Standalone Financial Statements

142-215

INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Max India Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Sstatement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Impairment of investments in subsidiary companies</u> (as described in note 2(e) of the standalone Ind AS financial statements)</td></tr>
<tr><td>During the current year, impairment indicators were identified in Company's investments in certain subsidiaries namely Max Bupa Health Insurance Limited ("Max Bupa") and Antara Senior Living Limited ("ASLL").

As a result, an impairment assessment was required to be performed by comparing the carrying value of these subsidiaries to their recoverable amount to determine whether an impairment was required to be recognized. The recoverable amount was determined in accordance with IND AS 36 Impairment of Assets to be the higher of the fair value less cost of disposal, represented by the fair value of these subsidiaries, and the value in use, determined by discounting future cash flows.

There are uncertainties involved in estimating the recoverable amount of investment in subsidiaries, which principally arose from the inputs in both forecasting and discounting future cash flows new senior living projects launched by ASLL. To determine the recoverable amount of the investment in subsidiary companies was one of the key judgement area in preparing the standalone financial statements due to a combination of the significance of the investments in the subsidiaries and the inherent uncertainty in the assumptions supporting the recoverable amount of these investments. Accordingly, the impairment of investments in subsidiary companies has been identified to be a key audit matter in our audit of the standalone financial statements.</td><td>Our audit procedures include the following:

• we involved valuation specialists, to assess the Company's valuation methodology applied in determining the recoverable amounts.

• We involved valuation specialists to assess the assumptions, drivers of the cash flow forecasts

• In making this evaluation, we also assessed the objectivity and independence of Company's specialists involved in the process.

• We have read the binding sale agreement entered between the Company and True North Fund VI LLP for the proposed sale of Company's stake in Max Bupa.</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 Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 28(c) to the standalone Ind AS financial statements;

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

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

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

per Sanjay Vij
Partner
Membership No. 095169

Place of Signature: : Gurugram
Date: May 29, 2019

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

Re: **Max India Limited** ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.

(b) Property plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not been commented upon.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, goods and services act, value added tax, and other material statutory dues applicable to it. The provisions relating to duty of excise, employees' state insurance, duty of custom, cess are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, goods and services tax, value added tax, and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise, employees' state insurance, duty of custom, cess are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, value added taxes, service tax, goods and services tax which have not been deposited on account of any dispute. The provisions related to employees' state insurance, duty of excise, duty of customs and are not applicable to the Company.

viii) The Company did not have any outstanding dues in respect of debenture holders, financial institutions, banks, or Government during the year.

(ix) According to information and explanation given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans, hence reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Sanjay Vij
Partner
Membership Number: 095169

Place of Signature : Gurugram
Date: May 29, 2019

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

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

We have audited the internal financial controls over financial reporting of Max India Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls [based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

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

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

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

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

Opinion

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

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

per Sanjay Vij
Partner
Membership No. 095169

Place of Signature: Gurugram
Date: May 29, 2019

Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Assets				
Non-current assets				
Property, plant and equipment	3	312.41	254.41	276.33
Capital work-in-progress	3	-	134.08	-
Investment in subsidiaries and joint venture	4	108, 623.16	151, 867.53	120, 417.88
Financial Assets				
(i) Loans	6a	2, 105.69	910.20	6, 240.04
Non-current tax assets	11	274.14	124.00	158.39
Other non-current assets	7a	7, 351.57	7, 378.10	7, 320.00
Deferred tax assets (net)	18	254.02	56.73	-
		118, 920.99	**160, 725.05**	**134, 412.64**
Current assets				
Financial Assets				
(i) Investments	5	3, 225.85	12, 700.34	30, 971.30
(ii) Trade receivables	8	3, 219.49	1, 483.32	1, 141.65
(iii) Cash and cash equivalents	9	27.00	47.97	60.59
(iv) Loans	6b	176.15	3.41	4.84
(v) Other financial assets	10	45.62	48.18	-
Other current assets	7b	420.32	776.82	59.08
		7, 114.43	**15, 060.04**	**32, 237.46**
Non current assets held for sale	12	50, 031.02	-	-
Total assets		**176, 066.44**	**175, 785.09**	**166, 650.10**
Equity and liabilities				
Equity				
Equity share capital	13a	5, 372.31	5, 367.66	5, 345.40
Other equity	13b	167, 528.74	169, 211.15	160, 232.54
		172, 901.05	**174, 578.81**	**165, 577.94**
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	14a	137.12	173.79	106.46
Provisions	15a	360.16	316.12	265.51
Deferred tax liabilities (net)	18	-	-	113.63
		497.28	**489.91**	**485.60**
Current liabilities				
Financial liabilities				
(i) Trade payables	16			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		535.49	115.61	165.05
(ii) Other financial liabilities	14b	61.32	87.57	76.40

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other current liabilities	17	425.53	321.48	185.99
Provisions	15b	1, 645.77	191.71	159.12
		2, 668.11	**716.37**	**586.56**
Total equity and liabilities		**176, 066.44**	**175, 785.09**	**166, 650.10**

Summary of significant accounting policies 2
Other notes to accounts 25-41
The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

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

(Amount in INR lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	19	5, 594.90	6, 375.76
Other income	20	51.58	174.38
Total income		**5, 646.48**	**6, 550.14**
Expenses			
Employee benefits expense	21	2, 819.75	2, 668.22
Depreciation and amortization expense	22	123.31	86.99
Other expenses	23	2, 969.43	2, 619.39
Provision for indemnity	12	1, 428.00	-
Total expenses		**7, 340.49**	**5, 374.60**
(Loss) / Profit before tax		**(1, 694.01)**	**1, 175.54**
Tax expense :	18		
Current tax		354.00	807.48
Deferred tax		(198.80)	(169.01)
Income tax adjustment related to earlier years		-	(29.94)
(Loss) / Profit for the year		**(1, 849.21)**	**567.01**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains/(losses) on defined benefit plans	26	5.18	(3.91)
Income tax effect	18	(1.51)	1.35
Other comprehensive income for the year		**3.67**	**(2.56)**
Total comprehensive income for the year		**(1, 845.54)**	**564.45**
Earnings per equity share:	24		
(1) Basic		(0.69)	0.21
(2) Diluted		(0.69)	0.21

Summary of significant accounting policies	2
Other notes to accounts	25-41

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

As per our report of even date

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

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	**267, 270, 049**	**5, 345.40**
Issue of share capital	1, 113, 016	22.26
At March 31, 2018	**268, 383, 065**	**5, 367.66**
Issue of share capital	232, 573	4.65
At March 31, 2019	**268, 615, 638**	**5, 372.31**

B. Other equity

	Reserves and Surplus					
	Securities premium	Employee stock options outstanding (refer note 27)	Capital reserve	Retained earnings	Share warrants	Total
At April 01, 2017	**133.53**	**368.06**	**156, 917.05**	**2, 813.90**	**-**	**160, 232.54**
Profit for the year	-	-	-	567.01	-	567.01
Premium on issue of equity shares during the year	129.15	(129.15)	-	-	-	-
Premium on issue of equity shares under ESOP	671.96	-	-	-	-	671.96
ESOP expenses recognized during the year	-	93.66	-	-	-	93.66
Fair valuation of ESOP	-	148.54	-	-	-	148.54
Amount received during the year	-	-	-	-	7, 500.00	7, 500.00
Other Comprehensive Income	-	-	-	(2.56)	-	(2.56)
At March 31, 2018	**934.64**	**481.11**	**156, 917.05**	**3, 378.35**	**7, 500.00**	**169, 211.15**
Loss for the year				(1, 849.21)		(1, 849.21)
Premium on issue of equity shares during the year	166.82	(166.82)	-	-	-	-
ESOP expenses recognized during the year	-	88.79	-	-	-	88.79
Fair valuation of ESOP	-	74.34	-	-	-	74.34
Share warrants forfeited during the year (Refer note 13b)	-	-	7, 500.00	-	(7, 500.00)	-
Other Comprehensive Income	-	-	-	3.67	-	3.67
At March 31, 2019	**1, 101.46**	**477.42**	**164, 417.05**	**1, 532.81**	**-**	**167, 528.74**

Summary of significant accounting policies	2
Other notes to accounts	25-41

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

As per our report of even date

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

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

Cash flow statement for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

		For the year ended March 31, 2019	For the year ended March 31, 2018
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net (Loss)/profit before tax	(1, 694.01)	1, 175.54
	Add:		
	Depreciation and Amortisation	123.31	86.99
	Interest income	(206.49)	(870.49)
	Net loss on sale of fixed assets	11.74	0.50
	Net profit on sale of current investments	(567.21)	(862.91)
	Fair value gain/(loss) on mutual funds	(32.71)	(539.76)
	Fair valuation impact on CRPS	(136.64)	(122.79)
	Financial guarantee income	(36.67)	(169.15)
	Liability/ provisions no longer required written back	(0.12)	-
	Provision for indemnity	1, 428.00	-
	Provision for doubtful advances - subsidiary	4.30	3.33
	Employee stock option expense	129.09	193.29
	Operating (Loss)/profit before working capital changes	**(977.41)**	**(1, 105.45)**
	Add: Working Capital Changes :		
	Financial Assets		
	(Increase) / decrease in loans (non-current)	(1, 195.49)	5, 329.84
	(Increase) / decrease in other non-current assets	26.53	(58.10)
	(Increase) in trade receivables (current)	(1, 736.17)	(341.67)
	(Increase) in loans (current)	(9.44)	(2.81)
	(Increase) / decrease in other financial assets (current)	2.56	(48.18)
	(Increase) / decrease in other current assets	390.54	(668.83)
	Financial liabilities		
	Increase / (decrease) in other financial liabilities	(0.60)	222.00
	Increase in provisions	75.28	79.29
	Increase / (decrease) in trade payables	420.00	(49.44)
	Decrease in other current liabilities	104.05	135.49
	Cash Flow from operations	**(2, 900.15)**	**3, 492.14**
	Less: Direct taxes paid (net)	(504.14)	(743.15)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES (A)	**(3, 404.29)**	**2, 748.99**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets, including CWIP and capital advances	(99.65)	(178.16)
	Proceeds from sale of fixed assets	15.03	4.16
	Investment in Subsidiaries and Joint Ventures	(6, 650.01)	(31, 326.86)
	Purchase of investments in mutual funds	(24, 471.96)	(46, 414.20)
	Proceeds from sale/maturity of current investments	34, 546.37	66, 087.83
	Interest received	38.89	870.40

		For the year ended March 31, 2019	For the year ended March 31, 2018
	NET CASH FROM (USED IN) INVESTING ACTIVITIES (B)	**3, 378.67**	**(10, 955.83)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of share capital (including security premium a/c)	4.65	694.22
	Proceeds from issue of share warrants	-	7, 500.00
	NET CASH FROM (USED IN) FINANCING ACTIVITIES (C)	**4.65**	**8, 194.22**
	NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	**(20.97)**	**(12.62)**
	Cash And Cash Equivalents - Opening Balance	47.97	60.59
	Cash And Cash Equivalents - Closing Balance	27.00	47.97
	NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	**(20.97)**	**(12.62)**

The above cash flow statement has been prepared under the 'indirect method' as set out in Accounting Standard - 3 on ''Cash Flow Statement''.

Summary of significant accounting policies 2
Other notes to accounts 25-41

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

As per our report of even date

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

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019

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

(Amount in INR lakhs, unless otherwise stated)

1. **Corporate information**

   The standalone financial statements comprise financial statements of Max India Limited (the Company) for the year ended March 31, 2019. Max India Limited is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016.

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

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

2. **Basis of preparation**

   During the current year, the Company ceased to be a core investment company (non systemically important) as per the Non-Banking Financial Company (NBFC) Rules defined under the RBI Act, 1934. Accordingly the standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 37 for information on how the Company adopted Ind AS.

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

   (i) Certain fina Notes to Consolidate Financials Statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

ncial assets and liabilities that are measured at fair value

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

   a) Current versus non-current classification

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

   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

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

months after the reporting period

All other liabilities are classified as non-current.

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

b) Property, plant and equipment

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

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

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

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

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

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

c) Depreciation on Property, Plant and Equipment

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

Furniture and Fixtures	10 years
Office Equipment	3-5 years
IT Equipment (End user devices)	3 years
IT Equipment (Servers and network)	6 years
Vehicles	3-8 years
Leasaehod Improvement	3 years (life of lease)

The Company, based on technical assessment made by technical expert and management

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

(Amount in INR lakhs, unless otherwise stated)

estimate, depreciates above mentioned items over estimated useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

d) Leases

Company as a lessee:

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

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

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

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

e) Impairment of non-financial assets

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

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

In determining fair value less cost of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing

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

(Amount in INR lakhs, unless otherwise stated)

rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

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

Provisions

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

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

Contingent liabilities

Contingent liability is disclosed in the case of:

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

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

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

g) Retirement and other Employee Benefits

Provident fund

The Company contributed to employees provident fund benefits through a trust "Max Financial Services Limited Provident Fund Trust" managed by Max Financial Services Limited (erstwhile Max

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

(Amount in INR lakhs, unless otherwise stated)

India Limited) whereby amounts determined at a fixed percentage of basic salaries of the employees are deposited to the trust every month. The benefit vests upon commencement of the employment. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company has obtained actuarial valuation to determine the shortfall, if any, as at the Balance Sheet date.

Gratuity

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

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

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

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

(ii) Net interest expenses or income.

Compensated Absences

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end .Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

Short-term obligations

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

h) Financial Instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets

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

(Amount in INR lakhs, unless otherwise stated)

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

Subsequent measurement

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

a) Debt instruments at amortised cost

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

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

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

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

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

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

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Interest income from these debt instruments is included in other income.

Equity investments

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

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

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

(Amount in INR lakhs, unless otherwise stated)

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

Derecognition of financial assets

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

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

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

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

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

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

Impairment of financial assets

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

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

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

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

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

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

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

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

(Amount in INR lakhs, unless otherwise stated)

within 12 months after the reporting date.

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

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

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

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

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

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

Financial liabilities

Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, financial guarantee obligations etc.

Subsequent measurement

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

Financial liabilities measured at fair value through profit or loss:

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

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

Financial liabilities designated upon initial

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

(Amount in INR lakhs, unless otherwise stated)

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

Financial Guarantee Contracts

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

Trade Payables

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

De-recognition

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

Offsetting of financial instruments

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

i) Cash and cash equivalents

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

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

j) Foreign currencies

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

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

Measurement of foreign currency items at the

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

(Amount in INR lakhs, unless otherwise stated)

balance sheet date

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

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

k) Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Amount in INR lakhs, unless otherwise stated)

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

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

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

a) Disclosures for valuation methods, significant estimates and assumptions (note 32)

b) Quantitative disclosures of fair value measurement hierarchy (note 33)

c) Financial instruments (including those carried at amortised cost) (note 32)

d) Investment in unquoted equity shares of subsidiary (note no 4)

l) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

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

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

. **Contract balances**

Trade receivables

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

Contract liabilities

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

Other revenue streams:

i) Interest income -Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms

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

(Amount in INR lakhs, unless otherwise stated)

of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

m) Taxes

Tax expense comprises current and deferred tax.

Current income tax

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

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

Deferred tax

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

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

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

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

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

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

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

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

Deferred tax assets and liabilities are measured at

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

(Amount in INR lakhs, unless otherwise stated)

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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

n) Earnings per share

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

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

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

o) Investment in Subsidiaries

The investment in subsidiaries are carried at cost as per IND AS 27. Investment carried at cost is tested for impairment as per IND AS 36 . An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

p) Non-current assets held for sale

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

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

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

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

(Amount in INR lakhs, unless otherwise stated)

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

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

q) Share-based payments

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

Equity-settled transactions

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

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

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

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

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

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

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

3. Property, plant and equipment

	Furniture & Fixtures	Vehicles	Office equipments	Computers and data processing units	Leasehold Improvements	Total	Capital work in progress
At deemed cost							
At April 01, 2017*	10.59	206.10	24.46	35.18	-	276.33	-
Additions	-	56.55	1.60	11.58	-	69.73	134.08
Disposals	-	5.20	0.55	-	-	5.75	
At March 31, 2018	**10.59**	**257.45**	**25.51**	**46.76**	**-**	**340.31**	**134.08**
Additions	0.87	10.81	5.65	38.31	152.44	208.08	57.31
Disposals	8.99	28.13	5.51	0.39	-	43.02	191.39
At March 31, 2019	**2.47**	**240.13**	**25.65**	**84.68**	**152.44**	**505.37**	**-**
Accumulated depreciation							
At April 01, 2017	-	-	-	-	-	-	-
Charge for the year	1.75	63.24	7.14	14.86	-	86.99	-
Disposals	-	1.05	0.04	-	-	1.09	-
At March 31, 2018	**1.75**	**62.19**	**7.10**	**14.86**	**-**	**85.90**	**-**
Charge for the year	1.14	56.03	6.87	18.56	40.71	123.31	-
Disposals	2.63	11.68	1.74	0.20	-	16.25	-
At March 31, 2019	**0.26**	**106.54**	**12.23**	**33.22**	**40.71**	**192.96**	**-**
Net block							
At April 01, 2017	10.59	206.10	24.46	35.18	-	276.33	-
At March 31, 2018	8.84	195.26	18.41	31.90	-	254.41	134.08
At March 31, 2019	2.21	133.59	13.42	51.46	111.73	312.41	-

* The Company has elected Ind-AS 101 exemption and continued with the carrying value for all of 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 Company separately as follows

Particulars	Furniture & Fixtures	Vehicles	Office equipments	Computers and data processing units	Leasehold Improvements	Total	Capital work in progress
Gross block	54.77	352.26	90.14	133.33	355.51	986.01	-
Accumulated depreciation	44.18	146.16	65.68	98.15	355.51	709.68	-
Deemed cost as at April 01, 2017	**10.59**	**206.10**	**24.46**	**35.18**	**-**	**276.33**	**-**

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

(Amount in INR lakhs, unless otherwise stated)

4. Investments in subsidiaries and joint ventures

		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
A. Investment Carried at cost				
(i)	**Investments in unquoted equity instruments of subsidiary companies**			
	Max Bupa Health Insurance Co. Limited			
	Nil (March 31, 2018 : 472, 260, 000, April 01, 2017 : 472, 260, 000) shares of INR 10/- each fully paid-up (refer note 12)	-	47, 226.01	47, 226.01
	Pharmax Corporation Limited			
	47, 122, 747 (March 31, 2018 : 47, 122, 747, April 01, 2017 : 47, 122, 747) shares of INR 10/- each fully paid-up	1, 420.81	1, 420.81	1, 420.81
	Antara Senior Living Limited			
	8, 000, 000 (March 31, 2018 : 8, 000, 000, April 01, 2017 : 8, 000, 000) shares of INR 10/- each fully paid-up	800.00	800.00	800.00
	Max UK Limited			
	299, 742 (March 31, 2018 : 299, 742, April 01, 2017 : 299, 742) shares of INR 10/- each fully paid-up	213.00	213.00	213.00
	Less: Impairment allowance	(213.00)	(213.00)	(213.00)
	Max Ateev Limited			
	31, 443, 600 (March 31, 2018 : 31, 443, 600, April 01, 2017 : 31, 443, 600) shares of INR 10/- each fully paid-up	3, 144.36	3, 144.36	3, 144.36
	Less: Impairment allowance	(3, 144.36)	(3, 144.36)	(3, 144.36)
	Max Skill First Limited			
	9, 095, 000 (March 31, 2018 : 9, 095, 000, April 01, 2017 : 9, 095, 000) shares of INR 10/- each fully paid-up	1, 022.87	1, 022.87	1, 022.87
	Less: Impairment allowance	(447.87)	(447.87)	(447.87)
(ii)	**Invesment in compulsorily convertible preference shares (in nature of equity) (note a below)**			
	Antara Senior Living Limited			
	32, 116, 417 (March 31, 2018 : 28, 271, 417, April 01, 2017: 18, 321, 417) Zero Coupon Compulsorily Convertible Preference shares of INR 100/- each fully paid-up	32, 116.42	28, 271.42	18, 321.42
(iii)	**Investment in Joint Venture**			
	Max Healthcare Institute Limited			
	266, 997, 937 (March 31, 2018 : 266, 997, 937, April 01, 2017 : 246, 848, 537) shares of INR 10/- each fully paid up (refer note 40)	70, 569.55	70, 569.55	49, 412.68
B)	**B) Investments carried at fair value through profit and loss**			
	i) Investment in preference shares of subsidiary companies			
	Pharmax Corporation Limited (Note b below)			
	1, 500, 000 (March 31, 2018 : 1, 500, 000, April 01, 2017 : 1, 500, 000) 9% Preference shares of INR 100/- each fully paid-up	2, 671.04	2, 534.40	2, 411.62
C)	**Additional investments in Antara Purukul Senior Living Ltd (refer C below)**	470.34	470.34	250.34
		108, 623.16	**151, 867.53**	**120, 417.88**
	Aggregate amount of unquoted investments	**108, 623.16**	**151, 867.53**	**120, 417.88**
	Aggregate amount of quoted investments	**-**	**-**	**-**

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

(Amount in INR lakhs, unless otherwise stated)

a. Terms of Compulsorily Convertible Preference Shares ('CCPS') - 1 CCPS to be converted into 10 equity shares at any time within the tenor of 10 years from the date of issue at the option of the shareholder at a par value. In case, the Company decides to go for an IPO or any corporate action including issuance of equity on preferential basis, rights or a bonus issue, the shareholder shall have the right for early/prior conversion.

b. 9% Cumulative Redeemable Preference Shares are to be redeemed on or before 31st March 2020 i.e 20 years from the date of issue of the said redeemable preference shares.

c. Guarantee has been given by the Company on behalf of its step down subsidiary, Antara Purukul Senior Living Limited for loan of Rs. Nil (March 31, 2018: Rs.Nil, April 01, 2017: Rs.25, 000.00 lakhs) from Axis Bank Limited and for loan of Rs. 22, 000.00 lakhs (March 31, 2018: Rs.22, 000 lakhs, April 01, 2017: Rs.Nil) from Aditya Birla Finance Limited and Bajaj Finance Limited.

Carrying amount of the related corporate guarantee is Rs.Nil lakhs (March 31, 2018 - Nil , April 1, 2017 - Rs. 25, 033.89 lakhs) from Axis Bank Limited, Rs. 12, 761.01 lakhs (March 31, 2018 - Rs. 21, 696.16 lakhs, April 1, 2017 - Rs. Nil) from Aditya Birla Finance Limited and Rs. 6, 487.48 lakhs (March 31, 2018 - Rs. Nil, April 1, 2017 - Rs. Nil) from Bajaj Finance Limited.

5. Current Investments

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment carried at fair value through profit and loss (FVTPL)			
Investment in mutual funds (unquoted)			
Axis Liquid Fund- Direct Plan Growth			
49, 105 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	1, 018.20	-	-
Aditya Birla Sun Life Cash Plus - Growth Direct Plan Growth			
158, 993 (March 31, 2018 : Nil, April 01, 2017 :1, 895, 100) units of INR 100 each fully paid	477.67	-	4, 952.07
DFHL Pramerica Insta Cash Plus Fund - Direct Plan Growth			
Nil (March 31, 2018 : Nil, April 01, 2017 : 741, 093) units of INR 100 each fully paid	-	-	1, 566.35
DSP BlackRock Liquidity Fund -Direct Growth			
Nil (March 31, 2018 : Nil, April 01, 2017 : 280, 058) units of INR 1000 each fully paid	-	-	6, 513.53
Franklin India Treasury Management Account Fund			
Nil (March 31, 2018 : 86, 669, April 01, 2017 : Nil) units of INR 1000 each fully paid up	-	2, 251.22	-
IDFC Cash Fund - Direct Plan Growth			
Nil (March 31, 2018 : 36, 071, April 01, 2017 : Nil) units of INR 1000 each fully paid	-	761.17	-
JM High Liquidity Fund (Direct) Growth			
Nil (March 31, 2018 : 4, 248, 757, April 01, 2017 : 14, 800, 894) units of INR 10 each fully paid	-	2, 021.24	6, 588.38

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

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Invesco India Liquid Fund Direct Plan Growth			
Nil (March 31, 2018 : 100, 465, April 01, 2017 : 76, 992) units of INR 1000 each fully paid	-	2, 403.20	1, 723.60
Kotak Liquid - Direct Plan Growth			
5, 998 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	226.99	-	-
L&T India Liquid Fund- Direct Fund Growth			
Nil (March 31, 2018 : 136, 772, April 01, 2017 : 140, 003) units of INR 1000 each fully paid	-	3, 259.10	3, 122.12
SBI Liquid Fund- Direct Plan Growth			
20, 662 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	605.09	-	-
Sundram Money Fund- Direct Plan Growth			
2, 278, 263 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 10 each fully paid	897.90	-	-
UTI Money Market Fund - Direct Fund Growth			
Nil (March 31, 2018 : 102, 804, April 01, 2017 : 356, 604) units of INR 1000 each fully paid	-	2, 004.41	6, 505.25
Total	**3, 225.85**	**12, 700.34**	**30, 971.30**
Aggregate amount of unquoted investments	**3, 225.85**	**12, 700.34**	**30, 971.30**
Aggregate amount of quoted investments	**-**	**-**	**-**

6a. Loans (Non-current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans at amortised cost (unsecured, considered good)			
Loan to related parties (refer note below)	1, 933.81	700.00	6, 150.00
Security deposits	149.18	208.63	86.50
Loans to employees	22.70	1.57	3.54
	2, 105.69	**910.20**	**6, 240.04**

Loan given to Antara Purukul Senior Living Limited (APSLL) at an interest rate of market borrowing rate plus 0.50%. Loan is repayable in two half yearly installments commencing from February 2024.

Refer Note 31 for term and conditions relating to transaction with related parties.

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

(Amount in INR lakhs, unless otherwise stated)

6b. Loans (Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans at amortised cost			
Loans to employees - unsecured, considered good	7.64	2.50	4.84
Interest accrued on deposit - unsecured, considered good (refer note 31)	168.51	0.91	-
Loans to related parties - credit impaired (refer note 31)	2, 626.11	2, 621.81	2, 618.48
	2, 802.26	2, 625.22	2, 623.32
Less: Impairment loss allowance	(2, 626.11)	(2, 621.81)	(2, 618.48)
	176.15	**3.41**	**4.84**

7a. Other assets (Non Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured, considered good			
Capital advances	7, 320.00	7, 320.00	7, 320.00
Prepaid expenses	31.57	58.10	-
	7, 351.57	**7, 378.10**	**7, 320.00**

7b. Other assets (Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured, considered good			
Prepaid expenses	56.41	52.64	33.73
Share application money pending allotment (refer note 31)	355.01	700.00	-
Balance with statutory / government authorities	-	3.89	23.22
Other advances	8.90	20.29	2.13
	420.32	**776.82**	**59.08**

8. Trade receivables

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade receivable from related parties - Unsecured, considered good	3, 219.49	1, 483.32	1, 141.65
	3, 219.49	**1, 483.32**	**1, 141.65**

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

Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.

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

(Amount in INR lakhs, unless otherwise stated)

9. Cash and Cash Equivalents

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balances with banks:			
– On current accounts	22.03	47.17	56.96
Cash on hand	1.02	0.80	0.28
Cheques on Hand	3.95	-	3.35
	27.00	**47.97**	**60.59**

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash and Cash Equivalents as per balance sheet	27.00	47.97	60.59
	27.00	**47.97**	**60.59**

10. Other financial assets

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other receivables from related parties	45.62	48.18	-
Total	**45.62**	**48.18**	**-**

For terms and conditions relating to receivables from related parties, refer note 31

11. Non-current tax assets (net)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Advance income tax (net of provisions)	274.14	124.00	158.39
	274.14	**124.00**	**158.39**
Break up of financial assets at amortised cost			
Non-current financial assets			
Loans (refer note 6a)	2, 105.69	910.20	6, 240.04
Current financial assets			
Trade receivables (refer note 8)	3, 219.49	1, 483.32	1, 141.65
Loans (refer note 6b)	176.15	3.41	4.84
Cash and cash equivalents (refer note 9)	27.00	47.97	60.59
Other financial assets (refer note 10)	45.62	48.18	-
	5, 573.95	**2, 493.08**	**7, 447.12**

12. Non current assets held for sale

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment in Max Bupa Health Insurance Company Limited**			
500, 310, 000 (March 31, 2018 : Nil, April 01, 2017 : Nil) shares of INR 10/- each fully paid-up	50, 031.02	-	-
	50, 031.02	**-**	**-**

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

(Amount in INR lakhs, unless otherwise stated)

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

Further, in accordance with the agreement, the Company has agreed to indemnify True North fund VI LLP for any potential write offs arising on Max Bupa's investment in IL&FS Group entities. Accordingly, the management has on a prudent basis assessed a provision of Rs 1, 428.00 lakhs to fulfill such indemnity obligation.

13a. Equity share Capital

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

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

Particulars	March 31, 2019		March 31, 2018		April 1, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the year	268, 383, 065	5, 367.66	267, 270, 049	5, 345.40	267, 270, 049	5, 345.40
Add: Shares issued for stock options exercised (refer note no 27)	232, 573	4.65	1, 113, 016	22.26	-	-
Outstanding at the end of the year	**268, 615, 638**	**5, 372.31**	**268, 383, 065**	**5, 367.66**	**267, 270, 049**	**5, 345.40**

(iii) Terms/rights attached to equity shares

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

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

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

Name of the shareholder	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of Rs. 2/- each fully paid-up						
- Liquid Investment and Trading Private Limited	200, 000	0.07%	23, 818, 876	8.87%	23, 818, 876	8.91%
- Max Ventures Investment Holdings Private Limited	103, 467, 976	38.52%	66, 158, 030	24.65%	66, 158, 030	24.75%
- Mohair Investment and Trading Company Private Ltd	-	-	13, 690, 570	5.10%	8, 086, 560	3.03%
- Reliance Capital Trustee Co Ltd A/C Reliance Capital Builder Fund 4 SR A	17, 369, 062	6.47%	14, 601, 201	5.44%	12, 515, 216	4.68%
- WF Asian Reconnaissance Fund Limited	17, 201, 096	6.40%	-	-	-	-
-Xenok Limited	-	-	-	-	17, 161, 714	6.42%

(v) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, please refer note 27.

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

The Company has issued total 1, 631, 639 shares (March 31, 2018: 1, 399, 066 shares, April 01, 2017: 2, 86, 050 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

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

13b. Other equity

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital reserve (refer note a below)	164, 417.05	156, 917.05	156, 917.05
Securities premium (refer note b below)	1, 101.46	934.64	133.53
Employee stock options outstanding (refer note c below)	477.42	481.11	368.06
Retained earnings (refer note d below)	1, 532.81	3, 378.35	2, 813.90
Amount received against share warrants (refer note e below)	-	7, 500.00	-
	167, 528.74	**169, 211.15**	**160, 232.54**

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

(Amount in INR lakhs, unless otherwise stated)

		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a)	**Capital reserve**			
	Balance as at beginning of the year	156, 917.05	156, 917.05	156, 917.05
	Add: Share warrants forfeited during the year	7, 500.00	-	-
		164, 417.05	**156, 917.05**	**156, 917.05**
b)	**Securities premium**			
	At the beginning of the year	934.64	133.53	133.53
	Add: premium on issue of employee stock options	-	671.96	
	Add: transferred from employee stock options outstanding	166.82	129.15	
		1, 101.46	**934.64**	**133.53**
c)	**Employee stock options outstanding**			
	At the beginning of the year	481.11	368.06	368.06
	Add: ESOP expenses recognized during the year	88.79	93.66	
	Add: Fair valuation of ESOP	74.34	148.54	
	Less: transferred to securities premium on exercise of stock options	(166.82)	(129.15)	
		477.42	**481.11**	**368.06**
d)	**Retained earnings**			
	At the beginning of the year	3, 378.35	2, 813.90	2, 813.90
	Profit/(Loss) for the year	(1, 849.21)	567.01	-
	Items of other comprehensive income recognized directly in retained earnings			
	Re-measurement of post employment benefit obligation (net of tax) (item of OCI)	3.67	(2.56)	-
		1, 532.81	**3, 378.35**	**2, 813.90**
e)	**Amount received against share warrants**			
	At the beginning of the year	7, 500.00	-	-
	Amount received during the year *	-	7, 500.00	-
	Amount forfeited during the year **	(7, 500.00)	-	-
		-	**7, 500.00**	**-**

* During the previous year, the Company allotted 19, 384, 584 convertible warrants at an exercise price of Rs. 154.76 per warrants to Mohair Investment and Trading Company Private Limited (an entity belonging to Promoter Group), on receipt of 25% of the warrant subscription amount, i.e. Rs. 7, 500 lakhs. Each warrant was convertible into 1 equity share as per applicable SEBI guidelines at any time before the expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

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

13c Nature and purpose of reserves

Capital reserve

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

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

Securities premium

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

Employee stock options outstanding

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

14a. Other financial liabilities - non current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
At amortised cost			
Deferred guarantee income (refer note 28C)	137.12	173.79	106.46
	137.12	**173.79**	**106.46**

14b. Other financial liabilities - current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
At amortised cost			
Security deposit received	24.65	25.25	23.24
Deferred guarantee income (refer note 28C)	36.67	36.67	53.16
Capital creditors	-	25.65	-
	61.32	**87.57**	**76.40**

15a. Provisions - non current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Provision for gratuity (refer note 26)	360.16	316.12	265.51
	360.16	**316.12**	**265.51**

15b. Provisions - current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Provision for gratuity (refer note 26)	45.40	23.55	19.56
Provision for leave benefits	172.37	168.16	139.56
Provision for indemnity * (refer note 12)	1, 428.00	-	-
	1, 645.77	**191.71**	**159.12**

16. Trade payables (carried at amortised cost)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises #	535.49	115.61	165.05
	535.49	**115.61**	**165.05**

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

(Amount in INR lakhs, unless otherwise stated)

Trade payables include due to related parties Rs. 8.12 lakhs (March 31, 2018 - Rs. 3.17 lakhs; , April 1, 2017 - Rs. 1.39 lakhs).

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60 to 90 days terms.
- For terms and conditions with related parties, refer note 31.
- For explanations on the Company's credit risk management processes, refer note 34.

17. Other current liabilities

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory Dues	425.53	321.48	185.99
Total	**425.53**	**321.48**	**185.99**

18. Income Tax

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

Statement of profit and loss:

Profit or loss section

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	354.00	807.48
Income tax adjustment related to earlier years	-	(29.94)
Deferred tax:		
Relating to origination and reversal of temporary differences	(198.80)	(169.01)
Income tax expense reported in the statement of profit or loss	**155.20**	**608.53**

OCI section

Deferred tax related to items recognised in OCI during the year:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	1.51	(1.35)
Income tax charged to OCI	**1.51**	**(1.35)**

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

(Amount in INR lakhs, unless otherwise stated)

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

	March 31, 2019	March 31, 2018
Accounting profit before income tax	(1, 694.01)	1, 175.54
At India's statutory income tax rate of 29.12% (March 31, 2018: 34.608%)	29.12%	34.61%
Computed Tax Expense	(493.30)	406.83
Adjustments:		
Income not considered for tax purpose	(28.82)	(49.63)
Expense not allowed for tax purpose	677.32	270.62
Difference in tax rate	-	10.65
Tax relating to earlier years	-	(29.94)
At the effective income tax rate	**155.20**	**608.53**
Income tax expense reported in the statement of profit and loss	155.20	608.53

Deferred tax:

	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax liability			
Difference in books base and tax base of investments	(9.52)	(157.18)	(318.17)
Others	(7.54)	(11.87)	-
Deferred tax asset			
Accelerated Depreciation for Company Act purposes	55.45	42.16	43.58
Expenses allowable on payment basis	80.38	63.62	147.99
Others	135.25	120.00	12.97
Net deferred tax assets/(liabilities)	**254.02**	**56.73**	**(113.63)**

	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Difference in books base and tax base of investments	147.66	160.99
Others	4.33	(11.87)
Deferred tax asset		
Accelerated Depreciation for Company Act purposes	13.29	(1.42)
Expenses allowable on payment basis	16.76	(84.37)
Others	15.25	107.03
Net deferred tax assets/(liabilities)	**197.29**	**170.36**

Reflected in the balance sheet as follows:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	271.08	225.78	204.54
Deferred tax liabilities	(17.06)	(169.05)	(318.17)
Net deferred tax assets/(liabilities)	**254.02**	**56.73**	**(113.63)**

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

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of deferred tax asset / (liabilities) (net):

	March 31, 2019	March 31, 2018
Opening balance as of 1 April	56.73	(113.63)
Tax income/(expense) during the period recognised in profit or loss	198.80	169.01
Tax income/(expense) during the period recognised in OCI	(1.51)	1.35
Closing balance as at March 31,	**254.02**	**56.73**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

19. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Rendering of shared services	4, 666.64	3, 984.73
(b) Other operating revenue		
Interest income on :		
Loan to subsidiary company (refer note 31)	186.22	858.02
Fixed deposits	5.48	7.55
Profit on sale of current investments	567.21	862.91
Fair value gain on mutual funds	32.71	539.76
Fair valuation impact on cumulative redeemable preference shares	136.64	122.79
	5, 594.90	**6, 375.76**

19.1 Disaggregated revenue information

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

Segment

Type of services	For the year ended March 31, 2019	For the year ended March 31, 2018
Shared Service revenue	4, 666.64	3, 984.73
Total revenue from contracts with customers	**4, 666.64**	**3, 984.73**
India	4, 666.64	3, 984.73
Outside india	-	-
Total revenue from contracts with customers	**4, 666.64**	**3, 984.73**

19.2 Contract balances

	As at March 31, 2019	As at March 31, 2018
Trade receivables	3, 219.49	1, 483.32
Contract liabilities	-	-

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

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

(Amount in INR lakhs, unless otherwise stated)

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

	As at March 31, 2019	As at March 31, 2018
Revenue as per contracted price	4, 666.64	3, 984.73
Adjustments		
Discount	-	-
Revenue from contracts with customers	4, 666.64	3, 984.73

19.4 Perfomance obligations

Obligation of the Company is to provide shared services to its group companies and accordingly recognises revenue over the period of the contract based on the services rendered.

20. Other income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- on others	1.06	0.23
- on security deposits	13.73	4.69
	14.79	**4.92**
Other non-operating income		
- Foreign exchange fluctuation (net)	-	0.31
- Unclaimed balances / excess provision written back	0.12	-
- Financial guarantee income	36.67	169.15
	36.79	**169.46**
	51.58	**174.38**

21. Employee Benefits Expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	2, 491.84	2, 277.01
Contribution to provident fund and other funds (refer note 26B)	84.19	93.69
Employee stock option expense (refer note 27)	129.09	193.29
Gratuity expense (refer note 26A)	71.07	59.88
Staff welfare expenses	43.56	44.35
	2, 819.75	**2, 668.22**

22. Depreciation and amortization expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 3)	123.31	86.99
	123.31	**86.99**

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

(Amount in INR lakhs, unless otherwise stated)

23. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Recruitment and training expenses	120.36	56.19
Rent	278.08	128.98
Insurance	39.69	44.81
Rates and Taxes	21.86	-
Repairs and maintenance - Others	132.87	120.32
Electricity and water	18.00	16.48
Printing and stationery	21.60	19.60
Travelling and conveyance	132.50	153.68
Communication	41.14	32.62
Legal and professional	1, 121.51	1, 033.57
Auditor's remuneration (refer note a below)	23.55	18.64
Management service charges	805.00	745.93
Directors' fee	105.00	103.38
Advertisement and publicity	7.73	0.19
Net loss on sale/disposal of fixed assets	11.74	0.50
Provision for doubtful advances in subsidiary	4.30	3.33
Charity and donation	4.38	52.60
Contribution towards CSR (refer note below)	25.00	23.44
Miscellaneous	55.12	65.13
	2, 969.43	**2, 619.39**

a. Payment to auditors:

	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
For audit	18.00	18.00
For other services	4.00	-
For reimbursement of expenses	1.55	0.64
	23.55	**18.64**

b. Corprate Social Responsibility

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

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

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

The above contribution of Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) has been made to an enterprise owned or significantly influenced by key managerial personnel or their relatives i.e. Max India Foundation, a trust registered under Indian Trust Act, 1882, with the main objective of working in the area of healthcare and rural development projects.

24. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

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

	March 31, 2019	March 31, 2018
Basic EPS		
(Loss) / Profit after tax (Rs. in Lakhs)	(1, 849.21)	567.01
Net profit/(loss) for calculation of basic EPS	(1, 849.21)	567.01
Weighted average number of equity shares outstanding during the year (Nos.)	268, 427, 846	267, 986, 308
Basic earnings per share (Rs.)	**(0.69)**	**0.21**
Dilutive EPS		
Net (Loss) / Profit for calculation of dilutives EPS	(1, 849.21)	567.01
Effect of dillution:		
Share options	1, 162, 388	1, 548, 739
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	269, 590, 234	269, 535, 047
Anti Diluted/Diluted earnings per share (Rs.)	**(0.69)**	**0.21**

25. Significant accounting judgements, estimates and assumptions

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

Judgements

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

a) Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases (Refer note 28B).

Also pursuant to requirements of Ind-AS 17, comany has done straight lining of lease rentals only in cases where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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

Estimates and Assumptions

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

Impairment of financial assets

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

Impairment of investment in subsidiaries and joint ventures

The Company assesses at each reporting date whether there is an indication that an investment may be impaired. If any indication exists, or when annual impairment testing for an investment is required, the Company estimates the asset's recoverable amount. An investment recoverable amount is the higher of an investment's CGU'S fair value less cost of disposal and its value in use. Where the carrying amount of an investment or CGU exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators like discount rate, operating margin and other factor of the underline business operations of the subsidiaries and joint ventures. During the year, management has done impairment assessment of its investment in subsidiary companies (including Max Bupa Health Insurance Limited and Antara Senior Living Limited) and have concluded that there is no impairment in value of investments as appearing in the financial statements.

Taxes

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

Defined benefit plans (Gratuity and Provident fund)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the

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

management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about assumption on gratuity and provident fund obligations are given in Note 27.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The Company has used Net Asset Value for valuation of investment in mutual funds. See Note 32 and 33 for further disclosures.

Share based payments

The Company initially measures the cost of equity-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.Refer note 27 for details.

26. Employee benefit plans

Defined Benefit Plans

A) Gratuity:

The Company has a defined benefit gratuity plan (unfunded) for its employees and it is governed by the Payment of Gratuity Act, 1972. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the defined benefit plans:

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

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Defined benefit obligation at the beginning of the year	339.67	285.08	285.08
Current service cost	39.71	39.07	-
Interest cost	31.36	20.81	-
Benefits paid	-	(9.20)	-

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

(Amount in INR lakhs, unless otherwise stated)

Actuarial (gain)/ loss on obligations - OCI	(5.18)	3.91	-
Defined benefit obligation at the end of the year	**405.56**	**339.67**	**285.08**

Amount recognised in Statement of Profit and Loss:

Particulars	Gratuity plan	
	March 31, 2019	March 31, 2018
Current service cost	39.71	39.07
Net interest expense	31.36	20.81
Amount recognised in Statement of Profit and Loss	**71.07**	**59.88**

Amount recognised in Other Comprehensive Income:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Actuarial changes arising from changes in financial assumptions	(5.18)	3.91
Experience adjustments	-	-
Amount recognised in Other Comprehensive Income	**(5.18)**	**3.91**

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

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.50%	7.60%	7.30%
Future salary increases	10.00%	10.00%	10.00%
Retirement Age	58 to 71 yrs	58 to 71 yrs	58 yrs

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

	Gratuity plan			
	Sensitivity level		Impact on DBO	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Assumptions				
Discount rate				
- Increase by 1%	373.09	315.85	(32.47)	(23.82)
- Decrease by 1%	430.61	366.77	(21.05)	(27.10)
Future salary increases				
- Increase by 1%	429.59	365.88	(24.03)	26.21
- Decrease by 1%	373.44	316.14	(32.12)	23.53

- Changes in Defined benefit obligation due to 1% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.
- The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.
- Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

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

(Amount in INR lakhs, unless otherwise stated)

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

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

	Gratuity plan	
	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	41.32	24.43
Between 2 and 5 years	143.21	143.47
Between 5 and 10 years	597.49	520.01
Total expected payments	**782.02**	**687.91**

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

B) Provident Fund:

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

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

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

	March 31, 2019	March 31, 2018
Plan assets at year end at fair value	1, 506.94	1, 232.13
Present value of defined benefit obligation at year end	1, 475.29	1, 215.12
Surplus as per actuarial certificate	31.65	17.01
Shortfall recognized in balance sheet	**-**	**-**
Active members as at year end (Nos)	49	50

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

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

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

(Amount in INR lakhs, unless otherwise stated)

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

	March 31, 2019	March 31, 2018
Employer's Contribution towards Provident Fund (PF)	84.19	93.69
	84.19	**93.69**

27. Employee Share Based payments

Max India Employee Stock Plan - 2016 ("the Plan")

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

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

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

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

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

b) Expense arising from share-based payment transactions

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

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

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

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Date of option granted	01.04.2018	01.04.2017
Stock Price Now (in INR)	83.70	150.95
Exercise Price (X) (in INR)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	35.67%	31.60%
Life of the options granted (Vesting and exercise period) in years	3.00-4.00	3.00-5.00
Expected Dividend	0%	0%
Average Risk- Free Interest Rate	7.21%-7.39%	6.68%-6.88%
Weighted average fair value of options granted	82.09-82.21	149.31-149.53

28. Commitments and Contingencies

A. Commitments

	March 31, 2019	March 31, 2018	April 01, 2017
i) Estimated value of contracts in capital account remaining to be executed	7, 320.00	7, 375.05	7, 320.00
Less: Capital advance	7, 320.00	7, 320.00	7, 320.00
Total	**-**	**55.05**	**-**

ii) The Company will provide financial support to Max Ateev Limited, Max Skill First Limited and Antara Senior Living Limited a wholly owned subsidiaries of the Company in order to meet their future financial obligations.

B. Operating leases

The Company has entered into operating leases for its office spaces and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is INR 278.08 lakhs (March 31, 2018: INR 128.98 lakhs). The Company has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Company by entering into these leases. Lease can be renew for two terms for 3 years each.

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

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	109.15	130.99	-
After one year but not more than five years	100.78	209.93	-
More than five years	-	-	-

C. Contingent liabilities

Corporate guarantee :

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Corporate guarantee given to bank in respect of financial assistance availed by a subsidiary company.	19, 248.49	21, 696.16	25, 033.89

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

(Amount in INR lakhs, unless otherwise stated)

Guarantee has been given by the Company on behalf of its step down subsidiary, Antara Prukul Senior Living Limited for loan of Rs. Nil (March 31, 2018: Rs.Nil, April 01, 2017: Rs.25, 000.00 lakhs) from Axis Bank Limited and for loan of Rs. 22, 000.00 lakhs (March 31, 2018: Rs.22, 000 lakhs, April 01, 2017: Rs.Nil) from Aditya Birla Finance Limited and Bajaj Finance Limited.

Carrying amount of the related corporate guarantee is Rs.Nil lakhs (March 31, 2018 - Nil , April 1, 2017 - Rs. 25, 033.89 lakhs) from Axis Bank Limited, Rs. 12, 761.01 lakhs (March 31, 2018 - Rs. 21, 696.16 lakhs, April 1, 2017 - Rs. Nil) from Aditya Birla Finance Limited and Rs. 6, 487.48 lakhs (March 31, 2018 - Rs. Nil, April 1, 2017 - Rs. Nil) from Bajaj Finance Limited.

29. Investments in subsidiaries and joint ventures

(a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements"

(b) The Company's investment in Subsidiary are as under :

Sl. No.	Name of the Subsidiary	Country of Incorporation	Proportion of ownership as at March 31, 2019	Proportion of ownership as at March 31, 2018	Proportion of ownership as at March 31, 2017	Method used to account for Investment
1	Max Bupa Health Insurance Company Limited	India	**51.00%**	51.00%	51.00%	At cost
2	Antara Senior Living Limited	India	**100.00%**	100.00%	100.00%	At cost
3	Antara Purukul Senior Living Limited (i)	India	**100.00%**	100.00%	100.00%	At cost
4	Antara Gurgaon Senior Living Limited (i)	India	**100.00%**	100.00%	100.00%	At cost
5	Pharmax Corporation Limited	India	**85.17%**	85.17%	85.17%	At cost
6	Max Ateev Limited	India	**100.00%**	100.00%	100.00%	At cost
7	Max Skill First Limited	India	**100.00%**	100.00%	100.00%	At cost
8	Max One Distribution and Services Limited (ii)	India	**100.00%**	100.00%	100.00%	At cost
9	Advaita Allied Health Services Limited	India	**100.00%**	-	-	At cost
10	Max UK Limited	United Kingdom	**100.00%**	100.00%	100.00%	At cost

(c) The Company's investment in joint ventures are as under :

	Name of Joint Venture	Country of incorporation	Proportion of ownership as at March 31, 2019	Proportion of ownership as at March 31, 2018	Proportion of ownership as at March 31, 2017	Method used to account for Investment
1	Forum I Aviation Limited (iii)	India	**20.00%**	20.00%	20.00%	At cost
2	Max Healthcare Institute Limited (MHIL)	India	**49.70%**	49.70%	45.95%	At cost

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

(Amount in INR lakhs, unless otherwise stated)

Notes:
(i) The entities are held through Antara Senior Living Limited
(ii) The entity is held through Max Skill First Limited
(iii) The entity is a Joint Venture of Pharmax Corporation Limited

30. Segment information

Being a holding company, the Company is having investments in various subsidiaries and joint ventures and is primarily engaged in growing and nurturing these business investments and providing shared services to group companies. Accordingly, the Company views these activities as one business segment.

There are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

31. Related party transactions

Relationship with the related party	Name of related party	
Subsidiary Companies	1	Max Bupa Health Insurance Company Limited
	2	Max UK Limited
	3	Pharmax Corporation Limited
	4	Max Ateev Limited
	5	Max Skill First Limited
	6	Antara Senior Living Limited
	7	Advaita Allied Health Services Limited
Step down subsidiary companies	1	Antara Purukul Senior Living Limited
	2	Antara Gurgaon Senior Living Limited
	3	Max One Distribution and Services Limited
Joint Venture	1	Max Healthcare Institute Limited
	2	Alps Hospial Limited
Key Management Personnel (KMP)	1	Mr. Ashwani Windlass (Non-executive Director)
	2	Mr. Ashok Brijmohan Kacker (Independent Director)
	3	Mr. Mohit Talwar (Managing Director)
	4	Mrs. Tara Singh Vachani (Director)
	5	Mr. Rahul Khosla (Non-executive Director)
	6	Mr. Dipankar Gupta (Independent Director) (Ceased to be director w.e.f. April 10, 2018)
	7	Mr. D.K. Mittal (Independent Director)
	8	Mr. K. Narasimha Murthy (Independent Director) (Appointed w.e.f. 24/12/2018)
	9	Mrs. Sharmila Tagore (Independent Director) (Appointed w.e.f. 26/02/2019)
	10	Mr. V. Krishnan (Company Secretary)
	11	Mr. Jatin Khanna (Chief Financial Officer)
Enterprises owned or significantly influenced by key management personnel or their relatives	1	Max India Foundation
	2	Max Financial Services Limited

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

(Amount in INR lakhs, unless otherwise stated)

Employee benefit trust	1	Max Financial Services Ltd. Employees' Provident Fund Trust
Person or entities having control or significant influence	1	Mr. Analjit Singh
	2	Mrs. Neelu Analjit Singh
	3	Ms. Piya Singh
	4	Mr. Veer Singh
	5	Mrs. Tara Singh Vachani
	6	Liquid Investment and Trading Private Limited
	7	Max Ventures Investment Holdings Private Limited
Enterprises owned or significantly influenced by person or entities having control or significant influence	1	Max Life Insurance Company Limited
	2	Max Ventures and Industries Limited
	3	New Delhi House Services limited
	4	Wise Zone Builders Private Limited

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

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from shared services	Max Healthcare Institute Limited	803.64	590.73
	Pharmax Corporation Limited	120.00	110.00
	Max Financial Services Limited	2, 700.00	2, 344.00
	Max Bupa Health Insurance Company Limited	1, 000.00	900.00
	Max Skill First Limited	43.00	40.00
Reimbursement of expenses (received from)	Max Financial Services Limited	218.91	-
	New Delhi House Services limited	21.54	20.16
Sale of fixed assets	Antara Senior Living Limited	0.42	-
Professional charges	Max UK Limited	13.55	-
	Max Financial Services Limited	6.25	-
Maintenance chares	New Delhi House Services limited	70.58	79.37
Insurance expense	Max Life Insurance Company Limited	8.05	9.28
	Max Bupa Health Insurance Company Limited	18.60	-
Healthcare Services received	Max Healthcare Institute Limited	0.14	0.02
Management service charges	Max Financial Services Limited	805.00	745.95
Rent paid	Pharmax Corporation Limited	64.49	92.14
	Alps Hospital Limited	2.40	2.40
	Max Venture Industry Ltd.	46.24	-

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

(Amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Director sitting fee	Mr. Ashwani Windlass	19.00	18.00
	Mr. Ashok Brijmohan Kacker	33.00	30.00
	Mrs. Tara Singh Vachani	7.00	4.00
	Mr. Rahul Khosla	16.00	17.00
	Mr. Dipankar Gupta	-	17.00
	Mr. D.K. Mittal	27.00	14.00
	Mr. K. Narasimha Murthy	2.00	-
	Mrs. Sharmila Tagore	1.00	-
Fair valuation impact on cumulative redeemable preference shares	Pharmax Corporation Limited	136.64	122.79
Financial guarantee income	Antara Purukul Senior Living Limited	36.67	169.15
CSR activities	Max India Foundation	25.00	23.44
Company's contribution to Provident Fund Trust	Max Financial Services Ltd. Employees' Provident Fund Trust	77.00	72.32
Interest income	Antara Purukul Senior Living Limited	186.22	858.02
Provision for Diminution	Max Ateev Limited	4.30	3.33
Loans and advances given	Max Ateev Limited	4.30	3.33
	Antara Purukul Senior Living Limited	1, 233.81	3, 300.00
Loans repaid	Antara Purukul Senior Living Limited	-	8, 750.00
Investments made	Max Healthcare Institute Limited.	-	21, 156.87
	Antara Senior Living Limited	3, 845.00	9, 950.00
	Max Bupa Health Insurance Company Limited	2, 805.00	-
Share application money given	Antara Senior Living Limited	355.00	700.00

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

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Deferred guarantee income	Antara Purukul Senior Living Limited	173.79	210.46	159.62
Loans and advances given	Max Ateev Limited	709.77	705.47	702.14
	Antara Purukul Senior Living Limited	1, 933.81	700.00	6, 150.00
	Max Skill First Limited	1, 916.34	1, 916.34	1, 916.34
Provision made against above	Max Ateev Limited	(3, 144.36)	(3, 144.36)	(3, 144.36)
	Max Skill First Limited	(447.87)	(447.87)	(447.87)
	Max UK Limited	(213.00)	(213.00)	(213.00)
Share application money pending allotment	Antara Senior Living Limited	355.00	700.00	-
Capital advance	Wise Zone Builders Private Limited	7, 320.00	7, 320.00	7, 320.00

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

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade receivable	Max Healthcare Institute Limited	1, 404.12	631.55	282.34
	Max Skill First Limited	11.61	10.80	20.28
	Max Bupa Health Insurance Company Limited	1, 080.59	243.00	-
	Max Financial Services Limited	625.96	666.77	-
	Pharmax Corporation Limited	142.82	-	-
Interest receivable	Antara Purukul Senior Living Limited	168.51	0.91	-
Security deposit receivable	Pharmax Corporation Limited	11.19	85.00	85.00
Other receivable	Pharmax Corporation Limited	45.62	-	-
Amount Payable	Alps Hospital Ltd	(1.42)	(1.09)	(1.14)
	Max Ventures and Industries Limited	(8.12)	(2.08)	-
Investment in equity share capital	Max Ateev Limited	3, 144.36	3, 144.36	3, 144.36
	Max Healthcare Institute Limited.	70, 569.55	70, 569.55	49, 412.68
	Max Bupa Health Insurance Company Limited	50, 031.01	47, 226.01	47, 226.01
	Antara Senior Living Limited	800.00	800.00	800.00
	Pharmax Corporation Limited	1, 420.81	1, 420.81	1, 420.81
	Max Skill First Limited	1, 022.87	1, 022.87	1, 022.87
	Max UK Limited	213.00	213.00	213.00
Provision made against above	Max Ateev Limited	(3, 144.36)	(3, 144.36)	(3, 144.36)
	Max Skill First Limited	(447.87)	(447.87)	(447.87)
	Max UK Limited	(213.00)	(213.00)	(213.00)
Investment in compulsory convertible preference share	Antara Senior Living Limited	32, 116.42	28, 271.42	18, 321.42
	Pharmax Corporation Limited	2, 671.04	2, 534.40	2, 411.62
Additonal investment on account of financial guarantee	Antara Senior Living Limited	470.34	470.34	250.34

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

D. Terms and conditions of transactions with related parties

a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

b) The Company has given corporate guarantee for Antara Purukul Senior Living Limited, step down subsidiary amounting to Rs. 22, 000 lakhs (March 31, 2018: Rs. 22, 000 lakhs, April 1, 2017 : Rs. 25, 000 lakhs). Refer note 28C.

c) The income/expense from sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

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

E. Commitments with related parties

The Company will provide financial support to Max Ateev Limited, Max Skill First Liimited and Antara Senior Living Limited a wholly owned subsidiaries of the company in order to meet their future financial obligations.

F. Compensation of key management personnel of the Company

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

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

G. Directors' interests in the ESOP plan

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

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

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

(Amount in INR lakhs, unless otherwise stated)

32. Fair values of financial instruments

The comparison of carrying value and fair value of financial instruments by categories that are measured at fair value are as follows:

	Carrying value			Fair value		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Financial assets						
Amortised Cost:						
Non-Current						
- Investment in subsidiaries and joint venture (refer note 4)	108, 623.16	151, 867.53	120, 417.88	108, 623.16	151, 867.53	120, 417.88
- Loans (refer note 6a)	2, 105.69	910.20	6, 240.04	2, 105.69	910.20	6, 240.04
Current						
- Investments (refer note 5)	3, 225.85	12, 700.34	30, 971.30	3, 225.85	12, 700.34	30, 971.30
- Trade receivables (refer note 8)	3, 219.49	1, 483.32	1, 141.65	3, 219.49	1, 483.32	1, 141.65
- Loans (refer note 6b)	176.15	3.41	4.84	176.15	3.41	4.84
- Other financial assets (refer note 10)	45.62	48.18	-	45.62	48.18	-
Financial liabilities						
Amortised Cost:						
Non-Current						
- Other financial liabilities (refer note 14a)	137.12	173.79	106.46	137.12	173.79	106.46
Current						
- Trade payables (refer note 16)	535.49	115.61	165.05	535.49	115.61	165.05
- Other financial liabilities (refer note 14b)	61.32	87.57	76.40	61.32	87.57	76.40

Notes:

1 The management assessed that inter corporate deposits, cash and cash equivalents, trade receivables and trade payables approximate their carrying amounts.

2 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.

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

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

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

The fair value of loans , other financial assets and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable inputs in the model, of which the significant observable inputs is the market rate of interest of 11.28%. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value. Loans repayable on demand have same carrying value and fair value as it is repayable on demand.

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

(Amount in INR lakhs, unless otherwise stated)

33. Fair value hierarchy

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

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

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

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

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

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

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through statement of profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2, 671.04	-	2, 671.04	-
- Investment in Mutual Funds (refer note 5)	3, 225.85	3, 225.85	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	2, 105.69	-	2, 105.69	-
Current				
- Trade receivables (refer note 8)	3, 219.49	-	3, 219.49	-
- Loans (refer note 6b)	176.15	-	176.15	-
- Other financial assets (refer note 10)	45.62	-	45.62	-
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	137.12	-	137.12	-
Current				
- Trade payables (refer note 16)	535.49	-	535.49	-
- Other financial liabilities (refer note 14b)	61.32	-	61.32	-

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

(Amount in INR lakhs, unless otherwise stated)

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

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2, 534.40	-	-	2, 534.40
- Investment in Mutual Funds (refer note 5)	12, 700.34	12, 700.34	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	910.20	-	-	910.20
Current				
- Trade receivables (refer note 8)	1, 483.32	-	-	1, 483.32
- Loans (refer note 6b)	3.41	-	-	3.41
- Other financial assets (refer note 10)	48.18	-	-	48.18
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	173.79	-	-	173.79
Current				
- Trade payables (refer note 16)	115.61	-	-	115.61
- Other financial liabilities (refer note 14b)	87.57	-	-	87.57

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

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2, 411.62	-	-	2, 411.62
- Investment in Mutual Funds (refer note 5)	30, 971.30	30, 971.30	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	6, 240.04	-	-	6, 240.04
Current				
- Trade receivables (refer note 8)	1, 141.65	-	-	1, 141.65
- Loans (refer note 6b)	4.84	-	-	4.84

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(Amount in INR lakhs, unless otherwise stated)

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
- Other financial assets (refer note 10)	-	-	-	-
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	106.46	-	-	106.46
Current				
- Trade payables (refer note 16)	165.05	-	-	165.05
- Other financial liabilities (refer note 14b)	76.40	-	-	76.40

34. Financial risk management objectives and policies

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

Market risk

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

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

The following assumptions have been made in calculating the sensitivity analyses:

- The following assumptions have been made in calculating the sensitivity analyses: - The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

  Foreign currency risk

  Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Compny's operating activities (when revenue or expense is denominated in a foreign currency) and investments in foreign currency. The forreign currency risk is on account of balances outstanding with Max UK

  Foreign currency sensitivity

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

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

(Amount in INR lakhs, unless otherwise stated)

The Company exposure to foreign currency risk at the end of reporting year expressed in INR lakhs are as follows:

	March 31, 2019		March 31, 2018		April 01, 2017	
	GBP	INR	GBP	INR	GBP	INR
Financial Liabilities						
Trade payables	0.15	13.55	-	-	0.37	29.86
Total	**0.15**	**13.55**	**-**	**-**	**0.37**	**29.86**

	Increase/ decrease in basis points	Effect on profit before tax	
		March 31, 2019	March 31, 2018
GBP Sensitivity			
INR/ GBP	+50	(0.07)	0
INR/ GBP	-50	0.07	0

Credit risk

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

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

Trade receivables

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

Outstanding balances of trade receivable comprises primarily recoverable from group companies against provisoin of shared services. The Company's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company evaluates the concentration of risk with respect to trade receivables as low, as its receivables are from its related parties, therefore it is not exposed to any risk.

Financial instruments and cash deposits

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

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

through counterparty's potential failure to make payments.

All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019, March 31, 2018 and April 1, 2017 is the carrying amounts as illustrated in note 5, 6, 8, 9 and 10.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared not only for the entities but the Group as a whole and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Group while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment.

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

Particulars	Less than 1 year	1 to 3 years	Total
	INR lakhs	INR lakhs	INR lakhs
Year ended			
March 31, 2019			
Non-Current			
- Other financial liabilities	-	137.12	137.12
Current			
- Trade payables	535.49	-	535.49
- Other financial liabilities	61.32	-	61.32
	596.81	**137.12**	**733.93**
Year ended			
March 31, 2018			
Non-Current			
- Other financial liabilities	-	173.79	173.79
Current			
- Trade payables	115.61	-	115.61
- Other financial liabilities	87.57	-	87.57
	203.18	**173.79**	**376.97**
April 01, 2017			
Non-Current			
- Other financial liabilities	-	106.46	106.46
Current			
- Trade payables	165.05	-	165.05
- Other financial liabilities	76.40	-	76.40
	241.45	**106.46**	**347.91**

Notes to financial statements for the year ended March 31, 2019
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35. Capital management

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

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

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other financial liabilities (non current)	137.12	173.79	106.46
Trade payables	535.49	115.61	165.05
Other financial liabilities (current)	61.32	87.57	76.40
Less: Cash and cash equivalents	(27.00)	(47.97)	(60.59)
Net debts	**706.93**	**329.00**	**287.32**
Total Equity	**172, 901.05**	**174, 578.81**	**165, 577.94**
Total Capital	**172, 901.05**	**174, 578.81**	**165, 577.94**
Capital and net debt	**173, 607.98**	**174, 907.81**	**165, 865.26**
Gearing ratio %)	**0.41%**	**0.19%**	**0.17%**

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

36. Composite Scheme of Amalgamation and Arrangement

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

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

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

(Amount in INR lakhs, unless otherwise stated)

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

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

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

37. First-time adoption of Ind AS

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

Exemptions applied:

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

(a) Deemed cost:

Ind AS 101 permits a first-time adopter, where there is no change in functional currency, to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(b) Investment in subsidiaries:

"As per the requirements of Ind AS 27, Company has opted to record its investment in subsidiary at cost. Ind AS 101 provides that while measuring investment at cost, an entity shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(i) cost determined in accordance with Ind AS 27; or
(ii) deemed cost. The deemed cost of such an investment shall be its

(a) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
(b) previous GAAP carrying amount at that date.

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

(Amount in INR lakhs, unless otherwise stated)

The Company has elected to consider previous GAAP carrying amount of its investments in subsidiaries on the date of transition to IND AS as its deemed cost for the purpose of determining cost in accordance with principles of IND AS 27-Separate financial statements.

(c) Share based payment transactions

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

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

Estimates

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair value through profit and loss (FVTPL) – Mutual funds etc.

- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2017, the date of transition to Ind AS and as of March 31, 2018."

II) Effect of Ind AS adoption on balance sheet as at April 01, 2017 (date of transition to Ind AS)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment		276.33	-	276.33
Investment in subsidiaries and joint venture	37 (V) (b) & (c)	119, 255.92	1, 161.96	120, 417.88
Financial Assets				
(i) Loans	37 (V) (c)	6, 240.04	-	6, 240.04
Non current tax assets		158.39	-	158.39
Other non-current assets		7, 320.00	-	7, 320.00
		133, 250.68	**1, 161.96**	**134, 412.64**
Current assets				
Financial Assets				
(i) Investments	37 (V) (a)	30, 051.95	919.35	30, 971.30
(ii) Trade receivables		1, 141.65	-	1, 141.65
(iii) Cash and cash equivalents		60.59	-	60.59
(iv) Loans		4.84	-	4.84
(v) Other financial assets		-	-	-
Other current assets		59.08	-	59.08
		31, 318.11	**919.35**	**32, 237.46**
Total assets		**164, 568.79**	**2, 081.31**	**166, 650.10**

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

(Amount in INR lakhs, unless otherwise stated)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Equity and liabilities				
Equity				
Equity share capital		5, 345.40	-	5, 345.40
Other equity	37 (V) (a) & (d)	158, 424.47	1, 808.07	160, 232.54
		163, 769.87	1, 808.07	165, 577.94
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	37 (V) (c)	-	106.46	106.46
Provisions		265.51	-	265.51
Deferred tax liabilities (net)	37 (V) (e)	-	113.63	113.63
		265.51	**220.09**	**485.60**
Current liabilities				
Financial liabilities				
(i) Trade payables		165.05	-	165.05
a) Total outstanding dues of micro enterprises and small enterprises		-	-	
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		165.05	-	165.05
(ii) Other financial liabilities	37 (V) (c)	23.24	53.16	76.40
Other current liabilities		185.99	-	185.99
Provisions		159.12	-	159.12
		533.40	**53.16**	**586.56**
Total equity and liabilities		**164, 568.78**	**2, 081.32**	**166, 650.10**

III) Effect of Ind AS adoption on balance sheet as at March 31, 2018

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment		254.41	-	254.41
Capital work-in-progress		134.08	-	134.08
Investment in subsidiaries and joint venture	37 (V) (b) & (c)	150, 362.79	1, 504.74	151, 867.53
Financial Assets				-
(i) Loans	37 (V) (f)	951.72	(41.52)	910.20
Non current tax assets		124.00	-	124.00
Other non-current assets	37 (V) (f)	7, 352.19	25.91	7, 378.10
Deferred tax assets	37 (V) (e)	-	56.73	56.73
		159, 179.19	**1, 545.86**	**160, 725.05**

Notes to financial statements for the year ended March 31, 2019
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	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Current assets				
Financial Assets				
(i) Investments	37 (V) (a)	12, 160.59	539.75	12, 700.34
(ii) Trade receivables		1, 483.32	-	1, 483.32
(iii) Cash and cash equivalents		47.97	-	47.97
(iv) Loans		3.41	-	3.41
(v) Other financial assets		-	48.18	48.18
Other current assets	37 (V) (f)	810.16	(33.34)	776.82
		14, 505.45	**554.59**	**15, 060.04**
Total assets		**173, 684.64**	**2, 100.45**	**175, 785.09**
Equity and liabilities				
Equity				
Equity share capital		5, 367.66	-	5, 367.66
Other equity	37 (V) (a) & (d)	167, 321.17	1, 889.98	169, 211.15
		172, 688.83	1, 889.98	174, 578.81
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	37 (V) (c)	-	173.79	173.79
Provisions		316.12	-	316.12
Deferred tax liabilities (net)		-	-	-
		316.12	**173.79**	**489.91**
Current liabilities				
Financial liabilities				
(i) Trade payables		115.61	-	115.61
a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		115.61	-	115.61
(ii) Other financial liabilities	37 (V) (c)	50.90	36.67	87.57
Other current liabilities		321.48	-	321.48
Provisions		191.71	-	191.71
		679.70	**36.67**	**716.37**
Total equity and liabilities		**173, 684.65**	**2, 100.44**	**175, 785.09**

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

(Amount in INR lakhs, unless otherwise stated)

IV) Effect of Ind AS adoption on statement of profit and loss for the year ended March 31, 2018:

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income				
Revenue from operations	37 (V) (a) / (b)	6, 632.57	(256.81)	6, 375.76
Other income	37 (V) (c)/ (g)	0.54	173.84	174.38
Total income		**6, 633.11**	**(82.97)**	**6, 550.14**
Expenses				
Employee benefits expense	37 (V) (d) (g)	2, 523.60	144.62	2, 668.22
Depreciation and amortization expense		86.99	-	86.99
Other expenses	37 (V) (f)	2, 613.91	5.48	2, 619.39
Total expenses		**5, 224.50**	**150.10**	**5, 374.60**
Profit before tax		**1, 408.61**	**(233.07)**	**1, 175.54**
Tax expense :				
Current tax		807.48	-	807.48
Deferred tax	37 (V) (e)	-	(169.01)	(169.01)
Income tax adjustment related to earlier years		(29.94)	-	(29.94)
Profit for the period		**631.07**	**(64.06)**	**567.01**
Other Comprehensive Income (OCI)				
Items that will not be reclassified to profit or loss				
Re-measurement gains (losses) on defined benefit plans	37 (V) (g)	-	(3.91)	(3.91)
Income tax effect	37 (V) (e)	-	1.35	1.35
Other comprehensive income for the period		-	(2.56)	(2.56)
Total Comprehensive Income for the period		**631.07**	**(66.62)**	**564.45**

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

a) Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds were recognised at lower of cost or fair value. However, as per Ind AS 109, such investments have been classified and measured at fair value through statement of profit and loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

b) Investment in Compulsarily redeemable preference shares

Pharmax has issued 9% Compulsarily redeemable preference shares to Max India Limited and the dividend is

Notes to financial statements for the year ended March 31, 2019
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discretionary. Under Indian GAAP, investment were recorded at transaction value. However, under Ind AS, such instrument are accounted as in the nature 'Compound financial instrument'. At inception (at initial recognition) the financial asset would be recorded at fair value and the differential amount shall be recorded as company's capital contribution in Pharmax. Interest shall be accreted on the fair value of the investment. Interest accreted upto transition date shall be booked in retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

c) Financial guarantee

Max India Limted (Company) has given corporate guarantee to Axis bank for a loan taken by Antara Purukul Senior Living Limted (APSL) , its step down subsidiary.However, no guarantee fee has been charged for the same. Under Indian GAAP, no accounting treatment has been done for the guarantee. Under Ind AS, financial guarantee contracts shall be accounted for as financial liabilities under Ind AS 109 and initially recognised at fair value. Subsequently, financial guarantee contracts are measured at the higher of: the amount determined in accordance with Ind-AS 109 and the amount initially recognised (fair value) less, when appropriate, cumulative amortisation of the initial amount recognised in accordance with Ind AS 18. The fair value of the guarantee shall be recognised as Company's capital contribution in APSL. Income shall be accreted on the fair value of the guarantee upto transition date and booked in retained earnings.The diffrential amout between fair value of guarantee and interest accreted upto transition date shall be recorded as financial guarantee obligation.

d) Share based payments

The Company has granted stock options (ESOP) to its employees. Under Indian GAAP, the ESOP expense was recorded using Intrinsic value method. However, under Ind AS 102, employee share-based payments are accounted for using fair value method.Under the ESOP plan, the employees receive shares of the Company upon completion of vesting conditions hence the same will be treated as equity settled share based payment. Grant date fair value of the equity instrument should be used for measuring the ESOP expense. The differential amount of the expense shall be booked in retained earnings on transition date.

e) Deferred Taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

f) Security deposits

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

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

(Amount in INR lakhs, unless otherwise stated)

g) Remeasurements of post-employment benefit obligations

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

h) Retained earnings

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

i) Other comprehensive Income

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

j) Cash flow statement

The transition from Indian GAAP to Ind AS has no material impact on the statement of cash flows.

j) Cash flow statement

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

38. The standard issued, but not yet effective

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

a) Ind AS 116: Leases:

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

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

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

(Amount in INR lakhs, unless otherwise stated)

Transition to Ind AS 116:

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

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

a) Particulars of Loans given:

Name of the Loanee	As at April 01, 2017	Loan given during the year	Loan repaid / converted into equity	As at March 31, 2018	Loan given during the year	Loan repaid / converted into equity	As at March 31, 2019	Purpose
Antara Purukul Senior Living Limited	6, 150.00	3, 300.00	8, 750.00	700.00	1, 233.81		1, 933.81	Operational cash flow requirement
	6, 150.00	**3, 300.00**	**8, 750.00**	**700.00**	**1, 233.81**	**-**	**1, 933.81**	**-**

b) Particulars of Guarantee given:

Name of the Enrity	As at April 01, 2017	Guarantee agreed to be given during the year	Guarantee discharged during the year	As at March 31, 2018	Guarantee agreed to be given during the year	Guarantee discharged during the year	As at March 31, 2019	Purpose
Antara Purukul Senior Living Limited	25, 033.89	21, 696.16	25, 033.89	21, 696.16	2, 447.67		24, 143.83	Collateral security for term loan for Project
	25, 033.89	**21, 696.16**	**25, 033.89**	**21, 696.16**	**2, 447.67**	**-**	**24, 143.83**	**-**

c) Particulars of Investments made:

Name of the Investee	As at April 01, 2017	Investment made	Investment redeemed / extinguished	As at March 31, 2018	Investment made	Investment redeemed / extinguished	As at March 31, 2019	Purpose
Investment in Equity Share Capital								
Max Ateev Limited	3, 144.36	-	-	3, 144.36	-	-	3, 144.36	Strategic investment
Max Healthcare Institute Limited.	49, 412.68	21, 156.87	-	70, 569.55	-	-	70, 569.55	Strategic investment
Max Bupa Health Insurance Company Limited	47, 226.01	-	-	47, 226.01	2, 805.00	-	50, 031.01	Strategic investment
Antara Senior Living Limited	800.00	-	-	800.00	-	-	800.00	Strategic investment
Pharmax Corporation Limited	1, 420.81	-	-	1, 420.81	-	-	1, 420.81	Strategic investment
Max Skill First Limited	1, 022.87	-	-	1, 022.87	-	-	1, 022.87	Strategic investment
Max UK Limited	213.00	-	-	213.00	-	-	213.00	Strategic investment
Investment in Preference Share Capital								
Antara Senior Living Limited	18, 321.42	9, 950.00	-	28, 271.42	3, 845.00	-	32, 116.42	Strategic investment
Pharmax Corporation Limited	1, 500.00	-	-	1, 500.00		-	1, 500.00	Strategic investment
- Ind AS impact	911.62	122.78		1, 034.40	136.65	-	1, 171.05	
Other				-			-	
Antara Senior Living Limited (Corporate Guarantee)	250.34	220.00	-	470.34		-	470.34	
	124, 223.11	**31, 449.65**	**-**	**155, 672.76**	**6, 786.65**	**-**	**162, 459.41**	**-**

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

(Amount in INR lakhs, unless otherwise stated)

40. During the year ended March 31, 2018, the Company has acquired 201, 49, 399 equity shares at INR 105/- each (i.e. 3.75% equity share capital) of Max Healthcare Institute Limited (MHIL) held by International Finance Corporation, for a consideration of INR 21, 156.87 lakhs. Subsequent to such acquisition, shareholding of the Company in MHIL increased to 49.70%.

41. Details of utilisation of proceeds through preferential issue are as below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Proceeds received during the year	-	7, 500.00
Less: Amount utilised during the year		
Investment in equity shares of joint ventures	-	7, 500.00
Unutilised amount at the end of the year	-	-

As per our report of even date

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

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

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

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: New Delhi
Date: May 29, 2019