme (See note 29)	1,772.07	2,377.20
(d)	Staff welfare expenses	19.25	43.54
		7,639.60	**5,374.17**

Note (i)Salaries and wages for the year ended March 31, 2019 includes severance pay aggregating to Rs. 2,575.00 lakhs paid to an employee.

22. Depreciation and amortisation expense

(Rs. in lakhs)

	Particulars	As at 31.03.2019	As at 31.03.2018
(a)	Depreciation of tangible assets (See note 11A)	162.70	179.55
(b)	Amortisation of intangible assets (See note 11B)	12.55	12.44
Total		**175.25**	**191.99**

Notes forming part of the standalone financial statements

23. Other expenses

(Rs. in lakhs)

Particulars		As at 31.03.2019	As at 31.03.2018
(a)	Recruitment and training expenses	2.01	1.18
(b)	Rent including lease rentals (See note 30)	431.82	378.22
(c)	Insurance	40.86	42.84
(d)	Rates and taxes	5.40	3.08
(e)	Repairs and maintenance - others	359.98	374.80
(f)	Power and fuel	37.01	44.86
(g)	Printing and stationery	21.42	20.17
(h)	Travelling and conveyance	308.79	321.55
(i)	Communication	41.30	42.40
(j)	Director's sitting fees	124.99	81.99
(k)	Commission to directors	131.42	-
(l)	Business promotion	39.76	70.23
(m)	Advertisement and publicity	10.73	36.02
(n)	Net loss on sale / disposal of property, plant and equipment	17.73	5.60
(o)	Allowance on service tax / GST credit receivable	-	289.94
(p)	Charity and donation	75.21	79.61
(q)	Net loss on foreign exchange fluctuation	-	4.78
(r)	Miscellaneous expenses	38.87	33.28
	Total	**1,687.30**	**1,830.55**

24. Income taxes

A Income tax recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particulars		Year ended 31.03.2019	Year ended 31.03.2018
(a)	**Current tax**		
	In respect of current year	-	-
(b)	**Deferred tax**		
	In respect of current year	-	-
	Total tax expense charged/(credited) in Statement of Profit and Loss	**-**	**-**
(c)	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit/(Loss) before tax	4,938.51	14,393.72
	Applicable tax rate	34.94%	34.94%
	Income tax expense calculated	1,725.71	5,029.74
	Effect of income that is exempt from taxation	(1,725.71)	(5,029.74)
	Total tax expense charged/(credited) in Statement of Profit and Loss	**-**	**-**

Notes forming part of the standalone financial statements

B Movement in deferred tax

(i) Movement of deferred tax for the year ended 31 March, 2019

(Rs. in lakhs)

Particulars	Year ended 31.03.2019		
	Opening balance as on 1 April, 2018	Recognised in profit or loss	Closing balance as on 31 March, 2019
Tax effect of items constituting deferred tax liabilities			
Property, plant and equipment and other intangible assets	(125.11)	-	(125.11)
	(125.11)	**-**	**(125.11)**
Tax effect of items constituting deferred tax assets			
Carry forward business loss to be adjusted in future years	125.11	-	125.11
	125.11	**-**	**125.11**
Deferred tax liabilities (net)	**-**	**-**	**-**

(ii) Movement of deferred tax for the year ended 31 March, 2018

(Rs. in lakhs)

Particulars	Year ended 31.03.2018		
	Opening balance as on 1 April, 2017	Recognised in profit or loss	Closing balance as on 31 March, 2018
Tax effect of items constituting deferred tax liabilities			
Property, plant and equipment and other intangible assets	(108.87)	(16.24)	(125.11)
	(108.87)	**(16.24)**	**(125.11)**
Tax effect of items constituting deferred tax assets			
Carry forward business loss to be adjusted in future years	108.87	16.24	125.11
	108.87	**16.24**	**125.11**
Deferred tax liabilities (net)	**-**	**-**	**-**

The Company is a Non Systemically Important Core Investment Company (CIC) and earns income out of dividend received from subsidiary company, not liable to tax under Income Tax. Accordingly, no deferred tax asset/liability is recognised in absence of any future taxable profits under Income Tax..

25. Commitments and contingent liabilities

(Rs. in lakhs)

Particulars			As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
A.	**Commitments**				
	(i)	Estimated amount of contracts remaining to be executed on tangible assets and not provided for (net of advances)	-	42.39	-
B.	**Contingent liabilities**				
	Claims against the Company not acknowledged as debts (Refer note a)				
	(i)	Disputed demands raised by custom authorities	440.54	429.40	418.26
	(ii)	Disputed demand raised by service tax authorities (Refer note b)	352.58	352.58	352.58

Notes forming part of the standalone financial statements

Particulars			As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	(iii)	Notice for non-compliance with corporate governance requirements (Refer note c)	11.40	-	33.42
	(iv)	Disputed demand raised by income tax authorities (Refer note c)	159.04	159.04	159.04
	(v)	Penalty levied under section 271(1)(c) of the Income Tax Act, 1961 (Refer note d)	-	-	33.42
	(vi)	Litigation in an erstwhile subsidiary of the Company, Max Telecom Ventures Limited ("MTVL") (since merged with the Company with effect from December 1, 2005) (Refer note e)			
	(vii)	Litigation against the Company relating to Company Law matters (Refer note d)			
C.	**Other commitments**				
	The Company has entered into tripartite agreement between Axis Bank Limited, Mitsui Sumitomo Insurance Company Limited and the Company, whereby the Company is required to buy back the stake held by Axis Bank Limited in Max Life Insurance Company Limited, upon exercise of put option by Axis Bank Limited tranches at a price linked to fair market value. (See note 42)				

Notes :

a. Claims against the Company not acknowledged as debts represent the cases pending with judicial forums / authorities. Based on management estimation and opinions from legal advisors, management believes that its position is likely to be upheld in appellate process. No tax has been accrued in the financial statements for tax / legal case demands. The management believes that the ultimate outcome of the proceedings will not have material adverse effect on the company's financial position and result of operations.

b. The Company has not made any provision for the demands in service tax cases as the Company believes that they have a good case based on existing judicial pronouncements. Advance paid against the same is Rs. 12.00 lakhs (As at 31 March, 2018 : Rs. 12.00 lakhs, As at 1 April, 2017 : Rs. 12.00 lakhs).

c. The Company has received notices from National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) respect of non-compliance with Regulation 17(1) of SEBI (Listing obligations and Disclosure requirements) 2015, pertaining to composition of Board. The Company has deposited Rs. 11.40 lakhs under protest and has requested NSE and BSE for waivers.

d. Income tax cases represent the cases pending with income tax authorities / appellate authorities. Based on management estimation, future cash outflow in respect of these cases are determinable only on receipt of judgments / decisions pending with various courts / authorities. The Company has not made any provision for the demands in income tax cases as the Company believes that they have a good case based on existing judicial pronouncements.

e. During the year 2006, the Ministry of Corporate Affairs had carried out an inspection, wherein certain technical offences were alleged by the Inspection Officer, based on which prosecution proceedings were initiated against the Company, its erstwhile Whole-time Directors and the Company Secretary at Chief Judicial Magistrate, Chandigarh. The Company filed writ petition against the prosecution proceedings with the Hon'ble High Court of Punjab and Haryana. The Hon'ble High Court had stayed the proceedings and listed the case for arguments, which concluded in 2019.

   The Hon'ble High Court passed the following judgements in the three matters on 5 March 2019:

   1. Non-display of registered office address at its corporate office in a prominent manner: Decided in favour of the Company with no costs.

   2. Providing interest free loans to group companies: A nominal compounding fee of Rs. 0.50 lakhs has been levied

Notes forming part of the standalone financial statements

on the Company and the matter was disposed off. The Company has paid the compounding fee of Rs. 0.50 lakhs vide demand draft number 033477 dated 7 March 2019.

3. Non-charging of interest on the excess remuneration received and refunded by former executive directors: The Hon'ble High Court directed the former executive directors to pay simple interest @ 12% per annum for the period such excess remuneration was retained by them. The Company recorded the interest receivable in the financial statements for the year ended 31 March, 2019. The amounts have been recovered subsequent to year end.

f. Litigation in an erstwhile subsidiary of the Company, Max Telecom Ventures Limited ("MTVL") (since merged with the Company with effect from December 1, 2005)

S. No.	Assessment Year	Brief Description	Pending Before
1	1998-99	The capital gains of Rs. 47,493.09 lakhs realised by MTVL from the sale of shares of Hutchison Max Telecom Limited ("HMTL") [1st Stake Sale] were denied exemption under section 10(23G) of the Income-tax Act, 1961 ("the Act") by the Assessing Officer vide order dated March 28, 2001 and the sale transaction was held to be chargeable to tax in the financial year relevant to Assessment Year 1998-99 (MTVL had claimed that it pertained to AY 1999-2000). This resulted in a demand of Rs. 9,503.93 lakhs. On appeal by MTVL, the CIT (Appeals) vide order dated March 18, 2002 [while concluding that the sale transaction pertained to financial year relevant to Assessment Year 1998-99], quashed the order of the Assessing Officer denying exemption under section 10(23G), thereby cancelling the demand. The Tax Department has filed an appeal with the Income-tax Appellate Tribunal (ITAT) against this order which is pending as on date.	ITAT
2	1999-2000	Subsequently, in the next Assessment Year i.e. 1999-00, the above-mentioned transaction was once again sought to be taxed under a different head of income (i.e. business income) on a protective basis by the Assessing Officer vide order dated March 28, 2002 as MTVL had claimed that the transaction pertained to Assessment Year 1999-00 and not Assessment Year 1998-99. This, along with a few other additions, resulted in creation of a further demand of Rs. 24,993.19 lakhs which included the demand of Rs. 24,368.00 lakhs on protective basis. On appeal by MTVL, the CIT (Appeals) decided in favour of MTVL vide order dated December 18, 2002 and the demand was cancelled. The Tax Department has filed appeal against this order with the ITAT, which is pending as on date.	ITAT
3	1998-99	MTVL also filed an appeal before ITAT for Assessment Year 1998-99 contending that the aforesaid sale transaction pertained to financial year relevant to Assessment Year 1999-2000. This was disposed off by ITAT vide order dated March 23, 2007 by applying a circular of Tax Department applicable only to capital gains and holding, as a result, that the transaction of sale of shares pertained to financial year relevant to Assessment Year 1998-99. However, the Tax Authorities filed a petition before the ITAT requesting a review of the said order of the ITAT on the ground that all the matters pertaining to the aforesaid sale transaction should have been clubbed and heard together. The said petition of the Department was accepted by the ITAT vide order dated March 27, 2009 by recalling its earlier order. Aggrieved, the Company filed a writ petition to the Hon'ble High Court of Punjab and Haryana (HC) challenging the above action of ITAT on the ground that the same was beyond jurisdiction. The HC vide order dated May 04, 2009 admitted the writ petition and stayed the operations of the said order of ITAT. The ITAT, thereafter, adjourned sine-die all the matters pending operation of the stay imposed by the HC. The Department, subsequently, moved a Special Leave Petition (SLP) to Hon'ble Supreme Court against the stay granted by Hon'ble HC. The SLP was dismissed by the Hon'ble Supreme Court vide order dated May 12, 2010 with a direction to the HC to expeditiously dispose the writ petition filed by MTVL, which is pending as of date.	High Court

Notes forming part of the standalone financial statements

S. No.	Assessment Year	Brief Description	Pending Before
4	2006-07	The capital gains of Rs. 41,153.88 lakhs realised from the sale of remaining shares of HMTL [2nd Stake Sale] were taxed by holding the gains from sale transaction to be in the nature of business income and not capital gains and as a consequence exemption under Section 10(23G) of the Act was denied by the Assessing Officer vide order dated December 31, 2009 and a demand of Rs. 15,585.17 lakhs was raised. MTVL filed an appeal against the said order. The CIT(Appeals), vide order dated March 22, 2011, had quashed the assessment framed by the Assessing Officer, holding that the assessment was nullity in law and in view of the fact that the order was framed in the name of MTVL, an entity which had ceased to exist w.e.f. December 1, 2005. As a consequence, the demand stood cancelled. The Department had filed an appeal to ITAT against the said order of CIT(Appeals). The ITAT vide its order dated March 8, 2013 has upheld the order of CIT(Appeals). The Tax Department has filed appeal against this order with the Hon'ble HC, which is pending as on date.	High Court
5	2006-07	Consequent to quashing of the first proceedings in the name of MTVL, the Department initiated proceedings against Max India Limited as Successor of MTVL u/s 147 of the Act vide notice dated April 26, 2011. These proceedings had been completed on March 26, 2013 by holding the gains from sale transaction to be in the nature of business income and not capital gains and consequently denying exemption under Section 10(23G) of the Act and a demand of Rs. 19,816.25 lakhs had been raised. The company had filed an appeal against the same on April 25, 2013 and obtained stay of demand on May 27, 2013. The CIT(Appeals), vide order dated November 18, 2013, held on merits that the gain arising from sale of shares of HMTL be treated as long term capital gains and allowed the exemption u/s 10(23G) of the Act in respect of long term capital gain arising on sale of shares of HMTL be allowed to MTVL. The CIT(A), however, upheld reassessment proceedings by the Assessing Officer under section 147 of the Act as valid. As a consequence, the demand stood cancelled. Pursuant to this, the Tax Department has filed appeal against this order and MTVL has also filed cross objections before the ITAT against the action of the CIT(A) upholding the validity of re-assessment proceedings. Both appeals are pending as on date.	ITAT

26 Segment information

I. The Company is primarily engaged in making business investments in its subsidiary and providing management advisory services to the group companies. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Ind AS 108- 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standard) Rules, 2015.

27. Employee benefit plans

(i) Defined contribution plans

The Company makes provident fund contribution to a defined contribution retirement benefit plan for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund trust set up by the Company. The Company is liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employees' Provident Fund Scheme, 1952 ("Scheme") and recognises as an expense in the year it is determined.

Notes forming part of the standalone financial statements

As per the actuarial report provided by the Actuary, As of 31 March, 2019, the fair value of the assets of the fund and the accumulated members' corpus is Rs. 1,987.06 lakhs (As at 31 March, 2018: Rs. 1,772.54 lakhs, as at 1 April, 2017: Rs. 1,540.89 lakhs) and Rs. 1,945.33 lakhs (As at 31 March, 2018: Rs. 1,748.07 lakhs, as at 1 April, 2017: Rs. 1,521.10 lakhs) respectively. In accordance with an actuarial valuation, there is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of 8.65% (As at 31 March, 2018: 8.55% , as at 1 April, 2017: 8.65%). The actuarial assumptions include discount rate of 6.76% (As at 31 March, 2018: 7.18% , as at 1 April, 2017: 6.67%).

The Company recognised Rs. 98.50 lakhs (Previous year: Rs. 93.82 lakhs) for provident fund contribution in the Statement of Profit and Loss. The contributions payable to the plan by the Company is at the rates specified in rules to the Scheme.

(ii) Defined benefit plans

The Company makes annual contribution to the Max Financial Services Limited Employees Group Gratuity Fund of the Life Insurance Corporation of India, a funded defined benefit plan for eligible employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The gratuity plan typically exposes the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk
A decrease in the bond interest rate will increase the plan liability.

Longevity risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability

Salary risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at 31 March, 2019 by Manohar Lal Sodhi, Consulting Actuary, Fellow of the Institute of Actuaries of India ('Actuarial'). The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method as computed by the Actuarial.

Notes forming part of the standalone financial statements

(a) The principal assumptions used for the purposes of the actuarial valuations were as follows:

(Rs. in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 01.04.2017
Discount rate(s)	7.00%	7.20%	6.50%
Expected return on plan assets	7.50%	8.25%	8.25%
Salary escalation	10.00%	10.00%	10.00%
Retirement age	58-65 years	58-65 years	58 years
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006 - 08)
Attrition (%) - All ages	5% p.a.	5% p.a.	5% p.a.
Estimate of amount of contribution in the immediate next year (Rs. in lakhs)	81.63	48.51	60.16

(b) Amounts recognised in Statement of Profit and Loss in respect of these defined benefit plans are as follows as computed by the Actuarial:

(Rs. in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Service cost		
- Current service cost	18.34	40.48
- Past service cost and (gain)/loss from settlements	-	-
Interest cost	27.20	19.20
Expected return on plan assets	(2.25)	(1.90)
Components of defined benefit costs recognised in profit or loss	**43.29**	**57.78**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amounts included in net interest expense)	(0.33)	(0.50)
- Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
- Actuarial (gains) / losses arising from changes in financial assumptions	1.68	(7.60)
- Actuarial (gains) / losses arising from experience adjustments	28.32	30.31
Components of defined benefit costs recognised in other comprehensive income	**29.67**	**22.21**
Total	**72.96**	**79.99**

The current service cost and the net interest expense for the year are included in the employee benefits expense line item in the Statement of Profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

(c) The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows as computed by the Actuarial:

(Rs. in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 01.04.2017
Present value of funded defined benefit obligation	(224.07)	(377.73)	(295.34)
Fair value of plan assets	7.22	31.41	29.01
Net liability arising from defined benefit obligation	**(216.85)**	**(346.32)**	**(266.33)**

Notes forming part of the standalone financial statements

(d) Movements in the present value of the defined benefit obligation are as follows:

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
Opening defined benefit obligation	377.73	295.34	252.68
Current service cost	18.34	40.48	35.32
Interest cost	27.20	19.20	18.70
Remeasurement (gains)/losses:			
- Actuarial gains and losses arising from changes in demographic assumptions	-	-	-
- Actuarial gains and losses arising from changes in financial assumptions	1.68	(7.60)	(8.80)
- Actuarial gains and losses arising from experience adjustments	28.32	30.31	-
Benefit paid - Paid by the Enterprise	(202.42)	-	-
Benefit paid - Payment made out of the Fund	(26.78)	-	(2.56)
Closing defined benefit obligation	**224.07**	**377.73**	**295.34**

(e) Movements in the present value of the plan assets as computed by Actuarial are as follows:

(Rs. in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 01.04.2017
Plan assets at beginning of the year	31.41	29.01	16.92
Acquisition adjustment	-	-	9.89
Interest Income	2.25	1.90	2.24
Return on plan assets (excluding amounts including in net interest expense)	0.33	0.50	-
Actuarial gain / (loss) on plan assets	-	-	(0.04)
Benefits paid	(26.77)	-	-
Plan assets at the end of the year	**7.22**	**31.41**	**29.01**
Actual return on plan assets			

(f) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

i) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. 10.29 lakhs (increase by Rs. 10.97 lakhs) [as at 31 March, 2018: decrease by Rs. 8.16 lakhs (increase by Rs. 8.82 lakhs)] [as at 1 April, 2017: decrease by Rs. 3.32 lakhs (increase by Rs. 3.34 lakhs)].

ii) If the expected salary growth increases (decreases) by 0.50%, the defined benefit obligation would increase by Rs. 3.04 lakhs (decrease by Rs. 2.85 lakhs) [as at 31 March, 2018: increase by Rs. 3.08 lakhs (decrease by Rs. 2.90 lakhs)] [as at 1 April, 2017: increase by Rs. 3.37 lakhs (decrease by Rs. 3.43 lakhs)].

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes forming part of the standalone financial statements

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(g) The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(h) Experience on actuarial gain/(loss) for benefit obligations and plan assets:

(Rs. in lakhs)

Particulars	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
Present value of DBO	224.07	377.73	295.34	252.68	430.63
Fair value of plan assets	7.22	31.41	29.01	16.92	41.10
Funded status [Surplus / (Deficit)]	(216.85)	(346.32)	(266.33)	(235.76)	(389.53)
Experience gain / (loss) adjustments on plan liabilities	(28.32)	(30.31)	12.54	(14.69)	(74.40)
Experience gain / (loss) adjustments on plan assets	-	-	(0.04)	(0.54)	(1.76)

28. Calculation of Earnings per share (EPS) - Basic and Diluted

(Rs. in lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Basic EPS		
Profit attributable to shareholders (Rs. in lakhs)	4,908.84	14,371.01
Weighted average number of equity shares outstanding during the year (Nos.)	268,605,095	267,948,970
Face value per equity share (Rs.)	2.00	2.00
Basic Earnings Per Share (Rs.)	**1.83**	**5.36**
Diluted EPS		
Equivalent weighted average number of employee stock options outstanding (Nos)	254,562	758,693
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	268,859,656	268,707,663
Diluted Earnings Per Share (Rs.)	**1.83**	**5.35**

29 Employee Stock Option Plan

29.1 Employee Stock Option Plan – 2003 ("the 2003 Plan"):

The Company had instituted the 2003 Plan, which was approved by the Board of Directors on August 25, 2003 and by the shareholders on September 30, 2003. The 2003 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 2003 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. Vesting period ranges from one to five years and options can be exercised within two years from vesting date. As amended in the 2003 Plan and approved the shareholders in Annual General Meeting held on September 30, 2014, 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 forming part of the standalone financial statements

The weighted average fair value of the share options granted under the 2003 plan during the financial year is Rs. Nil (March 31, 2018: Rs. Nil). Options were priced using Black Scholes model.

The following share based arrangements were in existence during the current and prior years :

	Options Series	Number	Grant date	Expiry date	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
1	Employee Stock Option Plan - 2003	110,750	12-Dec-14	30-Nov-19	311.20	258.34
		5,650	27-Mar-15	27-Mar-19	2.00	443.82
		7,308	1-Apr-16	1-Apr-19	2.00	334.05
		7,307	1-Apr-16	1-Apr-20	2.00	332.46

Note 1 : Options were priced using Black Scholes model, by an approved valuer engaged by the Company.

Particulars	March 31, 2019		March 31, 2018	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Option outstanding at the beginning of the year	1,132,767	219.48	2,246,745	211.90
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	(1,001,752)	218.78	(1,113,978)	204.19
Outstanding at the end of the year	131,015	224.82	1,132,767	219.48

For the period, the weighted average share price at the exercise date was Rs. 425.52 (previous year: Rs. 601.93)

The weighted average exercise price for stock options outstanding as at March 31, 2019 was Rs. 224.82 per share (March 31, 2018: Rs 219.48 per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2019 is 0.56 years (March 31, 2018: 1.14 years). The range of exercise prices for options outstanding at the end of the year was 2.00 to 311.34 (March 31, 2018: 2.00 to 311.34).

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

29.2 Employees Phantom Stock Plans (PSP Plans)

The Company had instituted PSP Plans, which were approved by the Board of Directors. The PSP Plans provide for issue of units to eligible employees of the Company. Under the Plans, eligible employees receive cash equivalent to fair market value of units upon completion of vesting conditions, as administered by the Nomination and Remuneration Committee including rendering of services across vesting period. Vesting period ranges from 1 to 4 years.

Accordingly Rs. 720.49 lakhs (previous year: Rs. 380.42 lakhs) has been accrued as an expense in the Statement of Profit and Loss account as applicable. The details of the units granted during the year are as under:

Notes forming part of the standalone financial statements

Particulars	March 31, 2019		March 31, 2018	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Option outstanding at the beginning of the year	222,478	5.68	143,052	6.00
Granted during the Year	173,723	5.38	115,189	5.38
Forfeited during the year	-	-	-	-
Exercised during the year	(204,734)	6.00	(35,763)	6.00
Outstanding at the end of the year	191,467	5.68	222,478	5.68

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2019 is 1.00 years (March 31, 2018: 1.59 years).

30. Leases

The Company has entered into operating lease arrangements for certain facilities and office premises. Rent expense of Rs. 378.22 lakhs (previous year Rs. 313.35 lakhs) in respect of obligation under cancellable operating leases has been charged to the Statement of Profit and Loss.

31. Related party transactions

A. List of related parties

Subsidiary company	- Max Life Insurance Company Limited
Names of other related parties with whom transactions have taken place during the year	
Entity/person having significant influence/ control upon the Company	- Max Ventures Investment Holdings Private Limited
	- Mr. Analjit Singh (Chairman) (w.e.f. 23 July, 2018)
Key Management Personnel (KMP)	- Mr. Analjit Singh (Chairman) (w.e.f. 23 July, 2018)
	- Mr. Mohit Talwar (Managing Director)
	- Mr. Ashwani Windlass (Director)
	- Mr. Rajesh Khanna (Director till 11 February, 2019)
	- Mr. Aman Mehta (Director)
	- Mr. D.K. Mittal (Director)
	- Mrs. Naina Lal Kidwai (Director)
	- Mr. Sahil Vachani (Director) (w.e.f. 25 May, 2018)
	- Mr. Jai Arya (Director) (w.e.f. 14 November, 2018)
	- Mr. Charles Richard Vernon Stagg (Director) (w.e.f. 11 February, 2019)
	- Mr. Sanjay Nayar (Director)
	- Mrs. Sujatha Ratnam (Chief Financial Officer)
	- Mr. Sandeep Pathak (Company Secretary)
Enterprises owned or significantly influenced by key management personnel or their relatives	- Max India Foundation
	- Max India Limited
	- Max Ventures and Industries Limited
	- Max Bupa Health Insurance Company Limited
	- Antara Purukul Senior Living Limited
	- Max Skill First Limited
	- Antara Senior Living Limited
	- Max Learning Limited
	- Max UK Limited
	- KKR Capital Markets India Private Limited
	- Delhi Guest Houses Private Limited
	- New Delhi House Services Limited
	- Pharmax Corporation Limited
Employee benefit funds	- Max Financial Services Limited Employees' Provident Fund Trust

Notes forming part of the standalone financial statements

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs. in lakhs)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of services	Max Life Insurance Company Limited	1,503.73	970.00
	Max India Limited	809.80	765.70
	Max Ventures and Industries Limited	159.15	155.66
	Max Bupa Health Insurance Company Limited	5.19	-
	Antara Purukul Senior Living Limited	2.09	6.90
	Max Learning Limited	-	3.95
Reimbursement of expenses (received from)	Max Life Insurance Company Limited	23.39	29.17
	Max Bupa Health Insurance Company Limited	22.02	23.26
	Max Ventures and Industries Limited	3.64	4.53
	Max India Limited	1.46	5.74
	Max Skill First Limited	1.46	1.81
	Antara Senior Living Limited	1.46	1.81
	Antara Purukul Senior Living Limited	4.85	-
	Max Learning Limited	1.25	-
Reimbursement of expenses (paid to)	Max Life Insurance Company Limited	4.59	4.59
	New Delhi House Services Limited	24.26	37.02
	Max India Limited	34.04	48.99
	Max Ventures and Industries Limited	9.41	2.50
	Max Life Insurance Company Limited	0.13	0.20
Repairs and maintenance - others	New Delhi House Services Limited	189.02	208.40
Finance costs	KKR Capital Markets India Private Limited	2,034.00	-
Insurance expense	Max Life Insurance Company Limited	10.90	9.89
	Max Bupa Health Insurance Company Limited	10.40	-
Legal and professional expenses	Max India Limited	2,700.00	2,344.00
	Max UK Limited	51.49	140.56
Rent including lease rentals	Delhi Guest Houses Private Limited	189.05	303.02
	Max India Limited	184.87	58.70
	Pharmax Corporation Limited	26.96	39.49
Charity and donations	Max India Foundation	75.00	77.00
Security deposit	Delhi Guest Houses Private Limited	4.82	-
Investments made	Max Life Insurance Company Limited	15,961.05	15,332.82

C. Transactions with the key management personnel during the year:

(Rs. in lakhs)

Name of key management personnel	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018
Mr. Mohit Talwar (Note 1)	**Remuneration**	974.08	1,436.52
Mrs. Sujatha Ratnam (Note 1)	**Remuneration**	204.58	192.17
Mr. Sandeep Pathak (Note 1)	**Remuneration**	86.26	52.11
Mr. Analjit Singh	Director sitting fees	3.00	-
Mr. Ashwani Windlass		27.00	20.00
Mr. Rajesh Khanna		22.00	20.00
Mr. Aman Mehta		7.00	7.00
Mr. D.K. Mittal		28.00	16.00
Mrs. Naina Lal Kidwai		21.00	13.00
Mr. Sahil Vachani		3.00	-
Mr. Jai Arya		2.00	-
Mr. Charles Richard Vernon Stagg		2.00	-
Mr. Sanjay Nayar		-	-

Note 1 : As the future liability for gratuity and leave encashment is provided on actuarial basis for the Company as a

Notes forming part of the standalone financial statements

whole, the amount pertaining to the directors is not ascertainable and, therefore, not included above. The figures do not include accrual recorded for Employee Share Based Payments.

D. 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
Trade receivables	Max Bupa Health Insurance Company Limited	5.05	8.27	3.51
	Max Learning Limited	-	0.25	29.92
	Max Life Insurance Company Limited	1,629.25	381.23	235.72
	Max Ventures and Industries Limited	157.24	79.54	38.33
	Antara Purukul Senior Living Limited	-	-	1.10
Other receivables	Antara Purukul Senior Living Limited	3.25	-	-
	Pharmax Corporation Limited	19.16	-	-
	Delhi Guest House Private Limited	20.96	-	-
Security deposits receivable	Pharmax Corporation Limited	4.50	35.00	35.00
	Delhi Guest House Private Limited	22.38	73.20	66.00
Trade payables	New Delhi House Services Limited	22.36	19.76	15.18
	Max India Limited	625.96	666.77	839.05
	Max UK Limited	-	79.30	56.74
Investment in equity share capital	Max Life Insurance Company Limited	208,026.12	192,065.07	176,732.25

32. Disclosure of section 186 (4) of the Companies Act 2013

Particulars of Investments made:

Name of the Investee	As at 01.04.2017	Investment made during the year	Investment redeemed / extinguished	As at 31.03.2018	Investment made during the year	Investment redeemed / extinguished	As at 31.03.2019	Purpose
Investment in equity shares of								
Max Life Insurance Company Limited	176,732.25	15,961.05	-	192,693.30	15,332.82	-	208,026.12	Strategic investment

33. Financial Instruments

(a) Capital Management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders"

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic

Notes forming part of the standalone financial statements

conditions and the risk characteristics of the underlying assets.

(b) Financial risk management objective and policies

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March, 2019

(Rs. in lakhs)

Financial assets	**Measured at amortised cost**	**Measured at FVTOCI**	**Measured at FVTPL**	**Total carrying value**
Cash and cash equivalents	42.77	-	-	42.77
Bank balances other than (a) above	267.22	-	-	267.22
Derivative financial instruments	-	-	-	-
Trade receivables	2,179.55	-	-	2,179.55
Loans	7.37	-	-	7.37
Investments	-	-	5,105.70	5,105.70
Other financial assets	114.35	-	-	114.35
	2,611.26	-	**5,105.70**	**7,716.96**
Investment in equity shares of subsidiary carried at cost less impairment				**208,026.12**
Total financial assets				**215,743.08**

Financial liabilities	**Measured at amortised cost**	**Measured at FVTOCI**	**Measured at FVTPL**	**Total carrying value**
Derivative financial instruments	-	-	16,013.45	16,013.45
Trade payables	1,419.86	-	-	1,419.86
Other financial liabilities	1,213.06	-	-	1,213.06
	2,632.92	**-**	**16,013.45**	**18,646.37**

As at 31 March, 2018

(Rs. in lakhs)

Financial assets	**Measured at amortised cost**	**Measured at FVTOCI**	**Measured at FVTPL**	**Total carrying value**
Cash and cash equivalents	41.69	-	-	41.69
Bank balances other than (a) above	254.42		-	254.42
Derivative financial instruments	-	-	5,549.65	5,549.65
Trade receivables	668.74	-	-	668.74
Loans	82.55	-	-	82.55
Investments	-	-	4,366.57	4,366.57
Other financial assets	119.73	-	-	119.73
	1,167.13	**-**	**9,916.22**	**11,083.35**
Investment in equity shares of subsidiary carried at cost less impairment				**192,065.07**
Total financial assets				**203,148.42**

Financial liabilities	**Measured at amortised cost**	**Measured at FVTOCI**	**Measured at FVTPL**	**Total carrying value**
Derivative financial instruments	11,877.41	-	-	11,877.41
Trade payables	1,016.93	-	-	1,016.93
Other financial liabilities	1,186.84	-	-	1,186.84
	14,081.18	**-**	**-**	**14,081.18**

Notes forming part of the standalone financial statements

As at 1 April, 2017

(Rs. in lakhs)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Cash and cash equivalents	728.51	-	-	728.51
Bank balances other than (a) above	257.51	-	-	257.51
Derivative financial instruments	-	-	5,734.97	5,734.97
Trade receivables	769.06	-	-	769.06
Loans	92.27	-	-	92.27
Investments	-	-	2,841.33	2,841.33
Other financial assets	119.60	-	-	119.60
	1,966.95	**-**	**8,576.30**	**10,543.25**
Investment in equity shares of subsidiary carried at cost less impairment				**176,732.25**
Total financial assets				**187,275.50**

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Derivative financial instruments	15,398.15	-	-	15,398.15
Trade payables	1,168.01	-	-	1,168.01
Other financial liabilities	738.98	-	-	738.98
	17,305.14	**-**	**-**	**17,305.14**

(c) Risk management framework

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The objective of the Company's risk management framework is to manage the above risks and aims to :

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- provide management with reliable information on the Company's risk exposure
- improve financial returns

(i) Market risk

Market risk is the risk that the fair value of financial instrument will fluctuate because of change in market price.

The Company's activities expose it primarily to interest rate risk, currency risk and other price risk such as equity price risk. The financial instruments affected by market risk includes : Fixed deposits, current investments, borrowings and other current financial liabilities.

(ii) Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term investment needs.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company (other than derivative financial liability).

(Rs. in lakhs)

Notes forming part of the standalone financial statements

		As at 31 March, 2019				
		<1 year	1-3 Years	3-5 Years	> 5 Years	Total
-	Trade payables	1,419.86	-	-	-	1,419.86
-	Other financial liabilities	1,213.06	-	-	-	1,213.06
	Total	**2,632.92**	**-**	**-**	**-**	**2,632.92**

(Rs. in lakhs)

		As at 31 March, 2018				
		<1 year	1-3 Years	3-5 Years	> 5 Years	Total
-	Trade payables	1,016.93	-	-	-	1,016.93
-	Other financial liabilities	1,186.84	-	-	-	1,186.84
			-	-	-	
	Total	**2,203.77**	**-**	**-**	**-**	**2,203.77**

(Rs. in lakhs)

		As at 1 April, 2017				
		<1 year	1-3 Years	3-5 Years	> 5 Years	Total
-	Trade payables	1,168.01	-	-	-	1,168.01
-	Other financial liabilities	738.98	-	-	-	738.98
			-	-	-	
	Total	**1,906.99**	**-**	**-**	**-**	**1,906.99**

(iii) Interest rate risk

The Company is exposed to interest rate risk on fixed deposits outstanding as at the year end. The Company invests in fixed deposits to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

The changes to interest risk will impact the return of the Company, in terms of investments in deposits accounts and fluctuations in NAV of debt mutual fund investments made, which is not ascertainable.

Interest rate sensitivity analysis on fixed deposits:

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's profit before tax for the year ended 31 March, 2019 would decrease/increase by Rs. XX lakhs (year ended 31 March, 2018: Rs. XX lakhs).

(iv) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, balances with banks and security deposits. The credit risk on bank balances is limited because the counterparties are banks with good credit ratings. The Company's exposure and credit worthiness of its counterparties are continuously monitored.

34. Fair value measurement

i). Financial assets and financial liabilities that are not measured at fair value are as under:

(Rs. in lakhs)

Notes forming part of the standalone financial statements

Particulars	As at 31.03.2019		As at 31.03.2018		As at 01.04.2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Cash and cash equivalents	42.77	42.77	41.69	41.69	728.51	728.51
Bank balances other than cash and cash equivalents	267.22	267.22	254.42	254.42	257.51	257.51
Trade receivables	2,179.55	2,179.55	668.74	668.74	769.06	769.06
Loans	7.37	7.37	82.55	82.55	92.27	92.27
Other financial assets	114.35	114.35	119.73	119.73	119.60	119.60
Financial liabilities						
Trade payables	1,042.92	1,042.92	1,146.32	1,146.32	2,652.57	2,652.57
Other financial liabilities	4,378.50	4,378.50	3,749.12	3,749.12	3,157.66	3,157.66

Note :

The carrying value of the above financial assets and financial liabilities carried at amortised cost approximate these fair value.

ii) Fair value hierarchy of assets measured at fair value as at 31 March, 2019; 31 March, 2018 and 1 April, 2017 is as follows:

(Rs. in lakhs)

Particulars	As at 31.03.2019	Fair value measurement at end of the reporting period/year using			Valuation techniques
		Level 1	Level 2	Level 3	
Financial assets					
Investment in mutual funds	5,105.70	5,105.70	-	-	Based on the NAV report issued by the fund manager
Derivative financial instruments	-	-	-	-	Valuation based on black scholes option pricing model.
Total financial assets	**5,105.70**	**5,105.70**	**-**	**-**	
Financial liabilities					
Derivative financial instruments	16,013.45	-	-	16,013.45	Valuation based on black scholes option pricing model.
Total financial liabilities	**16,013.45**	**-**	**-**	**16,013.45**	

(Rs. in lakhs)

Particulars	As at 31.03.2018	Fair value measurement at end of the reporting period/year using			Valuation techniques
		Level 1	Level 2	Level 3	
Financial assets					
Investment in mutual funds	4,366.57	4,366.57	-	-	Based on the NAV report issued by the fund manager
Derivative financial instruments	5,549.65	-	-	5,549.65	Valuation based on black scholes option pricing model.
Total financial assets	**9,916.22**	**4,366.57**	**-**	**5,549.65**	
Financial liabilities					
Derivative financial instruments	11,877.41	-	-	11,877.41	Valuation based on black scholes option pricing model.
Total financial liabilities	**11,877.41**	**-**	**-**	**11,877.41**	

Notes forming part of the standalone financial statements

(Rs. in lakhs)

Particulars	As at 01.04.2017	Fair value measurement at end of the reporting period/year using Level 1	Level 2	Level 3	Valuation techniques
Financial assets					
Investment in mutual funds	2,841.33	2,841.33	-	-	Based on the NAV report issued by the fund manager
Derivative financial instruments	5,734.97	-	-	5,734.97	Valuation based on black scholes option pricing model.
Total financial assets	**8,576.30**	**2,841.33**	**-**	**5,734.97**	
Financial liabilities					
Derivative financial instruments	15,398.15	-	-	15,398.15	Valuation based on black scholes option pricing model.
Total financial liabilities	**15,398.15**	**-**	**-**	**15,398.15**	

35. First-time Ind AS adoption reconciliations

(A) Effect of Ind AS adoption on the balance sheet as at 31 March, 2018 and 1 April, 2017

	Particulars	Notes	As at 31.03.2018 (End of last period presented under previous GAAP) Previous GAAP*	Effect of Transition to Ind AS	Ind AS	As at 01.04.2017 (Date of transition) Previous GAAP*	Effect of Transition to Ind AS	Ind AS
A.	**ASSETS**							
1.	**Financial Assets**							
(a)	Cash and cash equivalents		41.69	-	41.69	728.51	-	728.51
(b)	Bank balances other than cash and cash equivalents		254.42	-	254.42	257.51	-	257.51
(c)	Derivative financial instruments	(a)	-	5,549.65	5,549.65	-	5,734.97	5,734.97
(d)	Trade receivables		668.74	-	668.74	769.06	-	769.06
(e)	Loans	(b)	82.79	(0.24)	82.55	95.73	(3.46)	92.27
(f)	Investments	(c)	196,289.78	141.86	196,431.64	179,572.25	1.33	179,573.58
(g)	Other financial assets		119.73	-	119.73	119.60	-	119.60
Total financial assets			**197,457.15**	**5,691.27**	**203,148.42**	**181,542.66**	**5,732.84**	**187,275.50**
2.	**Non financial Assets**							
(a)	Current tax assets (Net)		605.06	-	605.06	520.94	-	520.94
(b)	Property, plant and equipment		3,122.01	-	3,122.01	3,231.37	-	3,231.37
(c)	Intangible assets		21.44	-	21.44	33.88	-	33.88
(d)	Other non-financial assets	(b)	192.16	1.27	193.43	361.02	3.46	364.48
			3,940.67	**1.27**	**3,941.94**	**4,147.21**	**3.46**	**4,150.67**
	TOTAL Assets		**201,397.82**	**5,692.54**	**207,090.36**	**185,689.87**	**5,736.30**	**191,426.17**
B.	**LIABILITIES AND EQUITY**							
1.	**Financial liabilities**							
(a)	Derivative financial instruments	(a)	-	11,877.41	11,877.41	-	15,398.15	15,398.15
(b)	Trade payables							
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,016.93	-	1,016.93	1,168.01	-	1,168.01

Notes forming part of the standalone financial statements

Particulars		Notes	As at 31.03.2018 (End of last period presented under previous GAAP)			As at 01.04.2017 (Date of transition)		
			Previous GAAP*	Effect of Transition to Ind AS	Ind AS	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
	(c) Other financial liabilities	(d)	1,183.44	3.40	1,186.84	741.24	(2.26)	738.98
	Total financial liabilities		**2,200.37**	**11,880.81**	**14,081.18**	**1,909.25**	**15,395.89**	**17,305.14**
2.	**Non-financial liabilities**							
	(a) Provisions		486.14	-	486.14	366.53	-	366.53
	(b) Deferred tax liabilities		-	-	-	-	-	-
	(c) Other non-financial liabilities		568.28	-	568.28	585.14	-	585.14
	Total non-financial liabilities		**1,054.42**	**-**	**1,054.42**	**951.67**	**-**	**951.67**
3.	**Equity**							
	(a) Equity share capital		5,367.68	-	5,367.68	5,345.40		5,345.40
	(b) Other equity		192,775.35	(6,188.27)	186,587.08	177,483.55	(9,659.59)	167,823.96
	Total equity		**198,143.03**	**(6,188.27)**	**191,954.76**	**182,828.95**	**(9,659.59)**	**173,169.36**
	Total liabilities		**201,397.82**	**5,692.54**	**207,090.36**	**185,689.87**	**5,736.30**	**191,426.17**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(B) Reconciliation of total equity as at 31 March, 2018 and 1 April, 2017

(Rs. in lakhs)

Particulars	Notes	As at 01.04.2017	As at 31.03.2018
Total equity (shareholders' funds) as reported under previous GAAP		182,828.95	198,143.03
Effect of recognising employee stock options and phantom stock options cost at fair value	(d)	2.26	(3.40)
Effect of fair value of investments in mutual funds	(c)	1.33	141.86
Effect of fair value of financial instruments carried at fair value through profit or loss (FVTPL)	(a)	(9,663.18)	(6,327.76)
Effect of measuring financial instruments at amortised cost		-	1.03
Total adjustments to equity		**(9,659.59)**	**(6,188.27)**
Equity as reported under Ind AS		**173,169.36**	**191,954.76**

(C) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31.03.2018

(Rs. in lakhs)

Particulars		Notes	Year ended 31.03.2018		
			Previous GAAP*	Effect of Transition to Ind AS	Ind AS
1.	**Revenue from operations**				
	(a) Interest income		13.23	-	13.23
	(b) Dividend income		20,016.07	-	20,016.07
	(c) Gain on fair value changes				
	- on derivative financial instruments	(a)	-	3,335.42	3,335.42
	- others	(c)	720.96	140.53	861.49
	(d) Sale of services		2,123.54	-	2,123.54
2.	**Total revenue from operations**		**22,873.80**	**3,475.95**	**26,349.75**
	Other Income	(b)	68.38	3.22	71.60
3.	**Total Income**		**22,942.18**	**3,479.17**	**26,421.35**

Notes forming part of the standalone financial statements

Particulars	Notes	Year ended 31.03.2018		
		Previous GAAP*	Effect of Transition to Ind AS	Ind AS
4. Expenses				
(a) Employee benefits expense	(d,e)	3,984.22	1,389.95	5,374.17
(b) Depreciation and amortisation expense		191.99	-	191.99
(c) Legal and professional expenses		4,630.92	-	4,630.92
(d) Other expenses		1,830.55	-	1,830.55
5. Total expenses		**10,637.68**	**1,389.95**	**12,027.63**
6. Profit/(Loss) before tax (3-5)		**12,304.50**	**2,089.22**	**14,393.72**
7. Tax expense				
(a) Current tax		-	-	-
(b) Deferred tax		-	-	-
8. Profit/(Loss) after tax (6-7)		**12,304.50**	**2,089.22**	**14,393.72**
9. Other comprehensive income				
Items that will not be reclassified to Profit and Loss				
- Remeasurement of defined benefit obligations	(e)	-	(22.71)	(22.71)
10. Total other comprehensive income		**-**	**(22.71)**	**(22.71)**
11. Total comprehensive income/(loss) for the year (8+10)		**12,304.50**	**2,066.51**	**14,371.01**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(D) Reconciliation of total comprehensive income for the year ended 31.03.2018

(Rs. in lakhs)

Particulars	Notes	Year ended 31.03.2018 (Latest period presented under previous GAAP)
Net Profit/(Loss) after tax as reported under previous GAAP		12,304.50
Adjustments:		
Effect of fair value of financial instruments carried at fair value through profit or loss (FVTPL)	(a)	3,335.42
Effect of fair value of investments in mutual funds	(c)	140.53
Effect of recognising employee stock options and phantom stock options cost at fair value	(d)	(1,410.47)
Effect of recognising actuarial (gain)/loss on employee defined benefit liability under other comprehensive income	(e)	22.71
Effect of measuring financial instruments at amortised cost	(b)	1.03
Total effect of transition to Ind AS		**14,393.72**
Other comprehensive income for the year	(e)	(22.71)
Total comprehensive income / (loss) under Ind AS		**14,371.01**

(E) Effect of Ind AS adoption on the Statement of cash flows for the year ended 31.03.2018

(Rs. in lakhs)

Particulars	As at 31.03.2018		
	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
Net cash flows from operating activities	12,619.11	-	12,619.11
Net cash flows from investing activities	(16,069.27)	-	(16,069.27)
Net cash flows from financing activities	2,763.34	-	2,763.34

Notes forming part of the standalone financial statements

Particulars	As at 31.03.2018		
	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
Net increase/(decrease) in cash and cash equivalents	(686.82)	-	(686.82)
Cash and cash equivalents at the beginning of the year	728.51	-	728.51
Cash and cash equivalents at the end of the year	41.69	-	41.69

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to the reconciliation items:

(a) **Derivative financial instruments**

Under previous GAAP, there is no accounting treatment for derivative financial instruments of the Company. Under Ind AS derivative financial instruments are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(b) **Loans at amortised cost**

Under previous GAAP, Loans were accounted for at their undiscounted nominal values. Under Ind AS, these have been accounted for at amortised cost method by discounting the cash flows using effective interest rates.

(c) **Investments in mutual funds**

Under Ind AS, the entity accounts for such investments as FVTPL investments. As required by Ind AS, these FVTPL investments have been measured at fair value with gains and losses recognised in Statement of Profit and Loss. At the date of transition to Ind AS, difference between the instruments fair value and previous GAAP carrying amount has been adjusted in opening reserves.

(d) **Fair valuation of ESOP and PSP**

For ESOPs, Under previous GAAP, the cost of equity settled employee share-based payments was recognised using the intrinsic value method. Under Ind AS, the cost of equity-settled employee share-based payments are recognised based on grant date fair value of options. Accordingly, the incremental difference between fair value and intrinsic value of options has been accounted for as employee benefit expenses. The opening impact of this difference has been adjusted in the opening reserves.

For PSPs, Under previous GAAP, the Company was providing liability for estimated cash requirement for settlement of PSPs on the basis of Fair Market Value of equity shares. Under Ind AS, the liability is recognised at the fair value of the PSPs, by applying an appropriate option pricing model.

(e) **Gain/loss on re-measurement of net defined benefit liability**

Under previous GAAP, there was no concept of other comprehensive income and actuarial gains and losses were accounted for in Statement of Profit and Loss. Under Ind As, actuarial gain or losses are accounted for as other comprehensive income.

36. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Notes forming part of the standalone financial statements

37. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

38. The Company is primarily engaged in the business of making business investment in its subsidiaries. The investments (financial assets) and dividend income (financial income) on the same has resulted in financial income to be in excess of 50% of its total income and its financial assets to be more than 50% of total assets. The Company is of the view supported by legal opinion that the Company is a 'Core Investment Company' ('CIC') and does not meet the criteria for Systemically Important Core Investment Company ('CIC-SI') as laid down in the CIC Master Circular dated July 1, 2015. Hence, registration under Section 45-IA of the Reserve Bank of India Act, 1934 is not required.

39. Payment to auditor (excluding GST/Service tax) (included in legal and professional)

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
To statutory auditor:		
For audit	20.00	18.00
For other services	3.00	5.00
Reimbursement of expenses	1.09	1.47
Total	**24.09**	**24.47**

40. Disclosures as per the Micro and Small Enterprises

(Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
(i) The principal amount remaining unpaid to any supplier	-	-	-
(ii) Interest due thereon remaining unpaid at the end of the year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

41. During the year, the Company has incurred finance cost aggregating to Rs. 2,724.62 lakhs towards underwriting fee and arranger's fee in respect of firm commitments made by certain lenders to enable the Company to provide its portion of shareholders' contribution for a potential acquisition opportunity pursued by its subsidiary company. However, subsequently the subsidiary company decided not to pursue the said acquisition opportunity and hence no fund raising was done by the Company. As the Company has not accessed any public funds, it continues to be a non Systemically Important Core Investment Company under the Non-Banking Finance Company (NBFC) rules as defined under the Reserve Bank of India Act, 1934.

Notes forming part of the standalone financial statements

42. Gain/(loss) on fair value changes on derivative financial instruments represents gain/(loss) arising out of the Option arrangements relating to equity shares of Max Life Insurance Company Limited (MLIC), executed during the year ended March 31, 2016, amongst the Company, Axis Bank Limited and Mitsui Sumitomo Insurance Company Limited and accounted for Fair Value Through Profit or Loss account (FVTPL) in standalone Ind AS financial results of the Company as per Ind AS 109.

During the year ended March 31, 2019, the Company acquired 0.30% equity shares of Max Life Insurance Company Limited (MLIC), subsidiary of the Company from Mitsui Sumitomo Insurance Company Limited and 0.74% equity shares of MLIC from Axis Bank Limited, thereby increasing its stake in MLIC from 70.75% to 71.79% as at March 31, 2019 upon exercise of such options.

43. The standalone Ind AS financial statements were approved for issue by the Board of Directors on May 28, 2019.

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Sujatha Ratnam
(Chief Financial Officer)

Sandeep Pathak
(Company Secretary)
M.No. - FCS-5351

Place : New Delhi
Date : May 28, 2019