Consolidated Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Max India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint ventures comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment Assessment of Recoverable amounts to healthcare service providers	
The Holding company's joint venture "Max Healthcare Institute Limited" (MHIL) engaged in business of providing healthcare services has significant recoverable balances amounting to Rs. 635.31 crores from various healthcare service providers in the form of long term security deposits, trade receivables (current and non-current), and loans. The recovery from the long term recoverable depends on the future cash flows and earning capacity of these healthcare service providers. To ascertain the recoverable value, the management has considered the financial position of these healthcare service providers and recovery plan for the outstanding dues. Considering the significant recoverable balances from healthcare service providers and its recovery dependent on the business plans and future cash flows of these healthcare service providers, we have identified this as a key audit matter.	Our audit procedures included, amongst others: a) Obtained direct confirmations, and obtained evidence of collection from the healthcare service providers after the year end. b) Performed a detailed analysis of trend of recovery from healthcare service providers. c) Evaluated Company's processes and controls relating to the monitoring the amount recoverable and review of credit risks of amounts recoverable from healthcare service providers.
Impairment of goodwill and intangible assets and Property plant and equipment	
The Holding Company's joint venture "Max Healthcare Institute Limited" (MHIL) engaged in business of providing healthcare services, the consolidated financial statements of MHIL includes the following: a) property plant and equipment amounting to Rs 1, 003.55 crores of various hospitals and b) Goodwill and Intangibles amounting to Rs 285 crores and Rs 946.91 crores respectively, arose from separate acquisitions made by the MHIL in prior years. For the purpose of performing recoverability assessment of property plant and equipment, goodwill and intangibles: a) Management has identified individual hospital as a cash generating units. The recoverable amount of the underlying CGU is determined based on the higher of the fair value less cost of disposal or the value in use. Impairment of long-lived assets is a significant area of judgement due to uncertainties involved in estimating the recoverable amount of CGU, which principally arose from the inputs in both forecasting and discounting future cash flows. To determine the recoverable amount of the CGU is one of the key judgement area in preparing the financial statements due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amount of the CGU. Management performs an annual impairment test on the recoverability of the goodwill and intangible assets as required by IND AS which is subjective in nature due to judgements having to be made of future performance. MHIL has used the discounted cash flow model to determine value in use for each appropriate cash generating unit, on the basis of certain assumptions which are subject to significant management judgement. There are uncertainties involved in estimating the recoverable amount of goodwill and intangibles, which principally arose from the inputs in both forecasting and discounting future cash flows. To determine the recoverable amount of the goodwill and intangibles was one of the key judgement area in preparing the financial statements of MHIL due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amount of goodwill and intangible assets. Due to the above mentioned factors, impairment of long-lived assets, Goodwill and intangible assets of MHIL's is identified as a key audit matter.	Our audit procedures included, amongst others: a) We involved our valuation specialists to assess the Company's valuation methodology applied in impairment testing of goodwill, intangibles CGUs. b) We involved valuation specialists to assess the assumptions around the key drivers of the cash flow forecasts. c) Read the share purchase agreement between the Company, MHIL and Radiant Life Care Private Limited, for the proposed sale of Company's stake in MHIL. .
Change in financial reporting framework - First time adoption of IND AS	

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>During the year the Group has first time adopted IND AS with the transition date as April 1, 2017. The component auditors of Max Bupa Health Insurance Services limited ("Max Bupa") and Antara Purukul Senior Living Limited (ASPL) have identified first time adoption of IND AS, as a Key audit matter because of following key adjustments:

a) Company's subsidiary Max Bupa engaged in the business of providing healthcare insurance services has recognised a loss of Rs 60.71 crores on investments using expected credit loss model as per the requirements of IND AS 109 -Financial instruments.

b) Company's subsidiary APSL engaged in business of construction and leasing of senior living residential units, has evaluated its lease agreements as per the requirements of IND AS 17 and has classified its lease agreements as Finance lease.

The application of IND AS involves complexity and its implementation is dependent on certain judgements, interpretation and estimates taken by the management. The management has selected certain optional exemptions and applied management judgements during implementation of IND AS which have direct impact on the recognition, measurement principles of accounting and its presentation and disclosures in the financial statements.</td><td>Procedures performed by component auditors

a) Obtained and read the management assessment on first time adoption of IND AS.

b) Assessed the Company's process to identify the impact of first time adoption of the new accounting standards.

c) performed substantive testing of the IND AS adjustments prepared by management.

Procedures performed by principal auditors

a) Read the Ind AS impact assessment performed by the management to identify areas which were impacted on account of Ind AS transition.

b) Read the IND AS financial statements of all the components

c) Read and assessed the changes made to the accounting policies due to the requirements of the new financial reporting framework;

d) Assessed the disclosures included in the Consolidated Ind AS financial statements in accordance with the requirements of Ind AS (including with respect to the previous periods presented)</td></tr>
<tr><td colspan="2">Impairment assessment of Property Plant and Equipment, Unsold Inventory in Antara Purukul Senior Living Limited</td></tr>
<tr><td>The financial statements of Company's subsidiary Antara Purukul Senior Living Limited (APSL) includes property plant and equipment (PPE) of Rs 87.55 crores and unsold inventory of Rs 278.28 crores.

For performing impairment assessment of property plant and equipment and unsold inventory, management has determined its recoverable amounts which is higher of fair value less cost of disposal or the value in use.

Impairment of long lived assets and unsold inventory is a significant area of judgement due to uncertainties involved in estimating the recoverable amount which principally arose from the assumptions and market conditions used by the external valuer. To determine the recoverable amount of PPE and unsold inventory is one of the key judgement area in preparing the financial statements due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amounts of PPE and unsold inventory.

Due to above mentioned factors, impairment of PPE and unsold inventory is identified as a Key audit matter.</td><td>Procedures performed by component auditor:-

a) Read the valuation report of PPE and unsold inventory from the management.

b) Assessed the valuation methodology used in the valuation report and read the key assumptions used by the valuer.

c) Performed sensitivity analysis around the key assumptions used by management in impairment testing.

Procedures performed by principal auditor:

a) We have read the independent valuation report and assessed the capability, objectivity and competence of the independent valuer.

b) We also engaged the assistance of another valuation expert to assess certain key assumptions for PPE and unsold inventory valuation.</td></tr>
</table>

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2018-19 of the Company, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(a) We did not audit the financial statements and other financial information, in respect of eight subsidiaries, whose Ind AS financial statements include total assets of Rs 164, 532.56 lakhs as at March 31, 2019, and total revenues of Rs.8, 367.43 lakhs and net cash outflows of Rs 3, 475.34 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) The accompanying consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 57.29 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

(c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER), provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2019 and liability adequacy test is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with provisions of IND AS 104 and the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India ("the Authority") and the Actuarial Society of India in concurrence with IRDAI. The auditors of Max Bupa have relied upon the Actuary's certificate in this regard for forming their opinion on the financial statements of the Company.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(c) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(d) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of

Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, and joint ventures, none of the directors of the Group's companies, joint ventures incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(e) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, joint ventures incorporated in India, refer to our separate Report in "Annexure 2" to this report;

(f) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and joint ventures in its consolidated Ind AS financial statements – Refer Note 40 to the consolidated Ind AS financial statements;

ii. The Group, its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint ventures incorporated in India during the year ended March 31, 2019.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 95169

Place of Signature: Gurugram
Date: May 29, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAX INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Max India Limited as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Max India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

a) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

b) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding company, insofar it relates to a joint venture, which is unaudited, is based on management assessment of internal controls over financial reporting furnished to us by the management. In our opinion and according to the information and explanations given to us by the management, the joint venture is not material to the Group.

c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred but Not Reported (IBNR), including claims Incurred but Not Enough Reported ('IBNER') as at March 31, 2019 is required to be certified by the Actuary as per the Insurance Regulatory and Development Authority (preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 (the IRDA Financial Statements Regulations"), and has been relied upon by them, as mentioned in Other matter para of their report on the financial statements of the company as at and for the year ended March 31, 2019. Accordingly, the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuary valuation is also certified by the Actuary and accordingly, the auditors of Max Bupa have relied upon the Actuary's certificate.

Our opinion is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and management assessment of internal controls over financial reporting in respect of unaudited joint venture certified by the management.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
Place of Signature: Gurugram
Date: May 29, 2019

Consolidated Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
ASSETS				
Non-current assets				
Property, plant and equipment	3	9, 446.95	12, 146.52	8, 103.22
Capital work in progress	4	578.73	377.93	4, 064.23
Goodwill		2, 465.67	2, 465.67	2, 465.67
Other Intangible Assets	5	74.60	2, 400.35	1, 842.51
Intangible assets under development	5	-	-	4.62
Investment in joint ventures	6a	78, 430.49	81, 893.06	63, 031.69
Financial assets				
- Investments	6b	-	43, 663.85	42, 591.56
- Loans	7	218.76	555.02	448.39
- Other financial assets	10	23.97	211.73	20.79
Deferred tax assets (net)	13	626.04	226.47	-
Non-current tax assets	12	1, 148.98	615.54	343.38
Other non-current assets	14	7, 406.00	7, 521.87	8, 935.96
		100, 420.19	**152, 078.01**	**131, 852.02**
Current assets				
Inventories	11	26, 341.41	30, 022.16	39, 431.21
Financial assets				
- Investments	6b	3, 666.95	37, 543.83	55, 350.94
- Loans	7	50.20	20.78	19.62
- Trade receivables	8	2, 630.00	1, 599.22	1, 287.00
- Cash and cash equivalents	9	832.12	4, 208.15	3, 990.13
- Other financial assets	10	2, 473.67	5, 854.31	3, 009.96
Current tax assets	12	186.34	261.48	223.06
Other current assets	14	1, 445.86	3, 351.07	1, 999.25
		37, 626.55	**82, 861.00**	**105, 311.17**
Assets classified as held for sale	33	**95, 458.71**	**-**	**-**
Total Assets		**233, 505.45**	**234, 939.01**	**237, 163.19**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	5, 372.31	5, 367.66	5, 345.40
Other equity	16	111, 648.31	123, 589.49	121, 465.78
Equity attributable to equity holders of the parent		**117, 020.62**	**128, 957.15**	**126, 811.18**
Non Controlling Interest		11, 265.55	13, 127.55	12, 605.10
Total equity		**128, 286.17**	**142, 084.70**	**139, 416.28**
Non-current liabilities				
Financial liabilities				
- Borrowings	17a	18, 579.59	19, 967.66	16, 430.66

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
- Trade payables	18			
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	1, 703.39	1, 339.65
- Other financial liabilities	19	101.23	251.30	583.26
Provisions	20	719.29	918.95	912.10
Deferred tax liabilities (net)	13	-	-	25.22
Total non-current liabilities		**19, 400.11**	**22, 841.30**	**19, 290.89**
Current liabilities				
Financial liabilities				
- Borrowings	17b	238.56	1, 003.29	4.10
- Trade payables	18			
Total outstanding dues of micro enterprises and small enterprises		10.39	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2, 122.61	12, 403.50	11, 313.02
- Other financial liabilities	19	3, 478.57	14, 385.86	18, 084.52
Other current liabilities	21	7, 197.56	12, 396.47	20, 086.65
Provisions	20	573.16	29, 823.89	28, 967.73
Total current liabilities		**13, 620.85**	**70, 013.01**	**78, 456.02**
Liabilities directly associated with assets classified as held for sale	33	**72, 198.32**	**-**	**-**
Total equity and liabilities		**233, 505.45**	**234, 939.01**	**237, 163.19**

Summary of significant accounting policies 2

Other notes to accounts 31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

Consolidated Statement of Profit and loss

for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	22	15, 575.92	24, 001.52
Other income	23	1, 731.05	1, 118.36
Total income		**17, 306.97**	**25, 119.88**
Expenses			
Cost of raw material and components consumed	24	736.10	4, 124.78
(Increase)/ decrease in inventories of finished goods and work in progress	25	3, 947.80	9, 095.33
Employee benefits expense	26	8, 436.80	7, 946.06
Depreciation expense	27	521.46	448.70
Finance costs	28	2, 409.42	2, 607.41
Other expenses	29	6, 023.88	6, 273.15
Total expenses		**22, 075.46**	**30, 495.43**
Loss before share of loss of joint ventures and tax from continuing operations	30	**(4, 768.49)**	**(5, 375.55)**
Share of loss of joint ventures	36	(99.35)	(581.72)
Loss before tax from continuing operations		**(4, 867.84)**	**(5, 957.27)**
Tax expense :			
Current tax	13	681.57	1, 020.70
Deferred tax	13	(402.21)	(248.60)
Income tax adjustment related to earlier years	13	(25.40)	(47.66)
Total tax expense		**253.96**	**724.44**
Loss for the year from continuing operations		**(5, 121.80)**	**(6, 681.71)**
Discontinuing Operations			
Profit/(loss) before tax for the year from discontinuing operations	33	(7, 889.98)	3, 781.98
Tax expense of discontinuing operations	33	89.82	423.83
Profit/ (loss) for the year from discontinuing operations		(7, 979.80)	3, 358.15
Loss for the year		**(13, 101.60)**	**(3, 323.56)**
Other Comprehensive Income ('OCI')			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	30	3.39	20.52
Net gain on FVTOCI debt securities	30	(198.19)	(1, 196.03)
Income tax effect	30	69.26	413.95
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**(125.54)**	**(761.56)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans	30	(81.53)	18.31

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Share of other comprehensive loss of joint ventures	30	(16.89)	-
Income tax effect	30	17.93	12.97
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**(80.49)**	**31.28**
Other comprehensive income for the year, net of tax		**(206.03)**	**(730.28)**
Total Comprehensive Income for the year		**(13, 307.63)**	**(4, 053.84)**
Loss for the year attributable to			
Equity holders of the parent		(8, 626.54)	(4, 238.38)
Non-controlling interests		(4, 475.06)	914.82
Loss for the year		**(13, 101.60)**	**(3, 323.56)**
Total comprehensive income attributable to			
Equity holders of the parent		(8, 750.63)	(4, 576.29)
Non-controlling interests		(4, 557.00)	522.45
Total Comprehensive Income for the year		**(13, 307.63)**	**(4, 053.84)**
Earning per share for profit from continuing operations attributable to equity holders of the parent:	31		
Basic earnings per share(INR) (Face value of INR 2/-)		(1.97)	(2.48)
Diluted earnings per share(INR) (Face value of INR 2/-)		(1.97)	(2.48)
Earning per share for profit from discontinuing operations attributable to equity holders of the parent:	31		
Basic earnings per share(INR) (Face value of INR 2/-)		(1.24)	0.90
Diluted earnings per share(INR) (Face value of INR 2/-)		(1.24)	0.89
Earning per share for profit from continuing and discontinuing operations attributable to equity holders of the parent:	31		
Basic earnings per share(INR) (Face value of INR 2/-)		(3.21)	(1.58)
Diluted earnings per share(INR) (Face value of INR 2/-)		(3.21)	(1.58)

Summary of significant accounting policies	2
Other notes to accounts	31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

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

(Amount in INR lakhs, unless otherwise stated)

Equity share capital	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid up		
As at April 01, 2017	267, 270, 049	5, 345.40
Issue of share capital	1, 113, 016	22.26
As at March 31, 2018	**268, 383, 065**	**5, 367.66**
Issue of share capital	232, 573	4.65
As at March 31, 2019	**268, 615, 638**	**5, 372.31**

Other Equity

Particulars	Attributable to the Owners									
	Reserves and Surplus									
	Securities premium	Capital reserve	ESOP reserve	FVTOCI reserve	Foreign Currency Translation Reserve	Retained earnings	Share warrants	Gross obligations over written put options granted by joint venture	Attributable to Non controlling interest	Total other equity
As at April 01, 2017	133.53	117, 701.43	368.06	488.76	18.66	6, 125.24	-	(3, 369.90)	12, 605.10	134, 070.88
Profit / (loss) for the year	-	-	-	-	-	(4, 238.38)	-	-	914.82	(3, 323.56)
Other comprehensive income (Note 30)	-	-	-	(398.86)	20.52	40.43	-	-	(392.37)	(730.28)
Total comprehensive income	**133.53**	**117, 701.43**	**368.06**	**89.90**	**39.18**	**1, 927.29**	**-**	**(3, 369.90)**	**13, 127.55**	**130, 017.04**
Changes during the year	-	-	-	-	-	-	-	(1, 714.16)	-	(1, 714.16)
Transferred from ESOP reserve	129.15	-	(129.15)	-	-	-	-	-	-	-
Premium on issue of equity shares under ESOP	671.96	-	-	-	-	-	-	-	-	671.96
ESOP expenses recognized during the year	-	-	93.66	-	-	-	-	-	-	93.66
Fair valuation of ESOP	-	-	148.54	-	-	-	-	-	-	148.54
Amount received during the year	-	-	-	-	-	-	7, 500.00	-	-	7, 500.00
As at March 31, 2018	**934.64**	**117, 701.43**	**481.11**	**89.90**	**39.18**	**1, 927.29**	**7, 500.00**	**(5, 084.06)**	**13, 127.55**	**136, 717.04**
Profit for the year	-	-	-	-	-	(8, 626.54)	-	-	(4, 475.06)	(13, 101.60)
Other comprehensive income (Note 30)	-	-	-	(65.76)	3.39	(61.72)	-	-	(81.94)	(206.03)
Total comprehensive income	**934.64**	**117, 701.43**	**481.11**	**24.14**	**42.57**	**(6, 760.97)**	**7, 500.00**	**(5, 084.06)**	**8, 570.55**	**123, 409.41**
Changes during the year	-	-	-	-	-	-	-	(3, 353.68)	-	(3, 353.68)
Capital contribution by non controlling interest	-	-	-	-	-	-	-	-	2, 695.00	2, 695.00
Transferred from ESOP reserve	166.82	-	(166.82)	-	-	-	-	-	-	-
ESOP expenses recognized during the year	-	-	88.79	-	-	-	-	-	-	88.79
Fair valuation of ESOP	-	-	74.34	-	-	-	-	-	-	74.34
Share warrants forfeited during the year	-	7, 500.00	-	-	-	-	(7, 500.00)	-	-	-
As at March 31, 2019	**1, 101.46**	**125, 201.43**	**477.42**	**24.14**	**42.57**	**(6, 760.97)**	**-**	**(8, 437.74)**	**11, 265.55**	**122, 913.86**

Summary of significant accounting policies	2
Other notes to accounts	31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

Consolidated Statement of Cash flows

for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

		For the year ended March 31, 2019	For the year ended March 31, 2018
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(loss) before tax:		
	Profit/(loss) before tax from continuing operations	(4, 867.84)	(5, 957.27)
	Profit/(loss) before tax from discontinuing operations	(7, 889.98)	3, 781.98
	Adjustments for:		
	Interest expense	2, 240.27	2, 337.11
	Liabilities/provisions no longer required written back	(7.73)	-
	Depreciation and amortisation expense	1, 162.64	1, 159.77
	Interest Income	(35.81)	(54.30)
	(Gain)/ loss on sale/redemption of investments (net)	(626.71)	(1, 024.73)
	Employee stock option expense	129.09	193.29
	(Gain)/ Loss on sale of assets (net)	(1, 411.99)	(875.43)
	Fair value (gain)/loss on financial assets valued at fair value through profit or loss	-	(21.85)
	Provision for delay of possession	-	88.34
	Allowance for doubtful debts	195.52	3.22
	Fair value (gain)/ loss on mutual funds	(31.03)	(539.76)
	Operating Loss before working capital changes	(11, 143.57)	(909.63)
	Movements in working capital:		
	(Increase) / decrease in inventories (current)	3, 680.75	9, 409.05
	(Increase) / decrease in trade receivables (current)	(1, 226.30)	(315.44)
	(Increase) / decrease in other financial assets/ other assets (current / non-current)	(5, 712.85)	(3, 321.46)
	Increase / (decrease) in trade payable (current / non-current)	2, 222.10	1, 454.22
	Increase / (decrease) in provisions (current / non-current)	7, 661.05	771.58
	Increase / (decrease) in other financial liabilities/ other liabilities (current / non-current)	5, 469.22	(2, 270.11)
	Net cash generated from operations	**950.40**	**4, 818.21**
	Refund received / (payment) of direct taxes (net)	(1, 204.29)	(1, 707.45)
	Net cash from operating activities (A)	**(253.89)**	**3, 110.76**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payments for property, plant and equipment	99.15	(3, 636.86)
	Proceeds from sale of fixed assets	1, 764.54	2, 442.30
	Proceeds from/in short term investment (mutual funds) (net)	3, 367.80	19, 371.60
	Proceeds from/in long term investment (others) (net)	(4, 667.28)	(22, 378.10)
	Increase / (decrease) in capital creditors	(955.94)	(1, 531.52)
	Interest received	1, 817.11	365.71
	Net cash from/ (used in) investing activities (B)	**1, 425.38**	**(5, 366.87)**

		For the year ended March 31, 2019	For the year ended March 31, 2018
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of share capital	4.65	694.22
	Issue of shares by subsidiary to minority	2, 695.00	-
	Proceeds from issue of share warrants	-	7, 500.00
	Proceeds from long-term borrowings	(1, 388.07)	3, 537.00
	Proceeds from short-term borrowings	(623.56)	(6, 929.44)
	Interest paid	(2, 249.73)	(2, 327.65)
	Net cash from/ (used in) financing activities (C)	**(1, 561.71)**	**2, 474.13**
D	**Net increase / (decrease) in cash and cash equivalents (A+B+C)**	**(390.22)**	**218.02**
E	**Cash and cash equivalents as at the beginning of the year**	1, 358.74	3, 990.13
F	**Movement in cash and cash equivalents pertaining to discontinuing operations**	**(136.40)**	**-**
Cash and cash equivalents as at the end of the year		**832.12**	**4, 208.15**
Components of Cash and Cash Equivalents			
Cash on hand		4.82	34.75
Balances with scheduled banks			
- On current accounts		823.35	2, 928.15
- Cheques/drafts in Hand		3.95	180.25
- Deposits with original maturity of upto 3 months		-	1, 065.00
Total cash and cash equivalents (Refer Note 9)		**832.12**	**4, 208.15**

The above consolidated cash flow statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.

Summary of significant accounting policies	2
Other notes to accounts	31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of Max India Limited (the "Company" or "MIL"), its subsidiaries and its joint ventures (collectively referred to as the "Group") for the year ended March 31, 2019. Max India Limited is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016.

The Company is primarily engaged in making business investment in its subsidiaries and providing management advisory services to its group companies.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 29, 2019.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Group has prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Group has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 37 for information on how the Group adopted Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value

(i) Certain financial assets and liabilities that are measured at fair value

Financial Statement are presented in INR and all values are rounded to nearest Lakhs (INR 00, 000) except when otherwise stated.

2.2 Basis of consolidation

During the current year, the Company ceased to be a core investment company (non systemically important) as per the Non-Banking Financial Company (NBFC) Rules defined under the RBI Act, 1934. Accordingly, the consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 48 for information on how the Company adopted Ind AS.

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and its joint ventures as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

Exposure, or rights, to variable returns from its involvement with the investee, and

The ability to use its power over the investee to affect its returns

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee

Rights arising from other contractual arrangements

The Group's voting rights and potential voting rights

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended March 31, . When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating

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policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

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c) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle

b. Held primarily for the purpose of trading

c. Expected to be realised within twelve months after the reporting period, or

d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

a. Expected to be settled in normal operating cycle

b. Held primarily for the purpose of trading

c. It is due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

d) Property, plant and equipment

On transition to Ind AS, the Group has applied exemption of Ind AS and elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2017.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT, VAT and GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the

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net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management. Pursuant to this policy, assets are depreciated over the following term-

Asset Type Estimated Useful Life (In Years)

Asset Type	Estimated Useful Life (In Years)
Building	60 years
Plant and Machinery	5 years
IT Equipment (End user devices)	3 years
IT Equipment (Servers and network)	4-6 years
Office Equipments	3-5 years
Leasehold Improvements	3 years (life of lease)
Furniture and Fixtures	8 - 10 years
Vehicles	3-8 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates above mentioned items over estimated useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

f) Intangible assets

On transition to Ind AS, the Group has applied exemption of Ind AS and elected to continue with the carrying value of all of its intangible assets as at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets as on April 01, 2017.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

g) Leases

Group as a lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. The Group is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in PPE. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Group as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

h) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's, recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use,

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the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For the remaining economic life of the asset or cash-generating unit (CGU), a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In this case, the growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

i) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible

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- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

j) Retirement and other Employee Benefits

Provident fund

The Group contributed to employees provident fund benefits through a trust "Max Financial Services Limited Provident Fund Trust" managed by Max Financial Services Limited (erstwhile Max India Limited) whereby amounts determined at a fixed percentage of basic salaries of the employees are deposited to the trust every month. The benefit vests upon commencement of the employment. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group has obtained actuarial valuation to determine the shortfall, if any, as at the Balance Sheet date. The Group recognises contribution payable to the provident fund as an expense, when the employee renders the related service.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Group recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

(i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.

(ii) Net interest expenses or income.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit .The Group measures the expected cost of such absences as the additional amount that it it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end .Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer

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its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

a) Debt instruments at amortised cost

b) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instrument at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Group estimate the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces

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or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Interest income from these debt instruments is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

  (a) the Group has transferred the rights to receive cash flows from the financial assets or

  (b) the Group has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred its right to receive cash flows from an asset or has entered into a pass through agreement, the Group evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost; e.g. Loans, Security deposits, trade receivable, bank balance , other financial assets etc.

Financial guarantee contracts measured at fair value through profit or loss (FVTPL)

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The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and

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other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade Payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

m) Foreign currencies

The financial statements are presented in INR, which is also the Group's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Measurement of foreign currency items at the balance sheet date

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

i) Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

ii) Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

iii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

n) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. The Group determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability, or

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(Amount in INR lakhs, unless otherwise stated)

ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Group's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group’s accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

a) Disclosures for valuation methods, significant estimates and assumptions (note 44)

b) Quantitative disclosures of fair value measurement hierarchy (note 44)

c) Financial instruments (including those carried at amortised cost) (note 44)

o) Revenue recognition

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from food and beverages, maintenance and club services are recognized upon rendering of service. Sales are net of discounts. Goods service tax is reduced from sales.

Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The Group collects service tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Revenues from training services are recognized over the period of the contract as and when services are rendered. The Group collects service tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Revenue from leasing activities

The Group transfers substantially all the risks and benefits of ownership of the asset transferred on finance lease. Any amount received before possession/registration of lease deed to the extent it is related to lease rentals is recognized as revenue in the Statement of Profit & Loss.

In respect of lease rentals on non cancellable operating lease, revenue is recognised on a straight-line basis over the lease term and in respect of lease rentals on cancellable operating lease, revenue is recognised on the time proportionate basis as per related agreements.

Revenue from other operating activities

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

The Group considers in determining the transaction price for the sale of services, whether there are other promises in the contract that are separate performance obligation to which a portion of transaction price needs to be allocated..

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for further reference.

Insurance receivables

The Group recognises the insurance receivables when due and measures on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost, using the EIR method. The carrying value of

Notes to consolidated financial statements for the year ended March 31, 2019
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insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of profit or loss.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Insurance contract liabilities

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and a reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims. Therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money.

No provision for equalisation or catastrophe reserves is recognised. The liabilities are derecognised when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Group reviews its unexpired risk and a liability adequacy test is performed in accordance with IndAS to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognised in the statement of profit or loss by setting up a provision for premium deficiency.

Insurance payables

Insurance payables are recognised when due and measured on initial recognition at fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the EIR method.

Premium received in advance

Premium received in advance represents premium received in respect of those policies issued during the year where the risk commences subsequent to the balance sheet date.

p) Taxes

Tax expense comprises current and deferred tax.

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Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

iii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in

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correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during specified period.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

r) Share-based payments

Employees of the Group receive remuneration in the form of share based payment transaction, whereby employees render services as a consideration for equity instruments(equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

s) Non-current assets held for sale/ distribution to owners and discontinuing operations:

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinuing operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinuing operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

discontinuing operations in the statement of profit and loss.

Additional disclosures are provided in Note 33. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

t) Borrowing Cost

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

u) Inventories

Inventories are valued at lower of cost and net realisable value.

Cost incurred in bringing each product to its present condition and location are accounted for as follows -

i) Raw material and stores & spares - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

ii) Finished goods and work in progress (relating to finance lease) - Cost includes cost of land, direct materials and services including labour and a portion of direct overheads including borrowing costs. Cost is determined using average method.

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(Amount in INR lakhs, unless otherwise stated)

3. Property, plant & equipment

	Freehold land	Leasehold land	Building	Plant and Machinery	Computers	Office equipments	Leasehold improvements	Furniture & Fixtures	Vehicles	Total
Gross block										
As at April 01, 2017*	**4, 438.49**	**1.82**	**1, 401.16**	**88.53**	**826.21**	**311.02**	**480.50**	**199.01**	**356.48**	**8, 103.22**
Additions	-	-	5, 124.41	915.56	524.09	96.28	47.61	994.21	57.18	7, 759.34
Deletion	2, 513.69	-	-	-	110.03	22.49	11.11	18.93	46.16	2, 722.41
As at March 31, 2018	**1, 924.80**	**1.82**	**6, 525.57**	**1, 004.09**	**1, 240.27**	**384.81**	**517.00**	**1, 174.29**	**367.50**	**13, 140.15**
Additions	-	89.83	28.41	6.29	275.20	100.56	171.50	71.50	42.14	785.43
Deletion	0.42	-	1, 295.64	18.09	6.85	8.33	5.35	32.52	28.13	1, 395.33
Discontinuing Operations (Refer Note 33)	-	-	-	-	(1, 330.96)	(327.41)	(530.71)	(71.98)	-	(2, 261.06)
As at March 31, 2019	**1, 924.38**	**91.65**	**5, 258.34**	**992.29**	**177.66**	**149.63**	**152.44**	**1, 141.29**	**381.51**	**10, 269.19**
Depreciation / amortisation										
As at April 01, 2017	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
For the year (Refer note A)	-	-	93.65	68.20	403.31	136.97	248.28	117.72	91.64	1, 159.77
Deletions	-	-	-	-	107.59	18.81	9.56	18.72	11.46	166.14
As at March 31, 2018	**-**	**-**	**93.65**	**68.20**	**295.72**	**118.16**	**238.72**	**99.00**	**80.18**	**993.63**
For the year (Refer note A)	-	-	104.45	78.65	410.40	116.64	236.26	139.94	76.30	1, 162.64
Deletion	-	-	47.04	2.40	5.84	3.64	5.28	11.77	11.68	87.65
Discontinuing Operations (Refer Note 33)	-	-	-	-	(620.49)	(160.47)	(428.99)	(36.43)	-	(1, 246.38)
As at March 31, 2019	**-**	**-**	**151.06**	**144.45**	**79.79**	**70.69**	**40.71**	**190.74**	**144.80**	**822.24**
Net block										
As at April 01, 2017	**4, 438.49**	**1.82**	**1, 401.16**	**88.53**	**826.21**	**311.02**	**480.50**	**199.01**	**356.48**	**8, 103.22**
As at March 31, 2018	**1, 924.80**	**1.82**	**6, 431.92**	**935.89**	**944.55**	**266.65**	**278.28**	**1, 075.29**	**287.32**	**12, 146.52**
As at March 31, 2019	**1, 924.38**	**91.65**	**5, 107.28**	**847.84**	**97.87**	**78.94**	**111.73**	**950.55**	**236.71**	**9, 446.95**

*The Group has elected Ind-AS 101 exemption and continued with the carrying value for all of it's Property, Plant and Equipment as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated depreciation has been disclosed by the Group separately as follows - .

	Freehold land	Leasehold land	Building	Plant and Machinery	Computers	Office equipments	Leasehold improvements	Furniture & Fixtures	Vehicles	Total
Gross Block	4, 438.49	1.82	1, 807.72	724.77	2, 422.29	859.29	2, 084.22	589.31	582.76	13, 510.67
Accumulated Depreciation	-	-	406.56	636.24	1, 596.08	548.27	1, 603.72	390.30	226.28	5, 407.45
Deemed cost as at April 01, 2017	**4, 438.49**	**1.82**	**1, 401.16**	**88.53**	**826.21**	**311.02**	**480.50**	**199.01**	**356.48**	**8, 103.22**

Note:

(A) Includes depreciation of tangible assets of Rs 676.25 lakhs (March 31, 2018 Rs 732.27 lakhs) on assets relating to discontinuing operations (Refer Note 33)

(B) Capitalised borrowing costs

The Group started the construction of a Club in Senior Living Project in financial year 2014-15. This project was completed in financial year 2017-18. Borrowing cost capitalised in Building is Rs. Nil (March 31, 2018: Rs 781.32 lakhs, April 01, 2017: Rs Nil)

The rate used to determine the amount of borrowing costs eligible for capitalisation was based on effective interest

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rate of the borrowing.

4. Capital work in progress

	Construction Cost	Others	Total
As at April 01, 2017	**4, 021.03**	**43.20**	**4, 064.23**
Addition during the year	377.92	-	377.92
Capitalised during the year	4, 021.02	43.20	4, 064.22
As at March 31, 2018	**377.93**	**-**	**377.93**
Addition during the year	392.19	193.99	586.18
Capitalised during the year	191.39	-	191.39
Discontinuing Operations (Refer Note 33)	-	(193.99)	(193.99)
As at March 31, 2019	**578.73**	**-**	**578.73**

PPE under charge

PPE with a carrying amount of INR 7, 308 lakhs (March 31, 2018: INR 7, 518 lakhs) are subject to a first charge to secure Group's bank loan.

5.Other Intangible assets

	Computer software	Website	Intangibles Under Development	Total
Gross block				
As at April 01, 2017*	**1, 841.08**	**1.43**	**4.62**	**1, 847.13**
Additions	1, 433.75	-	-	1, 433.75
Deletion	0.23	-	4.23	4.46
As at March 31, 2018	**3, 274.60**	**1.43**	**0.39**	**3, 276.42**
Additions	793.22	-	-	793.22
Deletion	284.36	-	-	284.36
Discontinuing Operations (Refer Note 33)	(3, 664.68)	(1.43)	-	(3, 666.11)
As at March 31, 2019	**118.78**	**-**	**0.39**	**119.17**
Amortisation				
As at April 01, 2017	-	-	-	-
Additions (Refer note A)	874.86	1.05	0.39	876.30
Deletion	0.23	-	-	0.23
As at March 31, 2018	**874.63**	**1.05**	**0.39**	**876.07**
Additions (Refer note A)	997.22	0.38	-	997.60
Deletion	164.50	-	-	164.50
Discontinuing Operations (Refer Note 33)	(1, 663.17)	(1.43)	-	(1, 664.60)
As at March 31, 2019	**44.18**	**-**	**0.39**	**44.57**
Net block				
As on April 01, 2017	**1, 841.08**	**1.43**	**4.62**	**1, 847.13**

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	Computer software	Website	Intangibles Under Development	Total
As at March 31, 2018	**2, 399.97**	**0.38**	**-**	**2, 400.35**
As at March 31, 2019	**74.60**	**-**	**-**	**74.60**

*The Group has elected Ind-AS 101 exemption and continued with the carrying value for all of it's Intangible assets as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated amortisation has been disclosed by the Group separately as follows -

	Computer software	Website	Intangibles Under Development	Total
Gross Block	4, 779.92	112.58	96.76	4, 989.26
Accumulated Amortisation	2, 938.84	111.15	92.14	3, 142.13
Deemed cost as at April 01, 2017	**1, 841.08**	**1.43**	**4.62**	**1, 847.13**

Note:

(A) Includes amortisation of intangible assets of Rs 962.53 lakhs (March 31, 2018 Rs 855.10 lakhs on assets relating to on discontinuing operations (Refer Note 33)

Impairment testing of goodwill and other intangibles

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments. During the year Group has done the impairment assessment of Goodwill and intangibles (including those appearing in the subsidiaries and joint ventures) and have concluded that there is no impairment in value of goodwill and intangible assets as appearing in the financial statements.

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6a. Investments in joint ventures

	March 31, 2019	March 31, 2018	April 01, 2017
Investments in joint ventures accounted under equity method (Refer Note 36)			
Max Healthcare Institute Limited			
266, 997, 937 (March 31, 2018: 266, 997, 937; April 01, 2017: 246, 848, 537) Equity shares of Rs.10 each fully paid up	77, 374.24	80, 894.11	62, 056.75
Forum I Aviation Limited			
7, 487, 251 (March 31, 2018: 7, 487, 251; April 01, 2017: 7, 487, 251) Equity shares of Rs.10 each fully paid up	1, 056.25	998.95	974.94
	78, 430.49	**81, 893.06**	**63, 031.69**

6b. Other Investments

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Non-trade investments (valued at fair value through profit or loss unless stated otherwise)						
Health Insurance Business						
Bonds (quoted)	-	13, 693.72	8, 786.36	-	23, 289.91	21, 988.54
Government and trust securities (quoted)	-	1, 037.52	-	-	20, 373.94	20, 041.70
Term Deposits (unquoted)	-	5, 977.00	6, 869.00	-	-	225.00
Other than Approved Investments	-	2, 499.08	6, 342.42	-	-	-
Investments at fair value through profit or loss						
Investment -Others						
Max Speciality Films Limited						
Nil (March 31, 2018: Nil; April 01, 2017: 338, 350) Equity shares of Rs.10 each fully paid up	-	-	-	-	-	336.32
Mutual funds						
Unquoted mutual funds						
Aditya Birla Sun Life Cash Plus - Growth Direct Plan Growth						
202, 046 (March 31, 2018: 136, 373 ; April 01, 2017: 1, 942, 984) units of Face value Rs. 100/- per unit fully paid	607.02	380.91	5, 077.20	-	-	-
DHFL Pramerica Insta Cash Plus Fund - Direct Plan Growth						

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Nil (March 31, 2018: Nil ; April 01, 2017: 741, 093) units of Face value Rs. 100/- per unit fully paid	-	-	1, 566.35	-	-	-
DSP BlackRock Liquidity Fund -Direct Growth						
Nil (March 31, 2018: Nil ; April 01, 2017:280, 058) units of Face value Rs. 1000/- per unit fully paid	-	-	6, 513.53	-	-	-
Franklin India Treasury Management Account Fund						
Nil (March 31, 2018: 86, 669 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid	-	2, 251.22	-	-	-	-
IDFC Cash Fund - Direct Plan Growth						
Nil (March 31, 2018: 36, 071 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid	-	761.17	-	-	-	-
JM High Liquidity Fund (Direct) Growth						
Nil (March 31, 2018: 4, 248, 757 ; April 01, 2017:14, 800, 894) units of Face value Rs. 10/- per unit fully paid	-	2, 021.24	6, 588.38	-	-	-
Invesco India Liquid Fund Direct Plan Growth						
Nil (March 31, 2018: 100, 465 ; April 01, 2017: 76, 992) units of Face value Rs. 1000/- per unit fully paid	-	2, 403.20	1, 723.60	-	-	-
L&T India Liquid Fund- Direct Fund Growth						
Nil (March 31, 2018: 136, 772 ; April 01, 2017: 140, 003) units of Face value Rs. 1000/- per unit fully paid	-	3, 259.10	3, 122.12	-	-	-
Tata Money Market Fund - Direct Fund Growth						
Nil (March 31, 2018: 9, 174 ; April 01, 2017: 15, 746) units of Face value Rs. 1000/- per unit fully paid	-	251.23	403.58	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
UTI Money Market Fund - Direct Fund Growth						
Nil (March 31, 2018: 102, 804 ; April 01, 2017: 356, 604) units of Face value Rs. 1000/- per unit fully paid	-	2, 004.41	6, 505.25	-	-	-
Axis Liquid fund - Direct growth						
63, 701 (March 31, 2018: 4557 ; April 01, 2017: 98, 078) units of Face value Rs. 1000/- per unit fully paid	1, 320.87	87.76	1, 768.56	-	-	-
Tata Liquid Fund Direct Plan - Growth						
Nil (March 31, 2018: Nil ; April 01, 2017: 2, 820) Units of Tata Liquid Fund Direct Plan - Growth	-	-	84.59	-	-	-
HDFC Liquid Fund- Direct Plan- Growth Option						
82 (March 31, 2018: 9900 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit.	3.02	338.99	-	-	-	-
ICICI Prudential Liquid-Direct Plan-Growth						
1, 087 (March 31, 2018: 1, 29, 941 ; April 01, 2017: Nil) units of Face value Rs. 100/- per unit.	3.01	334.13	-	-	-	-
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option						
66 (March 31, 2018: 5, 735 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit.	3.05	243.15	-	-	-	-
Kotak Liquid - Direct Plan Growth						
5, 998 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid up	226.99	-	-	-	-	-
SBI Liquid Fund- Direct Plan Growth						
20, 662 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid up	605.09	-	-	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Sundaram Money Fund- Direct Plan Growth						
2, 278, 263 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 10 each fully paid up	897.90	-	-	-	-	-
	3, 666.95	**37, 543.83**	**55, 350.94**	**-**	**43, 663.85**	**42, 591.56**
Aggregate value of quoted investment	**-**	**14, 731.24**	**8, 786.36**	**-**	**43, 663.85**	**42, 030.24**
Aggregate value of unquoted investment	**3, 666.95**	**22, 812.59**	**46, 564.58**	**-**	**-**	**561.32**

7. Loans (at amortised cost)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Security deposits given	38.61	17.10	6.57	158.06	515.45	406.85
Loans to joint ventures	-	-	-	38.00	38.00	38.00
Loans to employees	11.59	2.77	13.05	22.70	1.57	3.54
Interest accrued on deposit	-	0.91	-	-	-	-
	50.20	**20.78**	**19.62**	**218.76**	**555.02**	**448.39**

8. Trade Receivables

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Trade receivables	2, 630.00	1, 599.22	1, 287.00	-	-	-
	2, 630.00	**1, 599.22**	**1, 287.00**	**-**	**-**	**-**
Break-up for trade receivables:						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	2, 630.00	1, 599.22	1, 287.00	-	-	-
Trade Receivables which have significant increase in credit Risk	-	-	-	-	-	-
Trade Receivables - credit impaired	-	499.86	582.38	-	-	-
	2, 630.00	**2, 099.08**	**1, 869.38**	**-**	**-**	**-**
Impairment Allowance (allowance for bad and doubtful debts)						

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good	-	-	-	-	-	-
Trade Receivables which have significant increase in credit Risk	-	-	-	-	-	-
Trade Receivables - credit impaired	-	**499.86**	**582.38**	-	-	-
Total trade receivables	**2, 630.00**	**1, 599.22**	**1, 287.00**	-	-	-

i. No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

ii. For terms and conditions relating to related party receivables, refer note 42.

iii. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

9. Cash and cash equivalents

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Cash and cash equivalents						
Cash on hand	4.82	34.75	8.61	-	-	-
Balances with banks - Current accounts	823.35	2, 928.15	3, 178.35	-	-	-
Cheques/drafts on hand	3.95	180.25	263.17	-	-	-
Deposits with original maturity of less than three months	-	1, 065.00	540.00	-	-	-
	832.12	**4, 208.15**	**3, 990.13**	-	-	-

Changes in liabilities arising from financing activities

	April 01, 2017	Cash Flows	March 31, 2018	Cash Flows	March 31, 2019
Current borrowings	4.10	999.19	**1, 003.29**	(764.73)	238.56
Non current borrowings	16, 430.66	3, 537.00	**19, 967.66**	(1, 388.07)	18, 579.59
Current maturity of non current borrowings	8, 344.63	(7, 928.63)	**416.00**	141.17	557.17
Total liabilities from financial activities	**24, 779.39**	**(3, 392.44)**	**21, 386.95**	**(2, 011.63)**	**19, 375.32**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

10. Other financial assets

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured considered good, unless stated otherwise:						
Advances recoverable in cash or kind	-	5.42	1.14	-	-	-
Interest accrued on fixed deposits	0.67	-	0.67	-	-	-
Interest accrued on investments	-	1, 781.97	2, 092.71	-	-	-
Marginal Money*	-	-	-	23.97	22.35	20.79
Outstanding premium						
Considered good, unsecured	-	356.07	305.67	-	-	-
Credit impaired	-	499.91	582.26	-	-	-
Less: Impairment allowance for outstanding premium credit impaired	-	(499.91)	(582.26)	-	-	-
Agents balances - credit impaired	-	1.68	21.22	-	-	-
Less: Impairment allowance for agent balances credit impaired	-	(1.68)	(21.22)	-	-	-
Due from other entities carrying on insurance business						
Considered good, unsecured	-	3, 662.67	609.77	-	-	-
Credit impaired	-	-	20.33	-	-	-
Less: Impairment allowance for dues credit impaired	-	-	(20.33)	-	-	-
Deposits against unclaimed amount of policyholders	-	-	-	-	179.99	-
Interest accrued on deposits against unclaimed amount	-	-	-	-	9.39	-
Amount receivable from related parties	2, 473.00	48.18	-	-	-	-
	2, 473.67	**5, 854.31**	**3, 009.96**	**23.97**	**211.73**	**20.79**

* To secure bank guarantee given to Protector General of Immigrant

Break-up of financial assets at amortised costs:

	March 31, 2019	March 31, 2018	April 01, 2017
Loans (note 7)	268.96	575.80	468.01
Trade Receivables (note 8)	2, 630.00	1, 599.22	1, 287.00
Cash and Cash equivalents (note 9)	832.12	4, 208.15	3, 990.13
Other financial assets (note 10)	2, 497.64	6, 066.04	3, 030.75
	6, 228.72	**12, 449.21**	**8, 775.89**
Current	5, 985.99	11, 682.46	8, 306.71
Non-current	242.73	766.75	469.18
	6, 228.72	**12, 449.21**	**8, 775.89**

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

11. Inventory

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Consumables - others	135.95	137.29	-	-	-	-
Finished goods - held under finance lease	26, 205.46	29, 884.87	-	-	-	-
Work in progress - held under finance lease	-	-	39, 431.21	-	-	-
	26, 341.41	**30, 022.16**	**39, 431.21**	**-**	**-**	**-**

12. Tax assets

Particulars	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Advance income tax (net of provisions)	186.34	261.48	223.06	1, 148.98	615.54	343.38
	186.34	**261.48**	**223.06**	**1, 148.98**	**615.54**	**343.38**

13. Income tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	681.57	1,020.70
Income tax adjustment related to earlier years	(25.40)	(47.66)
Deferred tax:		
Relating to origination and reversal of temporary differences	(402.21)	(248.60)
Income tax expense reported in the statement of profit or loss from continuing operations	**253.96**	**724.44**

OCI section

	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax related to items recognised in OCI during the year from continuing operations	2.64	(3.09)
Current tax related to items recognised in OCI during the year from discontinuing operations	84.55	430.01
Total tax related to items recognised in OCI during the year from continuing and discontinuing operations	**87.19**	**426.92**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Accounting profit / (loss) before tax from continuing operations	(4,867.84)	(5,957.27)
At India's statutory income tax rate	26.00% - 29.12%	26.00% - 34.61%
Computed Tax Expense	(1,439.07)	(1,104.93)
Adjustments:		
Income not considered for tax purpose	(129.94)	(326.11)
Expense not allowed for tax purpose	1,014.68	611.15
Item not allowed for tax purpose, capital nature	6.26	132.07
Others	-	(290.97)
Difference in tax rate	(22.60)	39.06
Unabsorbed losses	850.03	1,711.83
Tax relating to earlier years	(25.40)	(47.66)
At the effective income tax rate	**253.96**	**724.44**
Income tax expense reported in the statement of profit and loss	**253.96**	**724.44**

Deferred tax:

	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax liability			
Difference in books base and tax base of investments	(60.78)	(287.48)	(551.00)
Accelerated depreciation under Income tax	57.91	44.12	34.52
Conversion of capital asset into stock in trade	(675.41)	(271.63)	-
Others	(11.98)	(19.57)	-
Deferred tax asset			
Expenses allowable on payment basis	266.52	280.09	435.87
Unabsorbed losses	666.26	260.60	1.24
Others	383.52	220.34	54.15
Net deferred tax assets/(liabilities)	**626.04**	**226.47**	**(25.22)**

	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Difference in books base and tax base of investments	226.70	263.52
Accelerated depreciation under Income tax	13.79	9.60
Conversion of capital asset into stock in trade	(403.78)	(271.63)
Others	7.59	(19.57)
Deferred tax asset		
Expenses allowable on payment basis	(13.57)	(155.78)
Unabsorbed losses	405.66	259.36
Others	163.18	166.19
Net deferred tax assets/(liabilities)	**399.57**	**251.69**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reflected in the balance sheet as follows:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	3,677.66	3,846.23	535.12
Deferred tax liabilities	(3,051.62)	(3,619.76)	(560.34)
Net deferred tax assets/(liabilities)	**626.04**	**226.47**	**(25.22)**

Reconciliation of deferred tax assets:

	March 31, 2019	March 31, 2018
Opening balance as of April 01	**226.47**	**(25.22)**
Tax income/(expense) during the period recognised in profit or loss	402.21	248.60
Tax income/(expense) during the period recognised in OCI	(2.64)	3.09
Closing balance as at 31 March	**626.04**	**226.47**

14. Other assets

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Capital advances	-	-	-	7, 343.84	7, 374.82	8, 810.63
Prepaid expenses	113.80	446.09	409.14	61.66	146.55	119.93
Balances with statutory/government authorities	695.49	2, 152.17	556.21	-	-	3.56
Other advances	99.21	651.91	718.82	0.50	0.50	1.84
Less: Impairment allowance	-	(36.07)	(38.76)	-	-	-
Unbilled revenue	537.36	136.97	353.84	-	-	-
	1, 445.86	**3, 351.07**	**1, 999.25**	**7, 406.00**	**7, 521.87**	**8, 935.96**

15. Equity share Capital

	March 31, 2019	March 31, 2018	April 01, 2017
Authorised shares			
300, 000, 000 (March 31, 2018 : 300, 000, 000 and April 01, 2017 : 300, 000, 000) equity shares of INR 2 each	6, 000.00	6, 000.00	6, 000.00
Issued, subscribed and fully paid equity capital			
268, 615, 638 (March 31, 2018 : 268, 383, 065 and April 01, 2017 : 267, 270, 049) equity shares of INR 2 each	5, 372.31	5, 367.66	5, 345.40
Total issued, subscribed and fully paid-up share capital	**5, 372.31**	**5, 367.66**	**5, 345.40**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2019		March 31, 2018		April 01, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the year	268, 383, 065	5, 367.66	267, 270, 049	5, 345.40	267, 270, 049	5, 345.40
Add: Shares issued for stock options exercised	232, 573	4.65	1, 113, 016	22.26	-	-
Outstanding at the end of the year	**268, 615, 638**	**5, 372.31**	**268, 383, 065**	**5, 367.66**	**267, 270, 049**	**5, 345.40**

(ii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	March 31, 2019		March 31, 2018		April 01, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of Rs. 2/- each fully paid-up						
- Liquid Investment and Trading Private Limited	200, 000	0.07%	23, 818, 876	8.87%	23, 818, 876	8.91%
- Max Ventures Investment Holdings Private Limited	103, 467, 976	38.52%	66, 158, 030	24.65%	66, 158, 030	24.75%
- Mohair Investment and Trading Company Private Ltd	-	-	13, 690, 570	5.10%	8, 086, 560	3.03%
- Reliance Capital Trustee Co Ltd A/C Reliance Capital Builder Fund 4 SR A	17, 369, 062	6.47%	14, 601, 201	5.44%	12, 515, 216	4.68%
- WF Asian Reconnaissance Fund Limited	17, 201, 096	6.40%	-	-	-	-
- Xenok Limited	-	-	-	-	17, 161, 714	6.42%

(iv) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, please refer note 41.

Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has issued total 1, 631, 639 shares (March 31, 2018: 1, 399, 066 shares: April 01, 2017 : 286, 050 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

During financial year 2015-16, pursuant to Composite Scheme of Arrangement and order of Hon`ble High Court of Punjab and Haryana dated December 14, 2015 (Order) sanctioning the Composite Scheme of Arrangement involving Max Financial Services Limited (formerly Max India Limited), Max India Limited (formerly Taurus Ventures Limited) (the Company) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited), the Company allotted 266, 983, 999 equity shares on May 14, 2016, in the ratio of 1 equity share of Rs. 2 each fully paid up of the company for every one equity share of Rs. 2 each fully paid up, held by shareholder of Max Financial Services Limited on January 28, 2016 (record date).

16. Other Equity

		March 31, 2019	March 31, 2018	April 01, 2017
Capital reserve (refer note a below)		125, 201.43	117, 701.43	117, 701.43
Securities premium (refer note b below)		1, 101.46	934.64	133.53
Gross obligations over written put options granted to NCI (refer note c below)		(8, 437.74)	(5, 084.06)	(3, 369.90)
Employee stock option plan (refer note d below)		477.42	481.11	368.06
Foreign Currency Translation Reserve (refer note e below)		42.57	39.18	18.66
Money received against share warrants (refer note f below)		-	7, 500.00	-
FVTOCI reserve (refer note g below)		24.14	89.90	488.76
Surplus in the statement of profit and loss (refer note h below)		(6, 760.97)	1, 927.29	6, 125.24
		111, 648.31	**123, 589.49**	**121, 465.78**
a)	**Capital reserve**			
	At the beginning of the year	117, 701.43	117, 701.43	117, 701.43
	Add :Share warrants forfeited during the year **	7, 500.00	-	-
		125, 201.43	**117, 701.43**	**117, 701.43**
b)	**Securities premium**			
	At the beginning of the year	934.64	133.53	133.53
	Add: premium on issue of shares under ESOP	-	671.96	-
	Add : transferred from stock option outstanding	166.82	129.15	-
		1, 101.46	**934.64**	**133.53**
c)	**Gross obligations over written put options granted by joint venture**			
	At the beginning of the year	(5, 084.06)	(3, 369.90)	(3, 369.90)
	Add : Additions during the year	(3, 353.68)	(1, 714.16)	-
		(8, 437.74)	**(5, 084.06)**	**(3, 369.90)**
d)	**Employee stock option plan**			
	At the beginning of the year	481.11	368.06	368.06
	Add : compensation options granted during the year	88.79	93.66	-
	Add: Fair valuation of ESOP	74.34	148.54	-
	Less: transferred to securities premium	(166.82)	(129.15)	-
		477.42	**481.11**	**368.06**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

		March 31, 2019	March 31, 2018	April 01, 2017
e)	**Foreign Currency Translation Reserve**			
	At the beginning of the year	39.18	18.66	18.66
	Increase/(decrease) during the year	3.39	20.52	-
		42.57	**39.18**	**18.66**
f)	**Share Warrants^**			
	At the beginning of the year	7, 500.00	-	-
	Amount received during the year *	-	7, 500.00	-
	Amount forfeited during the year **	(7, 500.00)	-	-
		-	**7, 500.00**	**-**
g)	**FVTOCI reserve**			
	At the beginning of the year	89.90	488.76	488.76
	Increase/(decrease) during the year	(65.76)	(398.86)	-
		24.14	**89.90**	**488.76**
h)	**Surplus in the statement of profit and loss**			
	At the beginning of the year	1, 927.29	6, 125.24	6, 125.24
	Add: Profit / (loss) for the year	(8, 626.54)	(4, 238.38)	-
	Add : Other comprehensive income	(61.72)	40.43	-
		(6, 760.97)	**1, 927.29**	**6, 125.24**
		111, 648.31	**123, 589.49**	**121, 465.78**

* During the previous year, the Group allotted 19, 384, 584 convertible warrants at an exercise price of Rs. 154.76 per warrants to Mohair Investment and Trading Group Private Limited (an entity belonging to Promoter Group), on receipt of 25% of the warrant subscription amount, i.e. Rs. 7, 500.00 lakhs. Each warrant was convertible into 1 equity share as per applicable SEBI guidelines at any time before the expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

** During the year, the Promoter group decided not to opt for conversion of aforesaid warrants, accordingly, the Board of directors took note of cancellation of aforesaid warrants and forfeiture of upfront warrant subscription amount paid earlier on such warrants.

Nature and purpose of reserves

(i) **Capital reserve**

The Group recognizes profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

(ii) **Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(iii) **Gross obligations over written put options granted to NCI**

A joint venture of the Company has granted put option to its Non controlling interests to sell shares held by them back to the joint venture. The gross obligation of the Company on these options have been recognised through this reserve.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(vi) **Employee stock options outstanding**

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

(iv) **Foreign Currency Translation Reserve**

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

(v) **FVTOCI reserve**

The Group has elected to recognise changes in the fair value of certain investments in debt securities in other comprehensive income. These changes are accumulated within the FVOCI reserve.

17a. Long term borrowings

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Term loans (Secured)						
From banks	-	-	8, 344.63	-	-	16, 427.52
From non-banking financial companies (NBFC)	551.52	416.00	-	18, 562.23	19, 967.66	-
Vehicle loan	5.65	-	-	17.36	-	3.14
Less: amount clubbed under other current financial liabilities						
Current maturities of term loan from bank	-	-	(8, 344.63)	-	-	-
Current maturities of loan from NBFC	(551.52)	(416.00)	-	-	-	-
Current maturities of vehicle loan	(5.65)	-	-	-	-	-
	-	**-**	**-**	**18, 579.59**	**19, 967.66**	**16, 430.66**

(i) Term loan from non-banking financial companies

Antara Purukul Senior Living Limited (APSL)

Term loan from Aditya Birla Finance Limited and Bajaj Finance Limited is Rs 19, 113.75 lakhs on EIR method (March 31, 2018 with Aditya Birla Finance Limited: Rs 20, 383.66 lakhs; April 01, 2017 Rs Nil) together with interest, additional interest, further interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by the Company is secured by the following security interest created in favour of the Bank or the Security Trustee:

a) Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Antara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.

b) Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales /leasing of area /project receipts/all other cash flows pertaining to project.

c) Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) All the FSI, rights, title, interest, benefits, claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;

(ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and

(iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond , guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.

d) Corporate Guarantees of Max India Limited.

The loan is repayable in 72 structured monthly instalments from January, 2018 with an option to prepay. The loan is interest bearing with interest ranging from 10.00% to 11.35% during the year.

(ii) Term loan from banks

Term Loan from Axis Bank Limited of Rs.Nil (March 31, 2018 : Rs.Nil April 01, 2017: Rs.24, 772.15 lakhs) is repayable in 12 quarterly instalment commencing from June 15, 2017 with an option to prepay. The loan is secured by a exclusive charge by way of mortgage of the land on which senior living commnity" ('Project') admeasuring 19 acres (including project land of 13 acres and surplus land of 6 acres) is building and situated at Village Chak Soloniwala, Dehradun, owned by Antara Purukul Senior Living Limited (APSL). Exclusive charge by way of hypothecation on entire current assets and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of APSL and Antara Senior Living Limited ('ASL'), both present and future. Exclusive charge over designated account and over all cash flows of APSL and ASL including but not limited to cash flows arising out of sales / leasing of area / project receipts / all other cash flows pertaining to project. Exclusive charge on all the receivables of APSL and ASL by way of hypothecation of scheduled receivables both present and future. Exclusive charge by way of hypothecation / mortgage / assignment as the case may be of all the FSI, rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time; subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in the clearances, and all the rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in any letter of credit, guarantee, performance bond, guarantee, bank guarantee provided by any vendor/contractor/party to APSL and ASL in relation to the project. Corporate Guarantees given by Max India Limited and ASL.

(iii) Vehicle Loans Rs. 23.01 lakhs (March 31, 2018: Rs Nil, April 01, 2017: Rs. 3.14 lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

17b. Short term borrowings

	Current			Non-Current		
	March 31, 2019	**March 31, 2018**	**April 01, 2017**	**March 31, 2019**	**March 31, 2018**	**April 01, 2017**
Short term loan from non banking financial companies (NBFC)	238.56	1, 000.16	-	-	-	-
Vehicle loan	-	3.13	4.10	-	-	-
	238.56	**1, 003.29**	**4.10**	**-**	**-**	**-**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Short term loan from non-banking financial companies

Antara Purukul Senior Living Limited (APSL)

Short term loan from Aditya Birla Finance Limited is Rs 238.56 lakhs (March 31, 2018: Rs 1, 000.16 lakhs; April 01, 2017: Rs Nil)

a) Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Antara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.

b) Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales /leasing of area /project receipts/all other cash flows pertaining to project.

c) Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and

(i) All the FSI, rights, title, interest, benefits, claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;

(ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and

(iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond , guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.

d) Corporate Guarantees of Max India Limited

(ii) Vehicle Loans Nil (March 31, 2018: Rs. 3.13 lakhs; April 01, 2017: Rs 4.10 lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

18. Trade payables

	Current			Non-Current		
	March 31, 2019	**March 31, 2018**	**April 01, 2017**	**March 31, 2019**	**March 31, 2018**	**April 01, 2017**
Total outstanding dues of Micro Enterprises and Small Enterprises	10.39	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2, 122.61	12, 403.50	11, 313.02	-	1, 703.39	1, 339.65
	2, 133.00	**12, 403.50**	**11, 313.02**	**-**	**1, 703.39**	**1, 339.65**

i. **Details of outstanding dues of Micro Enterprises and Small Enterprises**

	March 31, 2019	**March 31, 2018**	**April 01, 2017**
a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	10.39	-	-
b) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

		March 31, 2019	March 31, 2018	April 01, 2017
c)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
d)	Amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
	Trade payables include due to related parties. Refer note 42			
	Trade payables are non-interest bearing and are settled as per the terms agreed in the contract.			

19. Other financial liabilities

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Security deposit received	2, 871.67	1, 976.77	222.98	101.23	207.71	102.87
Capital creditors	49.73	962.08	2, 056.80	-	43.59	480.39
Agents' balances	-	942.07	683.68	-	-	-
Balances due to other insurance companies	-	4, 703.15	1, 026.54	-	-	-
Expenses payable	-	0.45	0.74	-	-	-
Interest accrued but not due on borrowings	-	9.46	-	-	-	-
Unclaimed amount- policyholders	-	136.76	177.17	-	-	-
Claims outstanding (includes claims pending investigation)	-	5, 220.05	5, 312.06	-	-	-
Interest on Unclaimed amount of policyholders	-	19.07	-	-	-	-
Current portion of term loan from Banks	-	-	8, 344.63	-	-	-
Current portion of term loan from Financial Institution	551.52	416.00	-	-	-	-
Current portion of vehicle loan	5.65	-	-	-	-	-
Others	-	-	259.92	-	-	-
	3, 478.57	**14, 385.86**	**18, 084.52**	**101.23**	**251.30**	**583.26**

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

Break-up of financial liabilities at amortised cost:

	March 31, 2019	March 31, 2018	April 01, 2017
Borrowings (note 17)	18, 818.15	20, 970.95	16, 434.76
Trade payables (note 18)	2, 133.00	14, 106.89	12, 652.67
Other financial liabilities (note 19)	3, 579.80	14, 637.16	18, 667.78
	24, 530.95	**49, 715.00**	**47, 755.21**
Current	5, 850.13	27, 792.65	29, 401.64
Non-current	18, 680.82	21, 922.35	18, 353.57
	24, 530.95	**49, 715.00**	**47, 755.21**

Terms and conditions of the above financial liabilities:
- Other financial liabilities are non-interest bearing and are settled as per the terms agreed in the contract.
- For terms and conditions with related parties, refer to Note 42.
- For explanations on the Group's credit risk management processes, refer to Note 45.

20. Provisions

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Provision for employee benefits						
Gratuity	89.14	54.89	92.64	605.65	653.74	587.66
Leave encashment	307.38	370.39	361.87	113.64	265.21	324.44
Others:						
Provision for incentive	-	-	303.00	-	-	-
Provision for reserve for unexpired risk	-	29, 396.18	28, 208.10	-	-	-
Provision for income tax (net of advance tax)	176.64	2.43	2.12	-	-	-
	573.16	**29, 823.89**	**28, 967.73**	**719.29**	**918.95**	**912.10**

21. Other liabilities

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Statutory dues payable	614.81	1, 774.97	875.97	-	-	-
Deferred Income	56.85	39.28	-	-	-	-
Advance from customers	6, 525.90	9, 024.82	17, 643.16	-	-	-
Advance from Corporate Clients	-	117.47	43.60	-	-	-
Advance Lease Rental	-	-	288.57	-	-	-
Unearned Revenue-Premium received in advance	-	524.28	373.75	-	-	-
Advance against Sales Consideration	-	915.65	861.60	-	-	-
	7, 197.56	**12, 396.47**	**20, 086.65**	**-**	**-**	**-**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

22. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Sale of goods	200.81	77.97
Sale of services	8, 790.20	7, 387.89
(b) Revenue from leasing activities		
Income from finance lease	5, 926.49	15, 040.83
Income from operating lease:	50.63	65.22
(c) Revenue from other operating activities		
Interest income on:		
- Fixed deposits	5.48	7.55
- Others	-	0.06
Profit on sale of current investments	567.21	862.91
Fair value gain/(loss) on financial assets valued at fair value through profit or loss	32.71	539.76
Other operating income	2.39	19.33
	15, 575.92	**24, 001.52**

22.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Segment	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Sale of goods			
Food and beverages	Senior Living	200.81	77.97
(ii) Sale of services			
Maintenance charges	Senior Living	271.52	150.15
Training income	Training and Development	4, 714.12	3, 945.09
Shared services income	Business Investments	3, 503.64	2, 934.73
Marketing fee	Senior Living	8.93	-
Club membership fee	Senior Living	89.76	166.10
Club service and others	Senior Living	144.99	76.18
Others	Business Investments	57.24	115.64
Total revenue from contracts with customers		**8, 991.01**	**7, 465.86**
India		8, 991.01	7, 465.86
Outside India		-	-
Total revenue from contracts with customers		**8, 991.01**	**7, 465.86**

22.2 Contract balances

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	2, 560.50	1, 551.40
Contract liabilities	6, 525.90	9, 024.82

Trade receivables are non interest bearing. Credit period generally falls in the range of 60 to 90 days.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

22.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at March 31, 2019	As at March 31, 2018
Revenue as per contracted price	8, 991.01	7, 465.86
Adjustments		
Discount	-	-
Revenue from contracts with customers	8, 991.01	7, 465.86

22.4 Perfomance obligations

Information about the Group's performance obligations are summarised below:

(I) Shared Service Income

Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The Group also considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(II) Senior Living

Revenue from food and beverages , maintenance and club services are recognized upon rendering of service. Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

(III) Training Income

Revenues from training services are recognized over the period of the contract as and when services are rendered.

23. Other income

	March 31, 2019	March 31, 2018
Interest income:		
On Bank deposits	1.88	1.79
On Security Deposits	16.29	10.80
Others	12.16	34.10
Profit on sale of property, plant and equipment	1, 607.51	878.65
Scrap sale	0.15	6.77
Profit on sale of non-current investments	8.10	16.48
Profit on sale of current investments	51.40	145.34
Leasing of vehicle	-	2.23
Liabilities/provisions no longer required written back	7.73	-
Exchange Gain/(loss) on foreign exchange fluctuations	-	0.35
Fair value gain/(loss) on financial assets valued at fair value through profit or loss	-	21.85
Miscellaneous income	25.83	-
	1, 731.05	**1, 118.36**

Notes to consolidated financial statements for the year ended March 31, 2019
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24. Raw material and components consumed

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year	-	-
Add: Purchases made during the year	736.10	4, 124.78
	736.10	4, 124.78
Less: inventory at the end of the year	-	-
Cost of raw material and components consumed	**736.10**	**4, 124.78**

25. (Increase)/ decrease in inventories of Finished Goods & Work in progress

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year		
Finished Goods	29, 884.87	-
Work in progress	-	39, 431.21
	29, 884.87	**39, 431.21**
Inventory at the end of the year		
Finished Goods	26, 205.46	29, 884.87
Work in progress	-	-
	26, 205.46	**29, 884.87**
Less : Adjustments made during the year	268.39	(451.01)
(Increase)/ decrease in inventories of finished goods and work in progress	**3, 947.80**	**9, 095.33**

26. Employee benefit expenses

	March 31, 2019	March 31, 2018
Salaries, wages and bonus	7, 605.01	6, 987.72
Contribution to provident and other funds	276.53	256.76
Employee stock option scheme (refer note 41)	129.09	193.29
Gratuity expense (refer note 37)	139.03	134.38
Staff welfare expenses	287.14	373.91
	8, 436.80	**7, 946.06**

27. Depreciation and amortisation expense

	March 31, 2019	March 31, 2018
Depreciation of tangible assets	486.39	427.50
Amortisation of intangible assets	35.07	21.20
	521.46	**448.70**

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

28. Finance costs

	March 31, 2019	March 31, 2018
Interest on		
- term loans from banks	-	2, 335.93
- term loans from financial institution	2, 053.78	-
- vehicle loans	0.37	-
- others	186.12	1.18
- statutory dues	3.58	5.05
Amortization of ancillary borrowing cost	154.57	261.74
Bank charges	11.00	3.51
	2, 409.42	**2, 607.41**

29. Other expenses

	March 31, 2019	March 31, 2018
Sales commission	9.60	11.31
Recruitment and training expenses	231.78	133.98
Business promotion and advertisement expenses	116.67	74.92
Rates and taxes	98.59	206.75
Rent	331.52	205.03
Amortisation of prepaid asset	1.34	5.58
Insurance	52.90	74.30
Repairs and maintenance - Others	483.46	500.04
Electricity and water charges	187.15	179.50
Printing and stationery	49.61	50.71
Marketing expenses	250.52	396.41
Travelling and conveyance	517.03	542.25
Communication	91.47	100.93
Membership fees	0.09	8.89
Legal and professional	1, 760.36	1, 921.64
Auditor's remuneration (refer note (i) below)	23.55	18.64
Commission and brokerage	7.99	20.45
Management service charges	805.00	745.93
Rates and Taxes	-	0.33
Directors' fee	125.40	154.74
Infrastructure Cost	144.25	88.25
Advertisement and publicity	7.73	0.19
Provision for delay of possession	-	88.34
Net loss on sale/disposal of fixed assets	195.52	3.22
Allowance for doubtful debts	0.83	0.28
Security & Housekeeping expense	245.29	369.14
Charity and donation	4.38	52.60
Contribution towards CSR (refer note (ii) below)	25.00	23.44
Miscellaneous expenses	220.94	245.97
Fair value loss on mutual funds	1.68	-
Laundry expenses	33.56	48.59
Equipment Hiring Charges	0.67	0.80
	6, 023.88	**6, 273.15**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Payment to auditors (excluding GST):

	March 31, 2019	March 31, 2018
As auditor:		
Fee for statutory audit	18.00	18.00
In other capacity:		
Fee for other services	4.00	-
Reimbursement of expenses	1.55	0.64
	23.55	**18.64**

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Group. The areas for CSR activities are promoting healthcare and rural development projects. The Group has provided for & spent Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) on various CSR initiatives, during the year, on the projects mentioned below:-

(ii) Details of CSR expenditure:

	March 31, 2019	March 31, 2018
Gross amount required to be spent by the Company during the year	25.00	23.44
(a) Amount spent during the year		
i) Healthcare activities	5.75	5.94
ii) NGO work on healthcare platform	19.25	-
iii) Rural development project	-	17.50
	25.00	**23.44**

30. Components of other comprehensive income:

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2019:

	Foreign Currency Translation Reserve	FVTOCI reserve	Retained Earnings	Total
Net gain on FVTOCI debt securities	-	(198.19)	-	(198.19)
Re-measurement gains/ (losses) on defined benefit plans	-	-	(81.53)	(81.53)
Foreign exchange translation differences	3.39	-	-	3.39
Share of OCI of joint ventures accounted for using equity method	-	-	(16.89)	(16.89)
Income tax effect	-	69.26	17.93	87.19
Total Other Comprehensive income	**3.39**	**(128.93)**	**(80.49)**	**(206.03)**
Other Comprehensive income attributable to				
Equity holders of the parent	3.39	(65.76)	(61.72)	(124.09)
Non-controlling interests	-	(63.17)	(18.77)	(81.94)

Notes to consolidated financial statements for the year ended March 31, 2019
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During the year ended March 31, 2018

	Foreign Currency Translation Reserve	FVTOCI reserve	Retained Earnings	Total
Net gain on FVTOCI debt securities	-	(1, 196.03)	-	(1, 196.03)
Re-measurement gains/ (losses) on defined benefit plans	-	-	18.31	18.31
Foreign exchange translation differences	20.52	-	-	20.52
Share of OCI of joint ventures accounted for using equity method	-	-	-	-
Income tax effect	-	413.95	12.97	426.92
Total Other Comprehensive income	**20.52**	**(782.08)**	**31.28**	**(730.28)**
Other Comprehensive income attributable to				
Equity holders of the parent	20.52	(398.86)	40.43	(337.91)
Non-controlling interests	-	(383.22)	(9.15)	(392.37)

31. Earnings per equity share

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2019	March 31, 2018
Profit/(loss) after tax attributable to equity shareholders of the Company:		
From continuing operations	(5, 296.28)	(6, 637.85)
From discontinuing operations	(3, 330.26)	2, 399.47
Profit/(loss) after tax attributable to equity shareholders of the Company	**(8, 626.54)**	**(4, 238.38)**

	Number (in lakhs)	Number (in lakhs)
Weighted average number of equity shares in calculating basic EPS	2, 684.28	2, 679.86
Add : Equivalent weighted average number of employee stock options outstanding	11.62	15.49
Weighted average number of equity shares in calculating diluted EPS	2, 695.90	2, 695.35
Earning per share from continuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(1.97)	(2.48)
Earnings Per Share - Diluted (Face value of Rs. 2 per share) *	(1.97)	(2.48)
Earnings per share from discontinuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(1.24)	0.90

Notes to consolidated financial statements for the year ended March 31, 2019
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Earnings Per Share - Diluted (Face value of Rs. 2 per share)	(1.24)	0.89

Earnings per share from continuing and discontinuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(3.21)	(1.58)
Earnings Per Share - Diluted (Face value of Rs. 2 per share) *	(3.21)	(1.58)

* The conversion effect of potential dilutive equity shares were anti dilutive in nature, hence the effect of potential equity shares are ignored in calculating diluted earnings per share.

32. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Discontinuing operations

The Board of Directors of the Company at its meeting held on February 26, 2019 has considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") (equivalent to 51% of Max Bupa's total issued and paid-up share capital) to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"). The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs. The sale of Max Bupa's shares by the Company to True North Fund VI LLP pursuant to the Proposed Transaction is subject to the terms of the definitive agreements to be executed among the parties and receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI). Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105. (Refer Note 33 for details)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market

Notes to consolidated financial statements for the year ended March 31, 2019

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prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. During the year Group has done the impairment assessment of non financial assets (including the property, plant and equipment in its subsidiaries and joint ventures) and has concluded that there is no impairment in value of non financial assets as appearing in the financial statements

Impairment assessment of recoverable amounts from healthcare service providers

Group's joint venture Max Healthcare Institute Limited engaged in business of providing healthcare services has a recoverable balance from various healthcare service providers in the form of long term security deposits, trade receivable (current and non current) and loans. The recovery of the long term receivables depends on the future cash flows and earning capacity of these healthcare service providers. Management has done an impairment assessment of the amounts recoverable from these healthcare service providers and have concluded that the amounts are fully recoverable and there is no impairment in the value of recoverable amounts as appearing in the financial statements

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

As at March 31, 2019, the Group has carry forward tax losses of Rs 31, 355.16 lakhs (with expiry of Rs 859.43 lakhs in financial year 2021-22, Rs 932.01 lakhs in financial year 2022-23, Rs 2, 274.01 lakhs in financial year 2023-24, Rs 15, 453.44 lakhs in financial year 2024-25, Rs 6, 421.09 lakhs in financial year 2025-26 and Rs 5, 415.18 lakhs in financial year 2026-27) (March 31, 2018 : Rs 25, 939.98 lakhs; April 01, 2017 : Rs 19, 518.89 lakhs) and unabsorbed depreciation of Rs 4, 196.75 lakhs (March 31, 2018 : Rs 4, 006.42 lakhs; April 01, 2017 : Rs 504.27 lakhs) on which the Group has recognized deferred tax assets only amounting to Rs 666.26 lakhs (March 31, 2018 : Rs.260.60 lakhs). No deferred tax asset has been created on the balance amount by the management due to lack of reasonable certainty of future taxable profits against which such deferred tax assets can be realized. Had the Group been able to recognize all unrecognized deferred tax assets, the net profit after tax would have been higher by Rs 9, 686.46 lakhs (March 31, 2018 : Rs 10, 103.25 lakhs).

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to

Notes to consolidated financial statements for the year ended March 31, 2019
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change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 37.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 for further disclosures.

Finance Leases

Antara Purukul Senior Living Ltd., a subsidiary of the Company engaged in the business of construction and leasing of senior living residential units, has evaluated its lease agreements as per the requirements of IND AS 17 and has classified its lease agreements as Finance lease. The Company has provided an exit guarantee option to its lessee in few cases whereby the lessee has an option to exit the lease arrangement and is entitled to receive advance money paid. The Company considers that the exit guarantee option is non substantive depending on the market prices and exit trends and hence treats all its leases as Finance lease.

33. Discontinuing Operations

Background/ details of discontinuing operations

The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019. Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105.

Notes to consolidated financial statements for the year ended March 31, 2019

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The major classes of assets and liabilities classified as held for sale as at March 31, 2019 are, as follows:

	March 31, 2019
ASSETS	
Property, plant and equipment	1, 014.68
Capital work in progress	193.99
Other Intangible Assets	2, 001.51
Financial assets	
- Investments	79, 400.81
- Loans	392.70
- Other	7, 612.95
- Cash and cash equivalents	2, 985.81
Other assets	1, 856.26
Total Assets classified as held for sale	**95, 458.71**
LIABILITIES	
Financial liabilities	
- Trade payables	14, 188.26
- Other financial liabilities	16, 693.81
Provisions	37, 108.80
Other Liabilities	4, 207.45
Total Liabilities directly associated with assets classified as held for sale	**72, 198.32**
Net assets classified as held for sale	**23, 260.39**

The results of entities classified as held for sale, for the year are presented below:

Particulars	March 31, 2019	March 31, 2018
Revenue	79, 561.35	69, 220.87
Finance costs	235.16	280.82
Depreciation and amortisation expense	1, 638.78	1, 587.37
Other Expenses	85, 577.39	63, 570.70
Profit/(loss) before tax for the year from discontinuing operations	**(7, 889.98)**	**3, 781.98**
Tax expenses/(income)		
Current tax	89.82	423.83
Deferred tax	-	-
Income tax related to earlier years	-	-
Profit/(loss) after tax for the year from discontinuing operations	**(7, 979.80)**	**3, 358.15**
Net other comprehensive income for the year from discontinuing operations	**(167.22)**	**(800.75)**
Total comprehensive income for the year from discontinuing operations	**(8, 147.03)**	**2, 557.40**

The net cash flows incurred by disposal group are, as follows:

Particulars	March 31, 2019	March 31, 2018
Cash flow from operating activities	6, 232.85	1, 101.86
Cash flow from investing activities	(11, 596.46)	(17.54)
Cash flow from financing activities	5, 500.00	-
Net cash (outflow)/inflow	**136.39**	**1, 084.32**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

34. Group information

A. Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed below:

S. no.	Name of the entity	Principal business activities	Principal place of business/ Country of incorporation	Ownership interest held by the Group (in %)			Ownership interest held by Non-controlling interests (in %)		
				As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Bupa Health Insurance Company Limited	Health insurance services	India	51.00	51.00	51.00	49.00	49.00	49.00
2	Antara Senior Living Limited	Marketing and operation of senior living communities	India	100.00	100.00	100.00	-	-	-
3	Antara Gurgaon Senior Living Limited (refer note (i) below)	Development, sale and leasing of senior living communities	India	100.00	100.00	100.00	-	-	-
4	Antara Purukul Senior Living Limited (refer note (i) below)	Construction and leasing of senior living communities	India	100.00	100.00	100.00	-	-	-
5	Pharmax Corporation Limited	Leasing of real estate	India	85.17	85.17	85.17	14.83	14.83	14.83
6	Max Skill First Limited	Learning and development and distribution of insurance and other financial products and investing in companies having similar objective	India	100.00	100.00	100.00	-	-	-
7	Max One Distribution and Services Limited (refer note (ii) below)	Undertake distribution of financial products	India	100.00	100.00	100.00	-	-	-
8	Max UK Limited	Provide business and administrative support services to officials of group companies	United Kingdom	100.00	100.00	100.00	-	-	-
9	Max Ateev Limited	-	India	100.00	100.00	100.00	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Notes:

(i) The entities are held through Antara Senior Living Limited

(ii) The entity is held through Max Skill First Limited

B. Joint arrangements in which Group is Joint venture

S. no.	Name of the entity	Principal business activities	Principal place of business/ Country of incorporation	Ownership interest held by the Group (in %)		
				As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Healthcare Institute Limited	Providing healthcare services through primary care clinics, hospitals, medical centers and tertiary care facilities	India	49.70	49.70	45.95
2	Forum I Aviation Limited (refer note (i) below)	Aircraft chartering services	India	20.00	20.00	20.00

Note:

(i) The entity is Joint venture of Pharmax Corporation Limited.

35. Material partly-owned subsidaries

Financial information of subsidiaries that have material non-controlling interests (NCI) is provided below:

Proportion of equity interest held by non-controlling interests

S.no.	Name of the entity	Ownership interest held by NCI (in %)		
		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Bupa Health Insurance Company Limited	49.00	49.00	49.00
2	Pharmax Corporation Limited	14.83	14.83	14.83

Information regarding non-controlling interests

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Accumulated balances of material non-controlling interest:			
Max Bupa Health Insurance Company Limited	10, 841.94	12, 878.42	12, 316.22
Pharmax Corporation Limited	423.61	249.13	288.88

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/(loss) allocated to material non-controlling interest:		
Max Bupa Health Insurance Company Limited	(4, 649.54)	958.68
Pharmax Corporation Limited	174.48	(43.86)
Total comprehensive income allocated to material non-controlling interest:		
Max Bupa Health Insurance Company Limited	(4, 731.48)	566.31
Pharmax Corporation Limited	174.48	(43.86)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss

Description	Pharmax Corporation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	1, 799.32	311.69
Depreciation expense	(42.36)	(42.93)
Finance costs	(145.98)	(123.46)
Other expenses	(501.90)	(462.72)
Profit/ (loss) before tax	**1, 109.08**	**(317.42)**
Share of loss/ profit of Joint venture	57.29	25.28
Profit/ (loss) before tax from continuing operations	**1, 166.37**	**(292.14)**
Income tax	38.57	(4.96)
Profit/ (loss) after tax from continuing operations	**1, 204.94**	**(297.10)**
Other comprehensive income (net of tax)	-	-
Share of Other comprehensive income of Joint venture	-	(1.27)
Total comprehensive income	**1, 204.94**	**(298.37)**
Attributable to non-controlling interests	174.48	(43.86)

Summarised balance sheet

Description	Max Bupa Health Insurance Company Limited			Pharmax Corporation Limited		
	As at March 31, 2019 #	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments, cash and cash equivalents, other financial assets and other current assets (current)	-	34, 285.83	27, 891.59	3, 026.81	1, 027.16	914.78
Property, plant and equipment, intangible assets, other non-current financial assets and other non-current assets including deferred tax assets (non-current)	-	47, 980.89	45, 967.03	1, 707.23	2, 444.48	2, 573.49
Borrowings, trade payable, other current financial liabilities and other liabilities including provisions (current)	-	(1, 985.63)	(1, 606.36)	(101.23)	(1, 549.33)	(1, 527.66)
Borrowings, other non-current financial liabilities and other liabilities including provisions and deferred tax liabilities(non- current)	-	(53, 998.59)	(47, 117.10)	(1, 775.76)	(242.06)	(12.24)
Total equity	**-**	**26, 282.50**	**25, 135.16**	**2, 857.05**	**1, 680.25**	**1, 948.37**
Attributable to :						
Equity holders of parent	-	13, 404.07	12, 818.93	2, 433.44	1, 431.12	1, 659.49
Non-controlling interests	-	12, 878.43	12, 316.23	423.61	249.13	288.88
	-	**26, 282.50**	**25, 135.16**	**2, 857.05**	**1, 680.25**	**1, 948.37**

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

Summarised cash flow information

Description	Pharmax Corporation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow from /(used in) operating activities	(2, 813.41)	(150.46)
Cash flow from /(used in) investing activities	2, 806.08	142.92
Cash flow from /(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	**(7.33)**	**(7.54)**

The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited (""Max Bupa"") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) (""Proposed Transaction""), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019.

Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105. (Refer Note 34 for detailed disclosure relating to Max Bupa)"

36. Interest in joint-ventures

The Group's interest in the joint ventures disclosed below is accounted for using the equity method in the consolidated. Summarised financial information of the joint venture, based on its Ind AS financial statements and reconciliation with the carrying amount of the investment in consolidated financial statements.

Summarised balance sheet

Description	Max Healthcare Institute Limited			Forum-I Aviation Limited		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments, cash and cash equivalents, other financial assets and other current assets (current)	44, 729.62	43, 219.00	34, 942.13	4, 884.04	5, 274.34	939.72
Property, plant and equipment, intangible assets, other non-current financial assets and other non-current assets including deferred tax assets (non-current)	291, 832.22	288, 923.53	281, 065.60	1, 859.48	1, 175.92	5, 501.67
Borrowings, trade payable, other current financial liabilities and other liabilities including provisions (current)	(191, 854.46)	(180, 933.64)	(166, 482.35)	(168.86)	(104.27)	(125.58)
Borrowings, other non-current financial liabilities and other liabilities including provisions and deferred tax liabilities(non- current)	(48, 389.72)	(47, 809.00)	(38, 109.21)	(531.07)	(588.91)	(678.77)

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

Description	Max Healthcare Institute Limited			Forum-I Aviation Limited		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Net assets	**96, 317.66**	**103, 399.89**	**111, 416.17**	**6, 043.59**	**5, 757.08**	**5, 637.04**
Proportion of Group's ownership (%)	49.70	49.70	45.95	20.00	20.00	20.00
Share of Group in net assets	47, 869.88	51, 389.75	51, 192.57	1, 208.72	1, 151.42	1, 127.41
Goodwill/ Capital reserve on initial acquisition of stake in joint venture	29, 504.36	29, 504.36	10, 864.18	(152.47)	(152.47)	(152.47)
Carrying amount of the investment	**77, 374.24**	**80, 894.11**	**62, 056.75**	**1, 056.25**	**998.95**	**974.94**

Summarised statement of profit and loss

Description	Max Healthcare Institute Limited		Forum-I Aviation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	174, 807.00	178, 318.30	2, 247.10	1, 975.19
Purchase of pharmacy, drugs, consumables and implants	36, 618.00	42, 590.00		
Employee benefits expense	44, 054.96	42, 291.00	553.44	486.75
Finance costs	10, 126.96	9, 937.30	22.79	31.95
Depreciation and amortization expense	10, 264.52	9, 442.25	267.46	267.66
Other expenses	72, 911.07	76, 707.00	1, 142.21	1, 188.94
Profit/ (loss) before tax from continuing operations	**831.49**	**(2, 649.25)**	**261.20**	**(0.11)**
Tax expenses	850.50	223.50	(25.23)	(126.49)
Profit/ (loss) after tax in continuing operations	**(19.01)**	**(2, 872.75)**	**286.43**	**126.38**
Profit/ (loss) after tax in discontinuing operations	**-**	**1, 129.00**	**-**	**-**
Profit/(loss) for the year	**(19.01)**	**(1, 743.75)**	**286.43**	**126.38**
Other comprehensive income (net of tax)	(34.00)	5.00	0.02	(6.32)
Total comprehensive income/(loss) for the year	**(53.01)**	**(1, 738.75)**	**286.45**	**120.06**
Group's share of profit/(loss) for the year (including continuing and discontinuing operations)*	**(156.63)**	**(607.00)**	**57.29**	**25.28**

* Computed on the profits attributable to the equity holders of the joint venture

a) Capital commitments

	March 31, 2019	March 31, 2018	April 01, 2017
Estimated value of contracts in capital account remaining to be executed	4, 049.56	6, 350.17	8, 377.46
Less: Capital advances	1, 730.55	1, 946.25	1, 377.96
Net capital commitment for acquisition of capital assets	**2, 319.01**	**4, 403.92**	**6, 999.50**

b) Other commitments

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	March 31, 2019	March 31, 2018	April 01, 2017
Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under EPCG scheme to the extent of six times the duty saved.			
- Duty saved	-	165.00	30.33
- Export obligation	-	141.65	181.95
	-	**306.65**	**212.28**

c) Lease commitments

(i) Financing leases- As lessee

Max Healthcare Institute Limited (MHIL), a joint venture of the Company has share in finance leases and hire purchase contracts for various items of medical equipments entered into by the joint venture. Upon the expiry of lease term the absolute and unencumbered ownership of the equipment shall vest with MHIL at the guaranteed residual value. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

	March 31, 2019		March 31, 2018		April 01, 2017	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	62.62	53.68	62.62	46.41	56.71	17.81
After one year but not more than five years	75.05	71.07	137.67	115.33	185.17	70.12
	137.67	**124.75**	**200.29**	**161.74**	**241.88**	**87.93**

(ii) Operating leases- As lessee

Lease rentals recognized in the statement of profit and loss for the year is Rs. 1, 496.00 lakhs (March 31, 2018: Rs. 2.030.00 lakhs)

Max Healthcare Institute Limited (MHIL), a joint venture of the Company has entered into operating leases for its office, hospitals, nurse hostel and for employees' residence, that are renewable on a periodic basis. The average life of lease is from 3 to 30 years.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	1, 631.15	1, 185.35	1, 035.80
After one year but not more than five years	5, 939.15	3, 485.46	3, 567.44
More than five years	8, 757.14	7, 628.95	7, 723.72

Notes to consolidated financial statements for the year ended March 31, 2019

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d) Contingent liabilities

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
(i) Share of guarantee given by the jointly controlled entity (Max Healthcare Institute Limited) (refer note (a) below)"	11, 373.35	11, 939.43	36, 940.60
(ii) Claims against the Company not acknowledged as debts (refer note (b) below)			
Service tax demands	-	-	677.60
Sales tax	19.38	185.88	113.49
Income tax	12.43	12.43	-
Legal claims	5, 770.17	6, 445.59	4, 115.95
(iii) Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under 5% EPCG scheme to the extent of eight times the duty saved. "	559.13	340.45	543.55

Notes:

(a) Guarantees given by Max Healthcare Institute Limited, a joint venture of the Company on behalf of others is not considered as prejudicial to its interest as it provides opportunity for growth and increase in operations of the Group.

(b) Claims against Max Healthcare Institute Limited, a joint venture of the Company not acknowledged as debts represent the civil cases that are pending with various Consumer Disputes Redressal Commissions / Courts. Based on expert opinion obtained, the management believes that the joint venture has good chance of success in these cases. In addition to this, as a measure of good corporate governance the joint venture has taken Professional Indemnity Insurance Policy to secure it from any financial implication in case of claims settled against the joint venture.

37. Employee benefit plans

Defined Benefit Plans

Gratuity:

The Group has a defined benefit gratuity plan for its employees. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is unfunded excecpt one of the subsidiary, Max Bupa Health Insurance Limited (Max Bupa). The scheme of Max Bupa is funded with an insurance company in the form of qualifying insurance policy."

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Notes to consolidated financial statements for the year ended March 31, 2019
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The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the defined benefit plans:

Changes in the present value of the defined benefit obligation are as follows:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Defined benefit obligation at the beginning of the year	1, 065.51	957.01	957.01
Current service cost	89.88	91.31	-
Interest cost	49.15	43.07	-
Benefits paid	(65.67)	(78.79)	-
Actuarial (gain)/ loss on obligations	22.67	(46.86)	-
Expense relating to discontinuing operations	122.43	99.77	-
Extinguishment due to discontinuing operations	(589.18)	-	-
Defined benefit obligation at the end of the year	**694.79**	**1, 065.51**	**957.01**

Changes in the fair value of plan assets are as follows:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Fair value of plan assets at the beginning of the year	356.88	276.71	276.71
Accretion relating to discontinuing operations	84.71	80.17	-
Extinguishment due to discontinuing operations	(441.59)	-	-
Fair value of plan assets at the end of the year	**-**	**356.88**	**276.71**

Reconciliation of fair value of plan assets and defined benefit obligation:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Fair value of plan assets	-	356.88	276.71
Defined benefit obligation	694.79	1, 065.51	957.01
Amount recognised in the Balance Sheet	**694.79**	**708.63**	**680.30**

Amount recognised in Statement of Profit and Loss:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Current service cost	89.88	91.31
Net interest expense	49.15	43.07
Amount recognised in Statement of Profit and Loss	**139.03**	**134.38**

Amount recognised in Other Comprehensive Income:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Actuarial changes arising from changes in financial assumptions	22.67	(46.86)
Amount recognised in Other Comprehensive Income	**22.67**	**(46.86)**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.00% - 7.66%	6.95% - 7.80%	6.70% - 7.30%
Future salary increases	6.00% - 10.00%	7.00% - 10.00%	7.00% - 10.00%
Retirement Age	58 to 71 years	58 to 71 years	58 - 71 years

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Assumptions:		
Impact on defined benefit obligation of change in Discount rate		
(a) Impact due to increase of 1%	(47.21)	(45.68)
(b) Impact due to decrease of 1%	41.20	50.57
Impact on defined benefit obligation of change in Future salary growth rate		
(a) Impact due to increase of 1%	39.10	48.56
(b) Impact due to decrease of 1%	(47.01)	(44.56)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	87.41	160.34
Between 2 and 5 years	357.87	524.64
Between 5 and 10 years	717.78	621.82
Total expected payments	**1, 163.06**	**1, 306.80**

The average duration of the defined benefit plan obligation for gratuity at the end of the reporting period is 3.12-11 years (31 March 2018: 3.14-12 years).

Provident Fund:

The Group is contributing in a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max Group companies. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan.

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Group. The actuary has accordingly provided a valuation for "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for the Group.

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(Amount in INR lakhs, unless otherwise stated)

The details of fund and plan asset position as at March 31, 2019 as per the actuarial valuation of active members are as follows:

	March 31, 2019	March 31, 2018
Plan assets at year end at fair value	2, 854.81	2, 454.68
Present value of defined benefit obligation at year end	2, 794.85	2, 420.80
Surplus as per actuarial certificate	59.96	33.88
Shortfall recognized in balance sheet	**-**	**-**
Active members as at year end (Nos)	518	397

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

	March 31, 2019	March 31, 2018
Discount rate	6.76%	7.18%
Yield on existing funds	8.65%	8.94%
Expected guaranteed interest rate	8.65%	8.55%

Contribution to Defined benefit Plan, recognized as expense for the year is as under:

	March 31, 2019	March 31, 2018
Employer's Contribution towards Provident Fund (PF)	276.53	256.76
	276.53	**256.76**

38. Capital and other commitments

Capital commitments

	March 31, 2019	March 31, 2018	April 01, 2017
Estimated value of contracts in capital account remaining to be executed	10, 141.67	10, 990.63	9, 387.30
Less: Capital advances	(7, 343.84)	(7, 374.82)	(8, 810.63)
	-	-	-
Net capital commitment for acquisition of capital assets	**2, 797.83**	**3, 615.81**	**576.67**

39. Leases

39.1 Finance leases- Group as lessor

Antara Purukul Senior Living Limited, a subsidiary of the Company is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss. Accordingly the reconciliation between gross investment in the lease and the present value of minimum lease payments receivable and accounting of unearned finance component is not required.

39.2 Operating leases - Group as lessee

The Group has entered into operating leases for its office spaces under operating lease agreements. Lease rentals recognized in the statement of profit and loss for the year is Rs. 331.52 lakhs (March 31, 2018: Rs. 205.03 Lakhs). The Group has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Group by entering into these leases. These leases can be renewed for terms of 1-3 years.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Future minimum rentals payable under non-cancellable operating leases are as follows:

	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	178.57	155.97	-
After one year but not more than five years	410.60	322.94	-
More than five years	257.79	109.98	-

40. Contingent liabilities

		March 31, 2019	March 31, 2018	April 01, 2017
(i)	Claims agianst the Group not acknowledged as debts			
	Compensation raised by policyholders against rejected claims	-	1, 634.46	791.12
	Service tax demands (refer note (a) below)	-	-	73.28
	Income tax (refer note (a) below)	-	853.91	5.73
	Legal claims (refer note (b) below)	633.03	-	-

(a) The Group is contesting the demands of income tax & service tax and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(b) A supplier of Antara Purukul Senior Living Limited (APSL), a subsidiary of the Group has filed a claim of Rs.633.03 lakhs before the Micro Small Entrepreneurs Facilitation Council (MSEF). APSL has disputed the claim as the said amount is not payable on account of the inferior quality of the products supplied by the vendor. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(ii) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) on the inclusion of allowances for the purposes of PF contribution as well as its applicability of effective date. The Group is evaluating and seeking legal inputs regarding various interpretative issues and its impact.

41. Share based payments

a) The Company had instituted the 2016 Plan, which was approved by the Board of Directors in March 29, 2016 and by the shareholders in September 27, 2016. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. The Option Price will be determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Number of options	Weighted Average exercise price (INR)	Number of options	Weighted Average exercise price (INR)
Option outstanding at the beginning of the year	1, 152, 043	2	2, 242, 904	2
Granted during the year	61, 200	2	22, 155	2
Exercised during the year	(232, 573)	2	(1, 113, 016)	2
Forfeited during the year	-	-	-	-
Closing balance	980, 670	-	1, 152, 043	-
Exercisable at the end of the year	781, 400	-	-	-

The weighted average fair value of the options exercised during the year was INR 72.17 (March 31, 2018: INR 140.84).

The weighted average remaining contractual life for the share options outstanding as at year end was 0.92 years (March 31, 2018: 1.14 years).

The range of exercise prices for options outstanding at the end of the year was INR 2.00 to 78.80 (March 31, 2018: INR 2.00 to 78.80).

b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee option plan	129.09	193.29

c) Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Date of option granted	01/04/2018	01/04/2017
Stock Price Now (in INR)	83.70	150.95
Exercise Price (X) (in INR)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	36%	32%
Life of the options granted (Vesting and exercise period) in years	3.00-4.00	3.00-5.00
Expected Dividend	-	-
Average Risk- Free Interest Rate	7.21%-7.39%	6.68%-6.88%
Weighted average fair value of options granted	82.09-82.21	149.31-149.53

Notes to consolidated financial statements for the year ended March 31, 2019

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42. Related party transactions

A. Name of related party and relationship:

Relationship with the related party	Name of related party	
Joint Venture	1	Max Healthcare Institute Limited
	2	Forum I Aviation Limited
Key Management Personnel (KMP)	1	Mr. Ashwani Windlass (Non-executive Director)
	2	Mr. Ashok Brijmohan Kacker (Independent Director)
	3	Mr. Mohit Talwar (Managing Director)
	4	Mrs. Tara Singh Vachani (Director)
	5	Mr. Rahul Khosla (Non-executive Director)
	6	Mr. Dipankar Gupta (Independent Director)
		(Ceased to be director w.e.f. April 10, 2018)
	7	Mr. D.K. Mittal (Independent Director)
	8	Mr. K. Narasimha Murthy (Independent Director)
		(Appointed w.e.f. 24/12/2018)
	9	Mrs. Sharmila Tagore (Independent Director)
		(Appointed w.e.f. 26/02/2019)
	10	Mr. V. Krishnan (Company Secretary)
	11	Mr. Jatin Khanna (Chief Financial Officer)
Enterprises owned or significantly influenced by key management personnel or their relatives	1	Max India Foundation
	2	Max Financial Services Limited
Employee benefit trust	1	Max Financial Services Ltd. Employees' Provident Fund Trust
Person or entities having control or significant influence	1	Mr. Analjit Singh
	2	Mrs. Neelu Analjit Singh
	3	Ms. Piya Singh
	4	Mr. Veer Singh
	5	Mrs. Tara Singh Vachani
	6	Liquid Investment and Trading Private Limited
	7	Max Ventures Investment Holdings Private Limited
Enterprises owned or significantly influenced by person or entities having control or significant influence	1	Max Life Insurance Company Limited
	2	Max Ventures and Industries Limited
	3	New Delhi House Services limited
	4	Wise Zone Builders Private Limited
	5	Max Estates Limited

Notes to consolidated financial statements for the year ended March 31, 2019
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B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from shared services	Max Financial Services Limited	2, 700.00	2, 344.00
Reimbursement of expenses (received from)	Max Financial Services Limited	218.91	-
	New Delhi House Services limited	21.54	20.16
Professional charges	Max Financial Services Limited	6.25	-
Maintenance charges	New Delhi House Services limited	70.58	79.37
Insurance expense	Max Life Insurance Company Limited	8.05	9.28
Management service charges	Max Financial Services Limited	805.00	745.95
CSR activities	Max India Foundation	25.00	23.44
Rent expense	Max Ventures and Industries Limited	46.24	-
Company's contribution to Provident Fund Trust	Max Financial Services Ltd. Employees' Provident Fund Trust	77.00	72.32
Sale of Property, plant and equipment	Max Estates Limited	2, 700.00	-
Director sitting fee	Mr. Ashwani Windlass	19.00	18.00
	Mr. Ashok Brijmohan Kacker	33.00	30.00
	Mrs. Tara Singh Vachani	7.00	4.00
	Mr. Rahul Khosla	16.00	17.00
	Mr. Dipankar Gupta	-	17.00
	Mr. D.K. Mittal	27.00	14.00
	Mr. K. Narasimha Murthy	2.00	-
	Mrs. Sharmila Tagore	1.00	-

C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital advance	Wise Zone Builders Private Limited	7, 320.00	7, 320.00	7, 320.00
Amount receivable	Max Financial Services Limited	625.96	666.77	-
	Max Estates Limited	2, 473.00	-	-
Amount payable	Max Ventures and Industries Limited	(8.12)	(2.08)	-

D. Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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(Amount in INR lakhs, unless otherwise stated)

E. Compensation of key management personnel of the Company

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits		
Mr. Mohit Talwar	201.82	319.94
Mr. Jatin Khanna	132.71	124.78
Mr. V Krishnan	160.36	136.51

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

F. Directors' interests in the ESOP plan

Share options held by executive members of the Board of Directors under the ESOP Plan to purchase Equity shares have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Number outstanding		
			As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
01-Apr-13	01-Apr-17	2.00	-	-	9, 500
12-Dec-14	31-Mar-20	78.80	221, 500	221, 500	443, 000
01-Apr-14	01-Apr-17	2.00	-	-	8, 750
01-Apr-14	01-Apr-18	2.00	-	8, 750	8, 750
27-Mar-15	27-Mar-17	2.00	-	-	5, 650
27-Mar-15	27-Mar-18	2.00	-	5, 650	5, 650
27-Mar-15	27-Mar-19	2.00	5, 650	5, 650	5, 650
09-Nov-16	10-Nov-17	2.00	-	-	6, 348
09-Nov-16	01-Apr-18	2.00	-	6, 348	6, 348
09-Nov-16	01-Apr-19	2.00	6, 349	6, 349	6, 349
09-Nov-16	01-Apr-20	2.00	6, 349	6, 349	6, 349
01-Apr-17	01-Apr-18	2.00	-	7, 533	-
01-Apr-17	01-Apr-19	2.00	7, 311	7, 311	-
01-Apr-17	31-Mar-20	2.00	7, 311	7, 311	-
01-Apr-18	01-Apr-19	2.00	30, 600	-	-
01-Apr-18	31-Mar-20	2.00	30, 600	-	-

43. Segment information

43.1 The segment reporting of the Group has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act). For management purposes, the Group is organised into business units based on its products and services and has five reportable segments as follows:

a) Operating Segments:

(i) Business Investments – This segment is represented by treasury investments.

(ii) Senior Living – One of the Company's subsidiaries is engaged in the business of senior living.

(iii) Learning and Development - This segment relates to learning and development activity carried out by its subsidiaries.

(iv) Health Insurance - This segment relates to the health insurance business carried out pan India, by one of the Company's subsidiary.

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(v) Others – The leasing activities undertaken by one of the Company's subsidiary are classified under this segment.

b) Identification of Segments:

The Board of Directors monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of product / services and have been identified as per the quantitative criteria specified in the Ind AS.

c) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

d) Segment assets and segment liabilities represent assets and liabilities in respective segments. Loans, tax related assets, borrowings and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocated".

43.2 Segment information

		Senior Living		Business Investments		Learning and Development		Health Insurance		Others		Total	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
a.	**Segment Revenue from continuing operations**												
	Revenue from external customers	6, 665.52	15, 511.22	4, 109.04	4, 344.95	4, 716.12	3, 964.09	-	-	85.24	181.26	15, 575.92	24, 001.52
	Inter segment revenue	(214.73)	(700.81)	1, 485.86	2, 030.81	552.91	501.66	-	-	136.97	170.79	1, 961.01	2, 002.45
	Total Segment Revenue	**6, 450.79**	**14, 810.41**	**5, 594.90**	**6, 375.76**	**5, 269.03**	**4, 465.75**	**-**	**-**	**222.21**	**352.05**	**17, 536.93**	**26, 003.97**
	Less: Inter segment revenue	214.73	700.81	(1, 485.86)	(2, 030.81)	(552.91)	(501.66)	-	-	(136.97)	(170.79)	(1, 961.01)	(2, 002.45)
	Revenue from continuing operations	**6, 665.52**	**15, 511.22**	**4, 109.04**	**4, 344.95**	**4, 716.12**	**3, 964.09**	**-**	**-**	**85.24**	**181.26**	**15, 575.92**	**24, 001.52**
b.	Segments Results before share of loss of joint venture and tax from continuing operations	(1, 780.08)	(1, 477.08)	(1, 720.24)	(937.20)	(119.66)	(169.39)	-	-	1, 219.59	(234.67)	(2, 400.39)	(2, 818.34)
	Add: Interest income	-	-	-	-	-	-	-	-	-	-	30.33	46.69
	Less: Interest expense	-	-	-	-	-	-	-	-	-	-	2, 398.42	2, 603.90
	Profit/ (loss) before tax before share of loss of joint venture and tax from continuing operations	**(1, 780.08)**	**(1, 477.08)**	**(1, 720.24)**	**(937.20)**	**(119.66)**	**(169.39)**	**-**	**-**	**1, 219.59**	**(234.67)**	**(4, 768.48)**	**(5, 375.55)**
	Add: Share of loss of joint ventures											(99.35)	(581.72)
	Less: Provision for taxation (includes provision for Deferred Tax)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**253.96**	**724.44**

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		Senior Living		Business Investments		Learning and Development		Health Insurance		Others		Total	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Profit/ (loss) after tax before share of loss of joint venture and tax from continuing operations	(1, 780.08)	(1, 477.08)	(1, 720.24)	(937.20)	(119.66)	(169.39)	-	-	1, 219.59	(234.67)	(5, 121.79)	(6, 681.71)
c.	Segment assets	36, 501.22	40, 698.56	13, 181.16	22, 122.03	1, 755.61	1, 832.19	-	82, 266.72	4, 494.62	3, 380.38	55, 932.61	150, 299.88
	Add: Goodwill	-	-	-	-	-	-	-	-	-	-	2, 465.67	2, 465.67
	Add: Unallocated assets	-	-	-	-	-	-	-	-	-	-	175, 107.17	82, 173.46
	Total Assets	**36, 501.22**	**40, 698.56**	**13, 181.16**	**22, 122.03**	**1, 755.61**	**1, 832.19**	**-**	**82, 266.72**	**4, 494.62**	**3, 380.38**	**233, 505.45**	**234, 939.01**
d.	Segment Liabilities	10, 135.63	12, 756.18	1, 563.60	995.82	1, 569.45	1, 613.36	-	55, 729.80	375.71	371.81	13, 644.39	71, 466.97
	Add: Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	91, 574.89	21, 387.34
	Total Liabilities	**10, 135.63**	**12, 756.18**	**1, 563.60**	**995.82**	**1, 569.45**	**1, 613.36**	**-**	**55, 729.80**	**375.71**	**371.81**	**105, 219.28**	**92, 854.31**

44. Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy as at March 31, 2019:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	3, 666.95	3, 666.95	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	218.76	-	218.76	-
Other financial assets (Refer Note 10)	23.97	-	23.97	-
Current				
Loan (Refer Note 7)	50.20	-	50.20	-
Cash and cash equivalents (Refer Note 9)	2, 630.00	-	2, 630.00	-

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	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Trade receivables (Refer Note 8)	832.12	-	832.12	-
Other financial assets (Refer Note 10)	2, 473.67	-	2, 473.67	-
Financial liabilities measured at amortised cost:				
Non-Current				
Borrowings (Refer Note 17a)	18, 579.59	-	18, 579.59	-
Other financial liabilities (Refer Note 19)	101.23	-	101.23	-
Current				
Borrowings (Refer Note 17b)	238.56	-	238.56	-
Trade payables (Refer Note 18)	2, 133.00	-	2, 133.00	-
Other financial liabilities (Refer Note 19)	3, 478.57	-	3, 478.57	-

There have been no transfers between Level 1 and Level 2 during the period.

B. Quantitative disclosures fair value measurement hierarchy as at March 31, 2018:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	16, 835.59	16, 835.59	-	-
Financial assets measured at Fair value through other comprehensive income (OCI):				
Non-Current				
Other investments (Refer Note 6b)	43, 663.85	43, 663.85	-	-
Current				
Other investments (Refer Note 6b)	**20, 708.24**	**20, 708.24**	**-**	**-**
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	555.02	-	555.02	-
Other financial assets (Refer Note 10)	211.73	-	211.73	-
Current				
Loan (Refer Note 7)	20.78	-	20.78	-
Cash and cash equivalents (Refer Note 9)	1, 599.22	-	1, 599.22	-
Trade receivables (Refer Note 8)	4, 208.15	-	4, 208.15	-
Other financial assets (Refer Note 10)	5, 854.31	-	5, 854.31	-
Financial liabilities measured at amortised cost:				
Non-Current				

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Borrowings (Refer Note 17a)	19, 967.66	-	19, 967.66	-
Trade payables (Refer Note 18)	1, 703.39	-	1, 703.39	-
Other financial liabilities (Refer Note 19)	251.30	-	251.30	-
Current				
Borrowings (Refer Note 17b)	1, 003.29	-	1, 003.29	-
Trade payables (Refer Note 18)	12, 403.50	-	12, 403.50	-
Other financial liabilities (Refer Note 19)	14, 385.86	-	14, 385.86	-

There have been no transfers between Level 1 and Level 2 during the period.

C. Quantitative disclosures fair value measurement hierarchy as at April 01, 2017:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	39, 695.58	39, 695.58	-	-
Financial assets measured at Fair value through other comprehensive income (OCI):				
Non-Current				
Other investments (Refer Note 6b)	42, 591.56	42, 591.56	-	-
Current				
Other investments (Refer Note 6b)	15, 655.36	15, 655.36	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	448.39	-	448.39	-
Other financial assets (Refer Note 10)	20.79	-	20.79	-
Current				
Loan (Refer Note 7)	19.62	-	19.62	-
Cash and cash equivalents (Refer Note 9)	1, 287.00	-	1, 287.00	-
Trade receivables (Refer Note 8)	3, 990.13	-	3, 990.13	-
Other financial assets (Refer Note 10)	3, 009.96	-	3, 009.96	-
Financial liabilities measured at amortised cost:				
Non-Current				
Borrowings (Refer Note 17a)	16, 430.66	-	16, 430.66	-
Trade payables (Refer Note 18)	1, 339.65	-	1, 339.65	-
Other financial liabilities (Refer Note 19)	583.26	-	583.26	-
Current				
Borrowings (Refer Note 17b)	4.10	-	4.10	-
Trade payables (Refer Note 18)	11, 313.02	-	11, 313.02	-
Other financial liabilities (Refer Note 19)	18, 084.52	-	18, 084.52	-

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

Notes:

1 The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

2 The following methods and assumptions were used to estimate the fair values:

a. The fair values for investments in quoted securities like mutual funds and debentures are based on price quotations available in the market at each reporting date.

b. The fair values for investments in unquoted equity shares are estimated by valuer following valuation techniques.

c. The fair values of the financial assets and liabilities are determined by using DCF method using discount rate that reflects the issuer's incremental borrowing rate as at the end of the reporting period.

45. Financial risk management objectives and policies

The Group's principal financial liabilities are trade and other payables, security deposits received and finance guarantee obligation. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, ICD's, cash and short-term deposits that derive directly from its operations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include investment in mutual funds.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The following assumptions have been made in calculating the sensitivity analysis:-

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to the interest rate risk.

For the year ended	Increase/Decrease in Interest rates	Impact on Profits
March 31, 2019	0.5%	(77.35)
March 31, 2018	0.5%	85.80

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and investments in foreign currency.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in GBP and USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material

The Group exposure to foreign currency risk at the end of reporting period expressed in INR are as follows:

	March 31, 2019			March 31, 2018			April 01, 2017		
	GBP	USD	INR	GBP	USD	INR	GBP	USD	INR
Financial Liabilities									
Trade payables	-	-	-	4.93	2.00	580.07	2.47	-	198.52
Total	**-**	**-**	**-**	**4.93**	**2.00**	**580.07**	**2.47**	**-**	**198.52**
Net exposure to foreign currency liabilities	**-**	**-**	**-**	**(4.93)**	**(2.00)**	**(580.07)**	**(2.47)**	**-**	**(198.52)**

	Increase/decrease in basis points	Effect on profit before tax	
		March 31, 2019	March 31, 2018
GBP Sensitivity			
INR/ GBP	+50	-	(3.38)
INR/ GBP	-50	-	3.38
USD Sensitivity			
INR/ USD	+50	-	(0.65)
INR/ USD	-50	-	0.65

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group has developed internal credit rating system/ credit worthiness assessment mechanism as well. As per the management procedure, each party is internally rated on the basis of their external ratings (wherever available), respective industry information / trends available, financial position of party and past transactions with the party. These parties are continuously evaluated after assigning internal grades.

Trade receivables

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding trade receivables are reviewed and assessed for default taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible managment.

Outstanding balances of trade receivable comprises primarily of third party receivables. At March 31, 2019, the Group had customers that owed the Group more than INR 2, 630.00 lakhs. The Group's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8.

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

March 31, 2019	0-90 days	91 - 180 days	181 - 365 days	1 - 3 years	> 3 years	Total
	Past dues	Past dues	Past dues	Past dues	Past dues	
Gross carrying Amount	1, 498.14	316.38	250.83	564.65	-	2, 630.00
Expected credit loss (Loss allowance provision)	-	-	-	-	-	-
Net carrying amount of trade receivables	1, 498.14	316.38	250.83	564.65	-	2, 630.00

March 31, 2018	0-90 days	91 - 180 days	181 - 365 days	1 - 3 years	> 3 years	Total
	Past dues	Past dues	Past dues	Past dues	Past dues	
Gross carrying Amount	1, 246.08	246.05	201.47	33.55	371.93	2, 099.08
Expected credit loss (Loss allowance provision)	-	42.25	78.01	7.67	371.93	499.86
Net carrying amount of trade receivables	**1, 246.08**	**203.80**	**123.46**	**25.88**	**-**	**1, 599.22**

April 01, 2017	0-90days	91-180days	181-365days	1-3years	>3years	Total
	Pastdues	Pastdues	Pastdues	Pastdues	Pastdues	
Gross carrying Amount	1, 013.62	151.36	195.95	148.33	360.12	1, 869.38
Expected credit loss (Loss allowance provision)	-	48.13	57.62	116.51	360.12	582.38
Net carrying amount of trade receivables	**1, 013.62**	**103.23**	**138.33**	**31.82**	**-**	**1, 287.00**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Group's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Current	Non Current		Total
	Upto 1 year	1-5 years	More than 5 years	
	INR lakhs	INR lakhs	INR lakhs	INR lakhs
March 31, 2019				
Trade payables	2, 133.00	-	-	2, 133.00
Borrowings (Refer Note I below)	795.73	18, 579.59	-	19, 375.32
Other financial liabilities	2, 921.40	101.23	-	3, 022.63
	5, 850.13	**18, 680.82**	**-**	**24, 530.95**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current	Non Current		Total
	Upto 1 year	1-5 years	More than 5 years	
	INR lakhs	INR lakhs	INR lakhs	INR lakhs
March 31, 2018				
Trade payables	12, 403.50	1, 703.39	-	14, 106.89
Borrowings (Refer Note I below)	1, 419.29	16, 232.21	3, 735.45	21, 386.95
Other financial liabilities	13, 969.86	251.30	-	14, 221.16
	27, 792.65	**18, 186.90**	**3, 735.45**	**49, 715.00**
April 01, 2017				
Trade payables	11, 313.02	1, 339.65	-	12, 652.67
Borrowings (Refer Note I below)	8, 348.73	16, 430.66	-	24, 779.39
Other financial liabilities	9, 739.89	583.26	-	10, 323.15
	29, 401.64	**18, 353.57**	**-**	**47, 755.21**

Note I: Borrowings

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Borrowing (Refer Notes 17a and 17b)	18, 818.15	20, 970.95	16, 434.76
Add: Current maturity of borrowings	557.17	416.00	8, 344.63
Total	**19, 375.32**	**21, 386.95**	**24, 779.39**

46. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 15%.

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Borrowings (long-term and short-term, including current maturities) - Note 17	18, 818.15	20, 970.95	16, 434.76
Less: Cash and cash equivalents - Note 9	(832.12)	(4, 208.15)	(3, 990.13)
Net debts (a)	**17, 986.03**	**16, 762.80**	**12, 444.63**
Equity share capital- Note 15	5, 372.31	5, 367.66	5, 345.40
Other equity- Note 16	111, 648.31	123, 589.49	121, 465.78
Total Capital (b)	**117, 020.62**	**128, 957.15**	**126, 811.18**
Capital and net debt (c=a+b)	**135, 006.65**	**145, 719.95**	**139, 255.81**
Gearing ratio %) (d=a/c)	**13.32%**	**11.50%**	**8.94%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

47. The standard issued, but not yet effective upto the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

Standards issued but not yet effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

a) Ind AS 116: Leases

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Transition to Ind AS 116:

The Group is proposing to use the "Modified Retrospective Approach" for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Group is currently in process of assessing the impact of this standard on financial statements.

48. First-time adoption of Ind AS

These consolidated financial statements, for the year ended March 31, 2019, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 01, 2017, the Group's date of transition to Ind AS. This note explains exemptions availed by the Group in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

(I) IND AS optional exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions.

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

(a) Deemed cost:

IND AS 101 permits a first time adopter to elect to fair value its property, plant and equipment as recognized in financial statements as at the date of transition to IND AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of IND AS retrospectively. IND AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to IND AS. This exemption can be also used for intangible assets covered by Ind-AS 38. Accordingly, the Group has elected to consider carrying value of its property, plant and equipment and intangible assets as its deemed cost on the date of transition to IND AS.

(b) Share based payment transactions

IND AS 101 permits a first time adopter to elect not to apply principles of IND AS 102 to liabilities arising from share based payment transactions that were settled before the date of transition.

The Group has elected not to apply IND AS 102- "Share based payment" on stock options that vested before date of transition.

(c) Business Combinations

The Group has used the exemption under IND AS 101 at the date of transition to Ind AS i.e. carrying amounts of assets and liabilities, that are required to be recognized under Ind AS is their deemed cost at the date of acquisition. After the date of acquisition, measurement is in accordance with the respective IND AS. The Group recognizes all assets and liabilities assumed in a past business combination.

(II) IND AS mandatory exemptions:

(a) Estimates

An entity estimates in accordance with IND AS at the date of transition to IND AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. IND AS estimates at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(b) Derecognition of financial assets and financial liabilities

IND AS 101 requires a first time adopter to apply the derecognition provisions of IND AS 109 prospectively for transactions occurring on or after the date of transition to IND AS. Accordingly, the Group has applied the derecognition requirement for financial assets and financial liabilities in IND AS 109 prospectively for transactions occurring on or after date of transition to IND AS.

(c) Classification of financial assets and liabilities

IND AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to IND AS. Accordingly, the Group has applied the above requirement prospectively.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(d) Impairment of financial assets

IND AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per IND AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized and compare it to the credit risk at the date of transition to IND AS. The Group has applied this exception prospectively.

III) Reconciliation of equity as at April 01, 2017

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment	1, 10	50, 228.33	(42, 125.11)	8, 103.22
Capital work in progress	10	44, 365.84	(40, 301.61)	4, 064.23
Goodwill	1	39, 712.63	(37, 246.96)	2, 465.67
Other Intangible Assets	1	3, 135.10	(1, 292.59)	1, 842.51
Intangible assets under development	1	64.77	(60.15)	4.62
Investment in joint ventures	1	-	63, 031.69	63, 031.69
Financial assets				
- Investments	1	40, 940.67	1, 650.89	42, 591.56
- Loans	1, 5	15, 885.11	(15, 436.72)	448.39
- Other		20.79	-	20.79
Deferred tax assets (net)	1, 4	838.85	(838.85)	-
Non-current tax assets	1	3, 684.42	(3, 341.04)	343.38
Other non- current assets	1, 5	11, 783.58	(2, 847.62)	8, 935.96
		210, 660.09	**(78, 808.07)**	**131, 852.02**
Current assets				
Inventory	1, 10	1, 079.47	38, 351.74	39, 431.21
Financial assets				
- Investments	2	54, 318.89	1, 032.05	55, 350.94
- Loans		671.41	(651.79)	19.62
- Trade receivables	1	13, 068.25	(11, 781.25)	1, 287.00
- Cash and cash equivalents	1	4, 797.11	(806.98)	3, 990.13
- Others	1	3, 431.56	(421.60)	3, 009.96
Current tax assets		1, 735.16	(1, 512.10)	223.06
Other current assets	1, 5	2, 440.86	(441.61)	1, 999.25
		81, 542.71	**23, 768.46**	**105, 311.17**
Total assets		**292, 202.80**	**(55, 039.61)**	**237, 163.19**
Equity and liabilities				
Equity				
Equity share capital		5, 345.40	-	5, 345.40
Other equity	1, 3, 7	121, 461.90	3.88	121, 465.78
Equity attributable to equity holders of the parent		126, 807.30	3.88	126, 811.18

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Non Controlling Interest	1	12, 185.16	419.94	12, 605.10
Total Equity		138, 992.46	423.82	139, 416.28
Non-current liabilities				
Financial liabilities				
- Borrowings	1, 14	52, 454.47	(36, 023.81)	16, 430.66
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1, 376.77	(37.12)	1, 339.65
- Other financial liabilities	1	1, 409.98	(826.72)	583.26
Provisions	1	1, 172.42	(260.32)	912.10
Deferred tax liabilities (net)	1, 4	769.36	(744.14)	25.22
Total Non-current liabilities		**57, 183.00**	**(37, 892.11)**	**19, 290.89**
Current liabilities				
Financial liabilities				
- Borrowings	1	3, 999.30	(3, 995.20)	4.10
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	23, 012.95	(11, 699.93)	11, 313.02
- Other current financial liabilities	1	18, 588.34	(503.82)	18, 084.52
Other current liabilities	1	20, 389.54	(302.89)	20, 086.65
Provisions	1	30, 037.21	(1, 069.48)	28, 967.73
Total current liabilities		**96, 027.34**	**(17, 571.32)**	**78, 456.02**
Total equity and liabilities		**292, 202.80**	**(55, 039.61)**	**237, 163.19**

IV) Reconciliation of equity as at March 31, 2018

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
Assets				
Non-current assets				
Property, plant and equipment	1, 10	97, 192.61	(85, 046.09)	12, 146.52
Capital work in progress	10	2, 065.06	(1, 687.13)	377.93
Goodwill	1	58, 380.24	(55, 914.57)	2, 465.67
Other Intangible Assets	1	3, 587.13	(1, 186.78)	2, 400.35
Intangible assets under development	1	163.51	(163.51)	-
Investment in joint ventures	1	-	81, 893.06	81, 893.06
Financial assets				

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
- Investments	1	43, 372.13	291.72	43, 663.85
- Loans	1, 5	16, 469.59	(15, 914.57)	555.02
- Other		211.73	-	211.73
Deferred tax assets (net)	1, 4	840.98	(614.51)	226.47
Non-current tax assets		5, 384.99	(4, 769.45)	615.54
Other non- current assets	1, 5	13, 911.94	(6, 390.07)	7, 521.87
		241, 579.91	**(89, 501.90)**	**152, 078.01**
Current assets				
Inventory	1, 10	1, 555.58	28, 466.58	30, 022.16
Financial assets				
- Investments	2	36, 898.25	645.58	37, 543.83
- Loans		20.78	-	20.78
- Trade receivables	1	16, 796.98	(15, 197.76)	1, 599.22
- Cash and cash equivalents	1	4, 836.40	(628.25)	4, 208.15
- Others	1	6, 814.59	(960.28)	5, 854.31
Current tax assets	1	1, 444.25	(1, 182.77)	261.48
Other current assets	1, 5	6, 702.01	(3, 350.94)	3, 351.07
		75, 068.84	**7, 792.16**	**82, 861.00**
Total assets		**316, 648.75**	**(81, 709.74)**	**234, 939.01**
Equity and liabilities				
Equity				
Equity share capital		5, 367.66	-	5, 367.66
Other equity	1, 3, 7	122, 621.37	968.12	123, 589.49
Equity attributable to equity holders of the parent		127, 989.03	968.12	128, 957.15
Non Controlling Interest	1	13, 392.07	(264.52)	13, 127.55
Total Equity		141, 381.10	703.60	142, 084.70
Non-current liabilities				
Financial liabilities				
- Borrowings	1	62, 875.42	(42, 907.76)	19, 967.66
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1, 773.46	(70.07)	1, 703.39
- Other financial liabilities	1	2, 445.76	(2, 194.46)	251.30
Provisions	1	1, 510.07	(591.12)	918.95
Other non- current liabilities				
Deferred tax liabilities (net)	1, 4	768.54	(768.54)	-
Total Non-current liabilities		**69, 373.25**	**(46, 531.95)**	**22, 841.30**

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
Current liabilities				
Financial liabilities				
- Borrowings	1, 14	5, 185.84	(4, 182.55)	1, 003.29
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	30, 317.71	(17, 914.21)	12, 403.50
- Other current financial liabilities	1	16, 387.75	(2, 001.89)	14, 385.86
Other current liabilities	1	23, 087.50	(10, 691.03)	12, 396.47
Provisions	1	30, 915.60	(1, 091.71)	29, 823.89
Total current liabilities		**105, 894.40**	**(35, 881.39)**	**70, 013.01**
Total equity and liabilities		**316, 648.75**	**(81, 709.74)**	**234, 939.01**

V) Reconciliation of profit or loss for the year ended March 31, 2018:

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income				
Revenue from operations	1, 2	157, 088.31	(133, 086.79)	24, 001.52
Other income	1, 2	4, 489.81	(3, 371.45)	1, 118.36
Total income		**161, 578.12**	**(136, 458.24)**	**25, 119.88**
Expenses				
Cost of raw material and components consumed	1	58.42	4, 066.36	4, 124.78
Purchase of Pharmacy & Pharma supplies	1	22, 586.13	(22, 586.13)	-
(Increase)/ decrease in inventories of finished goods and WIP	1, 10	-	9, 095.33	9, 095.33
(Increase)/ decrease in inventories of traded goods	1	(253.57)	253.57	-
Employee benefits expense	1, 3, 6	42, 694.36	(34, 748.30)	7, 946.06
Depreciation and amortization expense	1	7, 347.77	(6, 899.07)	448.70
Finance costs	1	7, 831.46	(5, 224.05)	2, 607.41
Other expenses	1	86, 141	(79, 867.98)	6, 273.15
Total expenses		**166, 405.70**	**(135, 910.27)**	**30, 495.43**
Loss before share of loss of joint ventures and tax from continuing operations		**(4, 827.58)**	**(547.97)**	**(5, 375.55)**
Share of loss of joint ventures	1	**-**	(581.72)	-581.72
Loss before tax from continuing operations		**(4, 827.58)**	**(1, 129.69)**	**(5, 957.27)**
Tax expense :				

Notes to consolidated financial statements for the year ended March 31, 2019
(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Current tax	1	1, 598.35	(577.65)	1, 020.70
Deferred tax	1	48.99	(297.59)	(248.60)
Income tax adjustment related to earlier years	1	(46.45)	(1.21)	(47.66)
Total Tax Expense		**1, 600.89**	**(876.45)**	**724.44**
Loss for the year from continuing operations		**(6, 428.47)**	**(253.24)**	**(6, 681.71)**
Discontinuing Operations				
Profit/(loss) before tax for the year from discontinuing operations		(701.01)	4, 482.99	3, 781.98
Tax expense of discontinuing operations		-	423.83	423.83
Profit/ (loss) for the year from discontinuing operations		**(701.01)**	**4, 906.82**	**3, 358.15**
Loss for the year		**(7, 129.48)**	**4, 653.58**	**(3, 323.56)**

(VI) Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018:

1) Joint venture

The group holds 49.74% interest in Max Healthcare Institute Limited (MHIL) and exercises joint control over the entity. Under Indian-GAAP group has proportionately consolidated its interest in MHIL in the Consolidated Financial Statement. On transition to Ind AS the group has assessed and determined that MHIL is its joint venture under Ind AS 111 Joint Arrangements. Therefore, it needs to be accounted for using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amount of assets and liabilities that the group had previously proportionately consolidated including any goodwill arising on acquisition. Derecognition of proportionately consolidated MHIL has resulted in change in balance sheet, statement of profit and loss and cash flow statement. For its impact on the financial statement refer note 36.

2) Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds have been recognised at lower of cost or fair value. However, under Ind AS, such investments have been classified and measured at fair value through profit or loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

3) Share based payments

The Group has granted stock options to its employees. Under Indian GAAP, the ESOP expense is recorded through Intrinsic value method. However, under Ind AS 102, employee share-based payments should be accounted for using fair value method. Under the ESOP plan, the employees receive shares of the Group upon completion of vesting conditions hence the same will be treated as equity settled share based payment. Grant date fair value of

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

the equity instrument should be used for measuring the ESOP expense. The differential amount of the expense shall be booked in retained earnings on transition date.

4) Deferred Taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

5) Security deposits

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid expenses. Amortization of prepaid expenses has been recognized in other expenses which is partially set off with notional interest income in statement of profit & loss.

6) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous IGAAP, these remeasurements were forming part of the profit or loss for the year.

7) Retained earnings

Retained earnings as at April 1, 2017 and March 31, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

8) Other comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ Includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.

9) Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

10) Finance Lease

The leasing arrangement under Senior Living Projects are assessed from Ind AS 17 perspective and based on

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

certain judgements, interpretation and assumptions taken by the management, the Group has classified these lease arrangements as finance leases. Consequently, lease rental income and depreciation of leased assets booked in previous years have been reversed back and profit on finance lease has been recognised in the statement of profit and loss. The Group is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration received towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the statement of profit and loss and the costs of the leased unit is transferred from inventory to the statement of profit and loss. The cost of unleased assets is appearing under Inventories at end the of each reporting period.

11) Lease equalisation reserve reversal

Under Previous GAAP, the Group has recognised a lease equalisation reserve as there is escalation in lease rentals around 5%. Under Ind AS, lease equalisation reserve is to be recognised only when the escalation in lease rentals is not in line with the expected inflation level. The escalation of 5% in lease rentals can be regarded to be in line with inflation, hence lease equalisation reserve is not to be recognised and the existing reserve has been reversed through retained earnings.

12) Provision for impairment/ECL on investments and receivables

Under previous GAAP, the Group has created provision for impairment of investments and receivables only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). The impact of the same has been recognised in retained earnings on the transition date and as an expense in the statement of profit and loss in the comparative period.

13) Discounting of non- current payables

Under Indian GAAP, the non current payables were recorded at transaction value. Under Ind AS, they are discounted and recorded at present value. On transition date, the difference is taken to retained earnings. In comparative period, interest is accreted on the payable amount.

14) Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

49. Max Bupa Health Insurance Company Limited ("Max Bupa"), one of the subsidiary holds investment in commercial papers amounting to Rs 3, 000.00 lakhs and in corporate bonds amounting to Rs 3, 000.00 lakhs with IL&FS and its group companies (collectively referred to as IL&FS). These commercial papers were due for maturity in September 2018, however, IL&FS has defaulted in its repayment. As a result of increased credit risk in relation to outstanding balances from IL&FS and the uncertainty prevailing due to the proceedings pending with the NCLT, the entire amount of Rs 6, 000.00 lakhs has been provided by the Group. The Group, however, continues to monitor developments on this matter and is committed to take steps including further legal actions that may be necessary to ensure full recoverability.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

50. On December 24, 2018, the Board of Directors of Max India Limited (the "Company"), approved a Composite Scheme of Amalgamation and Arrangement (the "Scheme") between the Company, its joint venture Max Healthcare Institute Limited ("Max Healthcare") , its wholly owned subsidiary Advaita Allied Health Services Limited ("Advaita Allied") and Radiant Life Care Private Limited ("Radiant Life"), and their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals.

The Scheme inter-alia provides for (a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities (collectively known as "Demerged Undertaking") from the Company into Advaita Allied, the shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 1 Equity share of Rs. 10 each of Advaita Allied for every 5 equity shares of Rs.2 each held in the Company. The shares of Advaita Allied shall be listed on the stock exchanges post effectiveness of the Scheme; (b)Demerger of healthcare business of Radiant Life into Max Healthcare, pursuant to which shareholders of Radiant Life as on record date (to be specified by the board of directors of Radiant Life subsequently) shall be issued 9, 074 equity shares of Max Healthcare of Rs. 10 each, for every 10 equity shares, of Rs. 10 each held in Radiant Life and (c) Amalgamation of residual Company (post demerger of the Demerged Undertaking), which comprises of healthcare activities (including its underlying investment in Max Healthcare) with Max Healthcare. The shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 99 equity shares of Rs.10 each of Max Healthcare for every 100 equity shares of Rs.2 each held in the Max India Limited. The shares of Max Healthcare shall be listed on stock exchanges post effectiveness of the Scheme after receipt of listing approvals.

The parties to the Scheme are currently in the process of obtaining regulatory approvals, post which the Company will file the requisite petitions with National Company Law Tribunal and obtain other approvals, as applicable.

With effect from the Appointed date (as defined in the Scheme), the Company's business shall stand demerged with Advaita and Max Healthcare, and the Company shall, pursuant to provisions of section 230 to section 232 and other applicable provisions (if any), of the Companies Act, 2013 stand merged in Max Healthcare as a going concern in the manner provided in the Scheme.

In view of the above these financial results have been prepared on a going concern basis.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019