



May 27, 2015

The Manager
Department of Corporate Services
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 021.

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra -Kurla Complex
Bandra (E),
Mumbai 400 051

FORM A

[Pursuant to Clause 31 (a) of the Listing Agreement]

1.	Name of the Company:	MAX INDIA LIMITED
2.	Annual financial statements for the year ended	31 st March 2015
3.	Type of Audit observation	Un-qualified Audit Report
4.	Frequency of observation	Not applicable

For **Max India Limited**


Rahul Khosla,
Managing Director

For **Max India Limited**


Rahul Ahuja
Chief Financial Officer

For **Max India Limited**


N.C. Singhal
Audit Committee Chairman

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


per **Manoj Gupta**
Partner
Membership No. 83906



MAX INDIA LIMITED
(CIN: L24223PB1988PLC008031)
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New Delhi - 110 020
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OUR ENTERPRISE



Launched in 2000, Max Life is a 74:26 JV with MS & AD, Japan. It is India's largest non-bank private life insurer, with revenues of Rs. 12,496 crore and a customer base of 3.7 million across 215 offices in 138 cities in India.



Launched in 2000, Max Healthcare is an equal JV partnership with Life Healthcare, South Africa. It is a leading provider of standardised, seamless and world-class healthcare services, focused on tertiary and quaternary care. In FY2015, Max Healthcare had revenues of Rs. 1,740 crore from over 2,000 beds across 12 hospitals.



Launched in 2008, Max Bupa is a 74:26 JV with Bupa Finance Plc., UK. It is one of India's leading standalone health insurance companies with revenues of Rs. 349 crore, 9,000 agents and tie-ups with more than 3,500 quality hospitals across 360 cities in India.





Launched in 2013, Antara is a 100% subsidiary of Max India. It is pioneering the concept of 'Age in Place' for the elderly, by developing Senior Living communities in India. The first Antara community will open in early 2016 near Dehradun, Uttarakhand.



Launched in 1988, Max Speciality Films is a subsidiary of Max India, based in Punjab. It is a leading manufacturer of speciality packaging films with revenues of Rs. 755 crore.



Launched in 2008, Max India Foundation integrates the CSR initiatives of the Max India Group, with a special focus on healthcare. It has benefitted more than 14 lakh people across 560 locations since its inception. In 2015, the Foundation adopted Dhakrani village in Dehradun, Uttarakhand, with the objective of significantly improving the villagers' quality of life by focusing on their health and sanitation needs.



MEASURES OF SUCCESS

CONSOLIDATED REVENUE INCREASED BY
27% TO ₹14,877 CR.

CONSOLIDATED PROFIT AFTER TAX INCREASED BY
74% TO ₹365 CR.

250%
DIVIDEND AMOUNTING TO
₹133 CR.

TREASURY CORPUS OF
₹683 CR.

CUSTOMER
BASE OF OVER 7 MN.

240 OFFICES
138 CITIES
TOTAL PEOPLE STRENGTH OF
70,000

Focus on high growth
yet under-penetrated
sectors

Investor base includes marquee
global financial institutions such
as Goldman Sachs, IFC
Washington, Temasek, Fidelity
and New York Life

Strong and deepening relationships
with our Joint Venture Partners
Mitsui Sumitomo Insurance, Life
Healthcare and Bupa

Impacted over 14 lakh lives
across 562 locations in India
through Max India Foundation

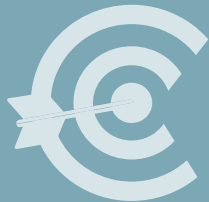


OUR PATH



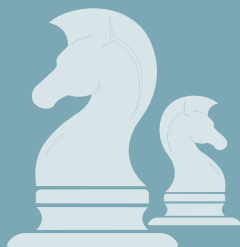
OUR VISION

To be among the most admired corporates in India for service excellence – in what we do, how well we do it and the positive impact we have on society and our stakeholders.



OUR GOAL

To be the preferred solution provider in life's many moments of truth.



OUR STRATEGY

Create and grow businesses that win people's trust by delivering Seva through excellence.

OUR VALUES



SEVABHAV

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



EXCELLENCE

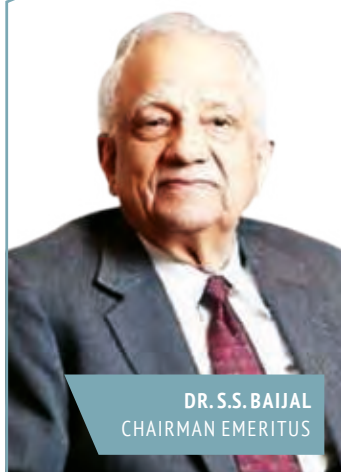
We gather the experts and the expertise to deliver the best solutions for life's many moments of truth. We never settle for good enough.



CREDIBILITY

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

BOARD OF DIRECTORS



DR. S.S. BAIJAL
CHAIRMAN EMERITUS

Dr. Baijal served ICI (India) Limited for over 35 years and was the Chairman of ICI Companies in India from 1983 to 1987. He then played an active role on Max India Board from 1998 till 2009, adding immense value to the Company. He was the Chairman of Max India during the years 1998-2000. On his retirement from the Board in 2009, he was elevated to the position of 'Chairman Emeritus'.



MR. ANALJIT SINGH
CHAIRMAN

Mr. Analjit Singh is the Founder and Non-Executive Chairman of Max India, Max Life and Max Speciality Films. An industry statesman, he was awarded the Padma Bhushan, one of India's top civilian honours in 2011. He is also the Chairman of Vodafone India, and is on the Board of Tata Global Beverages and Sofina NV/SA, Belgium. He has significant interests in real estate in India and lifestyle related ventures in the Western Cape, South Africa, pertaining to viticulture, wine making and hospitality. Mr. Singh is a member of the Founder Executive Board of the Indian School of Business (ISB), India's top ranked B-School, and has served as Chairman of Board of Governors of the Indian Institute of Technology (IIT), Roorkee – India's most prestigious engineering college. He was awarded the Ernst & Young Entrepreneur of the Year Award (Service Category) in 2012 and the US-India Business Council Leadership Award in 2013. In 2014, he was awarded with Spain's second highest civilian honour, the Knight Commander of the Order of Queen Isabella. He is an alumnus of Doon School and Shri Ram College of Commerce (SRCC), Delhi University, and holds an MBA degree from Boston University. Mr. Singh also serves as the Honorary Consul General of the Republic of San Marino in India.



MR. ANUROOP SINGH
VICE CHAIRMAN

Mr. Anuroop Singh is a member on the Board of leading organisations such as Max India, Max Life Insurance and GlobeOne as well as on the Governing Board of non-profit organisations such as SOS Children's Villages of India. He is an experienced business leader with over three decades of experience in senior leadership positions with leading organisations including Max New York Life, ANZ Grindlays Bank, Bank of America and American Express. He has been associated with the Max India Group for over 15 years. He is a fellow Chartered Accountant. Mr. Singh is currently devoting part of his time and resources to create the Quantum Institute for Wellbeing, to promote Quantum Medicine in India.



MR. ASHWANI WINDLASS
NON-EXECUTIVE DIRECTOR

Mr. Ashwani Windlass was part of the founding team at Max India, having served the Max India Group in different capacities including as its Joint MD and MD-Hutchison Max Telecom from 1994 until 1998. He has continued as a Board member of the Company ever since. He has been the Chairman, MGRM (Asia-Pacific) and Vice Chairman, and the MD of Reliance Telecom. He serves on leading advisory and statutory Boards, including Antara Senior Living Limited, Max Ventures Pvt. Ltd, MGRM Holdings Inc., USA, Vodafone India Ltd. and Hindustan Media Ventures Ltd. and Faculty of Management Studies, Delhi University. He holds degrees in B.Com (Gold Medal), Bachelor of Journalism and MBA.



MR. SANJEEV MEHRA
NON-EXECUTIVE DIRECTOR

Mr. Sanjeev Mehra is Managing Director and Vice-Chairman of global private equity investing at Goldman, Sachs & Co. He serves on the Board of ARAMARK Corporation, Interline Brands, Inc., Sigma Electric, SunGard Data Systems, TVS Logistics, Neovia Holdings and as a Trustee of Oakham School Foundation, Friends of the Doon School and as Chairman of Brunswick School, Greenwich, CT. He holds a B.A. degree in Economics from Harvard College and an MBA degree from Harvard Business School.



MR. N.C. SINGHAL
INDEPENDENT DIRECTOR

Mr. N.C. Singhal has an experience of over three decades in the banking industry and was the founder CEO, designated as the Vice-Chairman & Managing Director, of erstwhile SCICI Limited. He has also been associated with ICICI Ltd., ONGC, ADB, Manila and was deputed by the Government of India to the Industrial Development Bank of Afghanistan, Kabul. Mr. Singhal holds an M.A. degree in Economics, an M.Sc. degree in Statistics and PGDPA.



MR. RAJESH KHANNA
INDEPENDENT DIRECTOR

Mr. Rajesh Khanna is the founder and CEO of Arka Capital Advisors Pvt. Ltd., and is an investor in various companies. Mr. Khanna is a director of Max India Ltd and Max Life Insurance Company Ltd. He is a member of the Equity Investment Committee of Piramal Fund Management Pvt. Ltd. and is a member of the Advisory Board of Kae Capital. Previously, he served as a Managing Director and India Head of Warburg Pincus, a global private equity firm, and was a member of its global Executive Management Group. He holds an MBA degree from the Indian Institute of Management, Ahmedabad and is a Chartered Accountant.



MR. AMAN MEHTA
INDEPENDENT DIRECTOR

Mr. Aman Mehta retired as CEO of HSBC Asia Pacific in January 2004, after a global career of 35 years, and returned to India on permanent resettlement. He serves as an Independent, Non-Executive Director on the boards of numerous public companies and institutions in India as well as overseas.



PROF. DIPANKAR GUPTA
INDEPENDENT DIRECTOR

Professor Dipankar Gupta has spent three decades at JNU as a faculty and is considered as India's foremost authority on Indian Sociology. In addition to Max India, he is a member of the Board of RBI, NABARD, National Standards Broadcasting Authority and the Doon School. He started the Business Ethics and Integrity Division of KPMG, India which he led till 2003 and then served as its Senior Advisor. He is the author and editor of 18 books including, "The Caged Phoenix: Can India Fly?" which was re-published by Stanford University Press. His most recent book is titled "Revolution from Above: India's Future and the Citizen Elite". He was awarded Chevalier De L'Ordre des Arts et des Lettres (Knight of the Order of Arts and Letters) by the French Government. Professor Gupta is currently a distinguished professor of Shiv Nadar University.



DR. AJIT SINGH
INDEPENDENT DIRECTOR

A Ph.D in Computer Science from Columbia University, Dr. Ajit Singh has been associated with the Max India Group since January 2009, when he joined Max Healthcare as a member of the Board of Directors. Currently a partner at Artiman Ventures, he focuses on early-stage technology and life science investments. Dr. Ajit Singh is also a Consulting Professor at the School of Medicine at Stanford University. Prior to joining Artiman, Dr. Singh was the CEO of Oncology and Medical Informatics businesses of Siemens Healthcare.



MR. ASHOK KACKER
INDEPENDENT DIRECTOR

Mr. Ashok Kacker, M. Sc. (Physics), University of Allahabad (Topper of the 1972 batch), has over than three decades of experience in the Government as an Indian Revenue Service (IRS) Officer. He has served as Chief Commissioner of Income Tax and has held senior positions both in executive capacities and policy formulation roles. He has also served as an Executive Director with Securities Exchange Board of India (SEBI) and in various capacities in committees set up by SEBI. He is the Founder and Managing Partner of A.K. Advisors and Consultants, an Advisory Company in the area of financial services and Group Advisor with the India Bulls Group of Companies.



MRS. NIRUPAMA RAO
INDEPENDENT DIRECTOR

Mrs. Nirupama Rao is a former Indian Foreign Service officer of the 1973 batch. She was the first woman spokesperson of the Ministry of External Affairs, India's first woman Ambassador to China and first Indian woman High Commissioner to Sri Lanka. She was also Ambassador of India to the USA. She served as the Foreign Secretary of India for a two-year tenure from 2009 to 2011. Mrs. Rao holds a Master's degree in English Literature from Marathwada University, Maharashtra and topped the All India Civil Services Examination in 1973. She is the recipient of the Degree of Letters (Honoris Causa) from Pondicherry University (2012). From January to December 2014, she was a Fellow of the India Initiative at the Ivy League's Brown University engaging in research for a forthcoming book on India-China relations. She is also a recipient of the Jawaharlal Nehru Fellowship.



MR. D.K. MITTAL
INDEPENDENT DIRECTOR

Mr. D. K. Mittal is a former Indian Administrative Service (IAS) officer (1977 batch) and has served the Government of India in various capacities, including Secretary, Department of Financial Services; Secretary, Ministry of Corporate Affairs and Additional Secretary, Department of Commerce. Mr. Mittal has hands-on experience in Infrastructure, International Trade, Urban Development, Renewable Energy, Agriculture Development and Micro-Credit, Corporate Governance, Banking, Insurance, Pension and Finance. He holds a Master's degree in physics with specialisation in Electronics from the University of Allahabad.



MR. RAHUL KHOSLA
MANAGING DIRECTOR

Mr. Rahul Khosla is a seasoned business leader with profound management experience, broad leadership skills and wide business perspectives developed over the last 30 years of working in India and globally. He is currently the Managing Director of Max India and the Chairman of Max Healthcare. Under his leadership over the past four years, the Max India Group has successfully delivered superior financial performance, significantly grown market capitalisation, built organisational depth and concluded seminal corporate transactions across its businesses. He has formulated and is leading the implementation of a comprehensive strategic framework across the Group to deliver long-term value. At present, he also spearheads Max India's proposed corporate restructuring, which will result in the formation of three listed verticals. Before joining Max, Mr. Khosla spent 11 years based in Singapore as the Group Head of Products for Visa for all markets in Asia Pacific, Central Europe, Middle East and Africa, following his role as Chief Operating Officer for the Asia-Pacific region. He held several senior positions prior to this - Country Head for ANZ Grindlays' consumer banking businesses in India; Head of Retail Assets, Strategy, Finance and Legal at Bank of America and CFO for the American Express TRS businesses for India and South Asia, eventually going on to set up a pioneering in-house processing facility for American Express.



MR. MOHIT TALWAR
DY. MANAGING DIRECTOR

Mr. Mohit Talwar is the Deputy Managing Director of Max India Limited. In this role, Mr. Talwar has led on multiple fronts including effective shareholder alignment especially with Max India's valued joint venture partners, progressing new business opportunities - both organically and inorganically, ensuring appropriate funding arrangements for the Group, optimising Group Capital Management and Treasury, managing investor and analyst relations and advising management and shareholders on Capital Market implications. He is currently involved in implementation of the Max India's proposed corporate restructuring exercise. In addition, he is also responsible for driving synergies across the Max India Group and has played a central role in executing key transactions across Group companies as well as various mergers and acquisitions. He spearheaded the setting up of Max Bupa Health Insurance, the Health Insurance Joint Venture of Max India with Bupa. Mr. Talwar has a wealth of experience in Corporate Finance and Investment Banking. He spent 24 years in Wholesale Banking in Standard Chartered, ANZ Grindlays and Bank of Nova Scotia.



MR. VISHAL BAKSHI
ALTERNATE DIRECTOR

Mr. Vishal Bakshi is a Managing Director in the Principal Investment Area (PIA) of Goldman Sachs based in Mumbai, India. He serves on the Boards of Antuit, Sigma Electric and is an Alternate Director on the Board of Den Networks. Mr. Bakshi holds a B.A. (Hons.) degree in Economics from St. Stephen's College, an degree MBA from IIM, Ahmedabad and an MBA degree from Columbia Business School.

MAX LIFE INSURANCE COMPANY LIMITED

BOARD OF DIRECTORS

MR. ANALJIT SINGH	CHAIRMAN
MR. ANUROOP SINGH	VICE-CHAIRMAN
MR. RAJESH SUD	CEO & MANAGING DIRECTOR
MR. D. K. MITTAL	INDEPENDENT DIRECTOR
MR. HIDEAKI NOMURA	NON-EXECUTIVE DIRECTOR
MR. JOHN POOLE	NON-EXECUTIVE DIRECTOR
MR. K. NARASIMHA MURTHY	INDEPENDENT DIRECTOR
MS. MARIELLE THERON	NON-EXECUTIVE DIRECTOR
MR. RAHUL KHOSLA	NON-EXECUTIVE DIRECTOR
MR. RAJESH KHANNA	INDEPENDENT DIRECTOR
MR. RAJIT MEHTA	NON-EXECUTIVE DIRECTOR
MR. TOSHINARO TOKOI	NON-EXECUTIVE DIRECTOR

MAX HEALTHCARE INSTITUTE LIMITED

BOARD OF DIRECTORS

MR. ANALJIT SINGH	CHAIRMAN EMERITUS
MR. RAHUL KHOSLA	CHAIRMAN
MR. RAJIT MEHTA	CEO & MANAGING DIRECTOR
DR. PRADEEP KUMAR CHOWBEY	EXECUTIVE VICE CHAIRMAN
DR. AJIT SINGH	INDEPENDENT DIRECTOR
MR. ANDRE MEYER	NON-EXECUTIVE DIRECTOR
MR. JONATHAN RICHARD LOWICK	NON-EXECUTIVE DIRECTOR
MR. K. NARASIMHA MURTHY	INDEPENDENT DIRECTOR
MS. MADHABI PURI BUCH	INDEPENDENT DIRECTOR
MR. MOHIT TALWAR	NON-EXECUTIVE DIRECTOR
DR. OMKAR GOSWAMI	INDEPENDENT DIRECTOR
DR. PETER GEORGE HARPER	NON-EXECUTIVE DIRECTOR



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

BOARD OF DIRECTORS

MR. RAJESH SUD	CHAIRMAN
MR. DAVID MARTIN FLETCHER	CO-VICE CHAIRMAN
MR. RAHUL KHOSLA	CO-VICE CHAIRMAN
MR. AMIT SHARMA	NON-EXECUTIVE DIRECTOR
MR. ANTHONY MAXWELL COLEMAN	NON-EXECUTIVE DIRECTOR
MR. JOHN HOWARD LORIMER	NON-EXECUTIVE DIRECTOR
MR. K. NARASIMHA MURTHY	INDEPENDENT DIRECTOR
MR. MOHIT TALWAR	NON-EXECUTIVE DIRECTOR
MR. PRADEEP PANT	INDEPENDENT DIRECTOR
MS. EVELYN BRIGID BOURKE	NON-EXECUTIVE DIRECTOR
MS. MARIELLE THERON	NON-EXECUTIVE DIRECTOR

ANTARA SENIOR LIVING LIMITED

BOARD OF DIRECTORS

MR. ANALJIT SINGH	CHAIRMAN
MR. ASHWANI WINDLASS	NON-EXECUTIVE DIRECTOR
MR. MOHIT TALWAR	NON-EXECUTIVE DIRECTOR
MR. PRADEEP PANT	INDEPENDENT DIRECTOR
MR. RAHUL KHOSLA	NON-EXECUTIVE DIRECTOR
MR. ROHIT KAPOOR	NON-EXECUTIVE DIRECTOR
MRS. SHARMILA TAGORE	INDEPENDENT DIRECTOR
MR. HECTOR DE GALARD	NON-EXECUTIVE DIRECTOR
DR. SHUBHNUM SINGH	NON-EXECUTIVE DIRECTOR



MAX SPECIALITY FILMS LIMITED

BOARD OF DIRECTORS

MR. ANALJIT SINGH

CHAIRMAN

MR. JAIDEEP WADHWA

CHIEF EXECUTIVE OFFICER

MR. DALBIR SINGH

CHIEF FINANCIAL OFFICER

MR. ASHOK BRIJMOHAN KACKER

INDEPENDENT DIRECTOR

MR. KISHANSINGH RAMSINGHANEY

NON-EXECUTIVE DIRECTOR

MR. K. NARASIMHA MURTHY

INDEPENDENT DIRECTOR

MR. MOHIT TALWAR

NON-EXECUTIVE DIRECTOR

MR. SUBHASH KHANCHAND BIJLANI

INDEPENDENT DIRECTOR

MR. SUJATHA RATNAM

NON-EXECUTIVE DIRECTOR

MAX INDIA FOUNDATION

BOARD OF TRUSTEES

MR. ANALJIT SINGH	MANAGING TRUSTEE
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MRS. ARCHANA PANDEY	TRUSTEE
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MR. P. DWARAKANATH	TRUSTEE
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MR. RAJESH SUD	TRUSTEE
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MR. RAJIT MEHTA	TRUSTEE
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MR. SUHEL SETH	TRUSTEE
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MRS. SUJATHA RATNAM	TRUSTEE
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CHAIRMAN'S LETTER

ANALJIT SINGH

CHAIRMAN,
MAX INDIA LIMITED

Dear Shareholders,

Greetings!

This may well be the last letter that I am writing to you as the Chairman of Max India Limited. The corporate restructuring exercise and the demerger process would be completed this year and would provide sharper focus to each underlying business while also unlocking significant shareholder value. It would also bring in structural clarity by providing pure play for the life insurance business and grouping the health and allied businesses.

So by the end of the year, this corporate restructuring would have resulted in three holding companies. The first to be named Max Financial Services Limited will have Max Life Insurance Company as its sole subsidiary. The second to be named Max India Limited will have three companies, viz. Max Healthcare Institute Limited, Max Bupa Health Insurance Limited and Antara Senior Living Limited. The third holding Company will be named Max Ventures and Industries Limited (MVIL) and will have Max Speciality Films (MSF) as a subsidiary. In addition, MVIL will provide the platform for the Max Group to pursue new opportunities in “the wider world of business” – under the conducive environment facilitated by the new government to promote manufacturing and industrial development.

Speaking of the government, the NDA government took the helm last year under immense expectations. And whenever expectations are sky high, there are bound to be some disappointments. Personally speaking, I view the government's record as a bit of a mixed bag. There were several creditable decisions taken, most notably the insurance reform – a decision that had been pending for over two decades. Similarly, the clearance of the new Companies Bill was long due and is much appreciated. Relaxation of FDI restrictions in several key sectors and the government's impetus to infrastructure development are all very worthy decisions. The budget session of the Parliament was one of the most productive sessions ever and it was prefaced by a remarkably forward-looking union budget by Finance Minister Mr. Arun Jaitley.

Just as the economy was gaining momentum, it was struck by a parliamentary logjam as evidenced in the unproductive monsoon session. It is a pity that several vital reforms, most importantly the Goods and Services Tax (GST), which can boost GDP growth by a couple of points and the Real Estate Regulatory Bill, which is imperative to safeguard the interest of buyers, have been delayed amidst political posturing. It's about time the polity in India acted in favour of national interest rather than political interest.

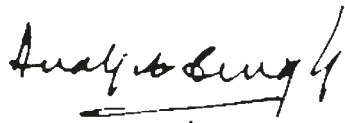
One sincerely hopes that our political parties can find a way to overcome their mutual differences and find a way to work together. Similarly, some of our policy makers need to shun the parochial attitude of viewing every decision from the narrow prism of the next assembly election. Several circumstances, including a parliamentary majority in the lower house, declining global oil prices, a highly effective RBI regime, reasonably stable currency and inflation, extraordinarily favourable demographics, a distinctly improved internal security environment and by and large stable global macro-economic indicators, mean that the stars are in a rather propitious alignment. Right steps taken at this time can propel India towards the economic superpowerdom that it truly deserves.

Meanwhile, your Company has notched up its performance in the last five years despite adverse headwinds in the macro economy. Revenue and profits have seen sustained growth over the last five years. Revenue has grown at a compound rate of 17% and profit before tax has seen 100% growth. During this period shareholder payouts have been impressive even as strong liquidity has been maintained. The market capitalisation of your Company has grown more than three-fold since April 2011 and has already breached Rs. 15,000 crore. The market has thus resoundingly validated our performance, health, executive succession and corporate restructuring.

Needless to add, that even after the restructuring, driving every member of the Max family will be the same business philosophy of commitment to the highest standards of corporate governance and adherence to our abiding values of Sevabhav, Excellence and Credibility.

My heartfelt thanks for your unwavering support and goodwill!

With best wishes,



Anajit Singh





MANAGING DIRECTOR'S LETTER

RAHUL KHOSLA

MANAGING DIRECTOR
MAX INDIA LIMITED

Dear Shareholders,

I have great pleasure in reporting how your Company has performed in the previous financial year, highlighting certain key developments and to share my thoughts on prospects and plans across the Max India Group.

I also propose to describe the transformational promise of the corporate restructuring of Max India that is currently underway.

Allow me to step back a few years. Shortly after I took over as Managing Director of Max India in 2011, the Max India board endorsed a clear and unambiguous strategic framework, which would serve the dual purpose of optimising business performance in the short to medium term and create a pathway to performance and health aspirations for 2020 and beyond. This framework was based on nine strategic levers – enhancing business performance, deepening organisational capabilities, optimising capital management, adopting an integrated enterprise-wide approach, investing sensibly in new growth opportunities, maintaining the highest standards of governance, continuously improving service quality, developing a distinct corporate brand and effectively managing risk.

Progress on these nine pillars over the last four years has been stellar. This is amply reflected in a sustained compound average revenue growth rate of 17%, and significant compound average profit growth rate of more than 100% since FY2011. The market has clearly rewarded this performance and the proposed corporate restructuring with market cap of Max India having more than tripled since late 2011. In keeping with this positive trend, your Company also recorded a striking all-round performance in FY2015. Please allow me to share the main highlights of FY2015 with you.

I. Capital management efficiency

- a. Max India concluded four seminal transactions worth Rs. 1,000 crore in total – equalisation of Life Healthcare's stake in Max Healthcare; additional investment from International Finance Corporation in Max Healthcare; acquisition of Pushpanjali Crosslay Hospital (making it the first ever acquisition done by Max India in the last 15 years), and the divestment of Max Neeman.

- b. The Max Group Companies also made considerable progress in structural cost rationalisation. Max Life has already instituted a highly efficient, process-driven business model and a growing culture of cost consciousness at both Max Healthcare and Max Bupa Health Insurance was responsible for strong EBITDA improvement in both these Companies in FY2015.

II. Investments in growth bets

The Group has invested significantly in growth areas and rewarded shareholders while maintaining strong liquidity. We have invested over Rs. 1,000 crore in our operating Companies since FY2011 while still ensuring a dividend outflow of over Rs. 550 crore. These growth bets were represented in capital outlays for Antara Senior Living, acquisition of Pushpanjali Crosslay Hospital, and growth capital in Max Bupa Health Insurance.

III. High corporate governance standards

We remain committed to the highest standards of corporate governance, recognising that it is the key driver for business excellence, talent attraction and retention, and optimal capital allocation across our operating Companies. In order to implement a comprehensive group-wide governance framework, we have reconfigured and strengthened boards across the operating Companies. This has involved several transformational initiatives relating to the three key facets of governance, i.e., board architecture, board processes and board effectiveness. In line with our deep and abiding sense of compliance with corporate governance standards, we are now completely aligned in our processes with the new Companies Act, 2013.

IV. Driving enterprise synergies

Enterprise synergies were most visible through intra-group changes in leadership. Rajesh Sud, Managing Director & Chief Executive Officer of Max Life, took on additional responsibility as Non-Executive Chairman of Max Bupa. Rajit Mehta, erstwhile Chief Operating Officer in Max Life Insurance, moved to Max Healthcare as Managing Director & Chief Executive Officer, resulting in a significant turnaround in performance and engagement levels for Max Healthcare. There were similar pan Group movements in other senior positions as well. The Group continued to progress on several aspects of our enterprise approach, such as sharing knowledge and experience, cross-selling select services and optimising economies of scale through joint procurement of products and services.

V. Ensuring superior financial performance

The year ended with strong growth in both revenue and profitability. The consolidated revenue of Rs. 14,877 crore marked a 27% year-on-year increase and the consolidated EBITDA at Rs. 749 crore represented a year-on-year growth of 48%. These outstanding results are reflective of hard work done by all the operating teams as well as the corporate team in Max India.

VI. Managing risk

A comprehensive risk management framework has been developed and implemented across all operating entities of the Group. Detailed risk registers have been created for each entity capturing potential risks for various stakeholders. The risk registers are updated quarterly and progress is tracked on mitigation plans at the board level through the audit committee.

VII. Focus on people

- a. A pan-group human resource management system, called Disha, has been put in place to enable cross-pollination of Max entities and best-in-class human resource policies and processes.
- b. The Group has also been engaged in succession planning for its key leaders. This has already been implemented at the highest level, with the Chairman ceding executive responsibility to me last year and assuming the position of Non-Executive Chairman.

VIII. Investments in brand

We are in the businesses of Life. During the year, we have continued our efforts to build corporate and product brands which elicit trust from customers. The online footprint of the corporate brand has grown significantly and all three customer facing businesses, Max Life, Max Healthcare and Max Bupa have registered improvements in their brand or customer scores.



IX. Relentless pursuit of service excellence

This was reflected in the international acclaim that the Group's businesses have received in the past year. Max India Chairman, Analjit Singh was honoured at the ASQ World Conference earlier this year – he was only the second Indian to address the world's largest gathering on Quality and Service Excellence. Meanwhile, Max Life Insurance was honoured with multiple awards for service excellence at the same conference.

Having delivered sustained and impressive performance across the nine strategic pillars, the timing is perfect for the Group's strategic restructuring initiative that was announced in January 2015, to set the stage for the next phase of growth for the Group. The change that is underway will be transformational on many dimensions, including in organisational terms. After the restructuring, the first vertical, Max Financial Services (MFS), will focus solely on the Group's flagship life insurance activity, and will be India's first pure play listed Company providing undiluted access to the life insurance sector. The Group's high potential businesses in healthcare and allied areas of health insurance and senior living will be held in the second listed holding Company, to be named Max India Limited. The third vertical – to be named Max Ventures and Industries Limited (MVIL) will house the Group's manufacturing subsidiary Max Speciality Films.

One of the main benefits of the restructuring is to provide choice for investors to participate specifically in the growth of diverse sectors/industries. The market has resoundingly welcomed the proposed restructuring, as already evident from the 44% gain in Max India's market capitalisation since Q3 FY2015¹. The restructuring and separate listings will also lead to a more accurate value discovery of each vertical.

Due to their inherent features and priorities, each of the three holding Companies will be optimally positioned for a bright business future:

Max Financial Services

Max Life Insurance, its underlying operating Company, is a mature business with steady income and earnings and outstanding top management. Its embedded value, based on market consistent methodology, is now Rs. 5,232 crore, posting total and operating returns of 28.1% and 22.3%, respectively. It is the largest non-bank promoted private life insurance Company and has the most well balanced distribution mix with a gold standard agency force and a highly productive Bancassurance channel. It is poised for steady organic growth and also has potential by way of inorganic growth in the light of likely plausible consolidation in the industry. Its priority, therefore, is to optimise growth while balancing market share and profitability.

Max India

There is tremendous growth opportunity in each of the three underlying businesses of the proposed new vertical, Max India. With only about 5% penetration of health insurance and 1.3 hospital beds per 1000 people, both Healthcare and Health Insurance sectors have very low penetration, therefore, of huge growth potential. Senior living is a sunrise industry in which Antara Senior Living is a pioneer.

Max Healthcare has achieved a significant turnaround in profitability owing to the expansion and strengthening of key specialities, such as oncology, neurology and cardiac sciences across our hospitals. Our newer hospitals at Mohali and Shalimar Bagh are turning profitable. With a capable leadership team now in place – led by Rajit Mehta, who was inducted as MD & CEO from his earlier position as COO of Max Life Insurance – to complement and support the high quality clinical teams, it is well poised for sustained high growth. The acquisition of the NCR based Pushpanjali Crosslay Hospital signals Max Healthcare's intent to add more quaternary and tertiary multispeciality assets. The stake equalisation with Max India by our partner, the South African healthcare major, Life Healthcare, will lead to a deeper and broader engagement in both clinical and operational aspects, in line with the group's successful history of partnerships. The priority at Max Healthcare will be a profitable scale-up while maintaining focus on high clinical standards and outcomes to anchor customer trust.

¹ Market capitalisation gain calculated basis Max India stock's closing price on the NSE on August 6, 2015 vs. the closing price on December 31, 2014

Meanwhile, at Max Bupa Health Insurance, with the transition to a competent leadership, under the chairmanship of Rajesh Sud, and the joint venture partner, Bupa set to increase its stake to 49%, the Company is well-positioned for significant growth and a turnaround. Structural cost efficiencies, building a healthy book and scaling up a productive bancassurance channel will continue to be its priorities.

Senior Living as a business represents a tremendous opportunity in a nascent market and Antara Senior Living is extremely well positioned to define this business segment category by delivering a product with world class care and service. Antara's priority is to execute the Dehradun project successfully and review opportunities for building its next community in the NCR region.

Max Ventures and Industries

This holding Company will allow the Group to focus on entrepreneurial innovation and capitalise on new opportunities spawned by the government's "Make in India" initiative. The priority would be to grow by developing and harnessing new ideas from the 'wider world of business'.

All our businesses are also focus areas for the government, and will benefit from the medium to long term trend of strong secular growth in India's GDP. There is tremendous potential for growth in all our businesses and we believe that India today is at the dawn of a new era of economic growth. On matters of policy and in giving a fillip to ease of doing business, the government has been proceeding in a purposeful and surefooted manner. We intend to seize the moment and make the most of the opportunities presented by the burgeoning economy.

It is incumbent on me to temper my optimism about the future of our Group by also flagging some key challenges that we face. Principal among these are the regulatory headwinds in both our insurance businesses and growing regulatory overhang in the healthcare business. Continuous regulatory changes and interventions necessitates frequent and painful adjustments to business plans and projections, thereby impacting timelines and margins. As with most other corporates in India, so also with us, the identification, hiring and retention of quality talent remain a challenge and continues to occupy a high share of mind-space of our senior management. Finally, margin compression can potentially accrue in most of our businesses due to the cluttered and often irrational competitive landscape.

The strategic restructuring and the underlying strength and potential of our businesses make them well positioned to deliver stellar performance going forward. Equally critical is that through this transformation and beyond, the Group should remain no different from what it is now – in the way that the Group and our operating Companies are close-knit, synergistically aligned and committed to the same overall goal and strategy along with the same set of defining values, business vision and ethos of responsible corporate leadership.

I remain thankful to you for your continued support and faith in our abilities.

With best wishes,



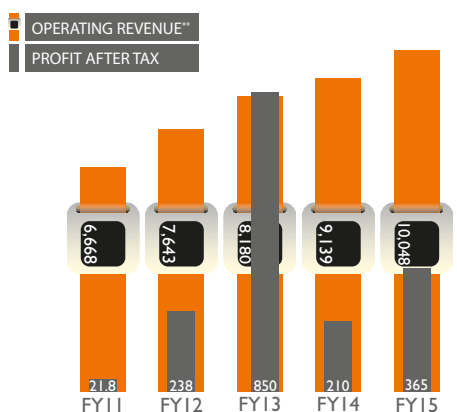
Rahul Khosla



BUSINESS REVIEW



OPERATING REVENUE** & PROFIT AFTER TAX



Consolidated figures

** Excludes Investment Income

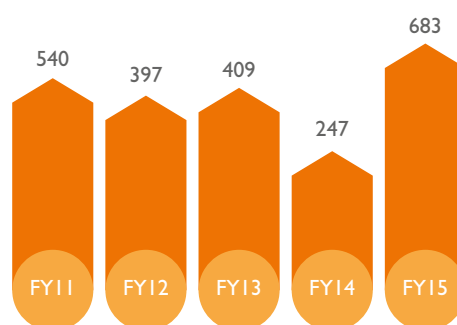
Consistent track record of strong growth across businesses with the Group reporting strong profits

TOTAL REVENUE UP **27%** TO
₹14,877 CR.

PAT UP **74%** TO **₹365 CR.**

250% DIVIDEND DECLARED

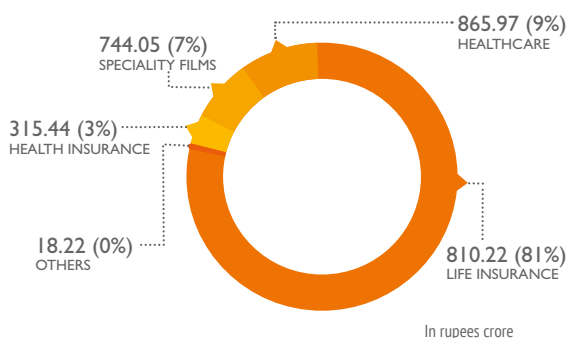
TREASURY CORPUS



In rupees crore

Life Healthcare's stake equalisation in Max Healthcare significantly boosts liquidity

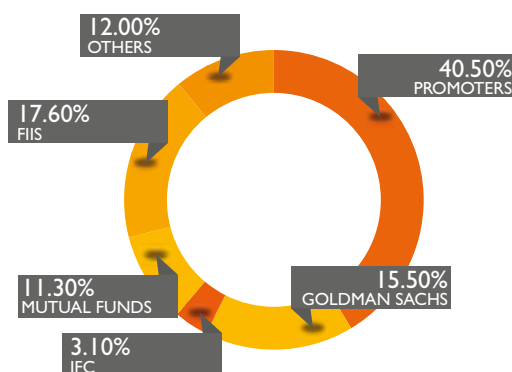
OPERATING REVENUE SPLIT OF MAX INDIA'S BUSINESSES OF LIFE



In rupees crore

Max Life Insurance continues to be the largest revenue contributor

DIVERSIFIED BASE OF MARQUEE SHAREHOLDERS (AS ON 31ST MARCH 2015)



High pedigree investor base reflects strong growth potential of the Company

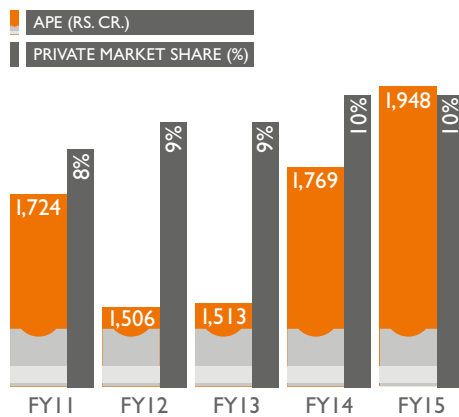
Positively impacting over
7 MILLION lives

People strength of
OVER 70,000

BUSINESS REVIEW

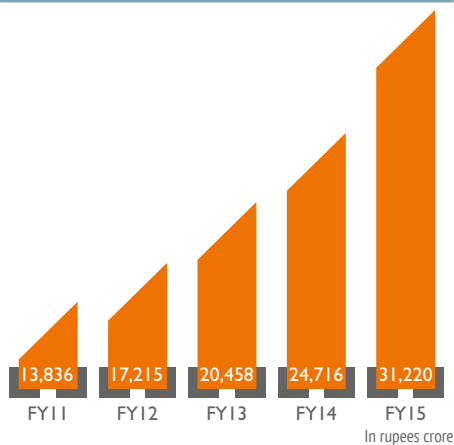


INDIVIDUAL ADJUSTED PREMIUM EQUIVALENT AND MARKET SHARE



New business grows 10% & market share intact

ASSETS UNDER MANAGEMENT



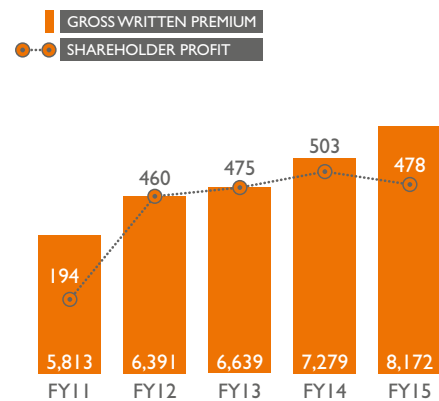
Over 26% growth in AUM led by stock market buoyancy and strong renewals

EMBEDDED VALUE (EV) AT ₹5232 CR.*,
RETURNS 28.1%
*AS AT 31ST MARCH 2015

DECLARED DIVIDEND OF ₹200 CR.

SOLVENCY SURPLUS OF ₹2,137 CR.
AND MARGIN AT 425%

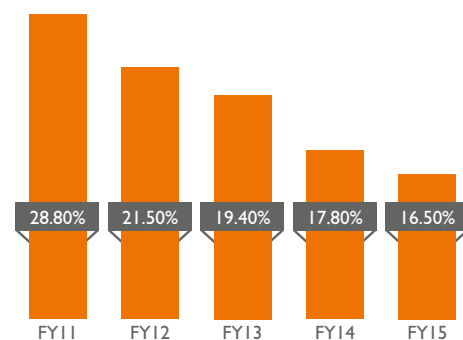
GROSS WRITTEN PREMIUM AND SHAREHOLDER PROFIT



In rupees crore

Healthy new business growth and improvement in renewal conservation drives strong overall premium growth

OPERATING EXPENDITURE RATIO (OPEX/NET PREMIUM)



Concerted cost optimisation efforts continue to bear results

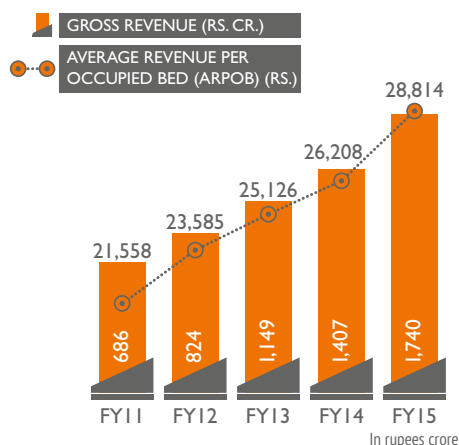
New Business Margin
at a healthy 23.4%

Over 3.7 MILLION POLICIES
in-force with sum assured touching
₹2,26,540 CR.

BUSINESS REVIEW

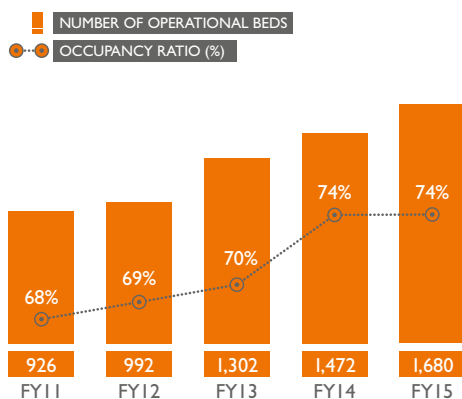


GROSS REVENUE AND AVERAGE REVENUE PER OCCUPIED BED



Steady ARPOB growth despite 14% increase in operational beds

BED OCCUPANCY



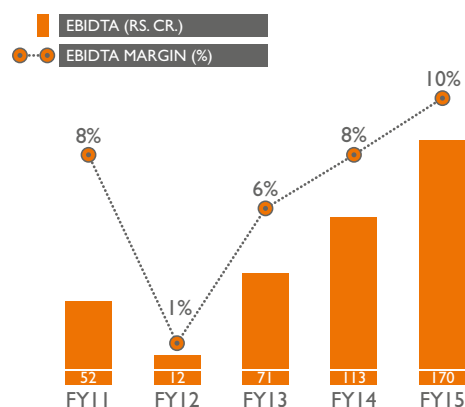
Steady occupancy ratio despite increase in operational beds

REVENUE UP 24% TO ₹1740 CR.

EBIDTA UP 50% TO ₹170 CR.

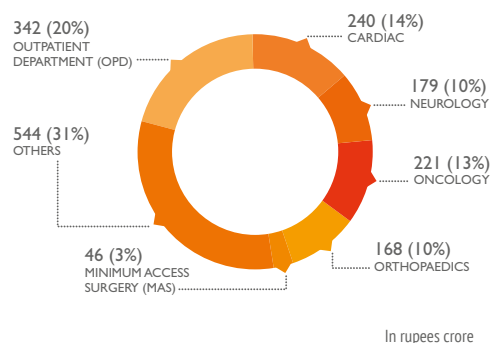
FIRST-EVER ACQUISITION OF 500 BEDDED MULTI-SPECIALITY HOSPITAL IN DELHI-NCR

EBIDTA AND EBIDTA MARGIN



New hospitals' EBITDA margin turns positive for the first time

REVENUE SPLIT



Focus on Cardiac, Neurology and Oncology increasing

2,224 DOCTORS, 3,274 NURSES and 3,100 OTHER trained personnel in 12 HOSPITALS across North India

Over 2.5 MILLION patients from over 80 COUNTRIES

BUSINESS REVIEW

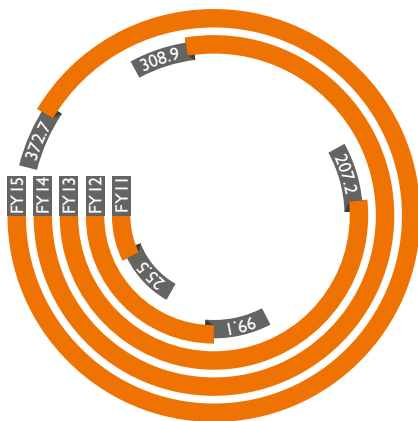


GREATER FOCUS ON B2C SEGMENT;
GROWS 45% TO ₹354 CR.

LIVES COVERED GROW 17% TO 7.73 LAKH

BUPA TO INCREASE ITS STAKE
IN THE BUSINESS TO 49% FROM 26%

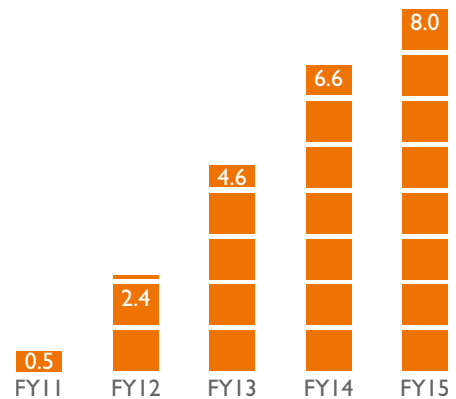
GROSS WRITTEN PREMIUM (GWP)



In rupees crore

B2C segment comprises 95% of GWP in FY2015 vs 79% in FY2014

LIVES IN FORCE**

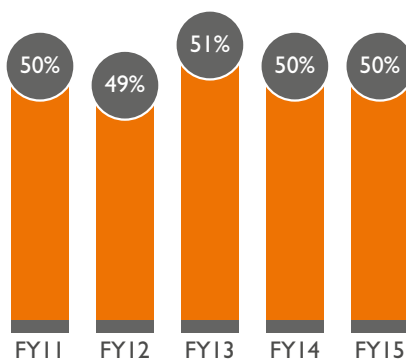


In rupees lakh

**Excludes lives covered under RSBY

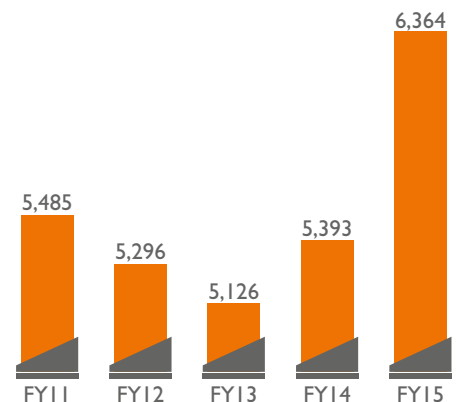
Lives secured grow by 17% compared to 7% for private industry

B2C CLAIM RATIO



Steady claims ratio due to strong claims management processes

PREMIUM PER LIFE (B2C)



Average premium realisation increases 18% driven by growth in share of Platinum and Gold products

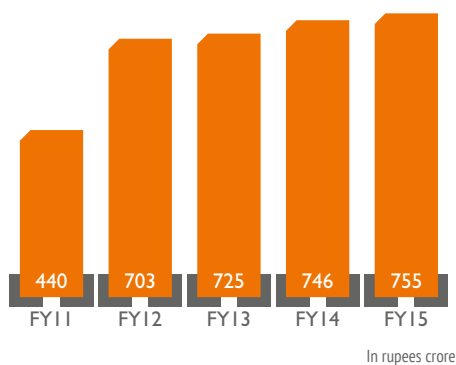
26 OFFICES across
13 CITIES

Nationwide network of around 3,500
HOSPITALS and around 9,000
AGENTS

BUSINESS REVIEW

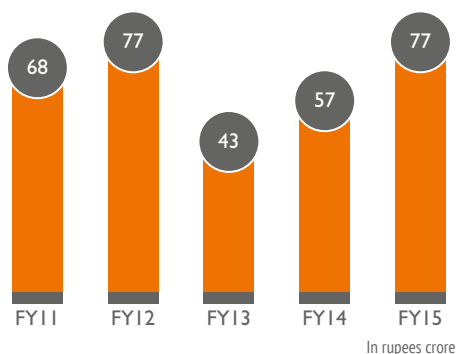


REVENUE



Better product mix and improved realisation lead to higher revenue

EBIDTA



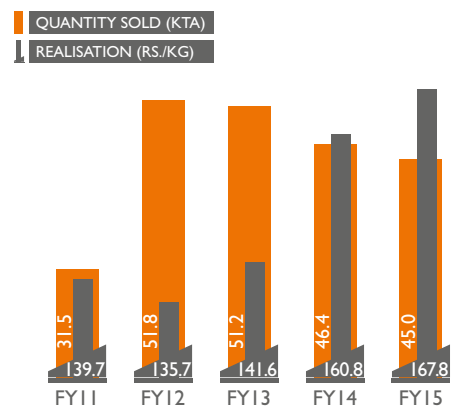
EBIDTA continues to grow steadily due to focus on high value products

EBIDTA ROSE 35% TO ₹77 CR.

SHARE OF NEW PRODUCTS
GREW OVER 4 TIMES IN 3 YEARS

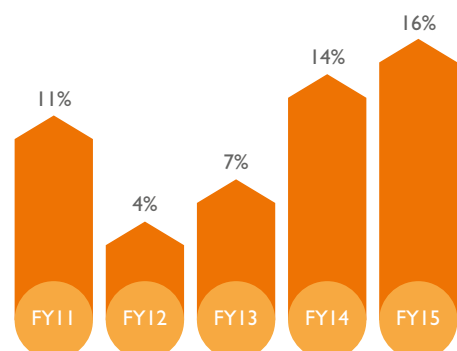
PRODUCTION CAPACITY OF 52,000 TPA

QUANTITY SOLD & REALISATION



Focus shifting to high value products

SHARE OF NEW PRODUCTS IN TOTAL SALES



Continued focus on product innovation and customisation

470 committed employees

27 YEARS of successful operations







MANAGEMENT DISCUSSION & ANALYSIS

38	MAX INDIA
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70	BUSINESS RESPONSIBILITY REVIEW



Mohan A.V.K.

Senior Director, Group Human Capital



Mohit Talwar

Deputy Managing Director



Archana Pandey

Senior Director, Corporate Affairs



C.V. Raghu

Senior Director, Legal and
Regulatory Affairs



Rahul Khosla

Managing Director



P. Dwarakanath

Advisor, Group Human Capital



Rohit Kapoor

Senior Director, Strategy and
Business Performance



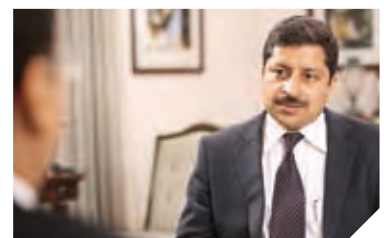
Sujatha Ratnam

Chief Financial Officer



V. Krishnan

Company Secretary



Nitin Thakur

Director, External Affairs and
Communications



Prashant Hoskote

Senior Director, Quality and
Service Excellence



Vandana Trehan

Executive Assistant to the MD

Max India ('Max India' or 'the Company') is a multi-business corporation that operates in service-oriented businesses of Life. We are committed to attaining the highest standards of service in everything we do and leaving a positive imprint on all our stakeholders as well as on the society at large. We strive to do this by adhering to a set of values that is shared across the organisation – Sevabhav (spirit of service), Excellence and Credibility.

The operating Companies in the Max India Group include

Max Life Insurance (Max Life), a joint venture with Mitsui Sumitomo Insurance, Japan (part of the world's seventh largest general insurance Group, MS & AD) and offers comprehensive life insurance and retirement solutions for long-term savings and protection.

Max Healthcare (MHC), is a joint venture with Life Healthcare (South Africa's second largest healthcare chain) and International Finance Corporation (IFC) that provides standardised, seamless and world-class healthcare services, especially focused on tertiary and quaternary care.

Max Bupa Health Insurance (MBHI) is a joint venture between Max India and Bupa Finance Plc., UK. It offers individual and family-oriented health insurance policies across all the age groups.

Antara Senior Living is a fully-owned subsidiary and offers highly differentiated, world-class senior living communities fulfilling lifestyle, wellness and health related requirements of senior citizens.

Max Speciality Films (MSF) is a quality leader in manufacturing of a wide range of sophisticated bi-axial polypropylene barrier and packaging films.

Max India has developed each of these businesses as individual centres of excellence.

In January 2015, Max India announced its intent to restructure the Company into three separate listed holding companies. The process is successfully underway, and our shareholders have approved the proposed demerger in a court convened shareholders' meeting on July 4, 2015. Subject to timely legal and regulatory approvals, we anticipate the three demerged entities – Max Financial Services (MFS), Max India Limited (MIL) and Max Ventures and Industries Limited (MVIL), to be listed on the stock exchanges in October 2015. The restructuring will allow shareholders to continue to remain invested in any or all three holding Companies, basis your investment priorities, risk appetite and your outlook of the sectors these holding Companies represent.

This will mark the beginning of a new era in the history of the Max India Group. Since its inception in 1985, Max India's journey has been nothing short of remarkable. Initially venturing into a number of manufacturing oriented businesses, it heralded the dawn of a new millennium by entering into the businesses of Life in the year 2000.

By FY2015, these businesses have become sufficiently robust for the Group to embark on the restructuring exercise.

For FY2015, Max India reported another year of strong performance across key financial metrics, with steady progress across all elements of the Group's nine-pillared strategy framework. Consolidated operating revenue grew 27% to Rs. 14,877 crore, consolidated EBITDA grew 48% to Rs. 749 crore, PBT and PAT grew by 87% and 74% respectively, while net worth clocked an 11% growth. This strong financial performance enabled the Board of Directors of the Company to recommend a total dividend of 250% for FY2015.

During the year, the Company's subsidiaries and joint ventures grew stronger and steadier.

Max Life Insurance, the Group's flagship business, reported an impressive all-round performance. Gross written premium for the financial year stood at Rs. 8,172 crore, growing 12% over the previous year. The value of new business for FY2015 stood at Rs. 460 crore and new business margin was 23.4%. The Company maintained its position as the 4th largest private life insurer in terms of individual new business and is the largest non-bank private life insurance Company.

During the year, in line with market practice in developed markets, Max Life Insurance transitioned using the market-consistent methodology for calculating its Embedded Value (EV) as opposed to the earlier traditional approach (TEV). The EV as on March 31, 2015, thus stood at Rs. 5,232 crore, on which total returns were 28.1% and operating returns were 22.3% over FY2014.

With new non-participating products approved by the industry regulator in Q3 of FY2015, non-par products now account for 15% of the product mix, as compared to 4% in FY2014. Non-par and ULIP sales accounted for 43% of the new business generated in FY2015, vis-à-vis 32% in FY2014.

The corporate agency relationship with Axis Bank for bancassurance continued to deliver market-leading results and significant strengthening of the partnership.

Max Healthcare, which is in the midst of a turnaround in profitability, continued to grow from strength to strength. In FY2015, revenue grew 24% to Rs. 1,740 crore¹, while EBITDA grew 50% to Rs. 170 crore. This marks a significant turnaround from the position four years ago when EBITDA was barely positive. The newer hospitals (at Mohali, Shalimar Bagh, Bathinda and Dehradun) took great strides during the year, accounting for a quarter of the total revenue. The

¹ Figures for Max Healthcare Network of Hospitals





hospitals at Mohali and Shalimar Bagh turned profitable, well ahead of the normal market time for achieving profitability.

Given the performance of the Company, the time is opportune for capacity expansion. This process has begun with the acquisition; the first of its kind by the Group, of the NCR based Pushpanjali Crosslay Hospital. Its 340 operational beds (expandable to 540 beds) will provide immediate and significant expansion to the top and bottom lines through sharing of resources, cost efficiencies, optimisation of occupancy, and focusing on high growth specialisations such as oncology, the neuro sciences, the renal sciences (including a kidney transplant programme), orthopaedics and the cardiac sciences.

Max Bupa Health Insurance has outperformed its financial targets and is on a good top line performance trajectory, with Business to Customer (B2C) gross written premium growing at an impressive 45% in FY2015. The business now enhances and enriches the lives of over 8 lakh individuals and having 3,500 hospitals in its network. Staying true to our Group ethos, Max Bupa continues to deliver on consumer experience, a fact that is reflected in our industry-leading renewal rates of approx. 90% as well as our customer satisfaction scores where almost 80% of our consumers rate their claims experience as very good or excellent.

Antara Senior Living reported strong sales momentum in its maiden senior living community in Dehradun – having already sold more than a quarter of its proposed built capacity. Community development

and project execution is on in full swing at Dehradun, expected to be completed by early 2016.

Max Speciality Films, our oldest business, remains highly profitable, reporting EBITDA growth of 35% year-on-year supported by strong leadership, a dedicated team, operational excellence and a relentless pursuit of customer satisfaction.

PERFORMANCE HIGHLIGHTS

- Consolidated operating revenue grew 27% to Rs. 14,877 crore
- Consolidated EBITDA grew 48% to Rs. 749 crore
- Profit Before Tax increased by 87%
- Profit After Tax increased by 74%
- Net Worth clocked a growth of 11%
- The Company declared a dividend of 250%

CORPORATE DEVELOPMENTS

The Max India Group commenced a corporate restructuring exercise in January 2015. The details and rationale of the restructuring have been discussed earlier in this document. The market hailed the announcement of the corporate reordering: the Max India stock price touched a record high of Rs. 576 on August 7, 2015, a few days after the court took on record, the shareholders' approval of Max India's demerger.

In May 2015, Max India completed the divestment of Max Neeman, a contract research organisation with world-class practices, strong values and deep customer relationships. As a 'natural owner' of this business, JSS Medical Research, the acquiring firm, will invest in Max Neeman's growth, enabling the Max India Group to focus more on its core businesses. In FY2015, Max Neeman reported revenue of Rs. 18 crore, with a loss before tax of Rs. 4.9 crore.

In November 2014, Life Healthcare in South Africa invested Rs. 766 crore, paying Rs. 67.5 per share, to equalise its stake in Max Healthcare. Both JV partners will now have equal representation on the Max Healthcare board. Meanwhile, International Finance Corporation, an existing investor in Max Healthcare, subscribed to additional equity of the Company by infusing Rs. 31 crore to maintain its 7.5% stake at the same valuation. The additional capital inflows from these transactions will support Max Healthcare's next wave of growth.

In keeping with the customer-centric vision of Max India, the Max India Board gave its approval to convert Max Life's Learning and Development Centre of Excellence into a separate Company, called Max SkillFirst. Working with Max India Group Companies as its captive customers in its initial years, Max SkillFirst aims to train over 1,30,000 people in the next five years.

Two notable shifts (out of several others) of business leaders were made by the Max India Group in line with our commitment towards optimising talent movement by integrating business needs and career development aspirations. The first was the appointment of

Rajit Mehta as the Deputy Managing Director and subsequently as the Managing Director & CEO of Max Healthcare. The second was the appointment of Rajesh Sud (MD & CEO of Max Life Insurance Company Limited) as Non-Executive Chairman of Max Bupa Health Insurance. Both Rajesh and Rajit are founder members of the leadership team of Max Life and have contributed significantly to its progress as an admired, profitable and well-run Company. They will bring clear vision, strategic thinking, dedicated execution and a sense of confidence to their new charges.

OUTLOOK

With its life insurance business on a solid growth path, three synergistic growth businesses in healthcare, health insurance and senior living along with a manufacturing business that posts impressive results consistently, the Group is at an interesting inflexion point. This is the most opportune time to build on the strong growth momentum and to take the Group into its next phase of growth across the aforementioned route of corporate restructuring.

Once the restructuring is complete, Max India will no longer exist in its original form, but the three new listed holding Companies – Max Financial Services, Max India and Max Ventures & Industries – shall continue to espouse the same values and enterprise synergies that the Max India Group has come to be known for. Binding all the businesses together will be the sponsor, the executive leadership, and the shared corporate services team that will provide functional support to all the three verticals. This will ensure that the operating Companies shall continue on a strong and steady growth trajectory.





Aalok Bhan
Director & Head - Product
Solutions Management



Amitabh Lal Das
Director & Head - Legal, Compliance
& Regulatory Affairs



Anisha Motwani
Director & Chief Marketing Officer



Ashish Vohra
Senior Director &
Chief Distribution Officer



Rajesh Sud
CEO & Managing Director



Jose C. John
Appointed Actuary



Mihir Vora
Director & Chief Investment Officer



Prashant Tripathy
Senior Director &
Chief Financial Officer



Shailesh Singh
Director & Chief People Officer



V. Viswanand
Senior Director &
Chief Operations Officer

Max Life Insurance is a joint venture between Max India Ltd. and Mitsui Sumitomo Insurance Co. Ltd. Max India Ltd. is a leading Indian multi-business corporate, and Mitsui Sumitomo Insurance is a member of MS & AD Insurance Group, which is amongst the top insurers in the world. Max Life Insurance offers comprehensive life insurance and retirement solutions for long-term savings and protection through high quality agency, bancassurance, e-commerce, direct distribution and other channel partners. A financially stable Company with a strong 15-year track record, Max Life Insurance offers superior investment expertise.

Max Life Insurance has the vision to be the most admired life insurance Company by securing the financial future of our customers. The Company offers this financial security through its comprehensive bouquet of products that can be customised to suit the need of our customers for every stage of life. The Company is also committed to its promise of enhanced service delivery to the customer at every touch point. It has a strong customer-centric approach focused on advice-based sales and quality service delivered through superior human capital. As a proactive step towards service excellence, Max Life Insurance was the first life insurance Company in India to introduce 'Treating Customer Fairly' (TCF) policy which aims to raise standards of the way the Company interacts with customers at every touch point from the pre-sales engagement to the payment of benefits, thus delivering higher value and satisfaction to the policyholders.

THE LIFE INSURANCE OPPORTUNITY

A stable government at the centre after the Lok Sabha election and its commitment to accelerating the growth agenda has created optimism in both corporate India and consumers in general. The buoyant stock market, in which the BSE Sensex gave a return of over 25% in FY2015, has also helped in building positive sentiments towards financial savings in general.

The Central Government has indicated its commitment to building a secure Indian society by launching some high profile insurance and retirement plans viz Pradhan Mantri Jeevan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana and Atal Pension Yojana.

With an optimistic outlook and positive demographics to support, the Indian life insurance industry is expected to witness a period of sustained positive growth in the years to come.

THE LIFE INSURANCE MARKET

The Indian life insurance industry has witnessed a decline in New Business Premium (Individual Adjusted First Year Premium) by 11% to Rs.40,765 crore mainly due to LIC's 27% reduction in sales. Private players increased New Business Premium by 16% to Rs.19,992 crore. This resulted in the market share of private life insurers increasing from 38% in FY2014 to 49% in FY2015.

Max Life Insurance's market share in overall life insurance market (including LIC) also increased from 3.9% to 4.8%. During FY2015, the stock market touched new levels which increased the attractiveness of ULIPs and resulted in an increase in their share in the product mix of a majority of life insurance companies. Max Life Insurance remained focused on selling life insurance for its primary purpose of long-term savings and protection and maintaining a diversified product mix to suit customer needs. This resulted in a marginal reduction in Max Life Insurance's share of the private life insurance market to 9.7%.

The most important regulatory change of the year was the passage of the much-awaited Insurance Laws (Amendment) Bill. The Bill has given greater powers to the Insurance Regulatory & Development Authority of India (IRDAI) to regulate subjects, which were hitherto enshrined in the Act. The Bill will give greater authority to IRDAI to influence market conduct, promote reinsurance business in India, and provide greater flexibility in investment norms and ensure enhanced customer centricity.

New regulations on Agent licensing and Insurance Marketing Firms were implemented during the year. IRDAI also carried out a pilot on e-policy issuance and record keeping. IRDAI is expected to come out with regulatory guidelines based on these learnings. As per the Insurance Laws (Amendment) Bill, e-policy issuance will be made mandatory for certain categories of high value policies. Similarly, a pilot was conducted to expand the reach of insurance in under-penetrated markets through the utilisation of Common Service Centres.

MAX LIFE INSURANCE – GROWING FROM STRENGTH TO STRENGTH

Keeping in mind the dynamic and optimistic external environment and the expected regulatory developments, Max Life Insurance, while choosing to continue with its existing strategy, identified some key themes to pursue during the year. Greater focus on customer centricity through brand and service excellence initiatives across the organisation, strong financial performance and risk management through emphasis on compliance and speed of response to regulatory changes, people focus to enhance employee engagement and strengthening the value-based culture were keys to superior interaction with the Company's stakeholders. To strengthen its profitable growth journey, the Company also decided to take some transformational bets in distribution and in learning & development. The external environment provided an opportunity for inorganic growth. Given Max Life Insurance's financial strength and management capability, the Company explored such opportunities



in the life insurance industry. The Company will continue to explore value accretive inorganic growth opportunities as they arise.

Below is a snapshot of Max Life Insurance's performance measured through financial parameters:

- Individual Adjusted First Year Premium increased by 10% to Rs. 1,948 crore
- Gross Written Premium increased by 12% to Rs. 8,172 crore due to 12% increase in renewal premium to Rs. 5,599 crore and 14% increase in first year premium to Rs. 2,573 crore
- Assets Under Management increased by 26% to Rs. 31,220 crore
- Sum Assured crossed Rs. 2 lakh crore; an increase of 13% over the previous financial year
- Solvency Ratio of 425%, around three times the mandatory 150%, indicates the Company's strong and stable financial position
- Cost to Net Premium ratio improved to 25.7% (Previous Year: 27.3%) and Opex to Net Premium ratio was better at 16.5% (Previous Year: 17.8%)
- Consequently, the shareholders Profit After Tax was Rs. 414 crore
- The Company also declared a shareholder dividend amounting to Rs. 200 crore and policyholder bonus amounting to Rs. 559 crore (Previous Year: Rs. 391 crore), which would be paid out in FY2016
- Customer retention – Conservation Ratio improved further to 82% in FY2015 (Previous Year: 80%) and 13th month persistency improved to 79% (Previous Year: 77%)
- Claims settlement ratio (% of claims paid) improved significantly to 95.5% in FY2015 (Previous Year: 93.9%)
- Customer Complaint Incidence Rate came down to 0.19 per thousand in FY2015 as compared to 0.24 per 1000 in the previous year.

Key Business Performance Parameters

Key Parameters	Measure	(FY2014-15) (Rs. crore)	Increase/ (Decrease)
Revenue	Premium Income	Rs. 8,172 Cr.	12%
Customer Retention	Conservation Ratio	82.3%	225 bps
	13 th month Persistency	79%	200 bps
	Policies in force	36,72,448	1%
Operating Efficiency	Cost to Net Premium Ratio	25.7%	(160 bps)
Profitability	Shareholders Profit after tax	Rs. 414 Cr.	(5)%
Investments	Asset Under Management	Rs. 31,220 Cr.	26%
Protection Value	Sum Assured in force	Rs. 2,25,015 Cr.	13%

Alongside financial growth, the Company has made substantial improvement on qualitative factors. Max Life Insurance's business performance was recognised at various external forums:

- Featured amongst Top 100 'Great Place to Work' for the 4th year in a row
- Global Finance Best Life Insurance Company in India
- Silver and Bronze Abby at Goafest 2014 for Max Life i-genius
- Ranked 8th amongst the Most Trusted Life Insurance companies in Brand Equity (The Economic Times) survey
- The Economic Times Most Promising Brand 2015
- The Sabre Award for PR excellence for retirement planning campaign
- Legal Era Award for the Best in-house Legal Team – Insurance
- Best Underwriting Initiative in Asia Banking, Financial Services & Insurance Excellence Award

DOING 'WHAT IS RIGHT' FOR CUSTOMERS AND SUPERIOR SALES AND SERVICE

In line with the Treating Customers Fairly (TCF) policy of being completely transparent, customer focused, equitable and fair in its dealing with customers, Max Life Insurance continued focusing on raising the standard of customer interaction at every touch point, right from pre-sales engagement to payment of benefits. TCF was launched in Axis Bank also during the year which will help the Company in improving its engagement with customers acquired through Axis Bank relationship.

Max Life Insurance proactively captures customer feedback through 20 formal and informal customer listening initiatives including annual Customer Relationship Assessment (CRA) and monthly Customer Transactional Assessments (CTA) for key customer processes, online customer feedback through portals, blogs, Max Life's website and Welcome Calling.

Direct customer connect by Senior Leadership Team (SLT) is a successful programme which was redesigned last year to improve its effectiveness. The SLT listened to customers' focus Group discussions and interacted with the customers thereafter to get direct feedback. Inputs from these interactions have been used in designing future service programme and products.

Max Life Insurance also launched a mobile site for its customers. This m-site has some unique features such as m-service, m-concierge and m-quote. In the first three months, it resulted in 5,462 customers using the renewal payment facility and 8,033 customers requested for term policy quotes using the m-site.

These initiatives have helped improve various customer parameters. 'Customer Experience Index', the Company's overall measurement of success of customer initiatives has recorded a 10% improvement. Max Life has also continued to be amongst the top private insurers



in terms of 13th month persistency, which stood at 79% and Conservation Ratio which stood at 84.9% for the FY2014-15.

Apart from its low customer complaints incidence rate, it is also a market leader in the lowest time taken for grievance resolution. No customer complaints resolution took more than 14 days, the time period stipulated by IRDAI.

In FY2015, Max Life Insurance achieved claims paid percentage of 95.5% as compared to 93.9% in the previous year. The Outstanding Claims Ratio (OCR) stood at 0.07% which meant that only 6 claims out of 9,108 received during the year were pending at the end of the year. This has been made possible due to improvement in the claims management process, making it simple and hassle-free for the families of our policyholders.

Max Life has a robust strategy to engage with its customers. We reach out to customers through various initiatives including knowledge sharing on life insurance, connecting with them on special occasions in their lives and sharing various policy benefits and new service initiatives with them. In FY2014, Max Life's i-genius programme, a

customer engagement initiative, had added a novel element, i-genius Young Singing Stars that celebrates, recognises and rewards singing talent in children. The initiative received over 1.31 lakh registrations. The 4th i-genius Scholarship, which was launched in January 2014, received over 1.25 lakh entries and culminated in August 2014.

DISTRIBUTION CHANNELS – A YEAR OF TRANSFORMATIONAL INITIATIVES

In line with Max Life Insurance's strategy of having diversified distribution architecture, the Company has continued to work towards strengthening its existing distribution channels, i.e., Agency Distribution, Bancassurance (Axis Bank, Yes Bank, Lakshmi Vilas Bank, and various Urban Co-operative Banks), Partnership Distribution, Group Business, Customer Advisory Team (CAT) and e-commerce.

AGENCY DISTRIBUTION

The Company's agency distribution channel is core to the multi-channel distribution architecture. During FY2015, the Company took considerable steps to improve the quality of agency business. The introduction of effective agent selection process improved





the early success of agent advisors. Within Agency Distribution, the Agency Associate Programme picked up pace and performed well.

The digitisation journey that started with the New Work System has achieved a new milestone with the introduction of mService, the Company's initiative to provide services and information to agent advisors on the move, to help them in efficient management of their business and to provide faster response to their customers. Several bold moves were taken to improve the quality of business in Agency Distribution which helped to improve the 13th month persistency as well as reduce the surrender rate.

The Company has initiated incubation of the 'Learning & Development Centre of Excellence' (L&D-COE) in 2013. Within a short span of time, this initiative gained considerable ground with improved training effectiveness and efficiency resulting in early success for agents. The L&D-COE adopted new training methods and enhanced its course material which resulted in tangible business benefits.

BANCASSURANCE

During FY2015, aided by its Business Development team, Max Life Insurance forged a 5-year strategic alliance with Lakshmi Vilas Bank. As a corporate agent, Lakshmi Vilas Bank will distribute the life insurance products of the Company through its 400 branches. The tie-up will help the Company reach out to an additional 25 lakh customers of the bank with its headquarters in Chennai and strengthen multi-channel distribution, especially in South India.

Max Life Insurance's corporate agency relationship with Axis Bank is the largest non-captive bancassurance relationship in

India. The two Companies jointly launched a first-of-its-kind technology driven application that will improve need based selling, efficiency in policy issuance processes and customer service, which will enhance the customer's purchase experience. The application is designed to enable policy issuance in less than four hours. The digital initiative also involves use of the latest analytics tools to ensure that Axis Bank and Max Life are able to offer customised life insurance solutions based on a complete understanding of the life stage needs of their customers. The tool works seamlessly across the Bank and Max Life Insurance and leverages significant improvements in operational efficiency to make this possible. As at March 31, 2015, this relationship had insured more than 7 lakh lives through its 2,300+ active bank branches and recorded an Individual Adjusted First Year Premium growth of 21% for FY2015.

The Company's bancassurance relationship with Yes Bank performed extremely well and Individual Adjusted First Year Premium grew by more than 50%. This was aided by Yes Bank enhancing its focus on retail banking. Yes Bank is amongst the fastest growing banks in India and is known as a high quality, customer centric and service driven private bank.

In addition, the Company has distribution relationships with 11 other bank corporate agents with whom it works closely to enhance customer centricity.

PARTNERSHIP DISTRIBUTION

Partnership Distribution had a challenging year in the face of new regulatory requirements. This resulted in changes in the business

model for two key partners, viz Peerless and Amsure. As a result new business in Partnership Distribution declined during the year. The Company is working with its partners to devise new models for sustainable success in these channels.

GROUP BUSINESS

Group business added some of the best known corporate clients to its portfolio during FY2015. Eleven new key accounts were added and new business premium grew by 26%.

CUSTOMER ADVISORY TEAM (CAT)

The Customer Advisory Team (CAT) provides seamless service and sales experience to the Company's existing customers. The CAT channel grew by 21% during FY2015. During the year, the channel adopted a tablet based sales process that helped improve its quality of sales. The channel continued to set 13th month persistency benchmark within the Company.

E-COMMERCE

The E-Commerce channel was launched in November 2013 and had its first full year of performance during FY2015. Despite being the 13th life insurer to launch an online term plan, its Max Life Online Term Plan became the second largest selling online term plan in a short span of time and has maintained that position with a market share of 15% in FY2015. Till March 2015, the eCommerce channel had covered more than 16,000 lives with a total sum assured in excess of Rs. 12,700 crore.

HIGHLY ENGAGED PEOPLE FORCE

Max Life values human capital and considers it to be a key competitive advantage. This is also reflected in its functional vision to be known for its 'superior human capital' and a 'values driven culture', which are two of its six differentiators. The Company has progressed well in its journey to further strengthen these differentiators and leverage them to build competitive advantage.

In 2015, for the fourth consecutive year, Max Life Insurance was recognised as one of India's 'Best Companies to Work For' by the Great Place to Work Institute. Max Life Insurance has also been recognised under the category "Industry Best". With the active involvement of the senior leadership team, the Company has adopted a comprehensive structured approach to build this momentum on the 'Great Place to Work' journey.

Max Life has further improved scores in Employee Engagement measured through the IBM Kenexa Survey, which places Max

Life at the top decile of Kenexa global benchmarks. A significant improvement was also achieved in the Workforce category under the Max Performance Excellence Framework (MPEF) assessment. The Workforce category score moved up to 53 from 40 last year.

The Company has launched 'Torch Bearers', a revamped employee Reward and Recognition programme.

A new initiative called 'Ideas Xchange' was launched. This is a quarterly knowledge sharing platform wherein senior leadership team interacts with prominent external industry leaders.

IMPROVING EFFICIENCY AND OPTIMISING OPEX

Continuing its journey of efficiency improvement and strategic cost management, during the year, the Company primarily focused on improving efficiency of processes, controlling inflation in procurement, leveraging technology to reach further and faster, optimising compensation schemes amongst others. Significant savings were achieved during the year, through Six Sigma projects across the Company. It also continued to reduce cost through efficient utilisation of office space, and creation of a central training hub. This has resulted in improved industry ranking on cost parameter to 4th amongst private life insurers.

The efficiency improvement and cost minimisation efforts led to an improvement in the Cost to Net Premium ratio which went up to 25.7% (Previous Year: 27.3%) as well as the Opex to Net Premium ratio which improved to 16.5% (Previous Year: 17.8%).

ENHANCING BUSINESS EFFICIENCY THROUGH INFORMATION TECHNOLOGY

Digitisation is gaining pace since it not only facilitates the sale of policies, but also becomes a channel of direct interaction with customers. Statistics clearly portray an optimistic picture for the digital world and digitally-enabled insurance is not an exception. The Company has embraced digitisation not just to acquire customers but also to service them.

Some of the key projects undertaken during the year include strengthening the digital enablement of agent advisors through a tablet-aided sales pitch and digitally-enabled servicing, mobile site for customers with look and feel optimised for small screen and information available 'on the go', single portal for employees across Max Group for all human resources related transactions and state-of-the-art storage system to ensure consistency, availability and reliability of data.

Disha, an integrated PeopleSoft HR Management System, was launched during the year. Daksh, the new Enterprise Resource Planning (ERP)





module for finance, went live in just three months, one of the fastest instances of system implementation in the Company.

Periodic enhancements are undertaken on the Core Systems, to ensure compliance with regulations and automation of new product features. Routine monitoring of the existing products to improve design/process/system of all new products is also undertaken by a cross-functional team including IT. The Data Centre caters 24x7 to our policyholders and distributors, ensures better diagnostics and monitoring capabilities and helps Business Intelligence and Analytics in identifying strategic business insights. Further strengthening of the Data Centre is currently underway.

To enable data confidentiality, the internationally accepted standard ISO 27001 continues to be the Company's focus for technologies related to data encryption and data loss prevention. The Company has also adopted the ISO 22301 framework to ensure continuity of business operations in the event of man-made or natural disasters.

SUPERIOR INVESTMENT PERFORMANCE

Max Life Insurance's products are backed by strong asset management capabilities of the Company. Max Life Insurance ensures management of investment assets in accordance with Asset Liability Management for traditional plans and a market oriented approach for Unit Linked Plans.

During the year, the Company revamped the investment function with the induction of a new head of investments. The investments team has moved to Mumbai, the financial capital of the country, in order to attract the best talent and be close to the financial markets.

The Company ensures management of investment assets in accordance with its asset liability management policy for traditional plans and a market oriented approach for Unit Linked Plans. The performance of both traditional and unit linked funds has been commensurate with the risks assumed in respective funds.

While focusing on delivering maximum returns to policyholders, the investment function follows a prudent philosophy. The traditional funds are invested safely, with over 99% of the debt investments in AAA or equivalent instruments and a minimum of 70% of equity exposure to quality large cap equities which are expected to provide superior returns over the long-term. The Company's Assets under Management (AUM) of Rs. 31,220 crore recorded a growth of 26% over the last year which places the Company amongst the top 15 fund management organisations, including mutual funds, in the country. As at March 31, 2015, 57% of the AUM was in traditional funds and 43% in ULIP funds.

A CULTURE OF COMPLIANCE AND ETHICAL BEHAVIOUR

Given the complexity of the business and the geographic reach of the Company, monitoring and controlling of compliance activities is critical. The Company has independent checks and balances at multiple levels and follows a zero tolerance policy towards any violation of the regulatory norms.

The Company undertakes extensive communication campaigns to ensure awareness about reporting misconduct or malpractices. The Company has implemented online Annual Compliance

Training modules to reiterate policies such as Business Code of Conduct, Conflict of Interest, Anti-Money Laundering Practices and Anti-Corruption.

Initiatives such as a centralised database for tracking all whistleblower cases leading to enhanced monitoring and simplified dash-boards, Employees Disciplinary Action Process (EDAP) and Agent Disciplinary Action Process (ADAP) matrix have been implemented leading to appropriate action against guilty employees and agents.

Max Life Board of Directors is of an appropriate composition, size, and varied expertise. Timely flow of information to the Board and its Committees happens on a regular basis to enable them to discharge their functions effectively.

RISK MANAGEMENT

The Company has implemented an enterprise-wide risk management system to identify, assess, manage, monitor and control risks from multiple sources. To strengthen the risk management function, the Company has appointed a new Chief Risk Officer. The ERM framework covers 22 risk categories falling under financial, operational and business risks. There is an established risk appetite that guides risk taking within the Company. Risk management activities are supervised by a Management Committee on Risk chaired by the CEO and the Board Committee on Product, Actuarial and Risk Management whose mandate includes that of the Risk Management Committee as prescribed by the IRDAI. An Operational Risk Group and an Asset Liability Management Group support the Management Risk Committee in overseeing the risk management activities.

With the new Insurance Laws (Amendment) Act, 2015, being approved and notified, the IRDAI is proposing to redraw many of the provisions of Insurance Act, 1938 and Regulations thereon. These provisions were the back bone of the industry for the last 15 years and the Company believes that some of the changes could cause significant disruption to the existing business model and dynamics in the short to medium term.

CORPORATE SOCIAL RESPONSIBILITY – BREAKING NEW GROUNDS

With the changes brought by the Companies Act, 2013, Corporate Social Responsibility (CSR) assumed even greater significance. During the financial year, a board level Corporate Social Responsibility Committee was set up, which met three times during the year to

provide guidance to the Company's CSR programme. The Company has created a well thought out CSR Strategy and Policy for FY2015, which was discussed with the management team and the CSR Committee prior to approval. More details about the Company's CSR initiatives are mentioned under the Business Responsibility Report in this Annual Report.

In line with the requirements under section 135 of the Companies Act, 2013, the Company has contributed Rs. 9.7 crore towards these CSR activities during FY2015. Of this, the Company spent through its CSR Partners, Rs. 8.61 crore till March 31, 2015 and balance Rs. 1.08 crore has been contributed to the sewerage management project at Dhakrani village, Dehradun district of Uttarakhand, and will be spent in the next few months in FY2016.

OUTLOOK

The macro-economic conditions are expected to be favourable for the growth of the life insurance industry in India. This will be supported by a stable political environment and the government's commitment to its economic reform agenda and social security. Infrastructure development is essential to support economic growth and Life Insurance can play an important role in funding infrastructure development through the aggregation of small savings. The Government has launched several schemes to improve the state of social security, which will further enhance awareness about the need for protection and long-term savings for long-term needs like retirement. All this is likely to create new opportunities for the life insurance industry in India.

FY2016 is also expected to bring in multiple regulatory changes in line with changes in the Insurance Bill as well as in the area of distribution. Max Life will continue to engage with policymakers to contribute to the life insurance regulatory agenda and respond to such changes with swiftness to continue in creating value for its customers and other stakeholders.

Max Life Insurance has been leading the industry on both profitable growth and quality parameters over the past several years. The Company is expected to outperform the industry in revenue growth and further improve the quality of sales and service in FY2016. The Company will continue to build on its positioning of honesty and will do what is right for its customers and other stakeholders.





Anas Abdul Wajid
Director Sales & Marketing



Yogesh Sareen
Senior Director & CFO



Rohit Kapoor
Senior Director & Chief Growth Officer



Anil Vinayak
Director & Zonal Head NCR1



Rajit Mehta
MD & CEO



Dr. Sandeep Budhiraja
Clinical Director



Rohit Varma
Director - HR & Chief People Officer



Rakesh Prusti
Director - Legal



Vinita Bhasin
Senior VP - Service Excellence



Rajan Bir Singh
Chief Information Officer

INDIAN HEALTHCARE SECTOR: POISED FOR GROWTH

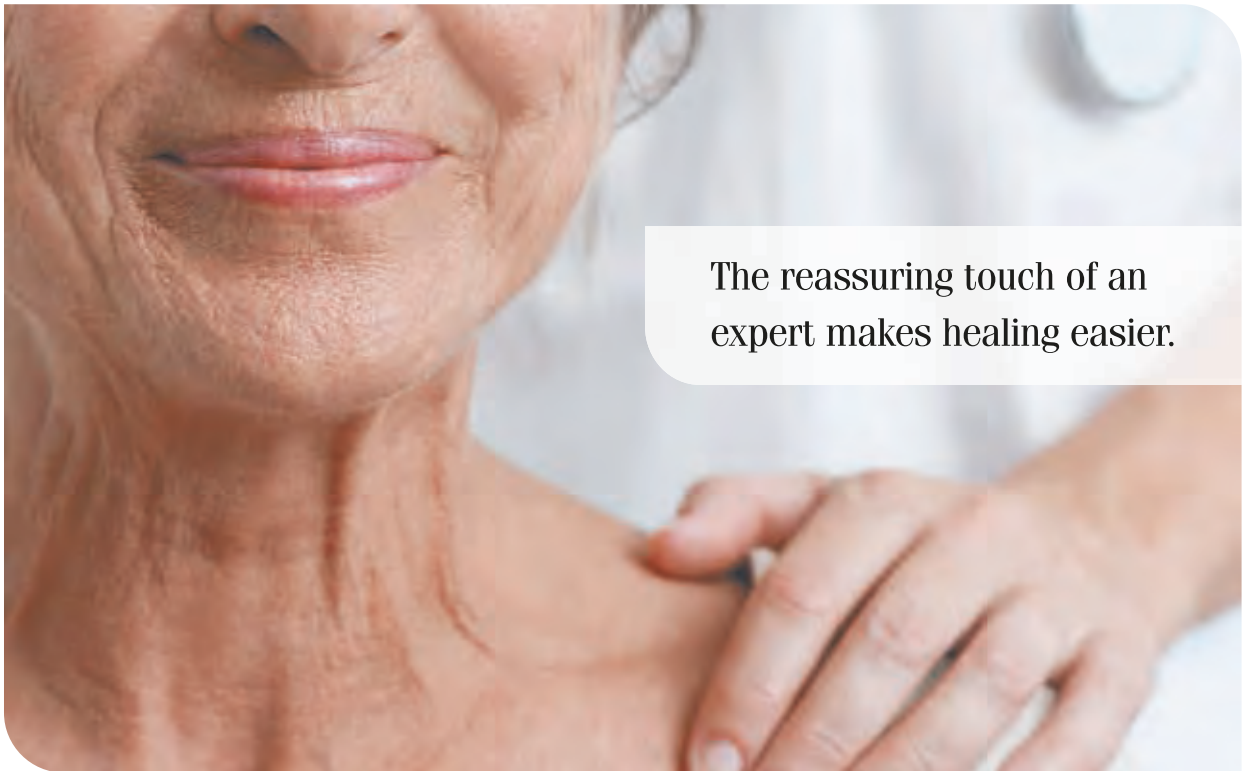
These are exciting times for the private healthcare sector in India. There are a lot of favourable factors – ever increasing demand, economic affordability, a positive economic environment, recognition of clinical quality, etc., those are driving Indian Healthcare growth at the moment.

The healthcare sector is estimated to be the largest in the Indian economy in terms of revenue and employment. It is expected to grow from \$80 billion in 2013 to over \$160 billion in 2017 with CAGR of over 17% during the period.

However, the present healthcare spend in India at 4.1% of GDP, according to Economic Survey 2013, is lower compared to that in other emerging BRICS economies

(e.g., South Africa and Brazil spend up to 9% of their GDP on Healthcare). However, the Government of India does recognise healthcare as a key development agenda and this ratio is bound to substantially improve in the near future resulting in significant expansion of the healthcare market.

The healthcare industry offers immense opportunities as well as a few challenges for Companies that are willing to work hard and address the needs of the consumers. Factors like higher income levels backed better affordability, increasing awareness of diseases, prevention and treatment, higher penetration of health insurance, diverse business models, growth in medical tourism, opening up of public infrastructure and technological advancements, and greater proliferation of IT in the healthcare sector – all point towards an immense growth opportunity in this sector. On the other hand, there are substantial roadblocks as well that continue to hold the



The reassuring touch of an expert makes healing easier.

When advanced medical expertise meets personalised care, you heal faster. This is why we combine high quality treatment with our special touch of warmth.

Because at Max Healthcare, we care for life.



sector back from realising its true potential, such as the shortage of skilled workforce and increasing pressure on margins with the consolidation of the health insurance industry which is expected to put a downward pressure on prices.

REGULATORY ENVIRONMENT

In the coming years, the private healthcare industry is going to have to face far greater Government scrutiny with the implementation of regulations such as the Clinical Establishment Act. While we welcome the government's efforts to ensure transparency and fairness for the customer, there are clear concerns that any attempt at limiting pricing flexibility will result in margin compression in the sector. Max

Healthcare (MHC) is committed to maintaining the highest standards of service delivery and is already working to ensure that its cost structures remain relatively immune to potential regulatory headwinds. Moreover, the significant disparity between the Government's declared objective of universal healthcare through the public health system and the actual level of expenditure remains a concern. The much anticipated National Health Assurance Mission appeared to have taken a backseat given the somewhat unimpressive budget outlay of Rs. 33,150 crore for the sector in the 2015 Union Budget. Earlier this year, the Government proposed the formation of an autonomous National Medical Device Authority. While the regulatory body's mandate is primarily to promote the local industry and ensure

GROUP MEDICAL ADVISORY COUNCIL



Dr. S.K.S. Marya
Chairman & Chief Surgeon,
Max Institute of Musculoskeleton Sciences
(Orthopaedics & Allied)



Dr. Sandeep Budhiraja
Clinical Director, Max Healthcare
Director, Institute of Internal Medicine



Dr. Harit Chaturvedi
Chairman, Max Institute of Oncology,
Chief Consultant & Director Surgical Oncology



Dr. K.K. Talwar
Chairman - Department of Cardiology



Dr. Pradeep K. Chowbey
Chairman, MAMBS
Executive Vice Chairman, Max Healthcare



Dr. A.K. Singh
Director MIND (Max Institute of
Neurosciences, Dehradun)
Medical Advisor, Max Super Speciality
Hospital, Dehradun



Dr. Anurag Krishna
Director - Paediatrics & Paediatrics Surgery

adherence to safety standards, the draft policy also proposes price controls for devices including surgical instruments, implants and diagnostic equipment. With the government also proposing price caps for pharma, there is a disconcerting shift towards an increasingly regulated environment.

THE COMPANY

The Max Healthcare network has 12 facilities with over 2,000 beds in North India with services offered in over 30 medical disciplines. While nine facilities are located in Delhi & NCR making Max the biggest healthcare network in NCR, the other hospitals in Mohali, Bathinda and Dehradun play a dominant role in their respective geographies. The Max network includes state-of-the-art tertiary care hospitals in Saket, Patparganj, Shalimar Bagh, Mohali, Bathinda and Dehradun, secondary care hospitals at Gurgaon, Pitampura and Noida and an out-patient speciality centre at Panchsheel Park.

Max Healthcare is a pioneer in the introduction of technology to provide patients with the highest standard in medical care. Some such examples are Asia's first BrainLab Digital Orthopaedic Operating Suite at Max Mohali, the first Brain Suite in Asia at Max Saket and the Electronic Health Record System in use across Max Hospitals. Max hospitals are equipped with advanced medical equipment like state-of-the-art Cath labs, OTs with HEPA filters, Nuclear Medicine, Gamma Camera, LINAC for Radiotherapy and MRI and CT scan machines.

HIGHLIGHTS OF 2014-15

The year witnessed additional investment by Life Healthcare Group (LHC), Max India's joint venture partner in Max Healthcare and a leading healthcare provider in South Africa. LHC raised its shareholding to attain 46.4% shares through additional investment of Rs. 766 crore in Max Healthcare. The JV partners' renewed faith in the Company's business model underlines MHC's ability to further strengthen its position in the Indian healthcare sector.

This alliance equips Max Healthcare with class-leading hospital management SOPs and cost management practices from LHC in order to realise its growth aspirations.

FINANCIAL PERFORMANCE

Max Healthcare had a good year with robust revenue growth, beating the industry average. The network revenues grew by 24% to touch Rs. 1,740 crore as compared to Rs. 1,407 crore in FY2013-14. The mature hospitals¹ in the network grew by 17.0% with combined revenue of Rs. 1,270 crore during the financial year

while the newer hospitals² grew by over 46% to cross Rs. 456 crore in FY2014-15. The newer hospitals have exhibited fast tracked capacity utilisation and have been able to assume a leadership role in their respective geographies. The network also witnessed a significant increase in patient footfalls with 18% growth in OPD footfalls and a 16.9% growth in IPD cases amounting to a total of ~1.6 million patient footfalls in the year. Revenue growth was primarily driven by up-scaling various medical programs with the introduction of newer technology and enhancement of the service profile. The Oncology and Renal Sciences Centres of Excellence in the NCR hospitals witnessed major augmentation of their clinical prowess with the induction of renowned clinicians in their respective fields. The Orthopaedics and Joint Replacements program at the Mohali hospital witnessed commissioning of the latest Buzz system for navigation in Orthopaedics OT technology that result in better placement of implants to offer higher longevity with minimum blood loss.

PERFORMANCE HIGHLIGHTS

- Total Revenue Rs. 1,740 crore grew 24% over FY2014
- Total patient footfalls: ~1.6 million
- Increase in OPD and IPD footfalls by 18% and 17% respectively
- Growth in revenue share of Centres of Excellence was 6.7%

MHC also added 114 beds with the launch of 'Max Multi Speciality Hospital'³ in Greater Noida. The hospital follows an affordable healthcare model and is equipped with comprehensive secondary level services in medical and surgical specialities like Laparoscopy & General Surgery, Obstetrics and Gynaecology, Internal Medicine, Paediatrics with NICU, Orthopaedics, Emergency and Trauma Care backed by other support services. The hospital shall serve over 5 lakh people residing in nearby villages and housing societies in Greater Noida.

This year marked the first-ever hospital acquisition by MHC. The Company acquired a controlling stake of 76% in NCR based Pushpanjali Crosslay Hospital (PCH) through a combination of fresh investment and acquisition of shares from existing promoters for Rs. 260 crore. Situated just 4 km from Max Super Speciality Hospital in Patparganj, the Pushpanjali Crosslay Hospital, with 340-beds, is situated at a prime location along the East Delhi-Ghaziabad-Noida corridor. The hospital which has the capacity to expand up to 540 beds is NABH and NABL accredited and has been operational since 2010.

The cost of performance during the year was also better

² Newer hospitals started in the last three years

³ The Hospital is owned by Four Seasons Foundation, a Group Company. Operations & Management is done by Max Healthcare.

¹ Mature hospitals have an average age of over six years



(30 bps improvement in Gross Margins) compared to the previous year despite a significant increase in tertiary care volumes. This was primarily led by numerous cost optimisation initiatives along with better demand and supply chain management.

The operational EBITDA margins for the network witnessed an improvement of 170 bps over last year. The journey to better profitability was led by an optimised supply chain coupled with proactive fixed cost management. The cost improvement, which was a key focus area in FY2014, continues to be a cornerstone of the business's financial performance.

OPERATIONAL PERFORMANCE

MHC exhibited impressive all round performance on all key operational matrices during 2014-15.

ALOS – Average Length of Stay or Patient Turnaround time reduced by 3.5% in FY2015 despite the significant increase in complexity of clinical programs. Focus on short stay surgeries also helped the cause and favorably impacted ALOS.

ARR – Average Revenue Realised is average daily billing for each occupied bed. The IP ARR improved by 9.9% while the hospital ARR improved by 9.7% during FY2014-15.

IP Occupancy % - The IP occupancy for 2014-15 was 73.5% as compared to 74.3% in the previous year. This was despite an increase in the number of operational beds, which went up by 204 in FY2015.

COE Revenue Share – The key clinical specialities or Centres of Excellence grew at a higher rate and the share of revenue from COEs increased by 6.7% during FY2015. This shows the success of medical programs and the opportunity offered by key specialities in Cardiac

Sciences, Neuro Sciences, Orthopaedics, Oncology, Renal sciences and MAMBS.

INFORMATION AND MEDICAL TECHNOLOGY, QUALITY CERTIFICATIONS

Implementation of the Customer Relationship Management (CRM) systems was successfully completed within the network, providing a new focus to customer satisfaction activities. To offer higher convenience, the Company has allowed multi-platform payment systems including online and mobile payments. The homecare services availed by the patients at their doorstep offered additional conveniences of online billing and doorstep multi mode payments.

During the year, Max Healthcare launched its mobile app 'MaxMyHealth' for both Apple and Android platforms. The application offered convenience in booking OPD appointments and health checks, access to clinicians' availability schedule and information on all hospital based services. The services offered by the 'MaxMyHealth' app shall further increase in the coming months to offer more convenience to the user. The Company is also developing a Patient Portal with secured log in offering access to investigation reports for increased patient convenience.

Max Healthcare entered into a strategic partnership for 18 months with medical equipment manufacturer GE Healthcare to develop a range of oncology related services including cancer treatment pathways and protocols and a training institute in India. Newer medical technologies were added with addition of Spy Angiography System to improve the outcomes of OT surgeries and the Brainlab





Digital Orthopaedic Operating Suite to offer higher longevity with minimum blood loss in case of joint replacements. Hyperthermic Intraperitoneal Chemotherapy (HIPEC) system was added to improve the opportunity of oncology treatments available to the patients.

Bureau Veritas (BV), a European Standards organisation awarded the cGreen OT certification to Max Healthcare. Max Super Speciality Hospital, Saket became the first ever hospital in the country to receive this prestigious accolade. The certificate recognises adherence to the highest quality and safety parameters for patients and healthcare workers in the operation theatres.

Max Super Speciality Hospitals at Dehradun and Bathinda were awarded the prestigious NABH (National Accreditation Board for Hospitals & Healthcare Providers) accreditation during 2014-15. The Dehradun hospital became the first hospital in Uttarakhand to be awarded this coveted certification within two years from its commencement. With this, all tertiary care hospitals in the Max network are now NABH accredited.

COMMUNITY INITIATIVES

The Company continued its journey to positively influence the society with its outreach and community engagement programmes. Max Healthcare along with Max India Foundation has long been associated in organising health camps and health awareness programmes for the community.

More than 480 camps were organised during the year to serve over 40,000 beneficiaries from the community. All hospitals are continuously engaged in preventive health and health awareness programmes to the people in their respective geographies.

HUMAN RESOURCE

The Company offers indirect employment to over 11,500 people with over 9,300 being directly employed as staff. The Company employs a highly skilled and motivated team led by over 2,500 clinicians, supported by 4,500 well trained Nurses and Paramedics, and 2,000+ support staff. Max Healthcare recognises patient care as its key theme and has instituted an organisation-wide program to propagate 'Sevabhav – culture of care' across the organisation.

OUTLOOK

Max Healthcare is focused on strengthening its positive brand image in the healthcare space and was able to leverage its operational strengths into significant financial gains during FY2015. The organisation now has the appetite to acquire more hospitals to significantly scale up its presence in North India. It has both the financial capabilities and the bench strength to make these acquisitions work. The business will continue to identify and implement granular initiatives to achieve sustained revenue growth. This will involve new clinical programs and an increasing focus on developing new specialities along with an incremental push on international business and additional investment in brownfield projects. Much of MHC's profitability can be credited to cost optimisation efforts over the past couple of years, and this will continue to be an ongoing focus area for the organisation. However, that does not imply that any such cost rationalisation may undermine patient safety or medical quality. Instead, the focus is on ensuring sustainable value addition by cultivating the right culture.





Marielle Theron
Member, Governing Council



Mohan A.V.K.
Member, Governing Council



Rohit Kapoor
Member, Governing Council



Anika Agarwal
Vice President and Head of Marketing



Biresh Giri
Appointed Actuary



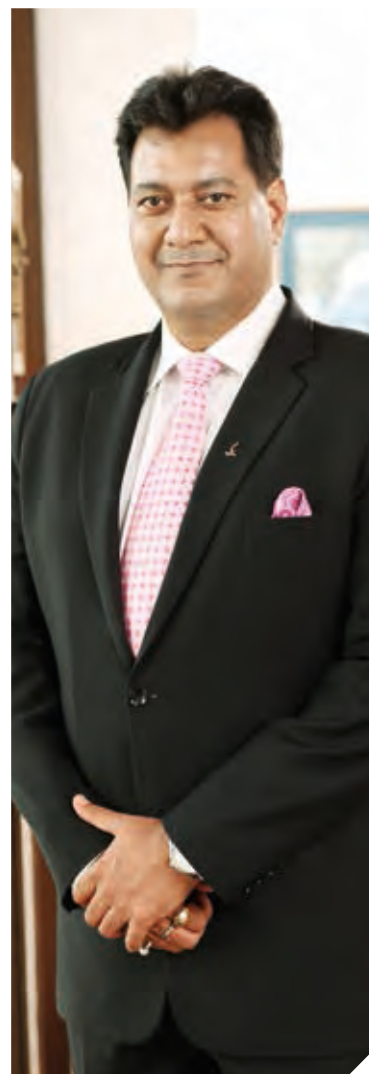
Debraj Sinha
Chief People Officer and
Director of Human Resources



Polly Doak
Chief Strategy Officer and
Director of Products



Anurag Gupta
Senior Vice President and
Head of Agency Channel



Rajesh Sud
Chairman



Priya Gilbile

Vice President and
Head of Health Risk Management



R. Mahesh Kumar

Director - Legal, Compliance and
Secretarial



Rahul Ahuja

Chief Financial Officer



Somesh Chandra

Chief Operating Officer and
Chief Quality Officer

Max Bupa Health Insurance Company Ltd. (Referred to as “MBHI” or “Max Bupa”) is a specialist health insurer, formed in 2010 as a joint venture between Max India Limited and the UK based Bupa Finance PLC. Max Bupa combines Max India’s local expertise and excellence in the delivery of healthcare and insurance services with Bupa’s six decades of rich experience in providing health and care.

Max Bupa is a committed health partner, helping over 1.8 million Indian families in leading healthier and more successful lives, through its comprehensive product suite and personalised service.

Max Bupa is now the 7th largest private health insurer in the country with highly differentiated product and service offerings. The Company’s portfolio of comprehensive and flexible health insurance plans meet the needs of all of the family members - from senior citizens, expecting mothers, adults to newborns. The Company has been constantly evolving its retail offerings basis changing needs of its customers and offers variants for all key customer segments.

Since its inception, Max Bupa has been offering personalised service to all its customers, without involvement of any third party. The Company deploys advanced technology and underwriting systems to provide exemplary services to its customers at the point of sale, claim and renewal. Max Bupa offers the fastest cashless approval in the health insurance industry. All cashless hospital admission requests are processed within 30 minutes of receipt of documents.

Max Bupa’s success and fast growth trajectory is also enabled by the organisation’s core set of values - Caring, Respectful, Ethical, Accountable, Trustworthy and Enabling (CREATE). This value system is instrumental in making Max Bupa as one of the most trusted and admired health insurance players in India.

Strong focus on innovation: Max Bupa has distinguished itself by being the first in the industry to introduce innovative products and services.

- Over the past four years, the Company has introduced industry first offerings like Heartbeat Family First that covers up to 14 relationships in a single policy.
- Max Bupa was the first health insurer to introduce product features like any age entry and lifelong renewal ability in India.
- Max Bupa provides fastest cashless claims settlement in the country, i.e. within 30 minutes, against prevailing industry practice of two to four hours.

MARKET DEVELOPMENTS

Though the penetration of Health Insurance is still under 5% in the country, the Health Insurance sector continues to be the fastest



growing segment in non-life insurance industry. The total Health Insurance premium in FY2014-15 grew to Rs. 20,443 crore from Rs. 17,620 crore in FY2013-14, reflecting a growth of 16%.

The industry is dominated by four public sector companies that together command a 63% market share. The rest of the market is divided between 22 private sector players, of which five, including Max Bupa, are standalone health insurance players.

OPERATIONS – HIGHLIGHTS

Max Bupa has a strong customer base of 1.8 million in India, serviced through its multiple distribution channels. This includes a network of 14,000 + agents across the country, an in-house telesales channel which caters to more than 500 cities, partnership with leading Indian and international banks as well as a robust online sales channel. The Company has an estimated market share of 9% in the B2C private health insurance segment.

Max Bupa has over 1,480 employees in 26 offices spread across the country in 16 cities – Delhi/NCR, Mumbai, Hyderabad, Chennai, Bengaluru, Pune, Ludhiana, Chandigarh, Jaipur, Surat, Kochi, Kolkata, Patna, Goa, Jodhpur and Thane.

In FY2014-15, consequent to favourable regulatory changes impacting the distribution of health insurance products by banks, Max Bupa took the lead in engaging with several leading banks and signed up corporate agency agreements with four leading banks and two NBFCs in India. These include Standard Chartered Bank, Federal Bank, RBL Bank, Deutsche Bank, Bajaj Finserv and Muthoot Finance.

These partners are helping Max Bupa offer its products and services to a much wider market.

Max Bupa has successfully differentiated itself by positioning itself as a family health insurer that caters to the need of all Indian families, big or small. The Company is using television, print, digital communication as well as ground level events, to build mass awareness about its product and service offerings and build brand saliency. The campaigns focus on promoting the Company's differentiated products and bring alive Max Bupa's purpose of helping customers' live healthier and more successful lives.

A differential brand approach: The brand's philosophy is to put customers' health first, in line with its purpose of helping customers to lead healthier and more successful lives.

- First Health Insurance brand in India, which chose to go beyond health insurance and position itself as a brand which cares for its consumers and their families' health and well-being.
- 'Walk for Health', the brand's flagship health event started in 2012, is a one-of-its-kind initiative that promotes walking and has so far motivated over 60,000 Indians to walk for better health.
- Initiated a unique customer awareness campaign, 'All Fact No Myth', to create greater understanding and acceptance of health insurance amongst consumers across all Groups.
- The most visible Health Insurance brand on Social Media. The brand has a strong presence on new-age social media forums like Facebook and Twitter. The engagement with customers through conversations about their health and important life moments is helping the brand to build trust and amplify recall and preference.



Max Bupa
Health Insurance



Family Health Insurance

The Company continues to innovate and expand its retail portfolio, to provide its customers with a wider choice of products and services. In FY2014-15, Max Bupa introduced the enhanced version of its flagship product Heartbeat with many industry-first features like international cashless treatment for 9 critical illnesses, coverage for 14 relationships in a single policy and tapering co-pay along with a refreshed version of its second indemnity product Health Companion, offers multiple customer friendly features like coverage for 19 relationships in a single policy, option of tiered pricing for tier 2 and 3 cities, at an affordable price point.

A key development of the year was strengthening of the successful association of Max India and Bupa, with the latter announcing its intent to increase its shareholding in Max Bupa from 26% to 49%. This decision underlines Bupa's commitment to the Indian health insurance market and represents a major milestone in the development of Max Bupa.

As the Company prepares itself for its next wave of growth, it will stand to benefit from Bupa's expertise in areas such as

underwriting evaluation risks and product innovation. Bupa's intention to increase its stake is also testimony to the huge opportunity for health insurance in India and Max India's reputation in successfully managing joint ventures.

Max Bupa's performance indicators are as follows:

1. Customer base increased from 1.7 million to 1.8 million during the fiscal year.
2. Gross Written Premium (GWP) increased by 21% from Rs. 309 crore in FY2014 to Rs. 373 crore in FY2014-15.
3. 7th position among private players and estimated market share of 9% in the B2C segment.
4. Provider network stable at ~3,500, spanning over 300 cities in India.

In addition, Max Bupa gained significant industry recognition during the year:

- First Health Insurer in India to be listed as a Superbrand. Chosen as the most preferred brand in the health insurance segment



by an independent consumer study conducted among 17,000 people and across 2,000 brands.

- Emerged as the Most Trusted Health Insurance brand in the Brand Trust Report 2015. This was the second time that Max Bupa emerged as the #1 Health Insurance Brand in the study, conducted in six top cities in India by TRA, a Global research and advisory firm.
- Max Bupa Walk for Health recognised as Best CSR Campaign of the Year Linked to Loyalty at the 8th Loyalty Awards 2015. The initiative was recognised for strengthening Max Bupa's healthcare agenda and significantly enhancing brand loyalty.
- Workflow Distribution Management System (WDMS) of Max Bupa recognised as the Best Solution for Data Management at the e-Governance BFSI Leadership Awards 2015.
- Ranked among 'Asia's 100 Most Admired Brands' for its differentiated brand positioning and marketing efforts.
- Conferred the IT Leadership Award at the Asia Insurance Awards 2014 for excellence and innovation in technology and effective implementation of its business process automation platform.

- Awarded for Excellence and Maturity in Technology Award at the Indian Insurance Awards 2014 for its business process automation platform that significantly reduced customer service turnaround time and operating costs.

STRATEGY

Max Bupa will continue to build its expertise in the retail segment. The Company focuses on High Net Worth and mass affluent segments in the top 20-25 cities in India and aims to be the preferred health insurer for families. The Company continues to innovate and expand its product portfolio, to provide its customers with a wider choice of products and services. Two refreshed version of flagship products, Heartbeat and Health Companion have been added to the Company's product portfolio.

In addition to its current channels, Max Bupa has successfully forged bancassurance partnerships which will serve as key growth drivers for the Company. While growth is high on Max Bupa's strategic agenda, there is concurrent focus on enhancing the Company's performance in several key business segments to improve its profitability and reduce the capital burn.



Over the last one year, Max Bupa has increased its network of hospitals to circa 3,500 and will continue to ensure that it facilitates its customers with a superior cashless experience. Max Bupa supports its customers directly through its in-house team of professionals, including doctors.

The Company firmly believes that service quality is critical for sustaining long-term success. Max Bupa has adopted 'Health Risk Management' as a core enterprise philosophy. This is complemented by its focus on delivering comprehensive products and an exemplary service to its customers. Max Bupa has redesigned its service architecture as part of its effort to address emerging customer needs. It is continuously driving the Max Quality System to re-engineer the current processes to improve customer outcomes. Some initiatives taken towards its exemplary service commitment are as follows:

- 24X7 customer service contact centre with response rate of more than 90%
- Cashless claim processing within 30 minutes to drive higher customer satisfaction
- Faster policy issuance to aid customer convenience at the point of sale
- Standardisation and grading of diagnostic centres to enhance customer experience
- Express service standards and processes for High Net Worth Individuals to offer service differentiation
- ISO 1002 certification for complaint management process
- A Medical Advisory Team to drive 'Customer First' philosophy

Max Bupa has also enhanced its people focus through career development as well as learning and growth opportunities. Its workforce has increased from 1,330 to over 1,480 during the course of FY2015. It constitutes a healthy mix of general management specialisations and specific professional backgrounds.

REGULATORY INTERVENTION

During the year, the industry has seen significant changes on the policy as well as the regulatory front. The regulatory environment has changed significantly due to policies of the new central government and passing of the much awaited Insurance Bill. In

addition to other amendments, the new law has relaxed the cap of FDI in Insurance and introduced the definition of 'Health Insurance Business' recognising it as a separate business, unlike before where it was clubbed under General Insurance. These changes will attract more players, including foreign ones and provide more regulatory focus on the industry.

To provide better healthcare services to all, the Government has issued a draft National Health Policy 2015. Post implementation, it will provide quality healthcare access to a large section of the society.

The health insurance guidelines and draft proposals by the IRDAI can impact multiple facets of the insurance industry and the business. These regulations will require the insurers to modify and improve their reporting platforms and address key customer concerns. For instance, agreements entered between Third Party Administrators and insurers are required to be filed with the regulator. These, along with the other forthcoming changes in the regulations/policies will impact Max Bupa's operations significantly.

OUTLOOK AND RISKS

With only about 5% of the population covered under personal health insurance, Indian health insurance continues to remain a fundamentally attractive industry with growth projections of 13-14% in FY2016.

While Max Bupa has grown by 21% this year, it is important to note that the Company is still a relatively small player in the non-life insurance segment. The market continues to be dominated by public sector health insurers who command over half of the market share. In addition to pro-consumer regulatory intervention, competition from other general insurers and life insurers is also growing, putting pressure on margins. The industry is also faced with increasing claims cost and operating expenses.

As margin compression intensifies even further in the B2B segment, the market is likely to witness a gradual shift towards B2C health insurance, which continues to be the fastest growing segment with a CAGR of 25% over the past 4-5 years. Max Bupa plans to grow its retail portfolio and add more families through innovative product and service offerings. With established processes, a stable sales team and growing reputation, Max Bupa will continue to capitalise on its market differentiation and build long-term customer relationships.





A.V.K. Rao

Director, Finance & Accounts



Ambica Chaturvedi

Director, Human Capital



Badar Afaq

Head - IT



Deepa Sood

Company Secretary & Legal Counsel



Geetanjali Bharadwaj

Head - Design



Gyanendra Pratap Singh

Head - Procurement & Contracts



Harsh Sharma

Head - Projects



Tara Singh Vachani

CEO



Jishnu Veliath

General Manager - Community Operations



Kenneth Sannoo

Director, Community Development



Renuka Dudeja

Head - Brand & Communication



Saumyajit Roy

Director, Business
Planning & Performance



Sanjay Bhatia

Head - Relationship Building



Antara Senior Living is an inspiration of the Max India Group to create an active, vibrant residential concept for progressive seniors. Spread over 13.6 lush green acres in Dehradun, Antara is a luxurious, fully-integrated community designed around the safety, wellness and lifestyle requirements of progressive seniors above the age of sixty. The promise of a better life at Antara for our residents is built on the pillars of a unique location, thoughtful design, a curated community and holistic well-being.

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

At Antara, the aspiration is to create a community where our residents feel comfortable with each other without truly knowing each other from the past. Common interests, beliefs and enthusiasms tie our residents together in inexplicable threads to thus build and nurture a community where friends become family.

We are building a community that truly allows like-minded people to find each other and thus feel comfortable to call Antara their home. We truly believe there is no age limit on a life of activity and significance.

OUR CONCEPT AND POSITIONING

With a growing number of seniors, who are well-travelled and are accustomed to a certain quality of life and infrastructure, Antara is a community which enables them to maintain the lifestyle they are habituated to.

Carefully crafted by internationally renowned architects, Perkins Eastman from New York and Esteva & Esteva from Spain and under construction by experienced construction partners such as Shapoorji Pallonji (Civil works), Sterling Wilson (Plumbing & Fire Fighting), Jakson (Electricals) Antara is being created with a unique design philosophy to encourage the utmost quality of living. This has been woven in to the fabric of the community through a strict adherence to international standards of senior specific design intervention.

With 50,000 square feet of recreational spaces, 200 plus apartments and premium facilities, Antara Senior Living brings a unique dimension to senior living in the Indian subcontinent.

At Antara Dehradun, residents will wake up to the glorious views of the Mussoorie hills, dig into curated F&B options at the restaurant, bar and deli, be pampered at the spa situated at the 50,000 sq. ft. clubhouse, work out with a personal trainer, exercise at the gym, plan an outing at the nearby natural reserve forests or spend the afternoon indulging in a long list of arts, sports and entertainment options.



Flanked by the Super Speciality Max Hospital in Dehradun, the community also provides for the complete care of residents' physical health, as well as their minds and spirit.

KEY OPERATIONAL DEVELOPMENTS OF FY2014-15

FY2014-15 was focused on the following initiatives:

1. Accelerating construction works
2. Developing Antara's resident community for Dehradun
3. Cultivating operational readiness
4. Building our corporate systems and processes

We are pleased to report good progress on all of these fronts.

ACCELERATING CONSTRUCTION WORKS

Antara has formed a devoted projects team comprising seasoned professionals with experience in planning, design, contracts and execution. The team is now self-sufficient in managing all aspects of the project and is well coordinated between the head office in Delhi and the site office in Dehradun. The civil execution work was awarded to Shapoorji & Pallonji (SPEC) in October, 2013.

Structural works for five out of the total nine residences were completed by April 2015, while the remaining residences will be completed in a phased manner between September 2015 and

January 2016. Letters of award have also been awarded to Sterling and Wilson for plumbing and fire-fighting and to Jakson for electrical works, respectively. The project is expected to be commissioned in 2016.

DEVELOPING ANTARA'S RESIDENT COMMUNITY FOR DEHRADUN

In May 2013, the Company has started bookings for the Dehradun community and during the last year and half has built a robust engine to develop the Antara brand and engage with potential residents through a highly interactive process. In line with our vision, Antara's signed-on residents today exemplify a genre of seniors who are progressive and passionate for embracing new experiences.

Over the past year, Antara has continued to pursue diverse marketing and brand building initiatives, customer acquisition events and activities. Advertorials have been published in the leading publications such as the Hindustan Times, Times of India, Outlook, Hindustan Times Brunch, Business Today, Economic Times, all of which highlight Antara's value proposition.

Plethora of customer acquisition events have been hosted and sponsored such as the Doon School Founders Day association event in Dehradun, Doon School Old Boys society event in New Delhi, NRI events in Singapore, New York and San Francisco. Tie-ups have been formalised with clubs and associations such as the Defence Colony Club and Panchsheel Club in New Delhi.





CULTIVATING OPERATIONAL READINESS

As part of its efforts to become operationally ready, Antara has optimised its service offering and incorporated market feedbacks from voice of customer sessions. A comprehensive service delivery plan and a pre-opening plan for the community operations is in place in order to support a seamless community commissioning in 2016. The key team members of the operations team have already been hired and have started working towards building the operations team.

BUILDING CORPORATE SYSTEMS AND PROCESSES

The Company is pleased to report that it now has a dedicated team of 73 employees catering to all business functions. Majority of the additions in the team have been at the project site. The Company has also invested significant time and effort in creating necessary processes and systems, and is leveraging information technology for productivity gains.

INDUSTRY OUTLOOK

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

size of units, while most of the early communities were of a size of 100–200 units, some of the new communities have started over 400 units. The average price point in the market is also witnessing an upward trend with the concept gaining popularity in the mind space of seniors. Senior Living continues to be more acceptable as a concept in South and West India with established players expanding to do more projects in their respective regions. However, there are new projects which are coming up in East and North India as well. As per our estimates, there are 10 serious players in the Senior Living sector in India and about 40 new entrants are trying to create their first community.

FY2015-16 OUTLOOK

Over the course of FY2015-16, Antara's focus will remain on its first community in Dehradun so that residents can move into the community in mid-2016. The Company will continue to build its brand positioning and product awareness amongst the target customers by various public relation initiatives, events and activities to generate customer leads and will create engagement programmes for signed-on residents.

The human capital function will begin hiring the operations team for the Dehradun community with bulk of operational staff getting hired in November–December 2015. The Company aims to have over 150-200 people on-site once the community is fully functional. The Company will also begin implementation of a new ERP system in phases over the coming year.





Dalbir Singh
Senior Vice President -
Finance & Commercial



K. Manohar
Vice President - Operations



S.P. Bansal
Associate Vice President -
Human Resources



Sanjeev Yadav
Head - Product, Application and
Business Development



G.V.S.R. Mohan
Head - International Sales



S.K. Ganeshan
Head - National Sales



Anil Kumar Bamby
Senior Manager - Quality Assurance



Avinash Kumar Singh
Head - Strategy



Jaideep Wadhwa
Chief Executive Officer

OVERVIEW

Max Speciality Films Limited (MSFL), a subsidiary of Max India Limited, manufactures BOPP (Bi-axially Oriented Polypropylene) films of differentiated quality. BOPP films are one of the most prominent of polymer films used in flexible packaging. The global market for BOPP films is 7800 KTA. In India, penetration of BOPP films is at 0.21 kg per capita, a fraction of the global average of 1.2 kg, so there is tremendous opportunity for growth in line with the economic development of the country.

The Company is celebrating its 25th anniversary this year.

The Company's state-of-the-art, manufacturing facility is located in Railmajra near Chandigarh and is accredited with the following certifications:

- ISO 9001–2008 Quality Management System
- ISO 14001–2004 Environmental Management System
- OHSAS 18001–2007 Occupational Health & Safety Management System
- BRC / IOP (Food Safety)–British Retail Consortium
- HACCP–Hazard Analysis Critical Control Point

Known globally for innovation, quality standards and customer service, the Company has a growing roster of international and Indian clients.

INDUSTRY STRUCTURE & DEVELOPMENT

Due, in part to lack of proper packaging, India has one of the highest rates of produce spoilage in the world. The domestic retail boom–fuelled by changing demographics, rising consumer spends and acceleration in demand for convenience and quality products has, however, sparked a revolution in the packaging business. Food companies have come to expect a great deal more from flexible packaging as it plays a critical role in nutrient preservation, damage-free distribution and post harvest conservation. Packaging is now seen as a vital technology driven link in the value chain.

The expansion of modern retail has also spawned a new generation of branded packaged foods, signaling further growth in four key areas of flexible packaging–pack size, aesthetics, enhanced barrier and labelling. Conservative estimates project a 10% growth in domestic flexible packaging demand. This will result in a similar growth in the BOPP industry.

The industry outlook, internationally, continues to be bright despite the overall economic slowdown. Global demand for BOPP is expected to grow at a steady 7% and the total market of polymer films for flexible packaging is \$120 billion and is growing at 2.5%.

MARKET POSITION

MSFL has evolved into an exceptionally strong speciality BOPP player.

The Company's strategy is to built around innovation, developing long-term customer relationships through a strong product offering, excellence in product as well as service delivery and talent development.

The focus on customers has enabled the Company to nurture relationships. Around 50% of revenue comes from customers who have been associated with the Company for more than 10 years. MSFL counts most major convertors and blue-chip FMCG companies as its customers. The Company exports approximately 30% of its output. Europe is the largest overseas market but there is a growing presence in markets such as Japan and America too. The high growth food industry accounts for 66% of MSFL output and though the Company has only 11% share of the country's installed capacity, its market share in the Speciality films segment is over a third of total demand. To sustain its strong market position, the Company strives to meet customer requirements through innovative and customised solutions. In FY2015, the Company launched 25 new products. New launches in the last three years now constitute 15% of the Company's revenues.

PERFORMANCE HIGHLIGHT

The Company has delivered a 35% increase in EBITDA despite capacity constraints and without additional capital investment. The capacity constraint dampened revenue growth to 1% the superior EBITDA performance was achieved through a combination of higher contribution enabled by product mix optimisation as well as cost management.

Through the year the Company has maintained a relentless push on 'Speciality' sales, offering customers superior value propositions. There was also a tremendous focus on deploying Lean Six Sigma tools to drive operational improvements and improving processes.

A snapshot of the financials -

- Sales growth: 1%
- Contribution growth: 23%
- EBITDA growth: 35%

The Company remained a net exporter and earned Rs. 90 crore in foreign exchange.

CUSTOMER ENGAGEMENT

Customer satisfaction is the responsibility of every employee in the Company. Customer centric initiatives launched in the year include



- Stage gate innovation process
- Quantification and tracking of customer service metrics including request and promise compliance
- A comprehensive complaint handling process that expedites problem-solving

An investment in a CRM tool was initiated to further strengthen customer management.

In a recent Customer Satisfaction Survey, 87% of customers rated MSFL as outstanding on one of the three defining counts:

- Product Quality
- Customer Service
- Understanding of customer requirements and responsiveness

CULTURE OF COMPLIANCE AND ETHICAL BEHAVIOUR

The Company's Ethical Committee promotes and monitors the highest standards of professional, personal behaviour and corporate governance. The management team strives to lead by example.

HEALTH SAFETY AND ENVIRONMENT

MSFL is acutely aware of its responsibilities in the ecosystem – as a producer of polymer films, an employer and a corporate citizen.

In collaboration with Max India Foundation, MSFL contributes generously to local communities focusing on Healthcare, Nutrition, Education and Environment.

The Company follows a strict Green Policy and has signed the code for Ecologically Sustainable Business Growth formulated by the Confederation of Indian Industry (CII). The Company has reduced electricity, fuel and wood consumption by 1.4%, 31.6% and 65.2% respectively.

The safety of our employees and visitors is of paramount importance and the Company continues to systematically identify and eliminate risks and hazards. The Company has been recognised by the Punjab Government for its safety record and contribution to CSR.

RISKS AND OUTLOOK

Indian economy has been re-rated with a majority government at the Centre, there is an overall improvement in business sentiment. This, coupled with improvements in food packaging, changing demographics and living habits has led to a double-digit growth forecast for the flexible packaging industry with a similar outlook for the BOPP industry. Yet, some concerns remain namely, rising commodity and input costs, increase in power and fuel costs and high interest rates.





Despite these dynamics, MSFL is on solid ground with its ongoing investments in its speciality portfolio, a reputation for quality, a strong customer base as well as service focus and ethos. The Company's growing speciality exports will help to offset demand or pricing challenges in India. The Company also continues to drive efficiencies, benchmarking operations against the best in the world.

The proposed demerger of MSFL's parent Company, Max India, into three separately listed companies is especially beneficial for MSFL. Being the sole operating asset in the proposed industrial vertical, Max Ventures & Industries Ltd. will allow MSFL tremendous opportunities. In addition to undiluted focus and investor support, the Company will benefit from simpler capital allocation decisions and accurate peer Group comparisons.



BUSINESS RESPONSIBILITY REVIEW



MOHINI DALJEET SINGH
CHIEF EXECUTIVE

About 35 km outside Dehradun, the capital of Uttarakhand, lies the quiet and inconspicuous hamlet of Dhakrani. Like thousands of other villages across India, Dhakrani has, for decades, gone about its business in anonymity; unseen and unnoticed. That is, until this year. In 2015, Max India Foundation (MIF), supported by Max Life, adopted Dhakrani with the objective of significantly improving the villagers' quality of life by focusing on their health and sanitation needs in particular. MIF is setting up a comprehensive sanitation system by laying down a network of sewerage pipes and sewage treatment plants with the latest bio-digester technology. The sanitation system involves an end-to-end waste management solution for the village, comprising waste segregation, collection and disposal. To ensure sustainability of the system, the villagers are being sensitised to the importance of waste management through awareness campaigns and sanitation drives. In addition, the Foundation is committed to addressing the health needs of the villagers and conducts regular health checkup and immunisation camps, health awareness campaigns and intervenes in cases that require urgent medical care. MIF is heading the initiative along with volunteers from Max Life, who help managing the camps and a medical team from Max Healthcare, Dehradun, which helps conduct the health checkups.

The adoption of Dhakrani village is simply an extension of the Group's core value of 'Sevabhav' or the 'spirit of service'. The Group's businesses are equally committed to the ideals of quality and service excellence in whatever they do and ensure that the customer always comes first.

In line with its Treating Customers Fairly (TCF) policy of being completely transparent, customer focused, equitable and fair in its dealings with customers, Max Life continued to raise the standards of customer interaction at every touch point, from





pre-sales engagement to payment of benefits. In FY2015, TCF was also launched at Max Life's largest bancassurance partner, Axis Bank. The Company also undertakes extensive communication campaigns to ensure awareness against any misconduct or malpractice from time to time. The Company has implemented online Annual Compliance Training modules to reiterate policies such as Business Code of Conduct, Conflict of Interest, Anti-Money Laundering Practices and Anti-Corruption. Initiatives such as a centralised database for tracking all whistle blower cases leading to enhanced monitoring and simplified dashboards, Employees Disciplinary Action Process (EDAP) and Agent Disciplinary Action Process (ADAP) matrix have been implemented, which act as a strong deterrent against any delinquency by employees and agents.

In 2010, Max Life launched the i-genius initiative, a unique child-parent nurture programme to recognise and reward children who excel not just in academics but also in extra-curricular activities. The 4th I-Genius Scholarship, which was launched in January 2014, which has received over 1.25 lakh entries and was culminated in August 2014.

The earthquake in Nepal in April 2015 claimed thousands of lives. Max Healthcare launched 'Operation Sadbhavna' to extend their support to the earthquake victims of Nepal. Max Healthcare sent a team of 11 doctors and paramedical staff including physicians,

surgeons, anaesthetists, nurses, EMTs (Emergency Medical Technicians) and logistical coordination managers to the calamity hit regions. Doctors from the Company worked with Nepal Bharat Maitri Hospital, Kathmandu advising and treating hundreds of injured patients. Dry ration, medicines, clothes, baby food, clothing bags, tarpaulin sheets and blankets were donated to the Nepal Embassy. In addition, the Group's employees have donated money to buy relief materials for the quake victims. In all, 20 tonnes of supplies were sent to Nepal for distribution to the needy.

Building on its core strength of providing world-class health insurance and helping customers live healthier and more successful lives, Max Bupa, the health insurance arm of the Group, organised the 'Max Bupa Walk for Health' for the third year. The walk was organised in Delhi and Mumbai to focus on the dangers of leading a sedentary and stressful lifestyle. While the walk attracted nearly 15,000 families, including some 4,000 students, the campaign's message touched more than 27.8 million individuals through various media.

Antara Senior Living, which has its first project coming up in Dehradun in 2016, takes all necessary precautions to ensure that the project gets integrated seamlessly with the city causing minimal disruption in the lives of the local populace. As part of this charter, the construction team follows a proper SOP for ensuring good relationships with its neighbours. They have ensured that heavy



construction work does not happen at night, the roads are all cleaned daily and pollution prevention measures are strictly followed. The team is also actively working on creating an action plan for the development of major access roads to the project site, electricity poles, etc., through advocacy with the local government and gram sabhas. A health centre has been created to take care of labour health issues and regular health camps are also held in association with Max India Foundation.

As part of its sustainability charter, Antara has also taken extra care to ensure that the project minimises its carbon footprint. As a result, the Company is investing heavily in energy-efficient buildings using low energy consuming building materials, solar water heating panels, LED based lighting in high usage common areas to optimise power consumption, water-efficient sanitary fixtures to reduce potable water usage, 100% wastewater treatment at the zero discharge site to prevent release of any harmful or toxic material, Variable Frequency Drives to save more energy for operating motors and lifts and more than 12 rainwater harvesting pits.

Apart from the various sustainability and consumer initiatives of its businesses, the Group's CSR efforts are channeled through Max India Foundation. The Foundation takes the Company's culture of service further and extends it to the lives of the underserved and the underprivileged. In FY2015, Max India Foundation touched 8,69,608 such lives through its diverse initiatives in multiple villages and cities across India.

Staying true to its commitment to enhance marginalised lives, the Foundation facilitated surgeries and treatments for 1,165 people. Among these, 105 children received assistance for surgeries for congenital cardiac anomalies and 316 children received treatment for cancer. 147 people suffering from cancer were provided palliative care by our partner NGO, CanSupport, through 2,391 home visits.

MIF believes that good health starts with prevention of disease. MIF's immunisation programme aims to make a difference in reducing the number of lives lost to infectious diseases. In FY2015, the Foundation administered a total of 21,939 shots provided to 10,478 children through 198 immunisation camps in Delhi NCR, Punjab, Haryana, Uttar Pradesh, Rajasthan, Maharashtra and Odisha. These immunisation camps were supported by volunteers from Max Life offices in the respective states. In addition, a total of 29,604 people benefitted through 211 health check-up camps in Delhi NCR, Punjab, Haryana, Uttarakhand and Bihar. Through the year, a total of 31,930 patients have visited health clinics run or supported by MIF at Rail Majra, Chandigarh, Chinmaya Health Centre, CanSupport Field Centre and India Foundation Health centre in Delhi, Ukimath health centre and Guniyal gaon in Uttarakhand.

Some of the Foundation's other health awareness initiatives during the year were:

- Anti-Tobacco Campaign: Max India Foundation launched a campaign against the use of tobacco on the occasion of World No Tobacco Day. MIF produced a special 15-minute feature film

which was telecast on ABP News on May 31, 2014. The film covered the experience of patients affected by tobacco use, valuable statistics and a panel discussion with experts from Max Hospital - Dr. Harit Chaturvedi (Director-Surgical Oncology), Dr. Anupama Hooda (Director - Medical Oncology) and Dr. A.K. Anand (Director - Radiation Oncology) in conversation with Mrs. Mohini Daljeet Singh. The film was viewed by over 6 lakh people during the telecast.

- 'Walk for Life' event: The Max Family, led by its Managing Director, Mr. Rahul Khosla, continued its unconditional support and participated in huge numbers for the 'CanSupport Walk for Life' on February 7, 2015 at Nehru Park, New Delhi.

In February 2015, the Foundation launched a month long cancer awareness campaign in association with Max Hospital, Bathinda, by flagging off a mobile medical unit for cancer awareness. The campaign which commenced on February 23, 2015, reached out to over 500 women through 13 camps in the two states. These camps provided free screening for detection of cancers of breast, cervix and oral cavity. Awareness on cancer prevention and cure was integrated with these camps on a large scale. The activities to generate awareness among the communities included street plays, talks by expert doctors, screening of movie, pamphlets, etc. The Foundation culminated its month long breast cancer screening and awareness campaign with a gala event titled 'Celebrate Me' in Delhi on

March 22, 2015 to honour women who have survived their battle against breast cancer and emergency as 'champions' and to share their stories of tremendous determination and grit.

A Candle March was also organised on February 5, 2015. Children from various schools and colleges along with a team from Max Healthcare enthusiastically participated in the march to spread awareness about cancer. Over 1.5 lakh people were touched through this campaign.

In August 2014, the Foundation launched a massive Dengue prevention campaign called 'Dengue Mukht Dilli'. The campaign was aimed at creating awareness about the methods of prevention and control of this deadly disease among marginalised populations living in Delhi. By partnering with several local NGOs, MIF was able to reach out to 3,370 people through 20 medical and dengue awareness camps across east, north and west Delhi. These camps were conducted by the medical team of Max Super Speciality Hospital at Shalimar Bagh and witnessed participation from several volunteers from Max Life. In addition, MIF, with support from the Municipal Corporation of Delhi, carried out fumigations in a number of localities across Delhi for controlling the spread of the disease. As a readiness measure for dengue outbreak, MIF, with support from Max Life, conducted two blood donation camps in September 2014 where Max India employees have donated a total of 148 units.

The Foundation kept up its blood donation drives through out the





year including the one on World Blood Donors Day, organised in association with Max Speciality Films and Blood Bank, Ropar and District Youth Club Coordination Committee. A total of 55 voluntary donors donated the elixir of life at this camp. Max Speciality Films conducted its 6th blood donation camp in October 2014 at its factory site, collecting 170 units of blood.

In September 2014, Kashmir was hit with a devastating bout of floods, killing hundreds and leaving thousands of people stranded across the state. Max India Foundation promptly responded to the calamity through generous donations of relief material for the flood-affected families. The Foundation has distributed 1,800 kg of relief material such as medicines and consumables, ration, baby food, sleeping bags and clothes.

Artificial Limbs and Polio Calipers camps have been a long-standing initiative of the Foundation. MIF organised its 6th Artificial Limbs and Polio Calipers camp at Gurdwara Gur Shabad Parkash Akal Ashram, Sohana, where 127 polio calipers, 112 artificial limbs, 48 crutches and 3 modified shoes were provided to those in need. The prosthetics were manufactured at the camp site itself, while volunteers from Max Speciality Films served the patients. On the occasion of Max Raphael Partnership Month, Max India Foundation, in collaboration with Manav Seva Sannidhi (MSS) organised its 7th Artificial Limbs

and Polio Calipers Camp from November 25-28, 2014, at Raphael Centre, Dehradun. A total of 306 patients from Dehradun, Mussoorie and surrounding villages attended the camp and 119 artificial limbs, 180 calipers, 5 crutches and 2 MCR sandals were conferred to the patients. 48 volunteers from the Max entities in Dehradun—Max Life Insurance, Max Healthcare, Antara Senior Living and Max Enterprise have provided relentless and unconditional support throughout. The initiative was widely appreciated and applauded.

The Max Group is a firm believer in the power of skilling. Staying true to this conviction, the foundation regularly conducts vocational training (duty attendant) programme for slum dwellers. This year, 93 unemployed youth underwent free training through the Foundation and are now employed, mostly with Max hospitals. In addition, 56 women from villages of Rajasthan were trained in birth attending. During FY2015 alone, these Trained Birth Attendants reached out to approximately 4,618 pregnant women and facilitated 2,986 deliveries. The Bal Sakhis, under the child health programme, extended home-based care to about 1,800 children and their caregivers in 34 intervention villages.

Among some of its smaller and more organic initiatives, Max India Foundation with support from Max Speciality Films donated a water purifier (RO system) to Guru Ram Rai Public School in Behrampur Bet

Village, Chandigarh. The students and staff of this underprivileged school now have access to uninterrupted supply of safe drinking water. Such acts are testaments to the Group's belief that no act of goodness is neither too small nor big enough. It is with this spirit that the Group's businesses have, year after year, relentlessly kept up

their efforts to leave a positive imprint on the society with whatever they do. FY2015 was yet another such year and with the support of our shareholders, consumers, employees and all other stakeholders, we believe that we will continue to serve the society in the years to come.



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

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

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

- Board Architecture

Boards in each of the Groups operating companies have been re-configured to create the right composition by having an ideal number of independent directors, ensuring board diversity with respect to functional and industry expertise, having an active and engaged lead director on each Board and separating the role of the CEO and the Chairman. In addition, a clear role for the Boards has been articulated in areas like strategy formulation, monitoring financial health, leadership development, risk management and succession planning.

- Board Processes

Various people processes of the Boards have been optimised (on-boarding of directors, Board education and business engagement, enabling independence, code of conduct, etc.). Key operational aspects such as ensuring a comprehensive and well-balanced meeting agenda, timely and adequate information flow to the Boards, inviting external speakers to take Board sessions are in place to ensure that the Board time is spent optimally on all critical areas of the business. To enable this, detailed Standard Operating Procedures have been

created and rolled out (including content templates, timelines, etc.) to ensure that the Board materials are comprehensive, crisp and relevant for strategic discussions.

All material matters to be considered by each Board are reviewed in specific subcommittees of the Board that are composed of Directors who can add value to and are specifically qualified for the particular subcommittee. For example, the Audit Committee co-opts Directors who have the qualifications and experience in financial and control related matters and the Product and Actuarial Committee in Max Life has Directors who are qualified life actuaries. In addition, these subcommittees are composed of the right balance between executive, non-executive and independent Directors. Detailed charters are published for every subcommittee of every Board.

- Board Effectiveness

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

BOARD OF DIRECTORS

As on March 31, 2015, your Board of Directors comprised fourteen members with two Executive Directors and twelve Non-Executive Directors of which eight are independent. Mr. Analjit Singh is the Promoter Non-Executive Chairman of the Company. No Director is a member in more than ten committees or the Chairman of more than five committees across all public companies in which he is a Director.

The composition of Directors and their attendance at the Board meetings during the year 2014-15 and at the last Annual General Meeting, including the details of their Directorships and Committee Memberships, as of March 31, 2015 are given below:

Name of Director	Number of Board meetings during the year 2014-15		Attendance at last AGM held on September 30, 2014	Number of Directorships in other companies**	Number of committee positions held in other public companies***	
	Held	Attended			Chairman	Member
Mr. Analjit Singh [Promoter, Director & Chairman]	6	4	Yes	17	--	--
Mr. Anuroop Singh [Non-Executive Director & Vice Chairman]	6	4	No	2	--	--
Mr. Rahul Khosla [Managing Director]	6	6	Yes	4	--	1
Mr. Mohit Talwar [Dy. Managing Director]	6	5	Yes	7	--	2
Mr. Aman Mehta [Non-Executive Independent Director]	6	4	No	5	3	2
Mr. Ashok Kacker [Independent Director]	6	5	No	8	--	--
Mr. Ashwani Windlass [Non-Executive Director]	6	6	No	4	2	--
Dr. Ajit Singh [Independent Director]	6	1	No	2	--	1
Prof. Dipankar Gupta [Independent Director]	6	6	No	1	--	--
Mr. N.C. Singhal [Independent Director]	6	6	Yes	10	2	1
Mr. Rajesh Khanna [Independent Director]	6	5	No	3	--	--
Mr. Sanjeev Mehra @ [Non-Executive Director]	6	1	No	1	--	1
Mrs. Nirupama Rao* [Independent Director]	2	1	NA	2	--	--
Mr. Dinesh Kumar Mittal* [Independent Director]	2	1	NA	9	--	4
Dr. Subash Bijlani # [Non-Executive Independent Director]	3	2	No	--	--	--
Mr. Vishal Bakshi [Alternate Director to Mr. Sanjeev Mehra]	5	3	No	2	--	--

* Appointed as an Additional Director effective January 1, 2015

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

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

@ Nominee of Goldman Sachs

Ceased to be Director effective September 30, 2015



Details of Board meetings held during the year ended March 31, 2015:

Date	Board Strength	No. of Directors present
May 28, 2014	13	12
July 22, 2014	13	08
August 13, 2014	13	10
November 12, 2014	12	10
January 27, 2015	14	10
February 12, 2015	14	10

HOW DO WE MAKE SURE OUR BOARD IS EFFECTIVE?

The calendar for the Board and Committee meetings and significant agenda items are fixed in advance for the whole year. Max India holds at least one Board meeting within 45 days from the close of each quarter to review financial results and business performance. The gap between two Board meetings does not exceed four calendar months. Apart from the aforesaid four meetings, additional Board meetings are also convened to meet business exigencies. Matters of exigency are approved by the Directors by resolutions passed by circulation as permissible under the provisions of the Companies Act, 2013.

Meetings of Committees of Board are held prior to the Board meeting. The Chairman of the respective Committees briefs the Board about the proceedings of the Committee meetings and its recommendations on matters that the Board needs to approve.

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

To enable the Board to discharge its responsibilities effectively, members of the Board are apprised on the overall performance of the Company and its subsidiaries/joint ventures at every Board meeting. The Board has complete access to all the relevant information within the Company and all its employees. Senior Management is invited to attend the Board meetings to provide a detailed insight into the items being discussed.

CODE OF GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company had adopted a Code of Conduct for the Directors and senior management of the Company ('the Code'), a copy of which is available on the Company's website, <http://www.maxindia.com/governance-documents/Max-Code-of-conduct.pdf>. All the members of the Board of Directors and senior management personnel had affirmed compliance with Clause 49 of the Listing Agreement including Code for the financial year ended March 31, 2015 and declaration to this effect signed by the Managing Director forms a part of this report as Annexure-I.

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted an Insider Trading Policy for prevention of insider trading, which is applicable to all the Directors and designated employees.

COMMITTEES OF THE BOARD AUDIT COMMITTEE

As of March 31, 2015 this committee comprised Mr. N.C. Singhal (Chairman), Mr. Ashwani Windlass, Mr. Rajesh Khanna and Mr. Ashok Kacker. All members of the committee, except Mr. Ashwani Windlass, are Independent Directors. Mr. Rahul Khosla, Managing Director is a permanent invitee to the committee. The Company Secretary of the Company acts as the Secretary to this committee.

This committee, inter alia, recommends the appointment of statutory auditor, reviews the Company's financial reporting processes and systems, financial and risk management policies, the Company's financial statements, including annual and quarterly financial results and financial accounting practices & policies.

The scope of the Audit Committee has been defined by the Board of Directors in accordance with Clause 49 of the Listing Agreement and applicable provisions of the Companies Act, 2013. The Internal Auditors and representatives of Statutory Auditors are invited to the meetings of the committee as required. Mr. N.C. Singhal, the Chairman of the Audit Committee, was present at the last Annual General Meeting.

Meetings & attendance during the year ended March 31, 2015:

Director	Number of meetings held	Number of meetings attended
Mr. N. C. Singhal	06	06
Mr. Ashwani Windlass	06	06
Mr. Rajesh Khanna	06	05
Mr. Ashok Kacker	04	03

NOMINATION AND REMUNERATION COMMITTEE

As of March 31, 2015, this committee comprised Mr. Rajesh Khanna (Chairman), Mr. N.C. Singhal, Mr. Ashwani Windlass and Mr. Aman Mehta. All, except Mr. Ashwani Windlass are Independent Directors.

This committee evaluates the compensation and benefits for Executive Directors and Senior Executives at one level below the Board, recruitment of key managerial personnel and finalisation of their compensation, induction of Executive and Non-Executive Directors and fixing the method, criteria and quantum of compensation to be paid to the Non-Executive Directors. It also administers the ESOP Scheme of the Company including allotment of equity shares arising from exercise of stock options. The remuneration policy of the Company is aimed at attracting and retaining the best talent to leverage performance in a significant manner. The strategy takes into account the remuneration trends, talent market and competitive requirements.

Meetings & attendance during the year ended March 31, 2015:

Director	Number of meetings held	Number of meetings attended
Mr. Rajesh Khanna	08	08
Mr. N.C. Singhal	08	08
Mr. Ashwani Windlass	08	05
Mr. Aman Mehta	08	03

REMUNERATION PAID TO DIRECTORS DURING 2014 - 2015

During the year 2014-15, the Company paid Sitting Fees of Rs. 1,00,000/- per meeting to its Non-Executive/Independent Directors for attending the meetings of the Board, Committees of the Board and separate meetings of Independent Directors. The Company has not paid any remuneration to its Non-Executive/Independent Directors except Sitting Fees for attending meetings of the Board, Committees thereof and separate meetings of Independent Directors. Details of the Sitting Fees paid to Non-Executive/Independent Directors of the Company during 2014-15 are as under:

Name of Director	Sitting Fee paid (In Rs.)
Mr. N. C. Singhal	38,00,000.00
Mr. Ashwani Windlass	34,00,000.00
Mr. Rajesh Khanna	23,00,000.00
Mr. Anuroop Singh	4,00,000.00
Dr. Subash Bijlani	4,00,000.00
Mr. Aman Mehta	10,00,000.00
Prof. Dipankar Gupta	11,00,000.00
Dr. Ajit Singh	1,00,000.00

Mr. Ashok Kacker	10,00,000.00
Mr. Analjit Singh	4,00,000.00
Mrs. Nirupama Rao	2,00,000.00
Mr. Dinesh Kumar Mittal	2,00,000.00

The remuneration payable to Executive Directors of the Company, including performance incentives and grant of ESOPs, were determined from time to time by the Nomination and Remuneration Committee in terms of applicable provisions of the Companies Act, 1956 and Companies Act, 2013, read with the Company's remuneration policy. The details of the remuneration policy are part of the Directors' Report. Details of the remuneration charged to the Profit and Loss Account in respect of Mr. Rahul Khosla, Managing Director and Mr. Mohit Talwar, Dy. Managing Director of the Company for the year ended March 31, 2015 are as under:

[Amount in Rs.]

Description	Mr. Rahul Khosla	Mr. Mohit Talwar
Salary	6,33,06,961	2,34,96,829
Benefits (Perquisites)	3,29,86,856	85,05,672
Performance Incentive	8,13,96,822	4,33,20,000
Retirals	32,72,000	12,78,720
Service Contract	5 years	5 years
Notice Period	3 months	3 months
Stock Options Granted (in numbers)	15,09,800*	5,00,600**

* Out of the 15,09,800 options granted to Mr. Rahul Khosla, 13,30,000 options carry an exercise price of Rs. 394/- per share and the rest is at par value, i.e., Rs. 2/- per share.

** Out of the 5,00,600 options granted to Mr. Mohit Talwar, 4,43,000 options carry an exercise price of Rs. 394/- per share and the rest is at par value, i.e., Rs. 2/- per share.

During the year 2014-15, stock options were granted to the following Directors of the Company:

- 35,000 Options to Mr. Mohit Talwar on April 1, 2014 entitle him to receive 35,000 equity shares of Rs. 2/- each at an exercise price of Rs. 2/- per equity share with a graded vesting over a four year period.
- 22,600 Options to Mr. Mohit Talwar on March 27, 2015 entitle him to receive 22,600 equity shares of Rs. 2/- each at an exercise price of Rs. 2/- per equity share with a graded vesting over a four year period.
- 1,79,800 Options to Mr. Rahul Khosla on August 19, 2014 entitle him to receive 1,79,800 equity shares of Rs. 2/- at an exercise price of Rs. 2/- per equity share with a graded vesting over a five year period.
- 4,43,000 Options to Mr. Mohit Talwar on December 12, 2014 entitle him to receive 4,43,000 equity shares of Rs. 2/- at an



exercise price of Rs. 394/- per equity share with a bullet vesting on March 31, 2020, except the vesting date for such options (calculated on a proportionate basis) may be accelerated to August 14, 2017 under certain circumstances.

- 13,30,000 Options to Mr. Rahul Khosla on December 12, 2014 entitle him to receive 13,00,000 equity shares of Rs. 2/- at an exercise price of Rs. 394/- per equity share with a bullet vesting on March 31, 2020, except the vesting date for such options (calculated on a proportionate basis) may be accelerated to February 18, 2017 under certain circumstances

No other Director was granted any stock options during the year 2014-15.

Details of equity shares of Rs. 2/- each held by the Directors of the Company as on March 31, 2015 are: (a) Mr. Aniljit Singh - 58,76,789 shares; (b) Mr. N.C. Singhal - 53,500 shares; (c) Mr. Ashwani Windlass - 1,58,700 shares; (d) Mr. Anuroop Singh - 25,000 shares; (e) Mr. Aman Mehta - 29,000 shares; (f) Mr. Rajesh Khanna - 25,000 shares; (g) Dr. Ajit Singh - 29,000 shares; (h) Mr. Rahul Khosla - 3,46,518 shares; (j) Mr. Mohit Talwar - 99,674 shares.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

As of March 31, 2015, this committee comprised Mr. Ashwani Windlass (Chairman), Mr. N. C. Singhal, Mr. Rahul Khosla and Mr. Mohit Talwar. Key responsibilities of this committee are the formulation of procedures in line with the statutory guidelines to ensure the speedy disposal of various requests received from shareholders from time to time, the redressal of shareholder and investor complaints/grievances. The committee also approves the transfer and transmission of securities, the issuance of duplicate certificates, etc. This committee, which was hitherto known as "Shareholders'/Investors' Grievance Committee", was renamed as "Stakeholders' Relationship Committee" as per applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreements, as amended up till date.

Meetings & attendance during the year ended March 31, 2015:

Director	Number of meetings held	Number of meetings attended
Mr. Ashwani Windlass	05	05
Mr. N.C. Singhal	05	05
Mr. Rahul Khosla	05	04
Mr. Mohit Talwar	04	02

Besides, Mr. V. Krishnan, Company Secretary & Compliance Officer, has been authorised to effect transfer of shares up to 1000 per folio. The Company has normally attended to the Shareholder/Investor complaints within a period of 7 working days except in cases which

were under legal proceedings/disputes. During the financial year ended March 31, 2015, 25 complaints/queries were received by the Company, which were general in nature i.e., issues relating to non-receipt of dividend, annual reports, shares, etc. All of these were resolved to the satisfaction of the respective shareholders.

INVESTMENT & FINANCE COMMITTEE

As of March 31, 2015, this committee comprised Mr. Ashwani Windlass (Chairman), Mr. N.C. Singhal, Mr. Sanjeev Mehra, Mr. Rahul Khosla and Mr. Mohit Talwar. The responsibilities of this committee are to review the financial performance of businesses carried on by the Company and its subsidiaries, review and recommend the revenue and capital budgets of the Company and its subsidiaries, review and recommend various fund raising options and financial resources allocation to the Company's subsidiaries and to review proposals on business restructuring, mergers, consolidations, acquisitions, investments, establishment of joint ventures and divestments of any businesses, etc.

Meetings & attendance during the year ended March 31, 2015:

Director	Number of meetings held	Number of meetings attended
Mr. Ashwani Windlass	08	08
Mr. N.C. Singhal	08	08
Dr. Subash Bijlani #	03	02
Mr. Rahul Khosla	08	07
Mr. Sanjeev Mehra	08	01
Mr. Mohit Talwar	08	07
Mr. Vishal Bakshi *	07	03

*Mr. Vishal Bakshi is an Alternate Director to Mr. Sanjeev Mehra.

#Dr. Subash Bijlani ceased to be a director of the Company effective September 30, 2014.

CSR COMMITTEE

To comply with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company constituted a Corporate Social Responsibility Committee (CSR Committee) to formulate, recommend to the Board and periodically review, a Corporate Social Responsibility Policy. The responsibilities of this committee are as enshrined in the Companies Act, 2013 read with the Company's CSR Policy, as amended from time to time. The CSR Committee comprises Mr. N.C. Singhal, Mr. Ashwani Windlass, Mr. Rajesh Khanna, Mr. Aman Mehta, Dr. Ajit Singh, Prof. Dipankar Gupta and Mr. Ashok Kacker. The committee met two times during the year ended March 31, 2015.

Meetings & Attendance during the year ended March 31, 2015:

Director	Number of meetings held	Number of meetings attended
Mr. N.C. Singhal	02	02
Mr. Ashwani Windlass,	02	02
Mr. Rajesh Khanna	02	02
Mr. Aman Mehta	02	01
Dr. Ajit Singh	02	00
Prof. Dipankar Gupta	02	02
Mr. Ashok Kacker	02	01

RISK AND COMPLIANCE REVIEW COMMITTEE

To oversee the risk assessment framework and minimisation procedures, the Board of Directors of the Company constituted a Risk and Compliance Review Committee, to periodically review how the executive management controls risks and the risk framework. The responsibilities of this Committee are as enshrined in the Companies Act, 2013, applicable listing regulations and as per the risk management framework of the Company. This Committee comprises of Mr. N.C. Singhal, Mr. Ashwani Windlass, Mr. Rajesh Khanna, Mr. Aman Mehta, Dr. Ajit Singh, Prof. Dipankar Gupta and Mr. Ashok Kacker. The Committee met two times during the year ended March 31, 2015.

Meetings & Attendance during the year ended March 31, 2015:

Director	Number of meetings held	Number of meetings attended
Mr. N.C. Singhal	02	02
Mr. Ashwani Windlass,	02	02
Mr. Rajesh Khanna	02	02
Mr. Aman Mehta	02	01
Dr. Ajit Singh	02	00
Prof. Dipankar Gupta	02	02
Mr. Ashok Kacker	02	01

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review the Independent Directors met on February 12, 2015, whereat the following agenda items were considered, in terms of Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole.
- Evaluation of the performance of the Chairperson of the Company.
- Assessment of the quality, quantity and timelines of the flow of information between the Company's Management and the Board.

Further, the Company has made familiarisation programmes to familiarise Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The details of such familiarisation programmes are available on <http://www.maxindia.com/governance-documents/Familiarisation-programme-for-Board-members.pdf>.

ANNUAL GENERAL MEETINGS

The Annual General Meetings (AGMs) of the Company are held at the Registered Office of the Company at Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab – 144533. The last three AGMs were held as under:

Date	Time
September 6, 2012	4.00 pm
September 24, 2013	10.30 am
September 30, 2014	12.00 noon

The following special resolutions were passed by the shareholders in the previous three AGMs:

Date of AGM	Subject matter of the resolution
September 6, 2012	No special resolution was passed in this AGM.
September 24, 2013	<ul style="list-style-type: none"> Approval for further investment of an amount up to Rs. 200 crore in the equity share capital of Max Bupa Health Insurance Company Limited, in one or more tranches. Approval for payment of remuneration to Mr. Rahul Khosla, Managing Director of the Company for the period from April 1, 2013 until March 31, 2016. Approval for sale of the Company's property at N-31, 1st Floor, Panchshila Park, New Delhi to Mr. Rahul Khosla, Managing Director, on a future date, as a long-term retention strategy. Approval for payment of remuneration to Mr. Analjit Singh, Chairman of the Company for the period from October 30, 2013 to October 29, 2015. Approval for amendment to Part-II of the Articles of Association of the Company.
September 30, 2014	<ul style="list-style-type: none"> Approval for making contributions towards charitable or other purposes under Section 181 of the Companies Act, 2013. Approval for amendment to the Employee Stock Option Plan of the Company.



POSTAL BALLOT AND POSTAL BALLOT PROCESS

During the financial year 2014-15, the Company passed resolutions through the postal ballot process results which were declared on September 30, 2014 at the Annual General Meeting and on January 9, 2015. The details of the said postal ballot processes are as under:

- (i) Process followed for passing resolutions passed through the Postal Ballot on September 30, 2014:

The Company appointed Mr. Sanjay Grover, a Practicing Company Secretary, with his office at B-88, 1st Floor, Defence Colony, New Delhi, as the Scrutiniser for conducting the Postal Ballot process in a fair and transparent manner.

The Company issued the postal ballot notice dated August 13, 2014 for proposing special resolutions for (i) authorisation to the Board for borrowing up to Rs. 750 crore under Section 180 (c) of the Companies Act, 2013 and (ii) creation of security on its properties with respect to the borrowings to be made by the Company in terms

of Section 180 (1) (a) of the Companies Act, 2013, respectively.

The draft resolutions, together with the explanatory statement and postal ballot form and self-addressed envelopes, were sent to the members by registered post on August 18, 2014, with a request to return the duly completed form to the Scrutiniser on or before September 26, 2014.

The Company also offered e-voting facility as an alternate option to its shareholders to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. After due scrutiny of all the Postal Ballot Forms/e-voting received up to the close of the working hours of September 26, 2014, the Scrutiniser submitted his report on September 29, 2014.

The results of the postal ballots were declared at the Annual General Meeting held on September 30, 2014 at the Registered Office of the Company at Punjab. The results were also informed to BSE Limited (the BSE) and National Stock Exchange of India Limited (the NSE), where the Company's shares are listed and made accessible on the Company's website, www.maxindia.com.

The details of the voting patterns on postal ballot are as under:

- (a) Special Resolution for borrowing limit of the Company in terms of Section 180 (1) (c) of the Companies Act, 2013:

Promoter/ Public	No. of Shares Held	No. of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes In Favour	No. of Votes Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
Promoter & promoter Group	107,857,786	107,857,786	100.0000	107,857,786	0	100	0
Public-Institutional Holders	134,916,776	94,706,867	70.1965	94,706,867	0	100	0
Public-Others	23,521,195	2,429,479	10.3289	2,419,570	9,909	99.5921	0.4079
Total	266,295,757	204,994,132	76.9799	204,984,223	9,909	99.9952	0.0048

- (b) Special Resolution for creation of security on its properties with respect to the borrowings to be availed by the Company in terms of Section 180 (1) (a) of the Companies Act, 2013.

Promoter/ Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes In Favour	No. of Votes Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
Promoter & promoter Group	107,857,786	107,857,786	100.0000	107,857,786	0	100	0
Public-Institutional Holders	134,916,776	94,706,867	70.1965	94,706,867	0	100	0
Public-Others	23,521,195	2,451,960	10.4245	2,439,132	12,828	99.4768	0.5232
Total	266,295,757	205,016,613	76.9883	205,003,785	12,828	99.9937	0.0063

- (ii) Process followed for passing resolutions passed through the Postal Ballot on January 9, 2015:

The Company appointed Mr. Sanjay Grover, a Practicing Company Secretary with his office at B-88, 1st Floor, Defence Colony, New Delhi as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Company issued the Postal Ballot Notice dated November 12, 2014 for proposing a special resolution for amendment to Memorandum of Association of the Company.

The draft resolution together with the explanatory statement and Postal Ballot Form and self addressed envelopes were sent to the shareholders by Registered Post on November 28, 2014 with a request to return the duly completed form to the Scrutinizer on or before January 2, 2015.

The Company also offered e-voting facility as an alternate option to its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. After due scrutiny of all the postal ballot forms/e-voting received up to the close of the working hours of January 2, 2015, the Scrutinizer submitted his report on January 6, 2015.

The results of the postal ballots were declared on January 9, 2015 at the Registered Office of the Company at Punjab. The results were also informed to the BSE and NSE, where the Company's shares are listed and made accessible on the Company's website at www.maxindia.com.

Details of voting pattern on Postal Ballot are as under:

Particulars	No. of Share-Holders	No. of Equity Shares	Paid-up Value of the Equity Shares (In Rs.)	% of Total Paid-up Equity Capital (Approx.)
a) Total votes received	811	204463794	408927588	76.7242
b) Less: Invalid votes	59	245280	490560	0.0920
c) Net Valid votes casted	752	204218514	408437028	76.6321
d) Votes with assent for the Resolution	731	204212554	408425108	76.6299
e) Votes with dissent for the Resolution	21	5960	11920	0.0022

MEANS OF COMMUNICATION

Timely disclosure of reliable information and corporate financial

performance is at the core of good Corporate Governance. Towards this direction, the quarterly/annual results of the Company were announced within the prescribed period and published in Economic Times, Mint and Desh Sewak. The results can also be accessed on the Company's website www.maxindia.com. The official news releases and the presentations made to the investors/analysts are also displayed on the Company's website. The results are not sent individually to the shareholders. The Company made presentations to financial analysts and institutional investors after the quarterly/annual financial results were approved by the Board.

DISCLOSURES

(a) Related party transactions

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

The Company has formulated a policy for transacting with related parties, which is available on the website of the Company-<http://www.maxindia.com/governance-documents/Related-Party-Policy.pdf>. Transactions with related parties are disclosed in Notes to the financial statements in the Annual Report.

(b) Compliance by the Company

The Company has complied with all the mandatory requirements of the Listing Agreement entered into with the stock exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authorities on any matters relating to the capital markets during the last three years.

(c) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behaviour. It is hereby affirmed that no person has been denied access to the Chairman of the Audit Committee on matters relating to the Whistle Blower Policy of the Company.

SUBSIDIARY COMPANIES

The Company has one material unlisted subsidiary Company, i.e., Max Life Insurance Company Limited (Max Life) during the year 2014-15. Mr. Rajesh Khanna is the common Independent Director of the Company and Max Life. Further, the Company has formulated a policy for determining 'material subsidiaries' which is disclosed on its website <http://www.maxindia.com/governance-documents/Policy-for-determine-material-subsidiaries.pdf>.



GENERAL SHAREHOLDER INFORMATION

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

MANAGEMENT DISCUSSION & ANALYSIS

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

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The certification by the Managing Director and Chief Financial Officer on compliance with clause 49 of the Listing Agreement is enclosed as Annexure II.

M/s Sanjay Grover & Associates, Company Secretaries have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges and the same is annexed to the report as Annexure-III.

NON-MANDATORY REQUIREMENTS

The status of compliance with the non-mandatory recommendations under Clause 49 of the Listing Agreement with Stock Exchanges is given below:

CHAIRMAN'S OFFICE

Mr. Analjit Singh, the Chairman of the Company, is the Non-Executive

Chairman. In view of his enhanced involvement in promoting business interests of the Company, the Company established a Chairman's Office which meets the expenses of performance of his duties.

SHAREHOLDERS' RIGHTS

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

AUDIT QUALIFICATION

It has always been the Company's endeavour to present unqualified financial statements. There is no audit qualification in respect of financial statements of the Company for the financial year 2014-15.

SEPARATE POSTS OF CHAIRMAN AND CEO

The Company has separate persons to the post of Chairman and Managing Director. Mr. Analjit Singh is the Non-Executive Chairman of the Company effective April 1, 2015 and Mr. Rahul Khosla is the Managing Director of the Company since August 18, 2011.

For Max India Limited

New Delhi
August 12, 2015

Analjit Singh
Chairman

ANNEXURE-I

DECLARATION BY THE MANAGING DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY CLAUSE 49

This is to declare and confirm that the Company has received affirmations of compliance with the provisions of Company's Code of Conduct for the financial year ended March 31, 2015 from all Directors and Senior Management personnel of the Company.

For Max India Limited

New Delhi
August 12, 2015

Rahul Khosla
Managing Director

ANNEXURE- II

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To
The Board of Directors
Max India Limited

We, Rahul Khosla, Managing Director and Mrs. Sujatha Ratnam, Chief Financial Officer of Max India Limited certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2015 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading.
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware of, and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee, wherever applicable:



- (i) Significant changes in internal control over financial reporting during the year.
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

New Delhi
August 12, 2015

Rahul Khosla
Managing Director

Sujatha Ratnam
Chief Financial Officer

ANNEXURE- III

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members
Max India Limited

We have examined the compliance of conditions of Corporate Governance by Max India Limited (hereinafter referred to as “the Company”) for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Sanjay Grover & Associates
Company Secretaries

Date: August 12, 2015
Place: New Delhi

Sanjay Grover
C.P.No. 3850



GENERAL SHAREHOLDER INFORMATION

REGISTERED OFFICE

Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur,
District Nawanshahr, Punjab- 144533.

INVESTOR HELPLINE

Max House, 1, Dr.Jha Marg, Okhla, Phase-III, New Delhi-110 020,

Telephone: 011 42598000, **Fax:** 011 26324126,

E-mail: vkrishnan@maxindia.com,
rajinder@maxindia.com

SHARE TRANSFER AGENT

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

Telephone: 011 26387281/82/83, **Fax:** 011 26387384

E-mail: info@masserv.com

ANNUAL GENERAL MEETING

Date and Time: Wednesday, September 23, 2015 at 1600 hrs

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

BOOK CLOSURE

Thursday, September 17, 2015 to Wednesday, September 23, 2015 (both days inclusive)

FINANCIAL YEAR

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

FINANCIAL YEAR

1. First quarter results	-	By August 12, 2015
2. Second quarter & half yearly results	-	By November 8, 2015
3. Third quarter results	-	By February 12, 2016
4. Annual results	-	By May 30, 2016

LISTING ON STOCK EXCHANGES

The Equity Shares of the Company are listed on the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). The Company confirms that it has paid annual listing fees due to BSE and NSE for the year 2015-16.

CONNECTIVITY WITH DEPOSITORIES

The Company's shares are in dematerialised mode through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

STOCK CODE

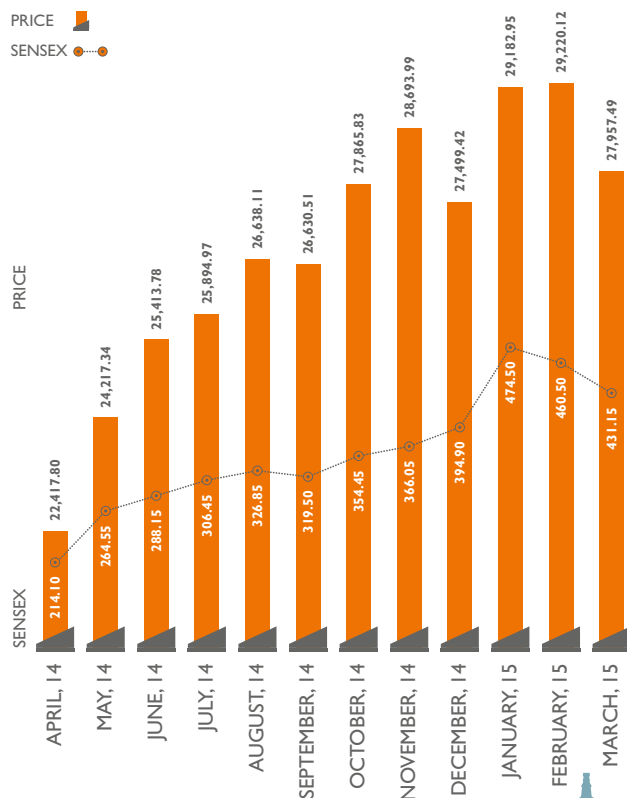
BSE	-	500271
NSE	-	MAX
Demat ISIN No. for NSDL and CDSL	-	INE180A01020

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

MONTHLY HIGH AND LOW QUOTATION ON BSE LTD.(BSE) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 14	219.00	198.00	219.50	198.85
May, 14	268.60	211.90	273.95	212.00
June, 14	346.80	256.00	346.45	256.50
July, 14	334.90	285.05	334.80	272.00
August, 14	333.00	296.95	332.70	291.50
September, 14	373.00	318.00	372.55	317.05
October, 14	357.30	306.30	357.25	307.25
November, 14	442.80	355.00	442.70	355.60
December, 14	424.00	357.85	423.65	358.50
January, 15	521.85	381.20	522.00	381.10
February, 15	521.00	433.00	521.00	434.35
March, 15	519.70	423.25	521.00	423.95

SHARE PRICE VS. SENSEX



SHAREHOLDING PATTERN AS ON MARCH 31, 2015

Category	No. of shares held	% of shareholding
Promoters	10,78,72,786	40.48
Mutual Funds and UTI	3,03,07,808	11.37
Banks, Financial Institutions	2,14,032	0.08
Insurance Companies	45,750	0.02
Foreign Institutional Investors	6,41,78,415	24.08
Foreign Direct Investment	3,23,40,749	12.14
Bodies Corporate	43,84,182	1.65
Non-resident Indians/ Overseas Corporate Bodies	1,09,61,867	4.11
Clearing Members	2,77,086	0.10
Resident Individuals	1,59,20,098	5.97
Total	26,65,02,773	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015

No. of Shareholders	Percentage to total	Shareholdings	No. of shares	Percentage to total
42763	97.76	1 to 5000	10288588	3.86
463	1.06	5001 to 10000	1690763	0.63
209	0.48	10001 to 20000	1519313	0.57
55	0.13	20001 to 30000	679750	0.26
33	0.07	30001 to 40000	589689	0.22
21	0.05	40001 to 50000	489863	0.18
57	0.13	50001 to 100000	2025358	0.76
140	0.32	100001 - Above	249219449	93.52
43741	100	Total	26,65,02,773	100.00

DEMATERIALISATION STATUS AS ON MARCH 31, 2015

- (i) Shareholding in dematerialised mode 98.92%
- (ii) Shareholding in physical mode 1.08%

RECONCILIATION OF SHARE CAPITAL AUDIT

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

of the Company is in agreement with the aggregate of the total number of shares in dematerialised form and total number of shares in physical form.

FOR SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED MODE

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

SHARE TRANSFER SYSTEM

In respect of shares up to 1000 per folio, transfers are effected on weekly basis. For others, the transfers are effected within limits prescribed by law. The average turnaround time for processing registration of transfers is 15 days from the date of receipt of requests. The processing activities with respect to requests received for dematerialisation are completed within 7-10 days.

INTERIM DIVIDEND

The Board of Directors of the Company declared a 200% Interim Dividend of Rs. 4/- per equity share on a face value of Rs. 2/- per share on November 12, 2014. The Record Date for the purpose of payment of Interim Dividend was November 26, 2014 and the Interim Dividend was paid to the shareholders on December 4, 2014.

UNCLAIMED INTERIM DIVIDEND

During the period under review, the Interim Dividend 2014-15 remaining unpaid was transferred to the unpaid Dividend Account. In respect of the unpaid/unclaimed Interim Dividend for the year 2014-15, the shareholders are requested to write to the Registrar and Share Transfer Agent of the Company. Further, Section 205A of the Companies Act, 1956 and/or Section 124 of the Companies Act, 2013, mandate companies to transfer Dividend that remains unclaimed for a period of seven years to the Investor Education and Protection Fund (IEPF). Therefore, balance if any remaining unclaimed/unpaid against the Interim Dividend 2014-15, will be transferred to IEPF within the statutory period prescribed under the Act.

FINAL DIVIDEND

The Board of Directors of the Company has recommended a Final Dividend of Re. 1/- per equity share. The Dividend recommended by the Directors for the year ended March 31, 2015, if declared at the annual general meeting, will be paid by October 10, 2015 to those members holding shares in physical form, whose names appear in the Register of Members of the Company on September 23, 2015. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as on the closing hours of business on September 16, 2015 as per the details furnished by the respective depositories for this purpose.

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY: NOT APPLICABLE
PLANT LOCATIONS: Not Applicable

COMMUNICATION OF FINANCIAL RESULTS

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

ADDRESS FOR CORRESPONDENCE WITH THE COMPANY

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

MAS SERVICES LIMITED (REGISTRAR & TRANSFER AGENT)

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

CONTACT PERSONS

Mr. Sharwan Mangla and
 Mr. O.P. Joshi
 Tel No.: 011-26387281/82/83
 Fax No.: 011 – 26387384
 E-mail: info@masserv.com

MAX INDIA LIMITED (CORPORATE OFFICE)

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

COMPLIANCE OFFICER

Mr. V. Krishnan
 Tel No.: 011-42598000
 Fax No.: 011-26324126
 E-mail: vkrishnan@maxindia.com

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

For Max India Limited

New Delhi
 August 12, 2015

Rahul Khosla
 Managing Director







FINANCIAL REVIEW

94 MAX INDIA FINANCIALS - STANDALONE
MAX INDIA FINANCIALS - CONSOLIDATED



**MAX INDIA LIMITED
STANDALONE**



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the twenty-seventh Board's Report of your Company along with the audited Statement of Accounts for the financial year ended March 31, 2015. This Board's report is prepared on the basis of standalone financial statements of the Company for the year ended March 31, 2015.

Standalone Results

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

	(Rs. Crore)	
	Year ended March 31, 2015	Year ended March 31, 2014
Income		
Net sales	-	733.3
Revenue from Investment Activities	581.8	262.6
Other income	2.9	12.5
Total revenue (I)	584.7	1008.4
Expenditure		
Manufacturing expenses	-	528.5
(Increase)/decrease in inventories of finished goods and work-in-progress	-	(4.9)
Employee benefits expenses	52.6	79.4
Other expenses	58.5	180.0
Depreciation and amortization	4.4	23.6
Financial expenses	0.5	21.8
Total expenses (II)	116.0	828.4
Profit/(loss) before tax	468.7	180.0
Tax expense	77.7	(5.2)
Profit/(Loss) After Tax	391.0	185.2

Significant improvement in operating performance: FY15* vs. FY14**

- Revenue - 10%
- Profit Before Tax - 5%

* FY15 adjusted for one off exceptional gain from equalization of shareholding in Max Healthcare.

** FY14 adjusted for MSF numbers

The Company has a healthy treasury corpus of Rs 572 crore as at March 31, 2015. Net worth rose 8% to Rs 3,454 crore during the year, on a standalone basis.

Max Speciality Films (MSF), a division of the Company till FY 2013-14, became its subsidiary effective April 1, 2014. MSF manufactures specialty BOPP (Bi-axially Oriented polypropylene) films for flexible packaging of food, confectionery, and fast moving consumer goods (FMCG) as well as for industrial packaging. Thus, the results of current year are not strictly comparable with last year.

Consolidated Results

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided as part of this Annual Report.

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

	(Rs. Crore)	
	Year ended March 31, 2015	Year ended March 31, 2014
Income		
Net Sales	838.5	890.5
Service Income	9,183.8	8,221.3
Other operating revenue and investment income	4,793.1	2,514.6
Other Income	61.2	56.9
Total Revenue (I)	14,876.6	11,683.3
Expenses		
Cost of raw material consumed	514.6	528.5
Purchase of pharmacy and pharmaceuticals supplies	269.4	327.2
(Increase)/ decrease in inventories of work-in-progress, finished goods and traded goods	(3.5)	(3.7)
Employee benefits expense	1,009.5	956.8
Change in policy reserves	6,443.1	4,228.9
Other expenses	5,894.6	5,140.0
Depreciation & Amortisation	153.8	137.9
Financial Expenses	82.6	93.2
Total Expenses (II)	14,364.1	11,408.8
Profit / (Loss) Before Tax (I-II)	512.5	274.5
Tax Expense	147.6	65.0
Profit / (Loss) After Tax	364.9	209.5
Minority Interest	85.3	70.0
Profit/(Loss) after tax (after adjusting Minority Interest)	279.6	139.5

Significant improvement in operating performance: FY15 vs. FY14

- Revenue - 27%
- Profit Before Tax - 87%
- Profit After Tax - 74%

Net worth rose 11% to Rs 3,302 crore during the year, on a consolidated basis.

The Board of Directors has by a resolution passed in its meeting held on August 12, 2015 given consent for not attaching the balance sheets of the subsidiaries concerned. The full balance sheet including balance sheets of subsidiaries of the Company is available on our website www.maxindia.com. These documents will also be available for inspection during business hours at the registered office of the Company.

Subsidiaries & Associates

During the year, Life Healthcare (Pty) Limited and International Finance Corporation have further invested in equity share capital of one of the subsidiaries of the Company, namely Max Healthcare Institute Limited (MHIL) resulting in dilution of the Company's holding from 65.86% to 45.95%. As a result of these transactions, MHIL ceased to be a subsidiary of the Company w.e.f. November 10, 2014 and became an associate Company w.e.f. November 10, 2014.

As on March 31, 2015, your Company had 15 subsidiaries and 5 Associate companies, out of which 11 are wholly owned subsidiaries of the Company. Pursuant to Sec 134(3)(q) of the Act, and Rule 8(5) (iv) of the Companies (Accounts) Rules, 2014, the list of subsidiaries/ associates and the proportionate ownership of the Company in

DIRECTORS' REPORT

them along with names of Companies which have ceased to be subsidiaries, JVs and associates is part of Form MGT-9 attached as Annexure-1.

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement presented in Form AOC - 1 is attached as Annexure-2 and is part of the Annual Report as per Rule 8(1) of the Companies (Accounts) Rules, 2014.

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

Material Changes Affecting Financial Position

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2015 and the date of the Directors' report i.e. August 12, 2015.

Corporate Restructuring plan in the form of Scheme of Demerger of the Company

The Board of Max India Limited ('the Company') in its meeting held on January 27, 2015 approved a Corporate Restructuring plan to vertically split the Company through a demerger to three companies, the existing company and the two resulting companies to be listed on demerger becoming effective. This would enable the investors in the Company to have a choice, to be associated with the underlying businesses through separate listed entities, or specifically with the relatively matured business of life insurance, and/or have a separate access to the mature manufacturing business of speciality films, and/or in the health and allied businesses which are in their relative growth phase or nascent stage of development and have higher capital requirements. In addition, the restructuring would also result in a sharper focus on underlying businesses and unlock value for shareholders. The salient details of the Scheme of Demerger are as follows:

- (i) The existing company, Max India Limited, is proposed to be renamed 'Max Financial Services Limited' upon demerger and will focus solely on the group's flagship life insurance activity, through its 72% shareholding in Max Life Insurance Company Limited ("Max Life"), making it the first Indian listed company exclusively focused on life insurance. The Insurance Laws (Amendment) Ordinance, 2014, recently promulgated by the President of India, and widely expected to be approved as an Act, has created renewed investor interest in the life insurance sector.
- (ii) Upon completion of the demerger, it is proposed to name the second vertical as Max India Limited ("Resulting Company 1"), which will continue to manage investments in the high potential health and allied businesses including in: - Max Healthcare Institute Limited, Max Bupa Health Insurance Company Limited, Antara Senior Living Limited and supported by a corporate management services team. The demerger will provide these businesses, which are currently in their growth and development phases, sharpened focus to fulfill their tremendous potential. The corporate management services team will manage shared services facilities and provide functional support to all 3 verticals.
- (iii) The third vertical will house the investment activity in the group's manufacturing subsidiary, Max Speciality Films Limited - an innovation leader in the speciality packaging films

business - and will be named Max Ventures and Industries Limited ("Resulting Company 2").

- (iv) The Company's shareholders whose name will appear in the register of members on a 'Record Date', to be specified for the said purpose once the demerger scheme is effective, will retain one equity share of Rs. 2/- in Max Financial Services Limited (existing Max India, as renamed). In addition, the shareholders will get shares in the new companies as detailed below:
 1. one equity share of Rs. 2/- each of Resulting Company 1 for every one equity share of Rs. 2/- each held in the Company; and
 2. one equity share of Rs. 10/- each of Resulting Company 2 for every 5 equity shares of Rs. 2/- each held in the Company.
- (v) The Company has a Treasury Corpus of Rs. 572 Cr. as at March 31, 2015. It is proposed to split the cash reserves as on Appointed Date of April 1, 2015 between the 3 listed companies such that the Company will hold Rs. 150 Cr., Resulting Company 2 will hold Rs. 10 Cr. and the balance, Rs. 412 Cr., will be held by Resulting Company 1.
- (vi) The Appointed Date for the demerger is April 1, 2015.

Current status on the Scheme of Demerger

The Company has received approvals from SEBI and CCI for the proposed scheme of demerger. Pursuant to the order of Hon'ble High Court of Punjab and Haryana at Chandigarh, the court convened meeting of shareholders of the Company was held on July 4, 2015 at 11:00 A.M. at the Registered Office of the Company at Bhai Mohan Singh Nagar, Raimajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533 and the report of the Court appointed Chairman was filed with the Hon'ble High Court. 99.99% of the total voting of the shareholders of the Company at the meeting and by e-voting, voted in favour of the Scheme of Demerger.

The Company has filed the second petition before the Hon'ble High Court seeking its approval for the Scheme of Demerger.

Dividend

Your Directors had approved payment of Interim Dividend of 200%, i.e., Rs.4.00/- per equity share of Rs.2/- each for the financial year 2014-15. Your Company made the payment of the aforesaid interim dividend to shareholders on December 4, 2014.

The Board of Directors of your Company have further recommended a final dividend of 50% amounting to Re.1.00 per equity share (on face value of Rs.2/- each) to the Shareholders for their approval at the ensuing Annual General Meeting scheduled to be held on September 23, 2015 and if approved, the same will be paid to the shareholders, in compliance with the applicable legislations. For shares held in electronic form, the dividend will be paid on the basis of beneficial ownership furnished by Depositories, viz., NSDL and CDSL for this purpose.

Transfer to Reserves

The company has not transferred any amount to reserves.

Share Capital

The Authorized share capital of the Company as on March 31, 2015 was Rs. 100,00,00,000/- (Rupees One Hundred crores only) comprising of 46,00,00,000 equity shares of Rs. 2/- each and 8,00,000 preference shares of Rs. 100/- each.

DIRECTORS' REPORT

The Paid up capital of the Company as on March 31, 2015 was Rs. 53,30,05,546/- (Rupees Fifty three crores thirty lacs five thousand five hundred and forty six only) comprising of 26,65,02,773 equity shares of Rs. 2/- each.

During the year under review; 2,75,516 equity shares were allotted under 'Employee Stock Plan 2003' ('2003 Plan') as Employee Stock Options.

Employee Stock Option Plan

Your Company has an employee stock option plan viz., 'Max India Employee Stock Plan 2003' ('2003 Plan'). The 2003 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees and directors of the Company. The 2003 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. During the year under review, upon exercise of options, 2,75,516 equity shares of Rs. 2/- each for cash at par were allotted.

Details of Options granted up to March 31, 2015 and other disclosures as required under SEBI Regulations are enclosed as Annexure-3 to this Report. The Company is seeking the approval of the shareholders in the ensuing Annual General Meeting for amendment to the '2003 Plan' to align with the provision of SEBI (Share Based Employee Benefits), Regulations, 2014 and for certain administrative convenience.

Directors

Your Company has fourteen (14) Directors consisting of eight (8) Independent Directors, (2) Executive Directors and four (4) Non-executive Directors as on March 31, 2015.

During the year under review, the following changes took place.

- Dr. Subash Bijlani, who did not offer himself for re-appointment as a Director at the Annual General Meeting held on September 30, 2014 ceased to be a Director of the Company w.e.f. September 30, 2014.
- Mr. Dinesh Kumar Mittal and Mrs. Nirupama Rao were appointed as Additional Directors to act as Independent Directors of the Company on January 1, 2015. Their term of office expires on the date of ensuing Annual General Meeting.

The Company has received notices under Section 160 of the Act from members proposing the candidature of Mr. Dinesh Kumar Mittal and Mrs. Nirupama Rao for being appointed as Directors of the Company. The Board of Directors recommend to the shareholders for their appointment as Independent Directors of the Company.

In terms of Section 152 of the Act and the Articles of Association of the Company, Mr. Ashwani Windlass, Mr. Sanjeev Mehra and Mr. Mohit Talwar are liable to retire by rotation at the ensuing Annual General Meeting. Mr. Ashwani Windlass, Mr. Sanjeev Mehra and Mr. Mohit Talwar being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

The Board met six times during the financial year 2014-15, viz., on May 28, 2014, July 22, 2014, August 13, 2014, November 12, 2014, January 27, 2015 and February 12, 2015. The details regarding the number of meetings attended by each Director during the period under review are part of the information furnished in the Corporate Governance Report attached as part of this Annual Report.

Statement of Declaration by Independent Directors

In terms of Section 149(6) of the Act and Clause 49 of the Listing agreement and based on the confirmation/ disclosures received

from the Directors, the following Non-Executive Directors are Independent Directors of the Company: Mr. N.C. Singhal, Mr. Rajesh Khanna, Mr. Aman Mehta, Prof. Dipankar Gupta, Dr. Ajit Singh, Mr. Ashok Kacker, Mrs. Nirupama Rao and Mr. Dinesh Kumar Mittal.

The Company is in receipt of declaration of independence from all the above mentioned Independent Directors as per Section 149(7) of the Act.

Committee of Board of Directors

The Company has the following committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. A detailed note on the same is provided under the Corporate Governance Report attached elsewhere in this Annual Report.

1. Audit Committee:

The Audit Committee consists of Mr. N.C. Singhal, Mr. Ashwani Windlass, Mr. Rajesh Khanna and Mr. Ashok Kacker. The Committee met six times during the financial year 2014-15, viz., on May 28, 2014, August 12, 2014, October 6, 2014, November 11, 2014, January 27, 2015 and February 12, 2015.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration consists of Mr. Rajesh Khanna, Mr. N.C. Singhal, Mr. Aman Mehta and Mr. Ashwani Windlass. This Committee met eight times during the financial year 2014-15, viz., on August 4, 2014, August 13, 2014, November 11, 2014, November 20, 2014, December 12, 2014, January 27, 2015, February 12, 2015 and March 27, 2015.

3. Investment & Finance Committee:

This Committee consists of Mr. Ashwani Windlass, Mr. N.C. Singhal, Mr. Sanjeev Mehra, Mr. Rahul Khosla and Mr. Mohit Talwar. The Committee met eight times during the financial year 2014-15, viz., on May 28, 2014, July 22, 2014, August 12, 2014, October 6, 2014, November 11, 2014, January 27, 2015, February 12, 2015 and March 25, 2015.

4. Corporate Social Responsibility Committee:

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee was formed w.e.f. August 13, 2014. The Committee consists of Mr. N.C. Singhal, Mr. Ashwani Windlass, Mr. Rajesh Khanna, Mr. Aman Mehta, Dr. Ajit Singh, Mr. Dipankar Gupta and Mr. Ashok Kacker. This Committee met two times during the financial year 2014-15, viz., on November 12, 2014 and February 12, 2015.

5. Committee of Independent Directors:

The Committee of Independent Directors consists of Mr. N.C. Singhal, Mr. Rajesh Khanna, Mr. Aman Mehta, Prof. Dipankar Gupta, Dr. Ajit Singh, Mr. Ashok Kacker, Mrs. Nirupama Rao and Mr. Dinesh Kumar Mittal. The Committee met once on February 12, 2015 during the financial year 2014-15. Later the Committee met on August 12, 2015. The meeting was conducted to:

- (a) Review the performance of non-independent directors and the Board as a whole;

DIRECTORS' REPORT

- (b) Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- (c) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

6. Stakeholders' Relationship Committee:

The Committee consists of Mr. Ashwani Windlass, Mr. N.C. Singhal, Mr. Rahul Khosla and Mr. Mohit Talwar. The Committee met five times during the financial year 2014-15, viz., May 28, 2014, August 12, 2014, September 29, 2014, February 12, 2015 and March 25, 2015.

7. Risk & Compliance Review Committee:

The Committee was formed on August 13, 2014. The Committee consists of Mr. N.C. Singhal, Mr. Ashwani Windlass, Mr. Rajesh Khanna, Mr. Aman Mehta, Dr. Ajit Singh, Prof. Dipankar Gupta and Mr. Ashok Kacker. The Committee met twice during the financial year 2014-15, viz., November 12, 2014 and February 12, 2015.

Performance Evaluation of the Board

As per the requirements of the Act, formal Annual Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors.

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

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

It was further acknowledged that every individual member and Committee of the Board contribute their best in the overall growth of the organization.

Key Managerial Personnel

During the financial year 2014-15, Mr. Rahul Khosla, Managing Director, Mr. Mohit Talwar, Dy. Managing Director, Mr. Rahul Ahuja, Chief Financial Officer and Mr. V. Krishnan, Company Secretary were designated as Key Managerial Personnel of the Company pursuant to Section 203 of the Act.

Arising from the transition in the roles, Mrs. Sujatha Ratnam, Senior Director – Corporate Finance was appointed as a Key Managerial Personnel designated as Chief Financial Officer of the Company effective June 1, 2015, in place of Mr. Rahul Ahuja. Mr. Rahul Ahuja has assumed the role of Chief Financial Officer of Max Bupa Health Insurance Company Limited, a subsidiary of the Company effective June 1, 2015.

Nomination & Remuneration Committee Policy

In adherence to the provisions of Section 134 (3)(e) and 178 (1) & (3) of the Act, the Board of Directors on the recommendation of

the Nomination and Remuneration Committee, approved a policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided and the same is attached as Annexure-4.

Corporate Social Responsibility

The Board of Directors has adopted a CSR policy as approved by the Corporate Social Responsibility Committee which is available on the website of the Company at www.maxindia.com. The Annual Report on CSR as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure-5.

Human resources

We are a multi-business corporate in the 'Businesses of Life' focusing on life insurance, healthcare, health insurance and other related businesses. We endeavor to be the most preferred solution provider in life's many moments of truth for the millions of lives that we aspire to positively impact and are driven by our core values – Sevvabhav, Excellence and Credibility. The health and performance of the group has improved steadily over the last three years and is reflected in our results. The remuneration of our employees is competitive with the market and rewards high performers across levels. The remuneration to Directors, Key Managerial Personnel and Senior Management are a balance between fixed, incentive pay and long-term equity program based on the performance objectives appropriate to the working of the Company and its goals and is reviewed periodically and approved by the Nomination and Remuneration Committee of the Board. The remuneration of the Whole-time directors is within the limits approved by the shareholders of the Company at the Extra Ordinary General Meeting of Max India Limited held on December 5, 2013.

Details pursuant to Section 197 (12) of the Act, read with the Rule 5(1) and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as Annexure-6 (a) & (b).

Prevention of Sexual Harassment of women at workplace

Max India Limited has requisite policy for prevention of Sexual Harassment of Women at workplace. The comprehensive policy ensures gender equality and the right to work with dignity. The Internal Complaints Committee has been constituted as per provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case under the said Act has been reported to the Committee during the year under review.

Loans, Guarantees or Investments in Securities

The Company has pursuant to the provisions of Section 186 of the Act, given loans, made guarantees and investments during the year under review.

The details of Loans, guarantees and investments are provided in Notes 11, 14, 15, 39 and 40 to the financial statements of the Company for the FY 2014-15.

Management Discussion & Analysis

In terms of Clause 49 of the Listing Agreement, a review of the performance of businesses, including those of your Company's joint ventures and subsidiaries, is provided in the Management Discussion & Analysis section which is attached elsewhere in this Annual Report.

DIRECTORS' REPORT

Report on Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance specified by the Securities and Exchange Board of India through clause 49 of the Listing Agreement. As required by the said Clause, a separate Report on Corporate Governance forms part of the Annual Report of the Company.

A certificate from M/s Sanjay Grover & Associates, Practicing Company Secretaries regarding compliance with the conditions of Corporate Governance and a certificate from the Managing Director and Chief Financial Officer on compliance of Clause 49 of the Listing Agreement form part of the Corporate Governance Report.

Public Deposits

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

Contracts or Arrangements with Related Parties

All Related Party Transactions (RPTs) as per the provisions of the Act, that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There was no materially significant related party transaction entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Since all RPTs entered into by the Company were in the ordinary course of business and were on an arm's length basis, form AOC-2 is not applicable to the Company. However, the details of all the RPTs have been elaborately disclosed in the Notes to the Accounts of the Company for the financial year ended March 31, 2015 attached to this Annual Report.

Auditor & Auditors' Report

Pursuant to Section 139 & 142 of the Act, M/s S R Batliboi & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on September 30, 2014 for a period upto the date of the next annual general meeting of the Company.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s. S R Batliboi & Co. LLP, Statutory Auditors of the Company for the financial year 2014-15 as annexed elsewhere in this Annual Report.

M/s. S R Batliboi & Co. LLP, have expressed their unwillingness to be reappointed as Statutory Auditors of the Company. It is proposed to appoint M/s. Deloitte Haskins & Sells, LLP, in place of M/s SR Batliboi & Co.LLP as Statutory Auditors of the Company, till conclusion of Annual General Meeting to be held in financial year 2020.

Your Company received a written consent from M/s. Deloitte Haskins & Sells, LLP, Chartered Accountants, as required under Section 139 of the Act and a certificate to the effect that their appointment, if may, would be in accordance with the limits prescribed under Section 141 of the Act.

Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Act, your Company had appointed M/s Chandrasekaran Associates, Company Secretaries, New Delhi as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2014-15. The Company provided all assistance and facilities to the Secretarial Auditor for conducting the audit. The

Report of Secretarial Auditor for the FY 2014-15 is annexed to this report as Annexure-7. There is no Audit Qualifications in the said Secretarial Audit Report.

Risk Management Policy

The Board has formed a Risk Management Committee to identify the risks impacting the business, formulate strategies/ policies aimed at risk mitigation as part of risk management. Further, a core team comprising of senior management has also been formed to identify and assess key risks, risk appetite, tolerance levels and formulate strategies for mitigation of risks identified in consultation with process owners.

On the recommendation of the Risk and Compliance Review Committee in its meeting held on February 12, 2015, the Board of Directors, in its meeting held on May 27, 2015 has adopted a Risk Management policy for the Company, whereby, risks are broadly categorized into Strategic, Operational, Compliance, and Financial & Reporting Risks. The Policy outlines the parameters of identification, assessment, monitoring and mitigation of various risks which are key to business performance.

Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed. The Control Assurance & Risk Management Department of the Company have reviewed the existence of various risk-based controls in the Company and also tested the key controls towards assurance for compliance for the present fiscal. Further, the testing of such controls shall also be carried out independently by the Statutory Auditors from the financial year 2015-16 onwards as mandated under the provisions of the Act.

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

Vigil Mechanism

The Company has a vigil mechanism pursuant to which a Whistle Blower Policy is in place. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The said Policy is hosted on the Company's website at www.maxindia.com.

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

As your Company does not carry on any manufacturing operations, information in accordance with the provisions of Section 134 (3)(m) of the Act read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 is not furnished herewith.

Extracts of Annual Return

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2015 forms part of this report as Annexure 1.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Act, it is hereby confirmed that:

DIRECTORS' REPORT

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

Cautionary Statement

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

Acknowledgements

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

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

New Delhi
August 12, 2015

Analjit Singh
Chairman

ANNEXURE-1

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

CIN	L24223PB1988PLC 008031
Registration Date	24-02-1988
Name of the Company	MAX INDIA LIMITED
Category	Public Company
Sub-category	Company Limited by Shares
Address of the Registered office & contact details	Bhai Mohan Singh Nagar Railmajra Tehsil Balachaur District Nawanshahr Punjab – 144 533 Phone : 01881-462000 Fax : 01881-273607 E-mail : investorhelpline@maxindia.com
Whether listed company	Listed Company
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited T-34, 2 nd Floor, Okhla Industrial Area Phase – II, New Delhi – 110020 Phone : 011- 26387281/82/83 Fax : 011 – 26387384 E-mail : info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The Company is primarily engaged only in one business segment viz, "Business Investment" and since most of the operations are in India, there are no separate reportable segments as per Accounting Standard 17 prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1.	Max Life Insurance Company Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74899DL2000PLC106723	Subsidiary	72.00%	2 (87) of the Companies Act, 2013
2.	Max Bupa Health Insurance Company Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U66000DL2008PLC182918	Subsidiary	74.00%	2 (87) of the Companies Act, 2013
3.	Antara Senior Living Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2011PLC218781	Subsidiary	100%	2 (87) of the Companies Act, 2013
4.	Antara Purukul Senior Living Limited 170, Rajpur Road village: Partitpur, Santour Near Mussorie diversion, Dehradun, Uttara Khand-248001	U74120UR1995PLC018283	Subsidiary	100%	2 (87) of the Companies Act, 2013
5.	Antara Gurgaon Senior Living Limited. Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2012PLC244411	Subsidiary	100%	2 (87) of the Companies Act, 2013
6.	Max Speciality Films Limited 419, Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	U24100PB2012PLC036981	Subsidiary	99.00%	2 (87) of the Companies Act, 2013

ANNEXURE-1

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
7.	Pharmax Corporation Limited Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	U24232PB1989PLC009741	Subsidiary	85.21%	2 (87) of the Companies Act, 2013
8.	Max Skill First Limited (formerly Max Healthstaff International Limited) Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U85199DL2003PLC119249	Subsidiary	100%	2 (87) of the Companies Act, 2013
9.	Max One Distribution and Services Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2013PLC254577	Subsidiary	100%	2 (87) of the Companies Act, 2013
10.	Max Ateev Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74899DL1994PLC060700	Subsidiary	100%	2 (87) of the Companies Act, 2013
11.	Taurus Ventures Limited * 419, Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	U85100PB2015PLC039155	Subsidiary	100%	2 (87) of the Companies Act, 2013
12.	Capricorn Ventures Limited * 419, Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	U85100PB2015PLC039204	Subsidiary	100%	2 (87) of the Companies Act, 2013
13.	Max Neeman Medical International Limited*** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74999DL1999PLC102149	Subsidiary	100%	2 (87) of the Companies Act, 2013
14.	Max UK Limited Coveham House, Downside Bridge Road Cobham, Surrey KT11 3EP United Kingdom	NA	Subsidiary	100%	2 (87) of the Companies Act, 2013
15.	Max Neeman Medical International Inc., USA*** 121, Edinburgh South Drive, Suite 103, Carry NC 27511, USA	NA	Subsidiary	100%	2 (87) of the Companies Act, 2013
16.	Max Healthcare Institute Limited** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U72200DL2001PLC111313	Associate Company	45.95%	2 (6) of the Companies Act, 2013
17.	Max Medical Services Limited ** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74899DL1994PLC061314	Associate Company	45.95%	2 (6) of the Companies Act, 2013
18.	Alps Hospital Limited ** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020	U74899DL1989PLC036413	Associate Company	45.95%	2 (6) of the Companies Act, 2013
19.	Hometrail Estate Private Limited ** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020	U45400DL2008PTC176963	Associate Company	45.95%	2 (6) of the Companies Act, 2013
20.	Hometrail Buildtech Private Limited ** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020	U45400DL2008PTC176962	Associate Company	45.95%	2 (6) of the Companies Act, 2013

* became subsidiary of the Company effective February 7, 2015.

** consequent to the dilution of stake in Max Healthcare Institute Limited (MHIL) to 45.95%, MHIL and its subsidiaries, viz., Max Medical Services Limited, Alps Hospital Limited, Hometrail Estates Private Limited and Hometrail Buildtech Private Limited became Associate Companies effective November 10, 2014.

*** ceased to be subsidiary of the Company effective May 1, 2015.

ANNEXURE-1

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

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	6287622	0	6287622	2.36	6287622	0	6287622	2.36	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	98970164	0	98970164	37.18	101585164	0	101585164	38.12	0.94
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	105257786	0	105257786	39.54	10787286	0	107872786	40.48	0.94

B. Public Shareholding

1. Institutions

a) Mutual Funds	29349320	5565	29354885	11.03	30302243	5565	30307808	11.37	0.35
b) Banks / FI	9227	14450	23747	0.01	199582	14450	214032	0.08	0.07
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	0	45750	45750	0.02	0	45750	45750	0.02	0.00
g) FIs	74868193	55	74868248	28.12	64178360	55	64178415	24.08	-4.04
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) FDI	34406011	0	34406011	12.92	32340749	0	32340749	12.14	-0.79
Sub-total (B)(1):-	138632821	65820	138698641	52.10	127020934	65820	127086754	47.69	-4.41

2. Non-Institutions

a) Bodies Corp.									
i) Indian	3642925	92730	3735655	1.40	4291527	92655	4384182	1.65	0.25
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10039332	2462450	12501782	4.70	11397814	2345125	13742939	5.16	0.46
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2129575	0	2129575	0.80	1296181	0	1296181	0.49	-0.31
c) Others (specify)									
Non Resident Indians	1323807	34630	1358437	0.51	9176247	33820	9210067	3.45	2.94
Overseas Corporate Bodies	1751800	0	1751800	0.66	1751800	0	1751800	0.66	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	193432	0	194432	0.07	277086	0	277086	0.10	0.03
Trusts	1873	0	1873	0.00	2124	0	2124	0.00	0.00
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	19486786	2784044	22270830	8.37	28720565	2822668	31543233	11.80	3.44
Total Public Shareholding (B)=(B)(1)+(B)(2)	15811967	2849864	160969471	60.46	155741499	2888488	158629987	59.49	-0.97

C. Shares held by Custodian for GDRs & ADRs

Grand Total (A+B+C)	263377393	2849864	266227257	100.00	263614285	2888488	266502773	100.00	
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ANNEXURE-1

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2014]			Shareholding at the end of the year [As on 31-March-2015]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Analjit Singh	5876789	2.21	0.00	5876789	2.21	0.00	0.00
2	Mrs. Neelu Analjit Singh	100000	0.04	0.00	100000	0.04	0.00	0.00
3	Ms. Piya Singh	110333	0.04	0.00	110333	0.04	0.00	0.00
4	Mr. Veer Singh	100500	0.04	0.00	100500	0.04	0.00	0.00
5	Mrs. Tara Singh Vachani	100000	0.04	0.00	100000	0.04	0.00	0.00
6	Medicare Investment Ltd.	11968340	4.50	99.98	11968340	4.49	93.17	0.00
7	Cheminvest Ltd.	9971065	3.75	99.99	9971065	3.74	99.99	0.00
8	Liquid Investment & Trading Co. P. Ltd	23818876	8.95	98.49	23818876	8.94	88.19	0.00
9	Maxopp Investments Ltd.	18844919	7.08	100.00	18844919	7.07	100.00	0.00
10	Mohair Investment & Trading Co. (P) Ltd.	8086560	3.04	17.10	8086560	3.03	0.00	0.00
11	Boom Investments Pvt. Ltd.	5604010	2.10	52.19	5604010	2.10	30.33	0.00
12	P V T Investment Ltd.	1547543	0.58	0.00	1547543	0.58	0.00	0.00
13	Maxpak Investment Ltd.	558200	0.21	0.00	558200	0.21	0.00	0.00
14	Pen Investments Ltd.	1881110	0.71	0.00	1881110	0.71	0.00	0.00
15	Pivet Finances Ltd.	1758374	0.66	0.00	1758374	0.66	0.00	0.00
16	Max Ventures Investment Holdings Pvt. Ltd.	14931167	5.61	8.51	17546167	6.58	31.27	0.97

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

S. No	Particulars	Shareholding at the beginning of the year [As on 31-March-2014]		Cumulative Shareholding during the year [As on 31-March-2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Analjit Singh				
	At the beginning of the year	5876789	2.21	5876789	2.21
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			5879789	2.21
2.	Mrs. Neelu Analjit Singh				
	At the beginning of the year	100000	0.04	100000	0.04
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			100000	0.04
3.	Ms. Piya Singh				
	At the beginning of the year	110333	0.04	110333	0.04
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			110333	0.04
4.	Mr. Veer Singh				
	At the beginning of the year	100500	0.04	100500	0.04
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			100500	0.04
5.	Mrs. Tara Singh Vachani				
	At the beginning of the year	100000	0.04	100000	0.04
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			100000	0.04
6.	Medicare Investments Limited				
	At the beginning of the year	11968340	4.50	11968340	4.49
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			11968340	4.49
7.	Cheminvest Limited				
	At the beginning of the year	9971065	3.75	9971065	3.74
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			9971065	3.74

ANNEXURE-1

S. Particulars No	Shareholding at the beginning of the year [As on 31-March-2014]		Cumulative Shareholding during the year [As on 31-March-2015]	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8. Liquid Investment & Trading Co. P. Ltd.				
At the beginning of the year	23818876	8.95	23818876	8.94
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			23818876	8.94
9. Maxopp Investments Limited				
At the beginning of the year	18844919	7.08	18844919	7.07
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			18844919	7.07
10. Mohair Investment & Trading Co. P. Ltd.				
At the beginning of the year	8086560	3.04	8086560	3.03
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			8086560	3.03
11. Boom Investments Pvt. Ltd.				
At the beginning of the year	5604010	2.10	5604010	2.10
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			5604010	2.10
12. P V T Investment Limited				
At the beginning of the year	1547543	0.58	1547543	0.58
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			1547543	0.58
13. Maxpak Investment Limited				
At the beginning of the year	558200	0.21	558200	0.21
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			558200	0.21
14. Pen Investments Limited				
At the beginning of the year	1881110	0.71	1881110	0.71
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			1881110	0.71
15. Pivot Finances Limited				
At the beginning of the year	1758374	0.66	1758374	0.66
Increase / Decrease in Shareholding during the year	0	0	0	0
At the end of the year			1758374	0.66
16. Max Ventures Investment Holdings Pvt Ltd.				
At the beginning of the year	14931167	5.61		
Increase / Decrease in Shareholding during the year				
10.04.2014	26,00,000	0.98	17531167	6.59
18.11.2014	15,000	0.00	17546167	6.59
At the end of the year			17546167	6.58

ANNEXURE-1

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2014]		Cumulative Shareholding during the Year [As on 31-March-2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1 Xenok Limited					
	At the beginning of the year	24079700	9.04		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			24079700	9.03
2 GS Mace Holdings Limited					
	At the beginning of the year	17196381	6.46		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			17196381	6.45
3 International Finance Corporation					
	At the beginning of the year	10326311	3.88		
	Increase / Decrease in Shareholding during the year				
	06.06.2014	-1000	0	10325311	3.88
	25.07.2014	-156550	0.06	10168761	3.82
	29.08.2014	-554390	0.21	9614371	3.61
	05.09.2014	-1152566	0.43	8461805	3.18
	12.09.2014	-200756	0.08	8261049	3.1
	At the end of the year			8261049	3.1
4 Aranda Investments (Mauritius) Pte Ltd.					
	At the beginning of the year	8065117	3.03		
	Increase / Decrease in Shareholding during the year				
	16.05.2014	2180000	0.82	10245117	3.85
	21.11.2014	-14291	0	10230826	3.85
	12.12.2014	-191874	0.07	10038952	3.78
	09.01.2015	-8600	0	10030352	3.78
	16.01.2015	-179604	0.07	9850748	3.71
	23.01.2015	-368476	0.14	9482272	3.57
	30.01.2015	-1839000	0.69	7643272	2.88
	06.02.2015	-601000	0.23	7042272	2.65
	20.03.2015	-17027	0.01	7025245	2.64
	At the end of the year			7025245	2.64
5 New York Life Insurance Company					
	At the beginning of the year	5154105	1.93		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			5154105	1.93
6 Reliance Capital Trustee Co. Ltd. A/C Reliance Equity Opportunities Fund					
	At the beginning of the year	4500196	1.69		
	Increase / Decrease in Shareholding during the year				
	18.04.2014	11100	0	4511296	1.69
	02.05.2014	300000	0.11	4811296	1.8
	23.05.2014	65061	0.02	4876357	1.82
	22.08.2014	24000	0.01	4900357	1.83
	28.11.2014	28200	0.01	4928557	1.84
	05.12.2014	29400	0.01	4957957	1.85
	31.12.2014	15000	0.01	4972957	1.86
	02.01.2015	50000	0.02	5022957	1.88
	16.01.2015	268200	0.1	5291157	1.98

ANNEXURE-1

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2014]		Cumulative Shareholding during the Year [As on 31-March-2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	23.01.2015	83175	0.03	5374332	2.01
	30.01.2015	-499975	0.18	4874357	1.83
	06.02.2015	-120000	0.04	4754357	1.79
	13.02.2015	220000	0.08	4974357	1.87
	27.02.2015	200000	0.07	5174357	1.94
	06.03.2015	39300	0.01	5213657	1.95
	13.03.2015	165100	0.06	5378757	2.01
	20.03.2015	22000	0.01	5400757	2.02
	At the end of the year			5400757	2.02
7	Government Pension Fund Global				
	At the beginning of the year	4221861	1.58		
	Increase / Decrease in Shareholding during the year				
	26.11.2014	-50000	0.02	4171861	1.56
	28.11.2014	-96195	0.04	4075666	1.52
	05.12.2014	-55634	0.02	4020032	1.50
	13.02.2015	-164272	0.06	3855760	1.44
	20.02.2015	-66000	0.02	3789760	1.42
	27.02.2015	-466808	0.17	3322952	1.25
	At the end of the year			3322952	1.25
8	Reliance Capital Trustee Company Limited A/C Reliance Growth Fund				
	At the beginning of the year	3967837	1.49		
	Increase / Decrease in Shareholding during the year				
	25.04.2014	-200000	0.08	3767837	1.41
	16.05.2014	-200000	0.08	3567837	1.33
	06.06.2014	-131600	0.05	3436237	1.28
	05.09.2014	-200000	0.08	3236237	1.2
	30.01.2015	-200000	0.07	3036237	1.13
	06.02.2015	-200000	0.07	2836237	1.06
	At the end of the year			2836237	1.06
9	FIL Investments (Mauritius) Ltd				
	At the beginning of the year	3375399	1.27		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			3375399	1.27
10	ICICI Prudential Value Discovery Fund				
	At the beginning of the year	2944414	1.1		
	Increase / Decrease in Shareholding during the year				
	20.06.2014	73452	0.03	3017866	1.13
	30.06.2014	1500000	0.56	4517866	1.69
	At the end of the year			4517866	1.69

ANNEXURE-1

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2014]		Cumulative Shareholding during the year [As on 31-March-2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Rahul Khosla - (MD)				
	At the beginning of the year	166684	0.06		
	Increase / Decrease in Shareholding during the year				
	*08.09.2014				
		179834	0.07	346518	0.13
	At the end of the year			346518	0.13
2	Mr. Mohit Talwar - (DMD)				
	At the beginning of the year	67992	0.02		
	Increase / Decrease in Shareholding during the year				
	*16.04.2014				
	*08.09.2014	9500	0	77492	
	*23.01.2015	11432	0	88924	
		10750	0	99674	
	At the end of the year			99674	0.03
3	Mr. Ashwani Windlass - (NED)				
	At the beginning of the year	158700	0.06		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			158700	0.06
4	Mr. Anuroop Singh - (Vice Chairman)				
	At the beginning of the year	0	0		
	Increase / Decrease in Shareholding during the year				
	*20.05.2014	25000	0.01	25000	0.01
	At the end of the year			25000	0.01
5	Mr. Naresh Chand Singhal - (ID)				
	At the beginning of the year	53500	0.02		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			53500	0.02
6	Mr. Aman Mehta - (ID)				
	At the beginning of the year	29000	0.01		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			29000	0.01
7	Mr. Rajesh Khanna - (ID)				
	At the beginning of the year	25000	0.01		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			25000	0.01
8	@ Dr. Subhash Khanchand Bijlani - (ID)				
	At the beginning of the year	22000	0.01		
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			22000	0.01
9	Dr. Ajit Singh - (ID)				
	At the beginning of the year	0	0		
	Increase / Decrease in Shareholding during the year				
	*16.04.2014	29000	0.01	29000	0.01
	At the end of the year			29000	0.01

ANNEXURE-1

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2014]		Cumulative Shareholding during the year [As on 31-March-2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	Mr. V. Krishnan – (CS) - KMP				
	At the beginning of the year	10000			
	Increase / Decrease in Shareholding during the year				
	**02.09.2014				
		-9900	0	100	0
	At the end of the year			100	0

@ Dr. Subhash Khanchand Bijlani ceased to be a director w.e.f. September 30, 2014

* Allotment of equity shares under Max ESOP

** Sale of Max ESOP equity shares

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

	(Rs. in lacs)			
	Secured Loans excluding deposits & Working Capital Limits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6813.78	–	–	6813.78
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	1.22	–	–	1.22
Total (i+ii+iii)	6815.00			6815.00
Change in Indebtedness during the financial year				
* Addition	–	–	–	–
* Reduction	6815.00	–	–	6815.00
Net Change	6815.00	–	–	6815.00
Indebtedness at the end of the financial year				
i) Principal Amount	–	–	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	–	–	–

The aforesaid indebtedness is primarily on account of MSF business, a division of Max India Limited till FY2013-14. MSF became a subsidiary of the Company effective April 1, 2014 and hence the indebtedness in Max India books was reduced to Nil as at March 31, 2015.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		Mr. Rahul Khosla, MD	Mr. Mohit Talwar, DMD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,33,06,961	6,69,19,229	19,02,26,190
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	39,600	21,78,197	22,17,797
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option^	5,52,62,988	95,48,354	6,48,11,342
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others:	-	-	-
	- Company Contribution to PF	32,72,000	12,78,720	45,50,720
	- Medical Rembursements	15,000	15,000	30,000
	- Medical Insurance Premium	2,63,750	31,650	2,95,400
	- Personal Accident Insurance Premium	450	450	900
	Total (A)	18,21,60,749	7,99,71,600	26,21,32,349
	Ceiling as per the Act	-	-	-

^ Perquisite value of stock options exercised during the year (AS PER INCOME TAX)

ANNEXURE-1

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors												Total Amount	
		Mr. N.C. Singhal	Mr. Rajesh Khanna	Mr. Aman Mehta	Prof. Dipankar Gupta	Dr. Ajit Singh	Mr. Ashok Kacker	Mrs. Nirupama Rao	Mr. D.K. Mittal	Mr. Anajit Singh	Mr. Anuroop Singh	Mr. Ashwani Windlass	Mr. Sanjeev Mehra		Dr. Subash Bijlani*
1	Independent Directors:														
	Fee for attending board committee meetings	3800000	2300000	1000000	1100000	100000	1000000	200000	200000					9700000	
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil					Nil	
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil					Nil	
	Total (1)	3800000	2300000	1000000	1100000	100000	1000000	200000	200000					9700000	
2	Other Non-Executive Directors:														
	Fee for attending board committee meetings								400000	400000	3400000	-	400000	4600000	
	Commission								-	-	-	-	-	-	
	Others, please specify								-	-	-	-	-	-	
	Total (2)								400000	400000	3400000	-	400000	4600000	
	Total (B)=(1+2)	3800000	2300000	1000000	1100000	100000	1000000	200000	200000	400000	400000	3400000	-	400000	14300000
	Total Managerial Remuneration									-					
	Overall Ceiling as per the Act														

*ceased to be a Director effective September 30, 2014.

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

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs.)
		CEO*	Mr. V. Krishnan, CS	Mr. Rahul Ahuja, CFO**	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	75,81,469	1,57,35,472	2,33,16,941
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	-	32,400	26,641	59,041
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option^	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others:				
	- Company Contribution to PF	-	3,17,193	6,39,360	9,56,553
	- Medical Rembursement	-	15,000	15,000	30,000
	- Medical Insurance Premium	-	31,650	31,650	63,300
	- Personal Accident Insurance Premium	-	450	450	900
	Total (A)	-	79,78,162	1,64,48,573	2,44,26,735

^ Perquisite value of stock options exercised during the year

*Particulars of Remuneration of CEO (Mr. Rahul Khosla, Managing Director) are given under point VI(A) above.

** Mr. Rahul Ahuja ceased to be CFO w.e.f June 1, 2015

ANNEXURE-1

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE-2 (PART A)

Form AOC-1
(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of subsidiaries / associate companies / joint ventures
Part "A" - Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rs)

Sl. No.	Name of Subsidiary Company	Reporting period for the subsidiary concerned	Reporting Currency and Exchange rate as on the last date of relevant financial year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	(Amt in Rs Lacs)	Proposed Dividend	% of Share holding
1	Max Life Insurance Co. Ltd	31-Mar-15	INR	1,91,881.29	9,524.28	32,73,208.79	30,71,803.22	31,22,021.86	12,49,607.13	47,759.49	6,335.31	41,424.18	4,988.91	-	72.00%
2	Max Bupa Health Insurance Co. Ltd.	31-Mar-15	INR	79,050.00	(62,082.18)	50,781.13	33,813.31	43,003.15	34,972.99	(9,331.32)	-	(9,331.32)	-	-	74.00%
3	Pharmax Corporation Ltd	31-Mar-15	INR	2,053.06	595.44	3,022.47	373.98	1,333.25	640.90	406.65	141.91	264.74	-	-	85.21%
4	Max Ateev Limited	31-Mar-15	INR	3,144.36	(3,824.82)	13.14	693.60	-	-	(1.15)	-	(1.15)	-	-	100.00%
5	Max Skill First Ltd	31-Mar-15	INR	649.50	(2,304.94)	433.42	2,088.86	390.00	3.50	(16.33)	-	(16.33)	-	-	100.00%
6	Max Speciality Films Ltd	31-Mar-15	INR	3,378.79	14,206.64	51,651.39	34,065.96	-	75,481.71	1,180.28	423.87	756.41	-	-	99.00%
7	Max Neeman Medical International Ltd @	31-Mar-15	INR	1,448.68	(862.47)	1,793.78	1,207.57	196.95	1,803.25	(501.71)	-	(501.71)	-	-	100.00%
8	Max One Distribution and Services Ltd	31-Mar-15	INR	390.00	(355.40)	53.17	18.58	-	10.66	(182.87)	-	(182.87)	-	-	100.00%
9	Antara Senior Living Ltd	31-Mar-15	INR	15,271.42	(1,750.84)	13,922.86	402.28	855.65	1,164.50	(726.73)	0.35	(727.09)	-	-	100.00%
10	Antara Purukul Senior Living Ltd	31-Mar-15	INR	821.90	(7,592.22)	21,335.01	28,105.33	1,375.36	124.98	(7,536.11)	40.55	(7,576.66)	-	-	100.00%
11	Antara Gurgaon Senior Living Ltd	31-Mar-15	INR	5.00	(1.09)	4.11	0.20	-	-	(0.66)	-	(0.66)	-	-	100.00%
12	Taurus Ventures Ltd*	31-Mar-15	INR	5.00	(0.76)	5.00	0.76	-	-	(0.76)	-	(0.76)	-	-	100.00%
13	Capricorn Ventures Ltd*	31-Mar-15	INR	5.00	(0.76)	5.00	0.76	-	-	(0.76)	-	(0.76)	-	-	100.00%
14	Max Neeman Medical International Inc, USA @	31-Mar-15	USD	4,952.13	(4,790.50)	185.77	24.13	-	165.82	8.42	8.25	0.17	-	-	100.00%
15	Max UK Ltd	31-Mar-15	GBP	213.00	(71.33)	156.82	15.15	-	140.82	12.94	2.48	10.46	-	-	100.00%
16	Max Healthcare Institute Ltd **	31-Mar-15	INR	-	-	-	-	-	46,432.31	(2,056.44)	-	(2,056.44)	-	-	45.95%
17	Max Medical Services Ltd**	31-Mar-15	INR	-	-	-	-	-	2,876.80	272.89	-	272.89	-	-	45.95%
18	Hometrail Estate Pvt Ltd **	31-Mar-15	INR	-	-	-	-	-	10,999.50	378.68	-	378.68	-	-	45.95%
19	Hometrail Buildtech Pvt Ltd **	31-Mar-15	INR	-	-	-	-	-	2,674.56	(1,010.45)	-	(1,010.45)	-	-	45.95%
20	Alps Hospital Ltd **	31-Mar-15	INR	-	-	-	-	-	4,885.42	389.22	-	389.22	-	-	45.95%
21	Neeman Medical International B.V. ***	31-Mar-15	USD	-	-	-	-	-	2.41	2.21	-	2.21	-	-	100.00%
22	Neeman Medical International N.V. ***	31-Mar-15	USD	-	-	-	-	-	468.60	168.36	-	168.36	-	-	100.00%

Notes: The following information shall be furnished at the end of the statement

- (i) Names of subsidiaries which are yet to commence operations (i) Taurus Ventures Limited (ii) Capricorn Ventures Limited
(ii) Names of subsidiaries which have been liquidated or sold during the year (i) Neeman Medical International B.V. (ii) Neeman Medical International NV

* Subsidiary (w.e.f. February 7, 2015)

** ceased to be subsidiary (w.e.f. Nov 10, 2014)

*** ceased to be subsidiary (w.e.f. Mar 30, 2015)

@ ceased to be subsidiary (w.e.f. May 1, 2015)

ANNEXURE-2 (PART B)

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

(Amt in Rs Lacs)

Name of Associates/Joint Ventures	Max Healthcare Institute Ltd*
(1) Latest audited Balance Sheet date	31-Mar-15
(2) Shares of Associates/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Ventures	34,412.68
Extend of Holding %	45.95%
(3) Description of how there is significant influence	Max India Ltd. holds 45.95% of share capital in Max Healthcare Institute Ltd.
(4) Reason why the associate/joint venture is not consolidated	NA
(5) Networth attributable to Shareholding as per latest audited Balance Sheet ^	38,209.76
(6) Profit/Loss for the year ^	(1,678.91)
i. Considered in Consolidation	(773.43)
ii. Not Considered in Consolidation	(905.48)

*Joint venture from November 10, 2014

1. Names of associates or joint ventures which are yet to commence operations: NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL

^ As per MHIL Consolidated financials

ANNEXURE-3

Details of Max Employees Stock Plan – 2003, pursuant to SEBI Regulations and Companies Act, 2013.

Sl. No	Description	2003 Plan
1	Total number of options granted till March 31, 2015	65,80,798
2	The pricing formula	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.
3	Number of options vested till March 31, 2015	33,28,377
4	Number of options exercised till March 31, 2015	31,61,377
5	Total number of shares arising as a result of exercise of options	31,61,377
6	Number of options lapsed/forfeited till March 31, 2015	3,80,255
7	Variation in terms of options	Nil
8	Money realized by exercise of options (Rs. Crore)	0.64
9	Total number of options in force as on March 31, 2015	30,39,166
10	Employee wise details of options granted during the financial year to :	
	(i) Senior management personnel including Managing Director and Dy. Managing Director:	
	- Mr. Rahul Khosla, Managing Director	15,09,800
	- Mr. Mohit Talwar, Dy. Managing Director	5,00,600
	- Mr. C.V. Raghu, Sr. Director, Legal & Regulatory Affairs	52,000
	- Mr. Rahul Ahuja, Chief Financial Officer	40,000
	- Mr. Rohit Kapoor, Sr. Director – Strategy & Business Performance	40,000
	- Mr. Suresh Ramasubramanian, Director – Human Capital	40,000
	- Mr. V. Krishnan, Company Secretary	20,000
	- Mr. Vaibhav Poddar, Associate Director – Strategy & Business Performance.	20,000
	- Mr. Jatin Khanna, Associate Director – Corporate Development	20,000
	(ii) Any other employees who receive a grant in any one year of option amounting to 5% or more of option granted during the year.	None
	(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None
11	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20] Earnings Per Share]	14.58
12	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Profits & EPS have been lower by Rs. 270.03 lacs and Basic EPS Rs. 0.10 per share & Diluted EPS Rs. 0.11 per share if the Company has recognized the compensation cost based on fair value.
13	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equal or exceeds or is less than the market price of the stock.	Weighted average exercise price during FY14-15 and weighted average fair value of the outstanding fair market value options as on 31 March 2015 was Rs 394 and Rs 258.34 respectively. Weighted average exercise price during FY14-15 and weighted average fair value of the outstanding par Value options as on 31 March 2015 was Rs 2 and Rs 214.27 respectively.
14	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information:	
	(i) risk-free interest rate	7.81% - 9.19%
	(ii) expected life (in years)	8.52-9.50
	(iii) expected volatility	41.82%
	(iv) expected dividends, and	Nil
	(v) the price of the underlying share in market at the time of option grant.	Rs 207.22 - 443.82

Nomination and Remuneration Policy for the Board of Directors, Key Managerial Personnel and Senior Management Personnel

(Appointment Criteria, Qualification & Remuneration Policy In Terms Of Section 178 of the Companies Act, 2013 ("The Act"))

Preamble

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

Appointment Criteria and Qualification

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

Remuneration Policy

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

Objective

Attract, motivate, and retain key talent by enabling sustenance of a high performance culture with differentiated rewards for high performers who live by the values of the Company. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders

Applicability

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

Guiding principle

Our compensation programs, practices, and policies are reviewed and re-evaluated periodically. Remuneration linked to level of job responsibility, individual performance and Company performance.

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

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

- Equity-based remuneration would be higher for those at higher levels of responsibility and influence on long-term results
- Annual variable pay as a reward for achievement of short-term performance goals that support and ensure long-term success.

Reflect value of job in the marketplace

- **Remain competitive** with the pay of other employers who compete with us for talent in the relevant markets to attract and retain a highly skilled workforce. with a significantly differentiated pay for high performers.
- **Award of Long Term Incentives / ESOPs** is based on individual performance, potential, criticality of the role / individual for the Company, relative market worth & assessed retention value with inputs from the management team and recommendation of the Managing Director.

Performance Management & Remuneration

- Remuneration decisions are based on the outcomes of the annual performance review process, based on the G & M framework. The performance evaluation process has four key steps – Self Evaluation, Manager Evaluation, Potential / Readiness Assessment and Developmental Planning
- Performance is assessed at two levels – Goals (G Review) and Competencies (M Review)
- G Rating determines Variable Pay, M Rating determines Fixed Pay increase
- Performance ratings are normalized in cohorts to adhere to an overall normal distribution

Potential, Development & Readiness

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

ANNEXURE-5

Corporate Social Responsibility has been an area of focus for Max India Limited since inception. Max Group being in the “Business of Life”, there has been a conscious effort to make a difference in the lives of the less privileged. Max India has its vision to build the most admired company through service excellence and SevaBhav. The Company's mission is to bring about strong social relevance, and aims to be committed to social causes and relevance for its inclusive growth and to contribute to society by supporting causes on the health and well being platform.

The CSR Policy comprises Vision and Mission Statement, philosophy and objectives. It also explains the governance structure along with clarity on each one's roles and responsibilities.

The CSR Committee of the Company comprises of Mr. N.C. Singhal, Mr. Ashwani Windlass, Mr. Rajesh Khanna, Mr. Aman Mehta, Dr. Ajit Singh, Prof. Dipankar Gupta and Mr. Ashok Kacker.

In terms of Section 135 of the Act read with Companies (Corporate Social Responsibilities Policy) Rules, 2013, all Companies meeting the prescribed threshold criteria, i.e., net worth of Rs. 500 crores

or more or turnover of Rs. 1,000 crores or more or net profits of Rs. 5 crore or more in any financial year are required to spend 2% of the average net profits of the Company for immediately preceding 3 financial years.

As per rule 2 (f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, any dividend received from other companies in India which are already covered and complying with the provisions of the CSR, shall not be included for the purposes of computation of 'net profits' for a company.

As Max Life Insurance Company Limited from whom the Company has been receiving dividend, from time to time, discharged its CSR responsibilities for the financial year 2014 - 15, the dividend income received by Max India Limited will be excluded for the purposes of computation of its 'net profits'. After excluding the dividend income received from Max Life, the Company does not have net profits computed as per the CSR rules. Therefore, it is not mandatorily required to spend on Corporate Social Responsibility for the financial year 2014 - 15.

ANNEXURE – 6 (PART A)

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended below:

Key Managerial Remuneration including Whole – time Directors' Remuneration *

Sl. No.	Name	Designation	Rem for FY '14 (INR Cr.)	Rem for FY '15 (INR Cr.)	% increase of Rem in FY '15 vs. FY '14	Excl. WTD Ratio of Rem to MRE ^(a)	Incl. WTD Ratio of Rem to MRE and WTD ^(a)	Ratio of remuneration to PAT FY '15
1	Mr. Rahul Khosla	Managing Director	10.56	18.22**	72%	111.8	106.4	3.88%
2	Mr. Mohit Talwar	Dy. Managing Director	4.48	7.99@	78%	49.1	46.7	1.70%
3	Mr. Rahul Ahuja	Chief Financial Officer	1.54	1.64	7%	10.1	9.6	0.35%
4	Mr. V. Krishnan	Company Secretary	0.75	0.79	7%	4.9	4.7	0.17%

^(a) Rem – Remuneration; WTD – Whole – Time Directors; MRE – Median Remuneration to Employees.

* Remuneration is provided for the period April 1, 2014 to March 31, 2015.

**Remuneration includes perquisite value of Rs.5.53 crores being the ESOPs exercised during the year under review against the ESOPs granted since October 2011 with graded vesting schedule.

@ Remuneration includes perquisite value of Rs. 0.95 crores being the ESOPs exercised during the year under review against the ESOPs granted since May 2012 with graded vesting schedule.

The aforesaid ESOPs do not constitute "Remuneration" as per applicable provisions of the Companies Act, 1956 read with General Circular No. 07/2015 dated April 10, 2015 issued by the Ministry of Corporate Affairs, whereby the terms and conditions of remuneration approved by the shareholders of the Company shall continue until March 31, 2016 for Mr. Rahul Khosla, Managing Director and until October 31, 2016 for Mr. Mohit Talwar, Dy. Managing Director as per relevant provisions of Schedule XIII of the Companies Act, 1956.

Remuneration includes salary, allowances, value of rent free accommodation, bonus, value of ESOPs exercised, medical expenses, leave travel assistance, personal accident and health insurance, Company's contribution to Provident, Pension, Gratuity and Superannuation fund, leave encashment and value of perquisites.

The Median Remuneration of Employees (MRE) excluding Whole time Directors was INR 1,628,669/- in FY '15 and INR 1,520,277/- in FY '14. The increase in MRE in FY '15 as compared to FY '14 is 7.1%.

The number of permanent employees on the rolls of the Company as on March 31, 2015 was 68 and March 31, 2014 was 73.

Standalone Performance of Max India in FY '15 over FY '14

Heads	31-03-2015	31-03-2014	Growth
PBT (INR crores)	468.65	179.93	111%
PAT (INR crores)	390.93	185.16	111%
Share Price	431	208	107%
P/E	30	30	0%
Market Cap (INR crores)	11,493	5,539	107%

The average increases in remuneration in FY '15 excluding WTD as approved by the Nomination and Remuneration Committee were 11.7% including promotions and salary corrections over FY '14. This was based on the industry benchmarks.

The average increase in salary for WTDs and KMPs was 41% over FY '15 as approved by the Nomination and Remuneration Committee. The WTDs remuneration for FY '15 includes one-time Special allowance/ cash reward to recognize and acknowledge their seminal contribution towards shareholders' value creation, conclusion of critical transactions which added significant advantage for Max India and its subsidiaries and helped improve the performance and value of Max India. Also, the value of Max India share price doubled in FY '15 vs. FY '14 which led to significant increase in value of vested Stock Options.

Managerial personnel variable components are linked to assessment of individual performance with differentiation for high performers, potential, criticality of the role for the Company and relative market competitiveness. All long term variable components are linked to value creation for shareholders. The Company's Remuneration policy ensures that it attracts, motivates, and retains key talent by enabling differentiated rewards for high performers who live by the values of the Company. The remuneration policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for all stakeholders.

During FY '15, no employee received remuneration in excess of the remuneration paid to Executive Directors.

ANNEXURE - 6 (PART B)

INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2015

Sr. No.	Name	Age (Yrs.)	Designation	Nature of duties	Remuneration (In Rs.)	Qualification	Date of Commencement of employment	Experience (Yrs.)	Last Employment Organisation	Position held
A. Employed throughout the year and were in receipt of remuneration of not less than Rs. 60,00,000/- per annum										
1.	Ahuja, Rahul	43	Chief Financial Officer	Finance/Accounts	1,64,48,573 B.Com (Hons), CA		05.03.2012	19	Tulip Telecom Limited	Chief Financial Officer
2	Hoskote, Prashant	49	Senior Director - Quality & Service Excellence	Quality & Service Excellence	1,45,21,882 BSc., Diploma in Computer Science & Management, Certified Trainer & Facilitator from the Juran Institute, INC, USA		07.06.2010	28	Mashreqbank	Sr. Vice President and Head - Customer Experience & Quality Division
3	Kapoor, Rohit	41	Sr. Director - Strategy & Business Performance	Strategy & Business Performance	1,65,38,820 PGP (ISB), CFA		30.06.2012	18	Religare Enterprises Limited	Director & Head - Business Strategy
4	Khanna Jatin	36	Associate Director - Corporate Development	Corporate Development	65,67,522 CA, PGPMAX-ISB		20.04.2005	15	HCL Infosystems Limited	Assistant Manager - Accounts
5	Khosla, Rahul	56	Managing Director	General Management	18,21,60,749 BA (Hons), CA		18.08.2011	31	Visa	Group Head of Products
6	Krishnan, V	51	Company Secretary	Company Law Matters	79,78,162 B.Com, FCS		18.06.2003	30	Self employed	Manager - Tax
7	Narang, Dilbagh Singh	44	Dy. Director - Taxation	Taxation	67,10,610 B. Com, CA		03.07.2006	17	Price Water House Coopers Pvt Ltd.	
8	Pandey, Archana	55	Senior Director - Corporate Affairs	Corporate Affairs	2,40,66,080 MA in Psychology, PGD in Advertising & PR, PGD in Marketing & Sales Mgmt.		08.06.2012	32	Abbott Healthcare Pvt Ltd.	Head - Government Affairs
9	Panwar Dharmendra	48	Head - Internal Audit	Internal Audit	61,08,355 B.Com (Hons), CISA, CA		05.04.2012	23	Fortis Healthcare India Limited	Head - Internal Audit
10	Poddar Vijay Vaibhav	32	Associate Director - Strategy & Business Performance	Strategy & Business Performance	65,34,545 MMS, BE		12.03.2012	9	McKinsey & Company Inc, India	Engagement Manager
11	Ramasubramanian, Suresh	46	Director - Human Capital	Human Capital	1,52,58,574 B. Com, PGDPMIR		18.07.2012	24	ICICI Venture Funds Management Company Limited	Head - Human Resources & Sr. Director
12	Raghu, C. V.	52	Senior Director - Legal & Regulatory Affairs	Legal & Regulatory Affairs	2,29,46,937 Bachelor of Science & Law, PGD IR & PM		30.07.2008	25	American Express Banking Corp. General Counsel's Office	VP & Group Counsel India & Area Countries
13	Ratnam, Sujatha	51	Senior Director - Corporate Finance	Corporate Treasury	1,34,85,186 B. Com (Hons), ACA		12.07.2004	26	Jubilant Orgnosys Ltd.	General Manager - Finance
14	Talwar, Mohit	55	Deputy Managing Director	General Management	7,99,71,600 Post Graduate (Arts), Post Graduate (Hospitality Management)		01.11.2007	36	Standard Chartered Bank India	Director & Head Wholesale Bank, East India
15	Thakur, Nitin	41	Director - External Affairs & Communication	Communication	76,39,546 B. Com, PGDBM		01.10.2008	18	Microsoft Corporation India Pvt. Limited	Lead - Public Relations
16	Vohra, Anuj	42	Dy. Director - Corporate Development	Corporate Development	90,95,067 B. Com (Hons), PGDM		29.06.2012	19	Barclays Bank	Head Credit - Large Corporates
B. Employed for part of the year and were in receipt of remuneration of not less than Rs. 5,00,000/- per month										
17	Mohan AVK	50	Sr. Director - Group Human Capital	Group Human Resources	1,25,16,484 MA (PM&IR), Tata Institute		01.11.2014	26	EXLService.Com India Pvt Ltd.	EVP & Global Head of HR

Notes:

- 1 Remuneration includes salary, allowances, value of rent free accommodation, bonus, value of ESOPs exercised, medical expenses, leave travel assistance, personal accident and health insurance, Company's contribution to Provident, Pension, Gratuity and Superannuation fund, leave encashment and value of perquisites.
- 2 None of the above employees is a relative of any director of the Company.
- 3 All appointments are/were contractual in accordance with the terms and conditions as per Company Rules/Policies.
- 4 Mr. Rahul Khosla holds 346518 equity shares of the Company constituting 0.13 % of equity share capital in the Company and Mr. Mohit Talwar holds 99674 equity shares Constituting 0.03% of the equity share capital of the Company as of the date of this report.
- 5 None of the above employees hold by himself or alongwith his spouse and dependent children 2% or more equity shares of the Company.

New Delhi
August 12, 2015

On behalf of the Board of Directors
Anajit Singh
Chairman

ANNEXURE - 7

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

To,
The Members,
Max India Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
- (vi) As Confirmed and Certified by the management, there is no Sectoral law specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. Not applicable for the year 2014-15.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchanges Limited and BSE Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has made Slump Sale of its business division namely Max Speciality Films to its Subsidiary Company Max Speciality Films Limited.

Dr. S. Chandrasekaran

Senior Partner
For Chandrasekaran Associates
Company Secretaries
Membership No. FCS 1644
Certificate of Practice No.715

Date : 03.08.2015
Place : New Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

The Members
Max India Limited
Bhai Mohan Singh Nagar
Railmajra, Tehsil Balachaur
District Nawanshahr, Punjab-144533.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dr. S. Chandrasekaran

Senior Partner
For Chandrasekaran Associates
Company Secretaries
Membership No. FCS 1644
Certificate of Practice No.715

Date: 03.08.2015
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Max India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements

give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.;
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Manoj Kumar Gupta

Partner

Membership Number: 83906

Place: Gurgaon

Date: May 27, 2015

INDEPENDENT AUDITOR'S REPORT

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 fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (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.
- (iii) (a) 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, provisions of clauses 3(iii) (a) and (b) 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, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets. The activities of the Company do not involve purchase of inventory, sale of goods and rendering of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess 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.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows.

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	Service Tax Demand on consultancy services	201.00	FY 1997-98 To FY 2000-01	Commissioner (Central Excise), Chandigarh
Customs Act, 1962	Custom Duty Demand on non-fulfillment of export obligation	395.95	FY 1994-95	Directorate General of Foreign Trade
Income Tax Act, 1961	Income Tax Demand in respect of Penalty under Section 271(1)(c)	41.58	AY 1992-93 to AY 2009-10	Commissioner of Income Tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax Demand in respect of Penalty under Section 271(1)(c)	586.44	AY 2002-03 to AY 2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demand on disallowance made on various matters	30.86	AY 2000-01	High Court, Punjab

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues in respect of a financial institution or debenture holders during the year.
- (x) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.
- (xi) Based on the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

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

per Manoj Kumar Gupta
Partner
Membership Number: 83906

Place: Gurgaon

Date: May 27, 2015

BALANCE SHEET

AS AT MARCH 31, 2015

(Rs. in Lacs)			
	Notes	As at March 31, 2015	As at March 31, 2014
Equity and liabilities			
Shareholders' funds			
Share capital	4	5,330.06	5,324.55
Reserves and surplus	5	3,40,033.99	3,13,308.72
		3,45,364.05	3,18,633.27
Non-current liabilities			
Long-term borrowings	6	-	4,530.56
Deferred tax liabilities (Net)	7	-	1,383.50
Long-term provisions	8	282.50	328.74
		282.50	6,242.80
Current liabilities			
Short-term borrowings	9	-	11,253.50
Trade payables	10	1,122.67	7,285.03
Other current liabilities	10	762.23	3,571.69
Short-term provisions	8	3,427.38	5,383.50
		5,312.28	27,493.72
TOTAL		3,50,958.83	3,52,369.79
Assets			
Non-current assets			
Fixed assets			
Tangible assets	12	1,252.15	29,710.74
Intangible assets	13	59.69	291.75
Capital work-in- progress		2.19	2,454.55
Non-current investments	11	2,79,857.32	2,59,751.38
Loans and advances	14	8,444.71	11,988.67
Other non-current assets	19	7.58	7.58
		2,89,623.64	3,04,204.67
Current assets			
Current investments	15	51,996.41	14,686.74
Inventories	16	-	6,615.27
Trade receivables	17	-	15,388.64
Cash and bank balances	18	6,361.35	1,223.77
Loans and advances	14	937.93	8,004.40
Other current assets	19	2,039.50	2,246.30
		61,335.19	48,165.12
TOTAL		3,50,958.83	3,52,369.79
Summary of significant accounting policies	3		

The accompanying notes are integral part of the financial statements

As per our report of even date

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

per Manoj Kumar Gupta
Partner
Membership Number: 83906

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

Rahul Khosla
(Managing Director)
DIN No - 03597562

N. C. Singhal
(Director)
DIN No - 00004916

Ashwani Windlass
(Director)
DIN No - 00042686

Rahul Ahuja
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : Gurgaon
Date : May 27, 2015

Place : New Delhi
Date : May 27, 2015

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2015

(Rs. in Lacs)			
	Notes	For the year ended March 31, 2015	For the year ended March 31, 2014
Income			
Revenue from operations (gross)	20	58,177.99	1,05,052.42
Less: excise duty		-	5,460.62
Revenue from operations (net)		58,177.99	99,591.80
Other income	21	287.99	1,250.02
Total revenue (I)		58,465.98	1,00,841.82
Expenses			
Cost of raw materials consumed	22	-	52,846.14
(Increase)/decrease in inventories of finished goods and work-in-progress	23	-	(487.52)
Employee benefits expense	24	5,264.19	7,942.44
Depreciation and amortisation expense	26	438.04	2,362.00
Finance costs	27	46.43	2,178.39
Other expenses	25	5,852.57	18,006.90
Total expenses (II)		11,601.23	82,848.35
Profit before tax		46,864.75	17,993.47
Tax expense			
Current tax (refer note 48)		9,154.60	-
Deferred tax		(1,383.50)	(522.57)
Total tax expense		7,771.10	(522.57)
Profit after tax		39,093.65	18,516.04
Earnings per equity share	28		
[Nominal value of shares Rs. 2/- (March 31, 2014: Rs. 2/-)]			
Basic (Rs.)		14.67	6.96
Diluted (Rs.)		14.58	6.93
Summary of significant accounting policies	3		

The accompanying notes are integral part of the financial statements

As per our report of even date

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

per Manoj Kumar Gupta
Partner
Membership Number: 83906

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

Rahul Khosla
(Managing Director)
DIN No - 03597562

Rahul Ahuja
(Chief Financial Officer)

N. C. Singhal
(Director)
DIN No - 00004916

Ashwani Windlass
(Director)
DIN No - 00042686

V. Krishnan
(Company Secretary)

Place : Gurgaon
Date : May 27, 2015

Place : New Delhi
Date : May 27, 2015

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash flow from operating activities		
Net profit before tax	46,864.75	17,993.47
Non cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation / amortisation	438.04	2,362.00
Interest expense	37.42	1,998.23
Interest income	(1,248.68)	(315.24)
Dividend income	(20,309.83)	(20,447.99)
Option fees	(2,713.05)	(1,887.74)
Net loss on sale of fixed assets	16.38	37.45
Profit on sale of non current investments in subsidiaries	(29,641.47)	-
Net profit on sale of current investments	(4,270.19)	(3,782.19)
Profit on sale of business	(163.72)	-
Bad debts written off	-	16.29
Fixed assets and spares written off	131.22	-
Liability/ provisions no longer required written back	(103.47)	(13.83)
Provision for diminution in non current investments in subsidiaries	505.78	-
Provision for doubtful advances - subsidiary	9.51	22.52
Employee stock option expense	987.58	1,097.87
Unrealised foreign exchange (gain) / loss	-	(68.09)
Operating profit before working capital changes	(9,459.73)	(2,987.25)
Movement in working capital :		
Increase/ (decrease) in trade payables	(3.16)	2,433.05
Increase/ (decrease) in long-term provisions	(46.24)	(62.78)
Increase/ (decrease) in other long-term liabilities	-	(9.92)
Increase/ (decrease) in short-term provisions	306.48	(93.20)
Increase/ (decrease) in other current liabilities	(119.90)	245.47
Decrease / (increase) in trade receivables	-	(1,569.12)
Decrease / (increase) in inventories	-	(2,121.92)
Decrease / (increase) in long-term loans and advances	2,011.43	(1,841.38)
Decrease / (increase) in short-term loans and advances	3,275.25	1,067.02
Decrease / (increase) in other current assets	176.70	(207.51)
Cash generated from/(used in) operations	(3,854.17)	(5,147.54)
Direct taxes (paid)/ net of refunds	(4,694.69)	(139.86)
Net cash flow from /(used in) operating activities (A)	(8,553.86)	(5,287.40)
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(894.53)	(9,841.83)
Proceeds from sale of fixed assets	118.95	67.70
Purchase of non- current investments	(10,853.00)	(20,711.87)
Proceeds from sale of non current investments	38,338.09	-
Proceeds from sale of business	11,000.00	-
Purchase of current investments	(1,88,384.67)	(46,330.00)
Proceeds from sale/maturity of current investments	1,56,288.04	70,365.58
Investment in bank deposits (having original maturity of more than three months)	(5,539.91)	(151.81)
Dividend received	20,309.83	20,447.99
Option fees	2,529.66	1,758.49
Interest received	1,418.26	181.71
Net cash flow from /(used in) investing activities (B)	24,330.72	15,785.96

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash flow from financing activities		
Proceeds from ESOPs exercised	5.51	14.14
Proceeds from long -term borrowings	-	161.98
Repayment of long -term borrowings	(207.08)	(2,336.60)
Proceeds / (Repayment) of short -term borrowings	-	4,608.18
Interest paid	(37.42)	(1,998.63)
Dividend paid on equity shares	(15,456.53)	(10,637.88)
Net cash flow from /(used in) financing activities (C)	(15,695.52)	(10,188.81)
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	81.34	309.75
Cash and cash equivalents at the beginning of the year	1,079.54	769.79
Cash and cash equivalents at the end of the year	1,160.88	1,079.54
Components of cash and cash equivalent		
	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Cash on hand	0.18	6.22
Cheques/drafts on hand	-	212.85
Balances with banks		
on current account	35.70	860.33
on deposit with original maturity of less than three months	1,125.00	-
Stamps in hand	-	0.14
Total cash and cash equivalents	1,160.88	1,079.54
Summary of significant accounting policies	3	

The accompanying notes are integral part of the financial statements
As per our report of even date

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

per Manoj Kumar Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 27, 2015

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

Rahul Khosla
(Managing Director)
DIN No - 03597562

Rahul Ahuja
(Chief Financial Officer)

Place : New Delhi
Date : May 27, 2015

N. C. Singhal
(Director)
DIN No - 00004916

Ashwani Windlass
(Director)
DIN No - 00042686

V. Krishnan
(Company Secretary)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

1. Corporate information

Max India Limited (the Company) is a public company domiciled in India. Its shares are listed on two stock exchanges in India.

The Company has invested in multi-businesses which are engaged in the businesses of Life Insurance, Health Insurance, Healthcare, Senior Living, Speciality Films & Clinical Research.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

3. Summary of significant accounting policies

Change in accounting policy

I. Depreciation on fixed assets

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

(a) Useful lives/ depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Hence, due to change in accounting policy, depreciation charge for the current financials year is higher by Rs. 194.72 Lacs. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 26.50 Lacs (net of Deferred Tax) has been adjusted with retained earnings.

(b) Depreciation on assets costing less than Rs. 5,000/-

Till year ended 31 March 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the company was charging 100% depreciation on assets costing less than Rs. 5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the company has changed its accounting policy for depreciations of assets costing less than Rs. 5,000/-. As per the revised policy, the company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1 April 2014.

The change in accounting for depreciation of assets costing less than Rs. 5,000/- does not have any material impact on financial statements of the company for the current year.

II. Employee stock compensation cost

Till 27 October 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, dealt with the grant of share-based payments to employees. Among other matter, these guidelines prescribed accounting for grant of share-based payments to employees. Hence, the company being a listed entity was required to comply with these Guidelines as well as the Guidance Note on Accounting for Employee Share-based Payments with regard to accounting for employee share-based payments. Particularly, in case of conflict between the two requirements, the SEBI guidelines were prevailing over the ICAI Guidance Note. For example, in case of equity settled option expiring unexercised after vesting, the SEBI guidelines required expense to be reversed through the statement of Profit and Loss whereas the reversal of expense through the statement of profit and loss is prohibited under the ICAI Guidance Note. In these cases, the company was previously complying with the requirement of SEBI guidelines.

From 28 October 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 have been replaced by the SEBI (Share Based Employee Benefits) Regulations, 2014. The new regulations don't contain any specific accounting treatment; rather, they require ICAI Guidance Note to be followed. Consequent to the application of the new regulations, the company has changed its accounting for equity settled option expiring unexercised after vesting in line with accounting prescribed in the Guidance Note, i.e., expense is not reversed through the statement of profit and loss. The management has decided to apply the revised accounting policy prospectively from the date of notification of new regulation, i.e., 28 October 2014.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Since there are no equity settled options expiring unexercised after 28 October 2014, the change in accounting policy does not have any material impact on financial statements of the company for the current year. However due to application of the regulation, the manner of presentation of "Employee Stock Option Outstanding Account" under the head "Reserves and Surplus" has changed. The company has changed this presentation for the current as well as previous year.

3.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.2 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

3.3 Depreciation on tangible fixed assets

Leasehold improvement is amortized on a straight line basis over the period of lease

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets:

	Useful life (years)
Buildings (other than factory building)	60 years
Furniture and Fixtures	10 years
Office Equipment	5 years
IT Equipments (End user devices)	3 years
IT Equipments (Servers and network)	6 years
Vehicles	3-8 years

3.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets comprising of computer software are amortized over six years based on management's estimate of economic useful life of the individual assets.

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

3.5 Leases

Where the Company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

Where the Company is lessor

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

3.6 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

3.7 Impairment of tangible and intangible assets

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

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

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

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

3.8 Government grant and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoter's contribution are credited to the capital reserve and treated as a part of shareholders fund.

3.9 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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

3.10 Inventories

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

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FOR THE YEAR ENDED MARCH 31, 2015

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.11 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

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

Dividend

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

Export benefits

Export benefits constituting import duty benefits under Duty Exemption Pass Book (DEPB), duty draw back and advance licence scheme are accounted for on accrual basis. Export benefits under DEPB & duty draw back are considered as other operating income.

3.12 Foreign exchange transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward exchange contracts not intended for trading or speculation purposes

The premium or discounts arising at the inception of forward exchange contracts is amortised and recognised as an expense or income over the life of the contract. Exchange difference on such contracts is recognized in the statement of profit and loss in the period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the period.

3.13 Employee Benefits

Provident Fund

The Company administers employees provident fund benefits through a trust, 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

Employee benefit in form of gratuity plan is a defined benefit obligation. The cost of providing benefit under this plan are determined on the basis of actuarial valuation at end of each year using projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

The Company has a recognised gratuity trust "Max India Limited Employees Gratuity Fund" which in turn has taken a policy with LIC to cover the gratuity liability of the employees.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Compensated Absences

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

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

3.14 Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company 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 the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

3.15 Employee stock compensation cost

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

In accordance with the Securities and Exchange Board of India (SEBI) (Share based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. 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 expense or credit recognized in the statement of profit and loss 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.

3.16 Segment reporting policies

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on area of operations.

Allocation of common costs

Common allocable costs are allocated to each segment in proportion to the relative revenue of each segment.

NOTES TO FINANCIAL STATEMENTS

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Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

3.17 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the 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

3.18 Provisions

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

3.19 Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3.20 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

4. Share capital

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Authorised shares (Nos.)		
460,000,000 (March 31, 2014: 460,000,000) equity shares of Rs. 2/- each	9,200.00	9,200.00
800,000 (March 31, 2014: 800,000) preference shares of Rs. 100/- each	800.00	800.00
	10,000.00	10,000.00
Issued, subscribed and fully paid-up shares (Nos.)		
266,502,773 (March 31, 2014: 266,227,257) equity shares of Rs. 2/- each fully paid up	5,330.06	5,324.55
	5,330.06	5,324.55

4.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2015		March 31, 2014	
	No. of shares	Rs. In Lacs	No. of shares	Rs. In Lacs
Equity Shares				
At the beginning of the year	26,62,27,257	5,324.55	26,55,20,289	5,310.41
Issued during the period - ESOP	2,75,516	5.51	7,06,968	14.14
Outstanding at the end of the year	26,65,02,773	5,330.06	26,62,27,257	5,324.55

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4.2 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 declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The amount of per share dividend recognized as distribution to equity shareholders:

Name of the Shareholder	March 31, 2015		March 31, 2014	
	Face Value (Rs.)	Dividend per share	Face Value (Rs.)	Dividend per share
- Interim dividend	2.00	4.00	2.00	1.80
- Final dividend	2.00	1.00	2.00	1.80

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4.3 Details of shareholder holding more than 5% shares is set out below (legal ownership)

Name of the Shareholder	March 31, 2015		March 31, 2014	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 2/- each fully paid				
- Xenok Limited	2,40,79,700	9.04%	2,40,79,700	9.05%
- GS Mace Holdings Limited	1,71,96,381	6.45%	1,71,96,381	6.46%
- Reliance Capital Trustee Co. Ltd	1,43,62,425	5.39%	1,40,51,763	5.28%
- Maxopp Investments Limited	1,88,44,919	7.07%	1,88,44,919	7.08%
- Liquid Investment and Trading Company Pvt. Ltd	2,38,18,876	8.94%	2,38,18,876	8.95%
- Dynavest India Pvt. Ltd	1,75,46,167	6.58%	1,49,31,167	5.61%

4.4 Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 29.

4.5 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 2,048,340 shares (March 31, 2014: 1,790,936 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.

5. Reserves and surplus

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Capital reserve	50.00	50.00
	50.00	50.00
Securities premium account		
Balance as per last financial statements	2,10,818.26	2,09,309.31
Add: transferred from stock option outstanding	544.38	1,508.95
Closing balance	2,11,362.64	2,10,818.26
Employee stock option outstanding		
Balance as per last financial statements	1,066.62	1,691.01
Add/(less): compensation options granted during the year	987.59	943.39
Less : transferred to securities premium on exercise of stock options	544.38	1,508.95
Less : stock options forfeited during the year	-	58.83
Closing balance	1,509.83	1,066.62
General reserve		
Balance as per last financial statements	16,418.22	14,566.62
Add: amount transferred from surplus balance in the statement of profit and loss	-	1,851.60
Closing balance	16,418.22	16,418.22

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FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Surplus in the statement of profit and loss		
Balance as per last financial statements	84,955.62	77,879.69
Profit for the year	39,093.65	18,516.04
Less: Adjustment on account of transitional provision of Schedule II of the Companies Act, 2013	26.50	-
Less: Appropriations		
Interim dividend on equity shares (amount per share Rs. 4.00 (March 31, 2014: Rs. 1.80))	10,659.67	4,787.27
Proposed final dividend on equity shares (amount per share Rs. 1.00 (March 31, 2014: Rs. 1.80))	2,665.03	4,792.09
Final dividend of earlier year	4.77	9.15
Transfer to general reserve	-	1,851.60
Total appropriations	13,329.47	11,440.11
Net surplus in the statement of profit and loss	1,10,693.30	84,955.62
Total reserves and surplus	3,40,033.99	3,13,308.72

During the year, the Company has declared interim dividend of Rs. 10,659.67 lacs @ 200% (i.e Rs.4.00 per equity share having par value of Rs. 2 each). Further, the Board of Directors at its meeting held on May 27, 2015, has recommended a final dividend of Rs. 2,665.03 lacs @50% (i.e Re. 1/- per equity share having par value of Rs. 2/- each), subject to approval by the Shareholders at the forthcoming Annual General Meeting. Total aggregate dividend paid / recommended during the year is Rs. 13,324.70 lacs. The corporate dividend tax paid by the Max Life Insurance Co. Ltd. (subsidiary company) on dividend paid to the Company was in excess of company's obligation of corporate dividend tax on dividend paid/declared by the Company. Accordingly, the Company has taken credit of corporate dividend tax as per section 115O of the Income Tax Act, 1961 and no provision of corporate dividend tax has been recognised in the financial statements.

6. Long term borrowings

	(Rs. in Lacs)			
	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Term loans				
From banks (secured)	-	4,359.19	-	2,179.60
Vehicle Loans from banks (secured)	-	171.37	-	103.62
	-	4,530.56	-	2,283.22
The above amount includes				
Secured borrowings	-	4,530.56	-	2,283.22
Amount disclosed under the head "other current liabilities" (refer note 10)	-	-	-	(2,283.22)
	-	4,530.56	-	-

- Term loan from Kotak Mahindra Bank Limited amounting to Rs. Nil (March 31, 2014: Rs. 1,500.00 Lacs) was secured by a first pari passu charge on all existing and future movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) and immovable properties of the Company situated at Raimajra, Punjab and second pari passu charge on all existing and future current assets of the Company. The loan was repayable in 20 equal quarterly installment of Rs. 125.00 Lacs each commencing from June 30, 2012, The loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014. The charge has been satisfied against this loan.
- Term loan from IndusInd Bank Limited amounting to Rs. Nil (March 31, 2014: Rs. 3,553.50 Lacs) was secured by a first pari passu charge on the all movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) of the Company and first pari passu charge on immovable properties of the Company situated at Raimajra, Punjab. Further the loan is secured by a second pari passu charge on the current assets of the Company, both present and future. The loan was Repayable in 20 equal quarterly installment of Rs. 296.13 Lacs each commencing from April 1, 2012. The loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014. The charge has been satisfied against this loan.
- Term loan from Yes Bank Limited amounting to Rs. Nil (March 31, 2014: Rs. 1,485.29 Lacs) was secured by a first pari passu charge on all existing and future movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) and immovable properties situated of the Company at Raimajra, Punjab and second pari passu charge on the current assets of the Company, both present and future. The Loan was repayable in 20 equal quarterly installment of Rs. 123.77 Lacs each commencing from April 1, 2012. The loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014. The charge has been satisfied against this loan.
- Vehicle Loans Rs. Nil (March 31, 2014: Rs. 274.99 Lacs) were secured by way of hypothecation of respective vehicles.

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7. Deferred tax liabilities (net)

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Deferred tax liabilities		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	-	2,803.73
Gross deferred tax liabilities	-	2,803.73
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	406.86	518.89
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	124.43	-
Provision for doubtful debts and advances	64.34	15.41
Unabsorbed depreciation	-	885.93
Gross deferred tax assets	595.63	1,420.23
Net deferred tax liabilities / (assets)	(595.63)	1,383.50
Net deferred tax liabilities / (assets) recognised (refer note below)	-	1,383.50

The Company has sold its business division/undertaking engaged in the business of manufacturing and sale of Biaxially Oriented Polypropylenes (BOPP) films by way of a Slump Sale on a going concern basis on April 01, 2014 to its subsidiary, Max Speciality Films Limited. Post sale of BOPP business there is no reasonable certainty w.r.t. realisability of deferred tax assets, hence the Company has not recognized any deferred tax assets as on March 31, 2015.

8. Provisions

	(Rs. in Lacs)			
	Long - term		Short - term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits				
Provision for leave benefits	-	-	258.13	449.94
Provision for gratuity (refer note 24.1)	282.50	328.74	107.03	138.92
Other provisions				
Provision for income tax (net of advance tax)	-	-	391.60	-
Provision for wealth tax	-	-	5.59	2.55
Proposed final dividend	-	-	2,665.03	4,792.09
	282.50	328.74	3,427.38	5,383.50

9. Short term borrowings

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Cash credit from banks (secured)	-	11,253.50
	-	11,253.50

Cash credit facilities from Citi Bank NA, Yes Bank Limited and Kotak Mahindra Bank Limited were repayable on demand and were secured by a first pari passu hypothecation charge on all current assets and a second charge on movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) and all of immovable properties situated at Railmajra, Punjab of the Company, both present and future. The charge has been satisfied against this facility and the loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014.

Cash credit facilities from Indusind Bank Limited and HDFC Bank Limited were repayable on demand and were secured by a first pari passu hypothecation charge on all current assets of the Company, both present and future. The charge has been satisfied against this facility and the loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014.

NOTES TO FINANCIAL STATEMENTS

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10. Other current liabilities

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Trade payables	1,122.67	7,285.03
Other liabilities		
Current maturities of long-term borrowings (refer note 6)	-	2,283.22
Interest accrued but not due on borrowings	-	1.22
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid Dividend	200.47	144.23
Others		
Lease equalisation reserve	-	10.24
Advance from Customers	-	226.33
Security deposit received	26.21	100.88
Statutory dues payable	438.09	641.59
Other payables	97.46	94.72
Capital creditors	-	21.83
Unexpired discount on forward contracts	-	47.43
	762.23	3,571.69
	1,884.90	10,856.72

10.1 There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the year ended March 31, 2015 and March 31, 2014. 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.

11. Non - current investments

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Investment property (at cost less accumulated depreciation)		
Cost of building given on operating lease	2,731.66	-
Less: accumulated depreciation	33.42	-
Net Block	2,698.24	-
Trade investments (valued at cost unless stated otherwise)		
Investment in subsidiaries		
Unquoted equity instruments		
Max Life Insurance Company Limited		
1,381,621,014 (March 31, 2014: 1,381,621,014) Equity shares of Rs. 10 each fully paid up	1,49,087.21	1,49,087.21
Max Healthcare Institute Limited (refer note 46)		
Nil (March 31, 2014: 281,392,766) Equity shares of Rs. 10 each fully paid up	-	43,109.30
Max Bupa Health Insurance Co. Limited		
584,970,000 (March 31, 2014: 495,060,000) Equity shares of Rs. 10 each fully paid up	58,497.01	49,506.01
Pharmax Corporation Limited		
47,122,747 (March 31, 2014: 47,122,747) Equity shares of Re. 1 each fully paid up	1,420.81	1,420.81
Max Neeman Medical International Limited		
NIL (March 31, 2014: 4,166,813) Equity shares of Rs. 10 each fully paid up	-	416.68
Antara Senior Living Limited		
8,000,000 (March 31, 2014: 8,000,000) Equity shares of Rs. 10 each fully paid up	800.00	800.00
Max Speciality Films Limited (refer note 44)		
33,449,500 (March 31, 2014: 49,500) Equity shares of Rs. 10 each fully paid up	16,704.95	4.95
Capricorn Ventures Limited		
50,000 (March 31, 2014: Nil) Equity shares of Rs. 10 each fully paid up	5.00	-
Taurus Ventures Limited		
250,000 (March 31, 2014: Nil) Equity shares of Rs. 2 each fully paid up	5.00	-
Max UK Limited		
299,742 (March 31, 2014: 299,742) Equity shares of GBP 1 each fully paid up	213.00	213.00
Less: provision for diminution	(213.00)	(213.00)
Neeman Medical International BV		
Nil (March 31, 2014: 2,361) Equity shares of Euro 500 each fully paid up	-	4,057.94

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Less: provision for diminution	-	(4,057.94)
Max Ateev Limited		-
31,443,600 (March 31, 2014: 31,443,600) Equity shares of Rs. 10 each fully paid up	3,144.36	3,144.36
Less: provision for diminution	(3,144.36)	(3,144.36)
Max Skill First Limited		-
(formerly Max Healthstaff International Limited)		
6,495,000 (March 31, 2014: 3,945,000) Equity shares of Rs. 10 each fully paid up	702.87	447.87
Less: provision for diminution	(447.87)	(447.87)
	255.00	-
Unquoted preference instruments		
Pharmax Corporation Limited		
1,500,000 (March 31, 2014: 1,500,000) 9% Preference shares of Rs.100 each fully paid up	1,500.00	1,500.00
Antara Senior Living Ltd.		
14,471,417 (March 31, 2014: 13,906,417) Zero Coupon Compulsorily Convertible Preference shares of Rs.100 each fully paid up	14,471.42	13,906.42
Investment in Joint Ventures		
Max Healthcare Institute Limited (refer note 46)		
224,626,315 (March 31, 2014: Nil) Equity shares of Rs.10 each fully paid up	34,412.68	-
	2,77,159.08	2,59,751.38
	2,79,857.32	2,59,751.38
Aggregate amount of unquoted investments	2,80,964.31	2,67,614.55
Aggregate provision for diminution in value of investments	(3,805.23)	(7,863.17)

Notes:

- During the year, the Company has acquired 50,000 equity shares of Rs. 10/- each amounting to Rs. 5.00 lacs of Capricorn Ventures Limited, by virtue of this, it has become a 100% subsidiary of the Company.
- During the year, the Company has acquired 250,000 equity shares of Rs. 2/- each amounting to Rs. 5.00 lacs of Taurus Ventures Limited, by virtue of this, it has become a 100% subsidiary of the Company.
- During the year, the Company has further invested Rs. 565.00 lacs (March 31, 2014: Rs. 9,220.00 lacs) in Compulsory Convertible Preference shares of Antara Senior Living Limited.
- During the year, the Company has further invested Rs. 8,991.00 lacs (March 31, 2014: Rs. 12,210.00 lacs) in its subsidiary Max Bupa Health Insurance Company Limited.
- During the year, the Company has further invested Rs. 255.00 lacs (March 31, 2014: Rs. Nil) in its subsidiary Max Skill First Limited (formerly Max Healthstaff International Limited).

12. Tangible assets

	(Rs. In Lacs)								
	Land (Freehold)	Building	Leasehold Improvements	Plant & Equipment	Furniture & Fixture	Office Equipments	Computers	Vehicles	Total
Cost									
At March 31, 2014	337.15	5,870.28	1,173.22	36,055.15	676.63	630.89	601.14	838.38	46,182.84
Additions	-	-	15.15	-	16.89	79.41	30.93	248.85	391.23
Deletion on a/c of slump sale (Refer note 44)	(337.15)	(5,819.45)	-	(36,055.15)	(254.49)	(227.15)	(471.67)	(238.37)	(43,403.43)
Deletions/ Adjustments	-	-	(216.59)	-	(1.69)	(25.88)	(10.22)	(74.92)	(329.30)
At March 31, 2015	-	50.83	971.78	-	437.34	457.27	150.18	773.94	2,841.34
Depreciation									
At March 31, 2014	-	1,272.90	895.20	13,195.28	235.95	190.53	403.39	278.85	16,472.10
Charge for the year	-	0.79	55.03	-	38.79	172.65	35.84	122.06	425.16
Deletion on a/c of slump sale (Refer note 44)	-	(1,253.53)	-	(13,195.28)	(166.37)	(95.35)	(336.69)	(93.38)	(15,140.60)
Deletions/ Adjustments	-	-	(136.76)	-	(1.69)	(7.51)	(9.18)	(38.83)	(193.97)
Charged to opening retained earnings on transition					2.31	19.07	5.12	-	26.50
At March 31, 2015	-	20.16	813.47	-	108.99	279.39	98.48	268.70	1,589.19
Net Block									
At March 31, 2014	337.15	4,597.38	278.02	22,859.87	440.68	440.36	197.75	559.53	29,710.74
At March 31, 2015	-	30.67	158.31	-	328.35	177.88	51.70	505.24	1,252.15

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

13. Intangible assets (Rs. In Lacs)

	Computer Software	Total
Gross Block		
At March 31, 2014	647.34	647.34
Additions	-	-
Deletion on a/c of slump sale (Refer note 44)	(564.04)	(564.04)
Deletions/ Adjustments	-	-
At March 31, 2015	83.30	83.30
Amortization		
At March 31, 2014	355.59	355.59
Charge for the year	12.88	12.88
Deletion on a/c of slump sale (Refer note 44)	(344.86)	(344.86)
Deletions/ Adjustments	-	-
At March 31, 2015	23.61	23.61
Net Block		
At March 31, 2014	291.75	291.75
At March 31, 2015	59.69	59.69

14. Loans and advances (Rs. In Lacs)

		Non - Current		Current	
		As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Capital advances					
Unsecured, considered good		7,320.00	7,321.71	-	-
	A	7,320.00	7,321.71	-	-
Security deposits					
Unsecured, considered good		11.05	285.17	-	-
	B	11.05	285.17	-	-
Loans and advances to related parties (refer note 34)					
Unsecured, considered good (unless stated otherwise)					
Advances recoverable in cash or kind					
Considered good		-	926.69	90.61	1,395.59
Considered doubtful		2,608.83	2,696.49	-	-
Security deposit		222.80	204.80	-	-
Inter corporate deposit		-	800.00	550.06	2,500.00
Share application money pending allotment		-	-	150.00	565.00
		2,831.63	4,627.98	790.67	4,460.59
Provision for doubtful advances		(2,608.83)	(2,696.49)	-	-
	C	222.80	1,931.49	790.67	4,460.59
Advances recoverable in cash or kind					
Unsecured, considered good		-	-	11.11	404.39
Doubtful		303.00	305.09	-	-
		303.00	305.09	11.11	404.39
Provision for doubtful advances		(303.00)	(305.09)	-	-
	D	-	-	11.11	404.39
Other loans and advances (unsecured, considered good unless stated otherwise)					
Balances with statutory/government authorities		-	17.50	21.43	274.23
Prepaid expenses		9.56	22.50	95.80	277.30
Loans to employees		107.57	120.76	18.92	40.89
MAT Credit entitlement		-	1,251.80	-	2,547.00
Advance income tax (net of provisions)		773.73	1,043.24	-	-
	E	890.86	2,455.80	136.15	3,139.42
Less: Provision for doubtful balance with statutory/government authorities		-	(5.50)	-	-
Total (A+B+C+D+E)		8,444.71	11,988.67	937.93	8,004.40

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

15. Current Investments

	(Rs. In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Current portion of long-term investments (valued at cost)		
<i>Max Neeman Medical International Limited</i>		
14,486,813 (March 31, 2014: NIL) Equity shares of Rs. 10 each fully paid up	1,448.68	
Less: provision for diminution	(505.78)	
	942.90	
Current investments (valued at lower of cost and fair value)		
Quoted equity instruments		
<i>ICICI Bank Limited</i>		
1,250 (March 31, 2014: 1,250) equity shares of Rs. 2/- each fully paid up	0.65	0.65
Unquoted mutual funds		
<i>Birla Sunlife Cash Plus Direct Plan Growth</i>		
Nil (March 31, 2014: 912,418) units of Face value Rs. 10/- per unit fully paid	-	1,875.00
<i>ICICI Prudential Liquid Super Institutional Plan - Growth</i>		
Nil (March 31, 2014: 3,569,665) units of Face value Rs. 100/- per unit fully paid	-	5,801.97
<i>ICICI Prudential Money Market Fund</i>		
9,523,687 (March 31, 2014: Nil) units of Face value Rs. 10/- per unit fully paid	18,401.45	-
<i>JP Morgan India Liquid Fund Direct Plan Growth</i>		
Nil (March 31, 2014: 11,277,856) units of Face value Rs. 10/- per unit fully paid	-	1,875.00
<i>Kotak Liquid (Institutional Premium) - Growth</i>		
Nil (March 31, 2014: 62,118) units of Face value Rs. 1000/- per unit fully paid	-	1,384.12
<i>L&T Liquid Fund Direct Plan Growth</i>		
Nil (March 31, 2014: 106,693) units of Face value Rs. 1000/- per unit fully paid	-	1,875.00
<i>Reliance Liquid Fund Treasury Plan Direct Growth</i>		
Nil (March 31, 2014: 60,026) units of Face value Rs. 1000/- per unit fully paid	-	1,875.00
<i>Tata Money Market Fund - Direct Fund Growth</i>		
839,042 (March 31, 2014: Nil) units of Face value Rs. 1000/- per unit fully paid	18,450.82	-
<i>UTI Money Market Fund - Institutional Plan - Direct Fund Growth</i>		
907,042 (March 31, 2014: Nil) units of Face value Rs. 1000/- per unit fully paid	14,200.59	-
	51,996.41	14,686.74
Aggregate amount of quoted investments (Market value: Rs. 3.94 Lacs) (March 31, 2014: Rs. 3.11 Lacs)	0.65	0.65
Aggregate amount of unquoted investments	51,995.76	14,686.09

16. Inventories (valued at lower of cost and net realisable value)

	(Rs. In Lacs)	
	As at March 31, 2015	As at March 31, 2014
Raw materials (including stock in transit Rs. Nil (March 31, 2014: Rs. 1,069.13 Lacs))	-	3,174.00
Packing materials	-	46.42
Stores and spares	-	1,650.76
Work in process	-	1,089.45
Finished goods (including in transit Rs. Nil (March 31, 2014: Rs. 518.72 Lacs))	-	654.64
	-	6,615.27

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

17. Trade receivables

(Rs. In Lacs)

	Non - Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	-	130.68
Doubtful	-	-	-	37.75
	-	-	-	168.43
Provision for doubtful receivables	-	-	-	(37.75)
	-	-	-	130.68
Other receivables				
Unsecured, considered good	-	-	-	15,257.96
	-	-	-	15,388.64

18. Cash and bank balances

(Rs. In Lacs)

	Non - Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Cash and cash equivalents				
Balances with banks				
on current accounts	-	-	35.70	860.33
Deposits with original maturity of less than three months	-	-	1,125.00	-
Cheques/drafts on hand	-	-	-	212.85
Cash on hand	-	-	0.18	6.22
Stamps on hand	-	-	-	0.14
	-	-	1,160.88	1,079.54
Other bank balances				
Balances with banks				
on un-paid dividend accounts	-	-	200.47	144.23
Deposits with original maturity for more than 12 months	7.58	7.58	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	5,000.00	-
	7.58	7.58	5,200.47	144.23
Amount disclosed under non-current assets (refer note 19)	(7.58)	(7.58)	-	-
	-	-	6,361.35	1,223.77

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

19. Other assets

(Rs. In Lacs)				
	Non - Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise				
Non-current bank balances				
Deposit with original maturity for more than 12 months (refer note 18)	7.58	7.58	-	-
Others				
Interest accrued on deposits	-	-	9.31	222.80
Option fee receivable	-	-	710.30	526.91
Amount recoverable for cost allocation	-	-	1,319.89	1,114.70
Export benefits receivables	-	-	-	89.56
Forward recoverable	-	-	-	292.33
	7.58	7.58	2,039.50	2,246.30

20. Revenue from operations

(Rs. In Lacs)		
	For the year ended March 31, 2015	For the year ended March 31, 2014
Sale of products		
Finished goods		
Bi-axially oriented polypropylene film	-	78,246.52
Soft leather finishing foil	-	448.98
	-	78,695.50
Other operating revenue		
Income from investment activities		
Dividend income on long term investments (refer note 20.2)	20,309.83	20,447.99
Interest income on		
Inter corporate deposits	1,150.96	134.94
Fixed deposits	92.49	14.50
Profit on sale of current investments	4,270.19	3,782.19
Profit on sale of non current investments in subsidiaries (refer note 20.3)	29,641.47	-
Option fees (refer note 20.1)	2,713.05	1,887.74
	58,177.99	26,267.36
Others		
Export benefits	-	89.56
Total Other operating revenue	58,177.99	26,356.92
Revenue from operations (gross)	58,177.99	1,05,052.42
Less: Excise duty	-	5,460.62
Revenue from operation (net)	58,177.99	99,591.80

20.1. The Company has a put option to transfer upto 24% of its shareholding in Max Bupa Health Insurance Co. Limited and Bupa Singapore Pte. Limited (Bupa Singapore) has a call option under which the Company would be required to transfer 24% of its shareholding in Max Bupa Health Insurance Co. Limited to Bupa Singapore subject to approval under applicable laws and regulations. As a consideration of the call option granted by the Company, Bupa Singapore is obliged to pay an option fee, which is disclosed as above.

20.2. During the year, the Company has recognised dividend income of Rs. 20,309.83 Lacs (March 31, 2014: Rs. 20,447.99 Lacs) of its share of interim dividend declared during the year and final dividend declared in the previous year by Max Life Insurance Company Ltd, Company's subsidiary.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

20.3. Profit on sale of non current investments in subsidiaries includes: (Rs. in Lacs)

1	Profit on sale of investment in Max Healthcare Institute Ltd to Life Healthcare International Proprietary Limited	29,620.73	
2	Add: Reversal of provision for diminution in value of investment in Neeman Medical International BV	4,057.93	
3	(Loss) on sale of investment in Neeman Medical International BV to Maprima Management B.V.	(4,037.19)	29,641.47

20.4. Excise duty on sales amounting to Rs. Nil (March 31, 2014: Rs. 5,460.62 Lacs) has been reduced from sales in statement of profit and loss and excise duty on (increase) / decrease in stock amounting to Rs. Nil (March 31, 2014: Rs. (14.12) Lacs) has been considered as expense in note 25 of financial statements.

21. Other Income

	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest income	5.23	165.80
Liabilities/provisions no longer required written back	103.47	13.83
Profit on sale of business (refer note 44)	163.72	-
Gain on foreign exchange fluctuation (net)	-	822.61
Scrap Sale	-	163.25
Rental Income	15.57	-
Miscellaneous income	-	84.53
	287.99	1,250.02

21.1 Liabilities/provisions no longer required written back includes reversal of provision created in earlier year towards loan receivable of Rs. 97.18 Lacs from Neeman Medical International N.V.

22. Cost of raw materials consumed

	For the year ended March 31, 2015	For the year ended March 31, 2014
Inventories at beginning of year	3,174.00	1,753.83
Add: Purchases	-	54,266.31
Less: inventories at the end of year	-	3,174.00
Less: transferred on slump sale (refer note 44)	(3,174.00)	-
Cost of raw materials consumed	-	52,846.14
22.1 Details of raw materials consumed		
Polypropylene	-	48,006.58
Polypropylene compounds	-	3,849.13
Others	-	990.43
	-	52,846.14
22.2 Details of raw materials inventory		
Polypropylene	-	2,262.13
Polypropylene compounds	-	625.00
Others	-	286.87
	-	3,174.00

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

23. (Increase)/ decrease in work-in-progress and finished goods

	(Rs. In Lacs)		
	For the year ended March 31, 2015	For the year ended March 31, 2014	(Increase) / Decrease
Inventories at end of year			
Work-in-process	-	1,089.45	1,089.45
Finished goods	-	654.64	654.64
	-	1,744.09	1,744.09
Less: transferred on slump sale (refer note 44)	-	-	(1,744.09)
	-	1,744.09	-
Inventories at beginning of the year			
Work-in-process	1,089.45	1,012.79	(76.66)
Finished goods	654.64	243.78	(410.86)
	1,744.09	1,256.57	(487.52)
Less: transferred on slump sale (refer note 44)	(1,744.09)	-	
Net (Increase)/ decrease in work-in-progress and finished goods	-	(487.52)	
Details of inventory			
Work-in-process			
BOPP Film	-	1,002.96	
Soft leather finishing foil	-	86.50	
	-	1,089.46	
Finished goods			
BOPP Film	-	646.88	
Soft leather finishing foil	-	7.76	
	-	654.64	

24. Employee benefit expenses

	(Rs. In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries, wages and bonuses	3,888.71	6,343.56
Contribution to provident and other funds	117.84	283.76
Employee stock option scheme (Refer note 29)	987.58	1,097.87
Gratuity expense	193.56	(6.55)
Staff welfare expenses	76.50	223.80
	5,264.19	7,942.44

During the year, the Company has recovered on cost basis expenses amounting to Rs. 953.86 Lacs (March 31, 2014: Rs. 836.78 Lacs) incurred by it for providing functional support to its subsidiaries.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

24.1. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed 5 years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in form of a qualifying insurance policy.

The following table summarises the component of net benefit expense recognised in statement of profit and loss, the funded status and the amount recognised in the balance sheet in respect of defined benefit plans.

Statement of profit and loss

Net employee benefit expense recognized in employee cost

(Rs. in Lacs)

	Gratuity	
	As at March 31, 2015	As at March 31, 2014
Current service cost	67.46	90.82
Interest cost on benefit obligation	28.27	65.63
Expected return on plan assets	(10.04)	(31.46)
Net actuarial(gain) / loss recognized in the year	107.87	(131.54)
Past service cost	-	-
Net benefit expense	193.56	(6.55)
Actual return on plan assets	8.75	29.76

Balance sheet

Benefit asset/ liability

(Rs. in Lacs)

	Gratuity	
	As at March 31, 2015	As at March 31, 2014
Defined benefit obligation	430.63	828.63
Fair value of plan assets	41.10	360.97
Funded Status	(389.53)	(467.66)
Less: Unrecognized past service cost	-	-
Plan asset / (liability)	(389.53)	(467.66)

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

(Rs. in Lacs)

	Gratuity	
	As at March 31, 2015	As at March 31, 2014
Opening defined benefit obligation	828.63	830.86
Adjustment on a/c of slump sale (refer note 44)	(517.94)	-
Interest cost	28.27	65.63
Current service cost	67.46	90.82
Benefits paid by employer	-	(16.42)
Benefits paid through fund	(81.90)	(9.02)
Actuarial (gains) / losses on obligation	106.11	(133.24)
Closing defined benefit obligation	430.63	828.63

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

(Rs. in Lacs)

	Gratuity	
	As at March 31, 2015	As at March 31, 2014
Opening fair value of plan assets	360.97	340.23
Adjustment on a/c of slump sale (refer note 44)	(246.25)	-
Expected return	10.04	31.46
Benefits paid	(81.90)	(9.02)
Actuarial gains / (losses)	(1.76)	(1.70)
Closing fair value of plan assets	41.10	360.97

The Company expects to contribute Rs. 107.03 lacs (March 2014: Rs. 138.92 lacs) to gratuity fund in next year.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	As at March 31, 2015	As at March 31, 2014
	%	%
Life Insurance Corporation of India	100.00	100.00

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

	Gratuity	
	As at March 31, 2015	As at March 31, 2014
Discount rate	7.80%	9.10%
Expected rate of return on assets	8.75%	8.75%
Retirement Age	58 years	58 years
Employee turnover	5%	5%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the overall expected rate on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been no significant change in expected rate of return on assets.

Amounts for the current and previous four years are as follows:

	(Rs. In Lacs)				
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Defined benefit obligation	430.63	828.63	830.86	599.16	543.20
Plan assets	41.10	360.97	340.23	336.08	340.58
Surplus / (deficit)	(389.53)	(467.66)	(490.63)	(263.08)	(202.62)
Experience adjustments on plan liabilities	(74.40)	16.03	(71.23)	(10.44)	(11.47)
Experience adjustments on plan assets	(1.76)	(1.70)	(1.56)	(0.86)	-

24.2.Provident Fund

The Company has set up a provident fund trust "Max India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its subsidiaries. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan as per AS-15 (Revised).

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Company and its subsidiaries.

The actuary has accordingly provided a valuation for "Max India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its subsidiaries based on assumptions provided below.

The details of fund and plan asset position as at March 31, 2015 as per the actuarial valuation of active members are as follows:

	(Rs. In Lacs)	
	March 31, 2015	March 31, 2014
Plan assets at year end at fair value	28,397.54	22,260.80
Present value of defined benefit obligation at year end	27,359.68	22,263.15
Surplus as per actuarial certificate	1,037.86	-
Shortfall recognised in balance sheet	-	(2.35)

Active members as at year end (Nos) 13,663 18,618

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

	March 31, 2015	March 31, 2014
Discount rate for the term of the obligation	7.93%	8.80%
Average historic yield on the investment portfolio	9.01%	8.92%
Discount rate for the remaining term to maturity of the investment portfolio	7.93%	8.80%
Expected investment return	9.01%	8.92%
Guaranteed rate of return	8.75%	8.75%

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

25. Other expenses

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Consumption of stores and spares	-	663.33
Consumption of packing materials	-	2,182.17
(Increase) / Decrease of excise duty on inventories	-	(14.12)
Power and fuel	-	4,923.63
Processing charges	-	34.54
Recruitment and training expenses	74.52	130.21
Rent	516.50	547.75
Insurance	52.82	219.17
Rates and taxes	8.72	151.59
Repairs and maintenance:		
Building	-	54.84
Plant and equipments	-	381.53
Others	397.72	722.36
Electricity and water	66.03	72.82
Printing and stationery	58.84	87.90
Travelling and conveyance	651.37	991.49
Communication	86.53	151.43
Legal and professional (refer note 25.1)	2,724.74	2,359.25
Directors' fee	149.55	17.40
Sales promotion	98.63	123.71
Commission to other than sole selling agents	-	318.38
Cash discounts	-	762.46
Freight and forwarding expenses	-	2,683.38
Advertisement and publicity	174.28	256.55
Net loss on sale/disposal of fixed assets	16.38	37.45
Bad debts written off	-	16.29
Provision for diminution in non current investments in subsidiary	505.78	-
Provision for doubtful advances in subsidiary	9.51	22.52
Fixed assets written off	131.22	-
Charity and donation	90.22	47.27
Net loss on foreign exchange fluctuation	0.08	-
Miscellaneous	39.13	61.60
	5,852.57	18,006.90

During the year, the Company has recovered on cost basis expenses amounting to Rs. 293.14 Lacs (March 31, 2014: Rs. 252.22 Lacs) incurred by it for providing functional support to its subsidiaries.

25.1 Payment to auditor (excluding service tax) (included in legal and professional)

	(Rs. In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
As auditor:		
Audit fee	15.00	31.00
In other capacity:		
Company law matters	9.00	-
Other services (certification fees)	6.00	3.50
Reimbursement of expenses	4.75	2.01
	34.75	36.51

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

26. Depreciation and amortisation

	(Rs. In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation of tangible assets	425.16	2,281.83
Amortization of intangible assets	12.88	80.17
	438.04	2,362.00

27. Finance Cost

	(Rs. In Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest	37.42	1,998.23
Bank charges	9.01	180.16
	46.43	2,178.39

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

	For the year ended March 31, 2015	For the year ended March 31, 2014
Basic EPS		
Profit/(loss) after tax (Rs. in Lacs)	39,093.65	18,516.04
Weighted average number of equity shares outstanding during the year (Nos.)	26,64,02,847	26,59,74,848
Basic Earnings Per Share (Rs.)	14.67	6.96
Dilutive EPS		
Equivalent weighted average number of employee stock options outstanding	18,09,165	13,45,376
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	26,82,12,012	26,73,20,224
Diluted Earnings Per Share (Rs.)	14.58	6.93

29. Employee Stock Option Plan

29.1. Employee Stock Option Plan – 2003 (“the 2003 Plan”):

The Company had instituted the 2003 Plan, which was approved by the Board of Directors in August 25, 2003 and by the shareholders in September 30, 2003. The 2003 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2003 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to five years and options can be exercised within two years from vesting date. As amended in the 2003 Plan and approved the shareholders in Annual General Meeting held on September 30, 2014, the Option Price will be determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Particulars	March 31, 2015		March 31, 2014	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	10,72,282	2.00	12,98,500	2.00
Granted during the year	4,69,400	2.00	5,13,000	2.00
Granted during the year	17,73,000	394.00	-	-
Forfeited during the year	-	-	(32,250)	-
Exercised during the year	(2,75,516)	2.00	(7,06,968)	2.00
Outstanding at the end of the year	30,39,166	230.69	10,72,282	2.00
Exercisable at the end of the year	1,67,000	2.00	59,000	2.00

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

For the period, the weighted average share price at the exercise date was Rs. 286.78 (March 31, 2014: Rs. 213.06)

The weighted average exercise price for stock options outstanding as at March 31, 2015 was Rs. 230.69 per share (March 31, 2014: Rs 2/- per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2015 is 3.51 years (March 31, 2014: 1.59 years). The range of exercise prices for options outstanding at the end of the year was 2.00 to 394.00 (March 31, 2014: 2.00).

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

Particulars	March 31, 2015				March 31, 2014		
	1-Apr-14	19-Aug-14	12-Dec-14	27-Mar-15	1-Apr-13	13-Aug-13	19-Aug-13
Date of option granted							
Stock Price Now (in Rupees)	208.05	315.00	399.45	444.85	223.40	186.85	180.85
Exercise Price (X) (in Rupees)	2.00	2.00	394.00	2.00	2.00	2.00	2.00
Expected Volatility (Standard Dev - Annual)	41.82%	41.82%	41.82%	41.82%	31.36%	31.36%	31.36%
Life of the options granted (Vesting and exercise period) in years	9.50	9.12	8.81	8.52	10.50	10.14	10.12
Expected Dividend	0%	0%	0%	0%	0%	0%	0%
Average Risk- Free Interest Rate	9.19%	8.73%	7.89%	7.81%	8.08%	8.68%	9.99%
Weighted average fair value of options granted	207.22	314.10	258.34	443.82	222.54	186.02	180.12

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

The Company measures the cost of ESOP using intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and EPS as reported would have changed to amount indicated below:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net Profit as reported (Rs. in Lacs)	39,093.65	18,516.04
Add: Employee stock compensation under intrinsic value method (Rs. in Lacs)	987.58	1,097.87
Less: Employee stock compensation under fair value method (Rs. in Lacs)	(1,257.61)	(1,103.32)
Performa profit (Rs. in Lacs)	38,823.62	18,510.59
Earnings Per Share (Rupees)		
Basic		
- As reported	14.67	6.96
- Performa	14.57	6.96
Diluted		
- As reported	14.58	6.93
- Performa	14.47	6.93

30. Leases

Operating lease: Company as lessee

The Company has entered into operating leases for its office spaces and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is Rs. 516.50 Lacs (Previous year Rs. 547.75 Lacs). 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.

The detail of total of future minimum lease payments under non-cancellable leases are as follows:

Particulars	(Rs. In Lacs)	
	March 31, 2015	March 31, 2014
Not later than one year	-	116.16
Later than one year and not later than five year	-	-
Later than five year	-	-
	-	116.16

Operating lease: Company as lessor

The company has entered into commercial property leases on its investment property portfolio. These non-cancellable leases have remaining terms of 3 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

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FOR THE YEAR ENDED MARCH 31, 2015

The detail of total of future minimum lease payments under non-cancellable leases are as follows:

	(Rs. In Lacs)	
Particulars	March 31, 2015	March 31, 2014
Not later than one year	37.38	-
Later than one year and not later than five year	59.18	-
Later than five year	-	-
	96.56	-

31. Interest in a joint venture

During the year, the Company has sold 567,66,451 equity shares @ Rs.67.50 per share at an aggregate consideration of Rs.38,317.35 lacs to Life Healthcare Group (Proprietary) Ltd ("LHC"). Further, to maintain its equity stake at 7.50%, IFC, Washington has infused Rs. 31.15 crores in Max Healthcare Institute Limited (MHIL). Also, LHC has infused further capital in MHIL at a total consideration of Rs.38,300.00 lacs to increase its stake at 45.95% as equal with Max India's stake in MHIL. By virtue of this transaction, the Company's stake in MHIL diluted to 45.95% and thus MHIL ceases to be a subsidiary of the Company and has become a Joint venture effective November 10, 2014.

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the period from November 10, 2014 to March 31, 2015 are as follows:

	(Rs. In Lacs)	
	March 31, 2015	March 31, 2014
Current assets	17,589.28	-
Non current assets	49,146.81	-
Current liabilities	(12,649.66)	-
Non Current liabilities	(15,581.91)	-
Consolidation adjustment	(22,462.65)	-
Equity	16,041.87	-
Revenue	22,894.48	-
Cost of material consumed	(6,799.05)	-
Depreciation	(1,520.89)	-
Employee benefit expenses	(4,683.43)	-
Other Expenses	(10,664.54)	-
(Loss) before tax	(773.43)	-
Tax expense	-	-
(Loss) after tax	(773.43)	-

32. Segment Reporting

(a) Business Segments

Till previous year, the Company considered following business segments as primary segment:

- Speciality Plastic Products - The manufacturing facility located at Railmajra, Nawanshahr (Punjab), produces packaging films supported with polymers of propylene, leather finishing transfer foils and related products.
- Business Investments - The Company makes strategic business investments in companies operating in the areas of Life Insurance, Health Insurance, Healthcare, Senior Living and Clinical Research businesses. These investments along with its treasury investments have been combined to form Business Investment Segment.

Pursuant to sale of Speciality Plastic Products, the Company is having only one business segment i.e. business investments in the current year. The segment disclosure is given only for comparative purpose.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Segment Information

(Rs. In Lacs)

	Speciality Plastic Products		Business Investments		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Revenue						
External sales (net of excise duty)	-	73,234.88	-	-	-	73,234.88
Income from investment activities	-	-	58,177.99	26,267.36	58,177.99	26,267.36
Export benefits	-	89.56	-	-	-	89.56
Total revenue from operations	-	73,324.44	58,177.99	26,267.36	58,177.99	99,591.80
Interest Income					5.23	165.80
Unallocated Income					282.76	(4.38)
Total Revenue					58,465.98	99,753.22
Result						
Segment result	-	3,369.29	57,662.68	26,244.83	57,662.68	29,614.12
Less: unallocated expense (net of unallocated income)					10,756.73	9,608.05
Operating profit					46,905.95	20,006.07
Interest income					5.23	165.80
Less: interest and financial expense					46.43	2,178.40
Profit before tax					46,864.75	17,993.47
Income tax					7,771.10	(522.57)
Profit from ordinary activities					39,093.65	18,516.04
Other information						
Segment assets	-	52,238.55	3,38,341.04	2,82,658.29	3,38,341.04	3,34,896.84
Unallocated assets					12,617.79	17,472.95
Total assets					3,50,958.83	3,52,369.79
Segment liabilities	-	6,984.90	74.62	97.32	74.62	7,082.22
Unallocated liabilities					5,520.16	26,654.30
Total liabilities					5,594.78	33,736.52
Cost to acquire tangible and intangible fixed asset						
Capital expenditure	-	524.09	-	-	-	524.09
Unallocated capital expenditure					668.82	9,263.72
Total Additions					668.82	9,787.81
Depreciation and amortisation expenses						
Depreciation	-	2,136.46	-	-	-	2,136.46
Unallocated depreciation					438.04	225.54
Total depreciation and amortisation expenses					438.04	2,362.00
Other non cash expenses						
Provision for diminution in value of investments and advances in subsidiaries	-	-	515.29	22.52	515.29	22.52
Employee stock expense scheme					987.58	1,097.87
Total other non cash expenses					1,502.87	1,120.39

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

(b) Geographical Segments

The Company has considered geographical segment as secondary reporting segment for disclosure. For this purpose, the revenues are bifurcated based on location of customers in India and outside India.

The following table shows the distribution of the Company's consolidated revenue by geographical market, regardless of where the goods were produced.

(Rs. In Lacs)		
Revenue by Geographical Market	For the year ended March 31, 2015	For the year ended March 31, 2014
India	55,464.94	70,842.97
Outside India	2,713.05	28,748.83
	58,177.99	99,591.80

Assets and additions to tangible and intangible fixed assets by geographical area. The following table shows the carrying amount of segment assets and additions to segment assets by geographical area in which assets are located.

(Rs. In Lacs)				
	Carrying amount of segment assets and intangible assets		Additions to tangible and intangible fixed assets	
	As at March 31, 2015	As at March 31, 2014	For the year ended March 31, 2015	For the year ended March 31, 2014
India	3,37,630.74	3,27,045.62	-	524.09
Outside India	710.30	7,851.22	-	-
	3,38,341.04	3,34,896.84	-	524.09

33. Capital and other commitments

a) Capital Commitments

(Rs. In Lacs)		
	March 31, 2015	March 31, 2014
Estimated amount of contracts remaining to be executed on capital account and not provided for	7,320.00	7,565.00
Less: Capital advances	7,320.00	7,321.71
Net capital commitment for acquisition of capital assets	Nil	243.29

- b) The Company has entered into tripartite agreement between Axis Bank Limited, Max Life and the Company, whereby the Company will buy back the stake held by Axis Bank Limited in Max Life in balance 2 tranches from 2015 to 2016.
- c) The Company will provide financial support to Max Ateev Limited, a wholly owned subsidiary of the Company in order to meet its future financial obligations.

34. Related parties disclosures

Names of related parties where control exists irrespective of whether transactions have occurred or not

Subsidiary companies	1	Max Life Insurance Company Limited
	2	Max Bupa Health Insurance Company Limited
	3	Max UK Limited
	4	Pharmax Corporation Limited
	5	Max Ateev Limited
	6	Max Skill First Limited (formerly Max Healthstaff International Limited)
	7	Max Neeman Medical International Limited
	8	Neeman Medical International BV (till March 30, 2015)
	9	Antara Senior Living Limited
	10	Max Speciality Films Limited
	11	Capricorn Ventures Limited (w.e.f. February 7, 2015)
	12	Taurus Ventures Limited (w.e.f. February 7, 2015)
	13	Max Healthcare Institute Limited (till November 9, 2014)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Step down subsidiary companies	<ol style="list-style-type: none"> 1 Neeman Medical International NV (till March 30, 2015) 2 Max Neeman Medical International Inc 3 Antara Purukul Senior Living Limited 4 Antara Gurgaon Senior Living Limited 5 Max One Distribution and Services Limited 6 Alps Hospitals Limited (till November 9, 2014) 7 Max Medical Services Limited (till November 9, 2014) 8 Hometrail Estates Limited (till November 9, 2014) 9 Hometrail Buildtech Limited (till November 9, 2014)
Names of other related parties with whom transactions have taken place during the year	
Joint Venture	<ol style="list-style-type: none"> 1 Max Healthcare Institute Limited (w.e.f November 10, 2014)
Key Management Personnel (KMP)	<ol style="list-style-type: none"> 1 Mr. Anajit Singh (Ceased to be KMP w.e.f. April 01, 2014) 2 Mr. Rahul Khosla (Managing Director) 3 Mr. Mohit Talwar (Deputy Managing Director) 4 Mr. Rahul Ahuja (Chief Financial Officer) 5 Mr. V Krishnan (Company Secretary)
Relatives of key management personnel	<ol style="list-style-type: none"> 1 Mr. Veer Singh (Son of Mr. Anajit Singh)
Enterprises owned or significantly influenced by key management personnel or their relatives	<ol style="list-style-type: none"> 1 New Delhi House Services Limited 2 Lakeview Enterprises 3 Delhi Guest House Private Limited 4 Piveta Estates Private Limited 5 Max Ventures Private Limited 6 Max India Foundation 7 Siva Realty Ventures Private Limited
Employee benefit funds	<ol style="list-style-type: none"> 1 Max India Ltd. Employees' Provident Fund Trust 2 Max India Ltd. Superannuation Fund 3 Max India Limited Employees' Gratuity Fund

Transactions with related parties during the year:

	(Rs. in Lacs)													
	Subsidiaries		Joint Ventures		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Employee Benefit Fund		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Reimbursement of expenses (Received from)														
Max Life Insurance Company Limited	769.24	657.59											769.24	657.59
Max Healthcare Institute Limited	8.40	17.67	6.40	-									14.80	17.67
Pharmax Corporation Limited	99.00	110.00											99.00	110.00
Max Bupa Health Insurance Company Limited	13.19	20.62											13.19	20.62
Max Neeman Medical International Limited	9.57	13.50											9.57	13.50
Antara Senior Living Limited	3.33	9.44											3.33	9.44
Antara Purukul Senior Living Limited	405.62	351.00											405.62	351.00
Max Speciality Films Limited	11.80	0.43											11.80	0.43
Max One Distribution and Services Limited	-	6.07											-	6.07
Neeman Medical International NV	-	2.30											-	2.30
Anajit Singh					-	67.02							-	67.02
Rahul Khosla					23.73	-							23.73	-
New Delhi House Services Limited									12.28	11.99			12.28	11.99
Malsi Estates Limited									-	9.71			-	9.71
Max India Foundation									-	0.46			-	0.46
Piveta Estates Pvt Ltd									0.49	30.41			0.49	30.41
Max Ventures Private Limited									1.02	-			1.02	-
Siva Realty Ventures Private Limited									0.24	-			0.24	-
Reimbursement of expenses (Paid to)														
Pharmax Corporation Limited	108.66	244.02											108.66	244.02
Max UK Limited	164.59	158.50											164.59	158.50
Max Life Insurance Company Limited	4.64	45.59											4.64	45.59
Max Healthcare Institute Limited	-	104.23											-	104.23
Max Neeman Medical International Limited	0.68	-											0.68	-
Antara Purukul Senior Living Limited	-	2.11											-	2.11
New Delhi House Services Limited									27.46	99.05			27.46	99.05
Delhi Guest House P.Limited									44.04	37.24			44.04	37.24

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(Rs. in Lacs)														
	Subsidiaries		Joint Ventures		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Employee Benefit Fund		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Max India Foundation									-	0.24			-	0.24
Malsi Estates Limited									-	21.80			-	21.80
Services Received														
Healthcare Services														
Max Healthcare Institute Limited	0.02	2.61											0.02	2.61
Insurance related														
Max Life Insurance Company Limited	13.68	14.30											13.68	14.30
Max Bupa Health Insurance Company Limited	-	76.11											-	76.11
Rent paid														
Pharmax Corporation Limited	132.07	130.59											132.07	130.59
Alps Hospital Ltd	1.50	2.18	0.95	-									2.45	2.18
Hometrial Estates Private Limited	-	9.97											-	9.97
Veer Singh							72.60	66.00					72.60	66.00
Delhi Guest House P.Limited									204.12	144.12			204.12	144.12
Lakeview Enterprises									43.56	39.60			43.56	39.60
Repair & Maintenance														
New Delhi House Services Limited									163.92	181.28			163.92	181.28
Managerial Remuneration														
Analjiti Singh					-	499.31							-	499.31
Rahul Khosla					1,821.61	849.92							1,821.61	849.92
Mohit Talwar					799.72	363.98							799.72	363.98
Rahul Ahuja					164.49	-							164.49	-
V Krishnan					79.78	-							79.78	-
Donation Paid														
Max India Foundation									85.00	25.00			85.00	25.00
Company's contribution to Provident Fund Trust											150.16	187.23	150.16	187.23
Company's contribution to Gratuity Trust											-	10.07	-	10.07
Company's contribution to Superannuation Trust											-	41.26	-	41.26
Provision for Diminution														
Max Ateev Limited.	1.15	1.52											1.15	1.52
Max Skill First Limited	8.36	16.39											8.36	16.39
Max Neeman Medical International Limited	505.78	-											505.78	-
Neeman Medical International BV		4.61											-	4.61
Written back of provision for Diminution														
Neeman Medical International NV	97.20	-											97.20	-
Loans given														
Max Skill First Limited	8.36	16.39											8.36	16.39
Max Healthcare Institute Limited.	1,500.00												1,500.00	-
Alps Hospitals Ltd	175.67	-											175.67	-
Max Neeman Medical International Limited	976.00	200.00											976.00	200.00
Max Speciality Films Limited	11,000.00	2,500.00											11,000.00	2,500.00
Max Ateev Limited.	1.15	1.52											1.15	1.52
Loans received back														
Pharmax Corporation Limited	-	338.00											-	338.00
Max Healthcare Institute Limited.	3,001.33	-											3,001.33	-
Max Neeman Medical International Limited	976.00	-											976.00	-
Alps Hospitals Ltd	-	-	975.67										975.67	-
Max Speciality Films Limited	12,949.94	-											12,949.94	-
Security deposit given														
Delhi Guest House P.Limited									18.00	-			18.00	-
Sale of fixed assets														
Max Healthcare Institute Limited.	-	1.11											-	1.11
Antara Senior Living Limited	-	6.17											-	6.17
Purchase of fixed assets														
Piveta Estates Pvt Ltd									-	7,320.00			-	7,320.00
Interest income														
Max Healthcare Institute Limited.	114.97	-											114.97	-
Alps Hospitals Ltd	72.58	96.00	39.78										112.36	96.00
Max Speciality Films Limited	812.58	3.56											812.58	3.56
Max Neeman Medical International Limited	111.05	-											111.05	-
Pharmax Corporation Limited.	-	35.38											-	35.38
Investments made														
Capricorn Ventures Limited	5.00	-											5.00	-
Taurus Ventures Limited	5.00	-											5.00	-

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	(Rs. in Lacs)													
	Subsidiaries		Joint Ventures		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Employee Benefit Fund		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Pharmax Corporation Limited	-	0.17											-	0.17
Max Neeman Medical International Limited	1,032.00	-											1,032.00	-
Max Skill First Limited	255.00	-											255.00	-
Max Speciality Films Limited	16,700.00	4.95											16,700.00	4.95
Max Bupa Health Insurance Company Limited.	8,991.00	12,210.00											8,991.00	12,210.00
Share application money given														
Max Skill First Limited	150.00	-											150.00	-
Antara Senior Living Limited	-	565.00											-	565.00
Share application money converted into equity														
Neeman Medical International BV	-	723.25											-	723.25
Antara Senior Living Limited	565.00	3,600.00											565.00	3,600.00
Investment in Preference Shares														
Antara Senior Living Limited	-	5,620.00											-	5,620.00
Investments sold														
Max Healthcare Institute Limited.	8,696.62	-											8,696.62	-
Balance outstanding as at the year end														
-														
Corporate Guarantee														
Max Healthcare Institute Limited.	-	16,825.43	2,100.00	-									2,100.00	16,825.43
Antara Purukul Senior Living Limited	8,080.00	4,360.00											8,080.00	4,360.00
Loans and Advances Given														
Max Ateev Limited	692.48	691.33											692.48	691.33
Max Life Insurance Company Limited	820.06	632.25											820.06	632.25
Max Healthcare Institute Limited	-	1,502.16	3.29	-									3.29	1,502.16
Pharmax Corporation Limited	222.13	119.88											222.13	119.88
Max Bupa Health Insurance Company Limited	1.77	2.48											1.77	2.48
Max Neeman Medical International Limited	-	926.70											-	926.70
Neeman Medical International NV	-	97.18											-	97.18
Max Skill First Limited	2,066.34	1,907.98											2,066.34	1,907.98
Antara Senior Living Limited	20.46	581.79											20.46	581.79
Antara Purukul Senior Living Limited	413.67	357.17											413.67	357.17
Alps Hospital Limited	-	799.96											-	799.96
Max Speciality Films Limited	599.98	2,500.00											599.98	2,500.00
Hometrail Estates Private Limited	-	0.39											-	0.39
Delhi Guest House P.Limited									54.00	36.00			54.00	36.00
Veer Singh							30.00	30.00					30.00	30.00
Lakeview Enterprises									18.00	18.00			18.00	18.00
Max India Foundation									-	0.56			-	0.56
Provision made against above														
Max Ateev Limited	(692.48)	(691.33)											(692.48)	(691.33)
Max Skill First Limited	(1,916.34)	(1,907.98)											(1,916.34)	(1,907.98)
Neeman Medical International NV	-	(97.18)											-	(97.18)
Interest receivable														
Alps Hospital Ltd	-	175.67											-	175.67
Max Speciality Films Limited	-	3.21											-	3.21
Amount Payable														
New Delhi House Services Limited									(14.98)	(4.72)			(14.98)	(4.72)
Alps Hospital Ltd	-	-	(0.60)										(0.60)	-
Max UK Limited	(74.02)	(97.32)											(74.02)	(97.32)
Investment in Equity Share Capital														
Max Ateev Limited	3,144.36	3,144.36											3,144.36	3,144.36
Max Life Insurance Company Limited	1,49,087.21	1,49,087.21											1,49,087.21	1,49,087.21
Max Healthcare Institute Limited.	-	43,109.30	34,412.68	-									34,412.68	43,109.30
Max Bupa Health Insurance Company Limited	58,497.02	49,506.02											58,497.02	49,506.02
Antara Senior Living Limited	800.00	800.00											800.00	800.00
Pharmax Corporation Limited	1,420.81	1,420.81											1,420.81	1,420.81
Max Neeman Medical International Limited	1,448.68	416.68											1,448.68	416.68
Max Speciality Films Limited	16,704.95	4.95											16,704.95	4.95
Max Skill First Limited	702.87	447.87											702.87	447.87
Capricorn Ventures Limited	5.00	-											5.00	-
Taurus Ventures Limited	5.00	-											5.00	-
Neeman Medical International BV	-	4,057.94											-	4,057.94
Max UK Limited	213.00	213.00											213.00	213.00

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)													
	Subsidiaries		Joint Ventures		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Employee Benefit Fund		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Provision made against above														
Max Ateev Limited	(3,144.36)	(3,144.36)											(3,144.36)	(3,144.36)
Max Skill First Limited	(447.87)	(447.87)											(447.87)	(447.87)
Max Neeman Medical International Limited	(505.78)	-											(505.78)	-
Neeman Medical International BV	-	(4,057.94)											-	(4,057.94)
Max UK Limited	(213.00)	(213.00)											(213.00)	(213.00)
Investment in Preference Share Capital														
Antara Senior Living Limited	14,471.42	13,906.42											14,471.42	13,906.42
Pharmax Corporation Limited	1,500.00	1,500.00											1,500.00	1,500.00

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

35. Contingent Liabilities not provided for

(Rs. In Lacs)			
S.No.	Particulars	As at March 31, 2015	As at March 31, 2014
i.	Corporate guarantee given to financial institutions / banks in respect of financial assistance availed by subsidiaries / joint venture of the Company. (Refer note (a))		
-	Export-Import Bank of India	2,100.00	3,450.00
-	Infrastructure Development Finance Company Limited	8,080.00	4,360.00
ii.	Claims against the Company not acknowledged as debts (Refer note (b))		
-	Excise Duty Demands	-	2,732.31
-	Custom Duty Demands	395.95	384.82
-	Service Tax Demands	213.00	225.36
-	Entry Tax	-	2,877.34
iii.	Liability on account of discounting of bills	-	685.43
iv.	Letters of credit outstanding with various banks in favour of domestic and foreign suppliers for supply of raw materials and capital goods	-	334.55
v.	Obligation arising from import of capital equipment at concessional rate of duty during the year under Export Promotion Capital Goods Scheme	-	87.57
vi.	Put option liability of 11.25% Optionally Partially convertible preference shares allotted by a subsidiary	-	13,375.43
vii.	Litigation against the Company on Company Law matters	Refer note (c)	
viii.	Income tax cases (refer note (d))		
viii.(a)	Tax demands made for the assessment years 1999-00, 2000-01 and 2003-04 *	159.04	229.11
viii.(b)	Penalty levied under section 271(1)(c) of the Income Tax Act, 1961, which are pending disposal for:	628.02	628.02
	1. Assessment years 1992-93 to 1993-94 - 33.42 Lacs		
	2. Assessment years 2002-03 to 2005-06 - 586.44 Lacs**		
	3. Assessment Year 2009-10 - 8.16 Lacs		
viii.(c)	Litigation in an erstwhile subsidiary of the Company, Max Telecom Ventures Limited ("MTVL") (since merged with the Company with effect from December 1, 2005)	Refer note (e)	

* The matters for AY 1999-00 to AY 2008-09 are currently pending with Hon'ble Punjab & Haryana High Court. The remaining years are pending disposal at the CIT(Appeals) level.

** The penalty matters for AY 2002-03 to 2005-06 are currently pending with the Hon'ble Income Tax Appellate Tribunal, Amritsar. The remaining years AY 1992-93, AY 1993-94, AY 2009-10 are pending disposal at the CIT(Appeals) level.

Note:

- Guarantees given by the Company on behalf of subsidiaries/joint ventures are not considered as prejudicial to the interest of the Company as it provides opportunities for growth and increase in operations of subsidiaries/joint ventures.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

- b. Claims against the group not acknowledged as debts represent the cases pending with judicial forums/authorities. Based on management estimation and opinions from legal advisors, management believes that its position will likely be upheld in appellate process. No tax has been accrued in the financials statements for tax/legal case demands. The management believes that the ultimate outcomes of the proceedings will not have material adverse effect on the group financial positions and result of operations.
- c. On an inspection carried out by the Ministry of Corporate Affairs in the year 2006, certain technical offences were alleged by the Inspection Officer based on which prosecution proceedings were initiated against the Company, its erstwhile Whole-time Directors and the Company Secretary at Chief Judicial Magistrate, Chandigarh. The Company filed writ petitions against the prosecution proceedings with the Hon'ble High Court of Punjab & Haryana. The High Court stayed the proceedings and listed the case for arguments. The amount of liability/fine or penalty on account of the above is currently unascertainable.
- d. Income tax cases represent the cases pending with income tax authorities/appellate authorities. Based on management estimation, future cash outflow in respect of these cases are determinable only on receipt of judgments / decisions pending with various courts/authorities. The Company has not made any provision for the demands in income tax cases as the Company believes that they have a good case based on existing judicial pronouncements.
- e. Litigation in an erstwhile subsidiary of the Company, Max Telecom Ventures Limited ("MTVL") (since merged with the Company with effect from December 1, 2005)

S.No.	Assessment Year	Brief Description	Pending Before
1	1998-99	The capital gains realized by MTVL from the sale of shares of Hutchison Max Telecom Limited ("HMTL") [1st Stake Sale] were denied exemption under section 10(23G) of the Income-tax Act, 1961 ("the Act") by the Assessing Officer vide order dated March 28, 2001 and the sale transaction was held to be chargeable to tax in the financial year relevant to Assessment Year 1998-99 (MTVL had claimed that it pertained to AY 1999-2000). This resulted in a demand of Rs. 9,503.93 Lacs. On appeal by MTVL, the CIT (Appeals) vide order dated March 18, 2002 [while concluding that the sale transaction pertained to financial year relevant to Assessment Year 1998-99], quashed the order of the Assessing Officer denying exemption under section 10(23G), thereby cancelling the demand. The Tax Department has filed an appeal with the Income-tax Appellate Tribunal (ITAT) against this order which is pending as on date.	ITAT
2	1999-2000	Subsequently, in the next Assessment Year i.e. 1999-00, the above-mentioned transaction was once again sought to be taxed both as capital gains and under a different head of income (i.e. business income) on a protective basis by the Assessing Officer vide order dated March 28, 2002 as MTVL had claimed that the transaction pertained to Assessment Year 1999-00 and not Assessment Year 1998-99. This, along with a few other additions, resulted in creation of a further demand of Rs. 24,993.19 Lacs which included the demand of Rs. 24,368.00 Lacs on protective basis. On appeal by MTVL, the CIT (Appeals) decided in favour of MTVL vide order dated December 18, 2002 and the demand was cancelled. The Tax Department has filed appeal against this order with the ITAT, which is pending as on date.	ITAT
3	1998-99	MTVL also filed an appeal before ITAT for Assessment Year 1998-99 contending that the aforesaid sale transaction pertained to financial year relevant to Assessment Year 1999-2000. This was disposed off by ITAT vide order dated March 23, 2007 by applying a circular of Tax Department applicable only to capital gains and holding, as a result, that the transaction of sale of shares pertained to financial year relevant to Assessment Year 1998-99. However, the Tax Authorities filed a petition before the ITAT requesting a review of the said order of the ITAT on the ground that all the matters pertaining to the aforesaid sale transaction should have been clubbed and heard together. The said petition of the Department was accepted by the ITAT vide order dated March 27, 2009 by recalling its earlier order. Aggrieved, the Company filed a writ petition to the Hon'ble High Court of Punjab and Haryana (HC) challenging the above action of ITAT on the ground that the same was beyond jurisdiction. The HC vide order dated May 04, 2009 admitted the writ petition and stayed the operations of the said order of ITAT. The ITAT, thereafter, adjourned sine-die all the matters pending operation of the stay imposed by the HC. The Department, subsequently, moved a Special Leave Petition (SLP) to Hon'ble Supreme Court against the stay granted by Hon'ble HC. The SLP was dismissed by the Hon'ble Supreme Court vide order dated May 12, 2010 with a direction to the HC to expeditiously dispose the writ petition filed by MTVL.	High Court
4	2006-07	The capital gains realized from the sale of remaining shares of HMTL [2nd Stake Sale] were taxed by holding the gains from sale transaction to be in the nature of business income and not capital gains and as a consequence exemption under Section 10(23G) of the Act was denied by the Assessing Officer vide order dated December 31, 2009 and a demand of Rs. 15,585.17 Lacs was raised. MTVL filed an appeal against the said order. The CIT(Appeals), vide order dated March 22, 2011, had quashed the assessment framed by the Assessing Officer, holding that the assessment was nullity in law and in view of the fact that the order was framed in the name of MTVL, an entity which had ceased to exist w.e.f. December 1, 2005. As a consequence, the demand stood cancelled. The Department had filed an appeal to ITAT against the said order of CIT(Appeals). The ITAT vide its order dated March 8, 2013 has upheld the order of CIT(Appeals). The Tax Department has filed appeal against this order with the Hon'ble HC, which is pending as on date.	High Court

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

S.No.	Assessment Year	Brief Description	Pending Before
5	2006-07	Consequent to quashing of the first proceedings in the name of MTVL, the Department initiated proceedings against Max India Limited as Successor of MTVL u/s 147 of the Act vide notice dated April 26, 2011. These proceedings had been completed on March 26, 2013 by holding the gains from sale transaction to be in the nature of business income and not capital gains and consequently denying exemption under Section 10(23G) of the Act and a demand of Rs. 19,816.25 Lacs had been raised. The company had filed an appeal against the same on April 25, 2013 and obtained stay of demand on May 27, 2013. The CIT(Appeals), vide order dated November 18, 2013, held on merits that the gain arising from sale of shares of HMTL be treated as long term capital gains and allowed the exemption u/s 10(23G) of the Act in respect of long term capital gain arising on sale of shares of HMTL be allowed to MTVL. The CIT(A), however, upheld reassessment proceedings by the Assessing Officer under section 147 of the Act as valid. As a consequence, the demand stood cancelled. Pursuant to this, the Tax Department has filed appeal against this order and MTVL has also filed cross objections before the ITAT against the action of the CIT(A) upholding the validity of re-assessment proceedings. Both appeals are pending as on date.	ITAT

36. Derivative Instruments and Un hedged Foreign Currency Exposure

a) Particulars of forward contract

Particulars of Derivatives	As at March 31, 2015	As at March 31, 2014	Purpose
Forward Contracts (Buy) outstanding at Balance Sheet Date (in Lacs)	Nil	USD 8.18 (INR 499.89)	To hedge the liability against outstanding trade payables.
Forward Contracts (Sell) outstanding at Balance Sheet date (in Lacs)	Nil	USD 36.22 (INR 2,141.91)	To hedge the outstanding trade receivables.
	Nil	EURO 28.98 (INR 2,344.17)	
	Nil	GBP 1.25 (INR 122.58)	

b) Particulars of Unhedged Foreign Currency Exposure

Particulars	As at March 31, 2015			As at March 31, 2014		
	Foreign Currency (in Lacs)	Exchange Rate (Rupee)	Indian Rupee (in Lacs)	Foreign Currency (in Lacs)	Exchange Rate (Rupee)	Indian Rupee (in Lacs)
Import trade payables (EUR)	-	-	-	1.71	84.35	144.24
Import trade payables (GBP)	-	-	-	-	-	-
Import trade payables (USD)	-	-	-	23.60	61.05	1,440.78
Export trade receivables (USD)	-	-	-	12.79	59.14	756.40
Export trade receivables (EURO)	-	-	-	16.84	80.89	1,362.19
Export trade receivables (GBP)	-	-	-	4.22	97.77	412.59
Investments	-	-	213.00	-	-	4,270.94

37. Value of Imports calculated on CIF Basis

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw materials	-	9,858.23
Components and spares parts	-	301.44
Capital goods	-	246.17
	-	10,405.84

38. Expenditure in Foreign Currency (on accrual basis)

	(Rs. in Lacs)	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Legal and professional	738.07	628.07
Salary	-	112.07
Commission	-	231.51
Others	99.48	301.86
Total	837.55	1,273.51

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

39. Details of loans and advances to firms / companies

As required under clause 32 of the listing agreement

Name	(Rs. in Lacs)			
	As at March 31, 2015		As at March 31, 2014	
	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year
Loans and advances in the nature of loans to subsidiary companies				
Pharmax Corporation Limited	-	-	-	338.00
Alps Hospital Limited	-	975.67	800.00	800.00
Max Speciality Films Limited	550.06	13,500.00	2,500.00	2,500.00
Max Healthcare Institute Limited	-	1,500.00	-	-
Max Neeman Medical International Limited	-	976.00	-	-

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

a) Particulars of Loans given:

Sr. No	Name of the Loanee	(Rs. in Lacs)				Purpose
		Opening Balance as on 01.04.2014	Loan given during the year	Loan repaid during the year	Outstanding Balance as on 31.03.15	
1	Alps Hospital Limited	800.00	175.67	975.67	-	Operational cash flow requirement
2	Max Speciality Films Limited	2,500.00	11,000.00	12,949.94	550.06	Investment in the Business Undertaking
3	Max Healthcare Institute Limited	-	1,500.00	1,500.00	-	Operational cash flow requirement
4	Max Neeman Medical International Limited	-	976.00	976.00	-	Operational cash flow requirement
		3,300.00	13,651.67	16,401.61	550.06	

b) Particulars of Guarantee given:

Sr. No	Name of the Entity	(Rs. in Lacs)				Purpose
		Opening Balance as on 01.04.2014	Guarantee given during the year	Guarantee discharged during the year	Outstanding Balance as on 31.03.15	
1	Max Healthcare Institute Limited	3,450.00	-	1,350.00	2,100.00	Collateral security for term loan for Project
2	Antara Purukul Senior Livings Limited	4,360.00	3,720.00	-	8,080.00	Collateral security for term loan for Project
		7,810.00	3,720.00	1,350.00	10,180.00	

Note: The above amounts are outstanding balances with term lenders against the total guarantee given for the respective companies

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

c) Particulars of Investments made:

						(Rs. in Lacs)
Sr. No	Name of the Investee	Opening Balance as on 01.04.2014	Investment made	Investment redeemed/ extinguished	Outstanding Balance as on 31.03.15	Purpose
Investment in Equity Share Capital						
1	Max Ateev Limited	3,144.36	-	-	3,144.36	Strategic investment
2	Max Life Insurance Company Limited	1,49,087.21	-	-	1,49,087.21	Strategic investment
3	Max Healthcare Institute Limited.	43,109.30	-	8,696.62	34,412.68	Strategic investment
4	Max Bupa Health Insurance Company Limited	49,506.02	8,991.00	-	58,497.02	Strategic investment
5	Antara Senior Living Limited	800.00	-	-	800.00	Strategic investment
6	Pharmax Corporation Limited	1,420.81	-	-	1,420.81	Strategic investment
7	Max Neeman Medical International Limited	416.68	1,032.00	-	1,448.68	Strategic investment
8	Max Speciality Films Limited	4.95	16,700.00	-	16,704.95	Strategic investment
9	Max Skill First Limited	447.87	255.00	-	702.87	Strategic investment
10	Capricorn Ventures Limited	-	5.00	-	5.00	Strategic investment
11	Taurus Ventures Limited	-	5.00	-	5.00	Strategic investment
12	Neeman Medical International BV	4,057.94	-	4,057.94	-	Strategic investment
13	Max UK Limited	213.00	-	-	213.00	Strategic investment
Investment in Preference Share Capital						
1	Antara Senior Living Limited	13,906.42	565.00	-	14,471.42	Strategic investment
2	Pharmax Corporation Limited	1,500.00	-	-	1,500.00	Strategic investment
		2,67,614.56	27,553.00	12,754.56	2,82,413.00	

41. Imported and Indigenous raw materials and spare parts consumed

Materials	For the year ended March 31, 2015		For the year ended March 31, 2014	
	% of Consumption	Value (Rs. in Lacs)	% of Consumption	Value (Rs. in Lacs)
Raw Materials				
- Imported	-	-	20.48	10,824.83
- Indigenous	-	-	79.52	42,021.31
	-	-	100.00	52,846.14
Store and Spares				
- Imported	-	-	22.83	151.43
- Indigenous	-	-	77.17	511.90
	-	-	100.00	663.33

42. Earnings in Foreign Currency (Accrual Basis)

			(Rs. in Lacs)
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	
Exports on FOB basis	-	26,051.42	
Total	-	26,051.42	

43. Corporate restructuring

The Board of Directors in meeting held on January 27, 2015 have approved the Corporate Restructuring plan to vertically split the Company through a Scheme of demerger ('Scheme'), into three separate listed companies. The proposed appointed date is April 01, 2015.

Upon approval of the scheme of demerger by Hon'ble High Court of Punjab and Haryana, the existing company, Max India Limited, is proposed to be renamed as 'Max Financial Services Limited' and will focus solely on the group's life insurance activity. The second

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

vertical, will be named as Max India Limited (Resulting Company 1), which will manage investments in the high growth potential Health and Allied businesses, primarily comprising of Max Healthcare Institute Ltd. and its subsidiaries, Max Bupa Health Insurance Co. Ltd., Antara Senior Living Ltd. etc. The third vertical will house the investment activity in the group's manufacturing business, Max Speciality Films Ltd., and will be named Max Ventures and Industries Limited (Resulting Company 2).

The Company's shareholders will retain one equity share of Rs. 2/- in Max Financial Services Limited (existing Max India, as renamed). In addition, the shareholders will get shares in the new companies on a Record Date, to be specified for this purpose, after the Scheme is approved by the Hon'ble High Court, as detailed below:

- one equity share of Rs. 2/- each of Resulting Company 1 for every one equity share of Rs. 2/- each held in the Company; and
- one equity share of Rs. 10/- each of Resulting Company 2 for every 5 equity shares of Rs. 2/- each held in the Company.

Subsequently, the Company has received the approvals from stock exchanges (BSE & NSE), SEBI & CCI and scheme has been filed with the Hon'ble High Court of Punjab and Haryana for its consideration and approval.

44. Sale of Speciality Films Division (MSF Division) on slump sale

During the year, the Company has transferred its MSF business division/undertaking, engaged in the business of manufacturing and sale of Biaxially Oriented Polypropylenes (BOPP) Films by way of a slump sale on going concern basis to its subsidiary, Max Speciality Films Limited ("MSFL"), vide Business Transfer Agreement (BTA) dated July 10, 2013, as amended by Amendment Letter dated April 01, 2014. The MSF division has been transferred at a consideration of Rs. 27,700.00 lacs on which gain of Rs. 163.72 lacs has been recognised in the books of accounts under the head "Other Income". MSFL has discharged the purchase consideration of Rs. 27,700.00 lacs by way of issuance of 334,00,000 equity shares of Rs. 10/- each issued at a share premium of Rs. 40/- per equity share of Rs. 16,700.00 lacs and balance by way of interest bearing loan of Rs. 11,000.00 lacs.

The summary of assets and liabilities of MSF division transferred to MSFL pursuant to the BTA, is as under:

	(Rs. in Lacs)
Net assets acquired	27,536.28
Total consideration	27,700.00
Profit on sale of business	(163.72)

- Subsequent to the year end, the Company has divested its 100% stake in the clinical research business of Max Neeman Medical International Limited to JSS Medical Research, a Canadian contract research organisation for a consideration of Rs. 942.90 lacs. The Company had over the years invested Rs. 1,448.68 lacs in this business. Accordingly, the Company has made a provision of Rs. 505.78 lacs in the current financial year towards impairment of its investment in Max Neeman Medical International Ltd. Accordingly, the net investment has been shown as current investment in note 15.
- During the year, the Company has sold 5,67,66,451 equity shares @ Rs. 67.50 per share in Max Healthcare Institute Limited (MHIL) to Life Healthcare Group (Proprietary) Ltd ("LHC") for a consideration of Rs. 38,317.35 Lacs. On this transaction, a gain of Rs. 29,620.73 Lacs has been recognised and disclosed under "Income from investment activities". By virtue of the above transactions and equity infusion by IFC Washington to maintain its equity share at 7.50% in MHIL, the Company's shareholding diluted to 45.95% and MHIL has become a joint venture of the Company w.e.f. November 10, 2014.
- During the year, the Company sold 2,361 Ordinary Shares, representing its entire 100% stake in Neeman Medical International B.V., to Maprima Management B.V. for a sales consideration of Rs. 20.74 lacs. Over the years, a total amount of Rs. 4,057.93 Lacs had been invested in Neeman Medical International B.V.. This amount was fully provided on account of diminution in the value of investment. The net profit on the said transaction is Rs. 20.74 lacs and the same is disclosed under the head "Income from Investing activities".
- Current tax includes Rs. 1,690.44 Lacs on a/c of reversal of MAT credit in absence of virtual certainty to realise the same in near future.
- Previous year figures have been regrouped/reclassified to conform to the current year's classification. However, on account of slump sale of Max Speciality Films division on April 01, 2014, the figures for previous year are not comparable.

As per our report of even date

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

per Manoj Kumar Gupta
Partner
Membership Number: 83906

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

Rahul Khosla
(Managing Director)
DIN No - 03597562

N. C. Singhal
(Director)
DIN No - 00004916

Ashwani Windlass
(Director)
DIN No - 00042686

Rahul Ahuja
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : Gurgaon
Date : May 27, 2015

Place : New Delhi
Date : May 27, 2015



**MAX INDIA LIMITED
CONSOLIDATED**



INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Max India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and of its joint controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit

also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its jointly controlled entities as at March 31, 2015, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company, its subsidiaries and jointly controlled entities incorporated in India, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We and the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) According to the information and explanations given to us and as reported by the other auditors whose reports we have relied upon, investments in insurance business have been valued in accordance with the provisions of the Insurance Act, the IRDAI Financial Statements Regulation and /or Orders / directions / circulars issued by IRDAI in this regard.
 - (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies and its jointly controlled companies

INDEPENDENT AUDITOR'S REPORT

incorporated in India, none of the directors of the Group's companies and its jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its jointly controlled entities – Refer Note 40 to the consolidated financial statements;
 - (ii) Material foreseeable losses, if any, on insurance contracts have been included in the liability for insurance contracts by Max Life Insurance Company Limited ('MLIC'), subsidiary company, which is determined by the MLIC's appointed actuary and is covered by the appointed actuary's certificate (on which auditors of MLIC have placed reliance), referred to in "Other Matters" in paragraph below; other than such insurance contracts, the Group did not have material foreseeable losses in long term contracts including derivative contracts;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and jointly controlled companies incorporated in India.

Other Matter

- (a) The accompanying consolidated financial statements include total assets of Rs 75,505.03 lacs as at March 31, 2015, and total revenues and net cash outflows of Rs 35,166.17 lacs and Rs (1,409.75) lacs for the year ended on that date, in respect of subsidiaries which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.
- (b) The accompanying consolidated financial statements include total assets of Rs 1,083.37 lacs as at March 31, 2015, and total revenues and net cash outflows of Rs 528.97 lacs and Rs. (12.98) lacs for the year ended on that date, in respect

of subsidiaries and jointly controlled entity, which have not been audited, which unaudited financial statements and other unaudited financial information have been furnished to us. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

- (c) The auditors of Max Life Insurance Company Limited ('MLIC') and Max Bupa Health Insurance Company Limited ('Max Bupa'), subsidiary companies, have reported that the actuarial valuation of liabilities of MLIC and Max Bupa for policies in force is the responsibility of MLIC and Max Bupa's Appointed Actuaries ('the appointed actuary').

The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2015 in case of MLIC and the actuarial valuation of liabilities in respect of claims Incurred But Not Reported ('IBNR') and those Incurred but not Enough reported ('IBNER') as at March 31, 2015 in case of Max Bupa has been duly certified by the appointed actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India (IRDAI) and the Institute of Actuaries of India in concurrence with IRDAI. MLIC and Max Bupa auditors have relied on the appointed actuary's certificate in this regard for forming their opinion on the financial statements of MLIC and Max Bupa.

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

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

per Manoj Kumar Gupta
Partner
Membership Number: 83906
Place of Signature: Gurgaon
Date: May 27, 2015

INDEPENDENT AUDITOR'S REPORT

Annexure referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date

Re: The Group, comprising Max India Limited ("Holding Company") and its subsidiaries and jointly controlled entities incorporated in India and to whom the provisions of the Order apply (together referred to as "the Covered entities" in this report)

- (i) (a) The Holding Company and the Covered entities of the Group have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management of the Holding Company and some covered entities of the Group except for few subsidiaries and jointly controlled entities wherein all fixed assets have not been physically verified by the management of these subsidiaries and joint controlled entities during the year but there is a regular programme of verification which, in our opinion and as reported by the other auditors who audited the financial statements of the aforesaid subsidiaries and joint controlled entities is reasonable having regard to the size of these subsidiaries and the joint controlled entities and the nature of their assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified by the management of the Covered entities of the Group during the year. In our opinion and as reported by the other auditors who audited the financial statements of the other covered entities of the Group, the frequency of verification is reasonable. The business of the Holding company and few covered entities of the Group does not involve inventories and accordingly, the requirements under paragraph 4(ii) of the order are not applicable to the Holding Company and such covered entities of the Group.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Covered entities of the Group and the nature of their business.
- (c) The Covered entities of the Group are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements/financial information of certain entities of the Group, the Holding Company and the Covered entities of the Group have 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) and (b) of the Order are not applicable to the Covered entities of the Group and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and as reported by the other auditors

who audited the financial statements/financial information of certain covered entities of the Group there is an adequate internal control system commensurate with the size of the Holding Company and the covered entities of the Group and the nature of its businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of the covered entities of the Group. During the course of our audit and as reported by the other auditors who audited the financial statements/financial information of certain covered entities of the Group, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and the Covered entities of the Group in respect of these areas

- (v) The Holding Company and the Covered entities of the Group have not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by certain covered entities of the Group to the extent applicable and relevant, pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of polyester film, rendering of healthcare services and trading of medical devices and are of the opinion that prima facie, the specified accounts and records have been made and maintained. The detailed examination of the same has not been made by us or such other auditors. To the best of our knowledge and as explained and as reported by the other auditors who audited the financial statements/financial information of Holding Company and certain covered entities of the Group, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of certain other Covered entities of the Group.
- (vii) (a) The Holding Company and the Covered entities of the Group are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable to the respective covered entities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess 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 for the covered entities of the Group.
- (c) According to the records of the Holding Company and the Covered entities of the Group and as reported by other auditors who audited the financial statements/financial information of certain covered entities in the Group, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowances and additions to taxable income.	28.57	AY 2011-12 and AY 2012-13	Commissioner of Income Tax (Appeals)
Delhi Value Added Tax, 2004 (DVAT Act)	Mismatch of VAT under section 32 and 33 of DVAT Act, 2004.	255.19	FY 2012-13 and FY 2013-14	Additional Commissioner, VAT
Central Excise Act, 1944	Excise duty (On captive use of waste & scrap)	2.77	2006-07	Supreme Court of India, New Delhi

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Name of the Statute	Nature of the Dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty (Captive use of waste & scrap)	2,586.11	2005-06 to 2014-15	Commissioner, Chandigarh
Finance Act, 1994 (service tax)	Service tax (Refund claim of service tax paid on THC charges)	1.11	2009-10	CESTAT, New Delhi
Finance Act, 1994 (service tax)	Service tax cervat credit (Input credit claimed against floor sweeping charges paid)	0.72	2004-05	CESTAT, New Delhi
Finance Act, 1994 (service tax)	Service tax cervat credit (Input credit claimed against marine insurance)	0.18	2007-08	CESTAT, New Delhi
Finance Act, 1994 (service tax)	Service tax cervat credit (Input credit claimed against rent paid)	3.01	2011-12	Commissioner Appeals, Chandigarh
Finance Act, 1994 (service tax)	Service tax (GTA liability paid through input credit)	0.02	2006-07	Commissioner Appeals, Chandigarh
Finance Act, 1994 (service tax)	Service tax cervat credit (Input on overseas commission paid)	20.31	2014-15	Additional Commissioner, Chandigarh
Finance Act, 1994 (service tax)	Service tax cervat credit (Overseas commission paid)	18.41	2014-15	Joint Commissioner, Chandigarh
Finance Act, 1994 (service tax)	Service tax (GTA liability paid through input credit)	5.93	2006-07	Joint Commissioner, Chandigarh
Finance Act, 1994 (Service Tax)	Service Tax Demand on consultancy services	201.00	FY 1997-98 To FY 2000-01	Commissioner (Central Excise), Chandigarh
Customs Act, 1962	Custom Duty Demand on non-fulfillment of export obligation	395.95	FY 1994-95	Directorate General of Foreign Trade
Income Tax Act, 1961	Income Tax Demand in respect of Penalty under Section 271(1)(c)	41.58	AY 1992-93 AY 1993-94 AY 2009-10	Commissioner of Income Tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax Demand in respect of Penalty under Section 271(1)(c)	586.44	AY 2002-03 to AY 2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demand on disallowance made on various matters	30.86	AY 2000-01	High Court, Punjab

- (d) There were no amounts which were required to be transferred to investor education and protection fund by the Holding company and covered entities of the Group in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) According to the information and explanations given to us and as reported by the other auditor who audited the financial statements/financial information of covered entities, of the Group;
- (a) The Holding Company and one of covered entity namely 'Pharmax Corporation Limited' have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year.
- (b) In case of covered entities; 'Max Neeman Medical International Limited', 'Max Skill First Limited', 'Max Ateev Limited', 'Hometrail Buildtech Private Limited' and 'Antara Purukul Senior Living Limited' the accumulated losses at the end of financial year are more than fifty per cent of its net worth and have incurred cash losses in the current and immediately preceding financial year.
- (c) In case of covered entity; 'Hometrail Estate Private Limited', the accumulated losses at the end of financial year are less than fifty per cent of its net worth and it has not incurred cash losses in the current year. In the immediately preceding financial year, the Company had incurred cash loss.
- (d) In case of covered entity; 'Alps Hospital Limited', the accumulated losses at the end of financial year is more than fifty per cent of its net worth. The Company has not incurred cash loss in the current and immediately preceding financial year.
- (e) In case of covered entities; 'Max One Distribution and Services Limited', 'Max Speciality Films Limited', 'Antara Senior Living limited', 'Anatara Gurgaon Senior Living Limited', 'Taurus Ventures Limited' and 'Capricorn Ventures Limited' have been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year
- (ix) Based on our audit procedures and as per the information and explanations given by the management and as reported by the other auditor who audited the financial statements/financial information of certain covered entities, of the Group, we are of the opinion that the Covered entities of the Group have not defaulted in their repayment of dues to a financial institution and bank. The Holding Company and Covered entities of the group did not have any outstanding dues in respect of debenture holders during the year.
- (x) According to the information and explanations given to us and based on the reports of the other auditors who audited the financial statements/financial information of other covered

INDEPENDENT AUDITOR'S REPORT

entities of the group, the Holding Company and the Covered entities of the Group have given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Holding Company and the Covered entities of the Group.

- (xi) Based on the information and explanations given to us by the management and the report other auditors who audited the financial statements/financial information of certain covered entities of the Group, term loans were applied for the purpose for which the loans were obtained by the Holding Company and the covered entities of the Group.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given

by the management and reports of the other auditors who audited the financial statements of other covered entities of the group, which we have relied upon, we report that no fraud on or by the Holding Company and the Covered entities of the Group have been noticed or reported during the year.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Manoj Kumar Gupta

Partner

Membership Number: 83906

Place : Gurgaon

Date: May 27, 2015

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2015

		(Rs. in Lacs)	
	Notes	As at March 31, 2015	As at March 31, 2014
Equity and liabilities			
Shareholders' funds			
Share capital	4	5,330.06	5,324.55
Reserves and surplus	5	3,24,871.55	2,93,087.15
		3,30,201.61	2,98,411.70
Preference shares	6	-	6,546.87
Minority interest		61,706.37	82,052.89
Non-current liabilities			
Long-term borrowings	7	40,304.56	43,534.63
Deferred tax liabilities (net)	8	533.52	1,477.78
Trade payables	9	7,379.78	6,281.05
Other long-term liabilities	9	12,656.06	7,743.15
Long-term provisions	10	2,148.54	7,760.46
Policyholders' funds	11	25,01,829.49	18,98,059.49
Funds for future appropriations - participating policies		1,32,785.70	99,863.81
		26,97,637.65	20,64,720.37
Current liabilities			
Short-term borrowings	12	11,471.38	21,616.26
Trade payables	13	90,721.08	87,304.53
Other current liabilities	13	54,074.17	55,369.38
Short-term provisions	10	29,689.17	28,543.48
Policyholders' funds	11	2,74,794.74	2,67,172.97
		4,60,750.54	4,60,006.62
TOTAL		35,50,296.17	29,11,738.45
Assets			
Non-current assets			
Fixed assets			
Tangible assets	14	76,571.51	1,20,271.20
Intangible assets	15	6,222.61	7,555.65
Capital work-in-progress		3,365.56	4,643.99
Intangible assets under development		536.72	865.98
Goodwill on consolidation		37,187.54	31,418.86
Non-current investments	16	29,16,411.33	23,11,058.93
Loans and advances	17	34,165.52	47,005.88
Trade receivables	18	1,793.67	4,158.63
Other non-current assets	19	846.94	760.66
		30,77,101.40	25,27,739.78
Current assets			
Current investments	20	2,85,071.81	2,02,300.41
Inventories	21	17,920.01	16,939.94
Trade receivables	18	69,342.48	65,812.68
Cash and bank balances	22	31,920.34	39,446.52
Loans and advances	17	27,586.56	22,395.34
Other current assets	19	41,353.57	37,103.78
		4,73,194.77	3,83,998.67
TOTAL		35,50,296.17	29,11,738.45
Summary of significant accounting policies	3		

The accompanying notes are integral part of the financial statements

As per our report of even date

For S.R.Batliloi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Manoj Kumar Gupta

Partner

Membership Number: 83906

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

Rahul Khosla

(Managing Director)

DIN No - 03597562

N. C. Singhal

(Director)

DIN No - 00004916

Ashwani Windlass

(Director)

DIN No - 00042686

Rahul Ahuja

(Chief Financial Officer)

Place : New Delhi

Date : May 27, 2015

V. Krishnan

(Company Secretary)

Place : Gurgaon

Date : May 27, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2015

		(Rs. in Lacs)	
	Notes	For the year ended March 31, 2015	For the year ended March 31, 2014
Income			
Revenue from operations (gross)	23	14,87,743.47	11,68,094.05
Less: excise duty		6,208.16	5,460.62
Revenue from operations (net)		14,81,535.31	11,62,633.43
Other income	24	6,124.19	5,692.64
Total revenue (I)		14,87,659.50	11,68,326.07
Expenses			
Cost of raw materials consumed	25	51,460.75	52,846.14
Purchase of pharmacy and pharmaceuticals supplies		26,938.38	32,720.34
(Increase)/ decrease in inventories of work-in-progress, finished goods and traded goods	26	(353.56)	(376.27)
Change in policy reserves	27	6,44,313.68	4,22,888.79
Employee benefits expense	28	1,00,954.97	95,678.80
Other expenses	29	5,89,460.95	5,14,008.60
Depreciation and amortisation	30	15,379.87	13,790.84
Finance costs	31	8,258.64	9,321.00
Total expenses (II)		14,36,413.68	11,40,878.24
Profit before tax (I-II)		51,245.82	27,447.83
Tax expense			
Current tax		15,689.83	6,924.56
Deferred tax		(935.36)	(424.71)
Total tax expense		14,754.47	6,499.85
Profit after tax		36,491.35	20,947.98
Minority Interest		(8,528.96)	(7,002.53)
Profit after tax (after adjusting minority interest)		27,962.39	13,945.45
Earnings per equity share	32		
[Nominal value of shares Rs.2 (Previous year Rs.2)]			
Basic (Rs.)		10.50	5.21
Diluted (Rs.)		10.43	5.18
Summary of significant accounting policies	3		

The accompanying notes are integral part of the financial statements

As per our report of even date

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

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

per Manoj Kumar Gupta
Partner
Membership Number: 83906

Rahul Khosla
(Managing Director)
DIN No - 03597562

N. C. Singhal
(Director)
DIN No - 00004916

Ashwani Windlass
(Director)
DIN No - 00042686

Rahul Ahuja
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : Gurgaon
Date : May 27, 2015

Place : New Delhi
Date : May 27, 2015

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash flow from operating activities		
Net Profit / (loss) before tax	51,245.82	27,447.83
Non cash adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation / amortisation	15,379.87	13,790.84
Interest expense	6,817.00	7,760.03
Interest income	(1,54,526.36)	(1,22,686.18)
Options fees	(2,713.04)	(1,887.74)
Amortisation of discount/(premium) on investments	(5,223.97)	(5,464.70)
Dividend income from investments	(11,761.59)	(12,387.38)
Net (profit) / loss on sale of fixed assets	86.90	318.34
Net (profit) / loss on sale of investments	(2,48,212.08)	(30,731.38)
Unrealised (gain) / loss on investments	(56,393.62)	(77,707.52)
Fixed assets written off	136.66	-
Inventory written off	274.81	-
Doubtful advances written off	273.48	119.43
Provision for doubtful debts and advances	750.10	418.42
Goodwill written off	3,370.09	-
Liabilities/provisions no longer required written back	(525.87)	(99.14)
Employee stock option expense	4,499.45	2,567.05
Construction work in progress written off	6,295.85	-
Unrealised foreign exchange (gain) / loss	122.46	(12.55)
Change in policyholder reserves	6,44,313.67	4,22,888.79
Change in reserves for unexpired risk	3,763.85	5,911.38
Operating profit before working capital changes	2,57,973.48	2,30,245.52
Movement in working capital :		
Increase/ (decrease) in long-term trade payables	1,098.73	(889.47)
Increase/ (decrease) in short-term trade payables	3,819.96	6,856.84
Increase/ (decrease) in long-term provisions	1,380.00	33.22
Increase/ (decrease) in short-term provisions	354.73	724.05
Increase/ (decrease) in other current liabilities	917.47	(5,634.39)
Increase/ (decrease) in other long-term liabilities	4,912.91	2,609.10
Decrease / (increase) in long-term trade receivables	2,364.96	4,302.75
Decrease / (increase) in short-term trade receivables	(4,153.90)	(1,110.87)
Decrease / (increase) in inventories	(1,254.88)	(2,014.53)
Decrease / (increase) in long-term loans and advances	9,944.43	(4,165.23)
Decrease / (increase) in short-term loans and advances	(8,689.19)	(6,596.65)
Decrease / (increase) in other current assets	483.85	(457.38)
Cash generated from/(used in) operations	2,69,152.55	2,23,902.96
Direct taxes paid (net of refunds)	(11,214.67)	(7,878.04)
Net cash flow from /(used in) operating activities (A)	2,57,937.88	2,16,024.92
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(32,653.64)	(30,722.40)
Proceeds from sale of fixed assets	470.03	223.58
Purchase of investments in subsidiary	-	(21.19)
Proceeds from sale of non- current investments	38,338.09	-
Purchase of investments	(1,77,50,107.11)	(1,50,43,777.26)
Proceeds from sale of investments	1,73,36,173.13	1,47,53,446.81
Gain on dilution of controlling interest	16,894.28	-
Redemption in deposits (having original maturity of more than three months)and margin money	(4,500.97)	(110.52)
Option fee received	2,529.65	1,758.49
Interest received	1,44,974.29	1,15,976.79
Dividend received	11,761.59	12,387.38
Net cash flow from /(used in) investing activities (B)	(2,31,120.66)	(1,90,838.32)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash flow from financing activities		
Issue of shares by subsidiary to minority	44,058.00	7,849.78
ESOPs exercised	5.51	14.14
Buy Back from Minority shareholders	(16,592.58)	-
Share issue expenses	-	(53.00)
Redemption of cumulative preference shares	(14,343.00)	-
Proceeds from long -term borrowings	44,197.46	10,742.27
Repayment of long -term borrowings	(49,875.24)	(8,610.62)
Net proceeds from short -term borrowings	(10,144.88)	420.54
Interest paid	(6,858.75)	(7,824.03)
Dividend paid on equity shares	(15,456.53)	(10,637.88)
Dividend paid to minority shareholders	(8,277.13)	(8,333.44)
Tax on equity dividend paid	(5,472.77)	(4,891.40)
Net cash flow from /(used in) financing activities (C)	(38,759.91)	(21,323.64)
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	(11,942.69)	3,862.96
Cash and cash equivalents at the beginning of the year	37,901.68	34,038.72
Cash and cash equivalents at the end of the year	25,958.99	37,901.68
Components of cash and cash equivalent		
	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Cash on hand	952.43	1,488.98
Cheques/drafts on hand	5,322.37	6,503.45
Balance with banks		
On current account	18,451.70	29,858.85
Deposits with original maturity of less than three months	1,125.00	-
Stamps on hand	107.49	50.40
Total cash and cash equivalents	25,958.99	37,901.68

Summary of significant accounting policies

3

The accompanying notes are integral part of the financial statements

As per our report of even date

For S.R.Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Manoj Kumar Gupta

Partner

Membership Number: 83906

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

Rahul Khosla

(Managing Director)

DIN No - 03597562

N. C. Singhal

(Director)

DIN No - 00004916

Ashwani Windlass

(Director)

DIN No - 00042686

Rahul Ahuja

(Chief Financial Officer)

V. Krishnan

(Company Secretary)

Place : Gurgaon

Date : May 27, 2015

Place : New Delhi

Date : May 27, 2015

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

1. Basis of preparation

The Consolidated Financial Statements (CFS) comprises the financial statements of Max India Limited ("the Company") and its Subsidiaries and Joint Ventures (hereinafter referred to as "Group Companies" and together as "Group". The CFS of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under historical cost convention on an accrual basis in compliance with all material aspects of Accounting Standards (AS) notified section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, in case of insurance companies, the guidelines issued by the Insurance Regulatory and Development Authority (IRDAI).

The financial statements of Max Life Insurance Company Limited and Max Bupa Health Insurance Company Limited, subsidiaries of the company, which are included in these CFS, are prepared the financial statements in compliance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/059/03/2015 dated March 31, 2015 (The Insurance Act) Insurance Regulatory and Development Authority Act, 1999, read with IRDAI/F&A/CIR/232/12/2013 and the regulations framed there under, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India.

The accounting policies have been consistently applied by the Group, and are consistent with those used in previous year except for change in accounting policy as specified in note 3.1.

2. Principles of Consolidation

The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating all intra-Group balances and transactions and resulting unrealized gains/losses as per AS-21 "Consolidated Financial Statements" using the uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

Investment in Joint Ventures have been accounted by using the proportionate consolidation method as per AS - 27, "Financial Reporting of Interest in Joint Ventures".

Minority interest in the net assets of Subsidiaries consist of :

- The amount of equity attributable to the minorities at the date on which investment in Subsidiary is made;
- The minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.

The excess/deficit of cost to the Company of its investment over its portion of net worth in the consolidated entities at the respective dates on which the investment in such entities was made is recognised in the CFS as Goodwill/ Capital Reserve. The goodwill arising on consolidation is not amortised but tested for impairment on periodic basis.

All the subsidiaries and joint ventures follows financial year as accounting year.

2.1 The list of subsidiary companies considered in consolidated financial statements (as per AS-21):

Sl. No.	Name of the Subsidiary	Country of Incorporation	Proportion of ownership as at March 31, 2015	Proportion of ownership as at March 31, 2014
1	Max Life Insurance Company Limited (MLIC)	India	72.00%	71.05%
2	Max Healthcare Institute Limited (MHIL) ⁽ⁱ⁾	India	-	65.86%
3	Max Medical Services Limited (MMS) ^(ia)	India	-	100.00%
4	Hometrail Estate Private Limited (HEPL) ^(ia)	India	-	100.00%
5	Hometrail Buildtech Private Limited (HBPL) ^(ia)	India	-	100.00%
6	Alps Hospital Limited (Alps) ^(ia)	India	-	100.00%
7	Max Bupa Health Insurance Company Limited (MBHI)	India	74.00%	74.00%
8	Pharmax Corporation Limited (PCL)	India	85.21%	85.21%
9	Max Ateev Limited	India	100.00%	100.00%
10	Max Skill First Limited (Formerly known as Max Healthstaff International Limited)	India	100.00%	100.00%
11	Max Speciality Films Limited (MSFL) ⁽ⁱⁱ⁾	India	99.00%	99.00%
12	Max Neeman Medical International Limited	India	100.00%	100.00%
13	Max One Distribution and Services Limited ⁽ⁱⁱⁱ⁾	India	100.00%	100.00%
14	Antara Senior Living Limited (ASLL)	India	100.00%	100.00%
15	Antara Purukul Senior Living Limited ^(iv)	India	100.00%	100.00%
16	Antara Gurgaon Senior Living Limited ^(iv)	India	100.00%	100.00%
17	Taurus Ventures Limited ^(v)	India	100.00%	-
18	Capricorn Ventures Limited ^(v)	India	100.00%	-
19	Neeman Medical International BV ^(vi)	Netherlands	-	100.00%
20	Neeman Medical International NV ^(vi)	Netherlands	-	100.00%
21	Max Neeman Medical International Inc. ^(vii)	United States of America	100.00%	100.00%
22	Max UK Limited	United Kingdom	100.00%	100.00%

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

The list of joint venture of company considered in consolidated financial statements (as per AS-27):

Name of Joint Venture	Country of incorporation	Proportion of ownership as at March 31, 2015	Proportion of ownership as at March 31, 2014
1 Forum I Aviation Limited (Forum) ^(viii)	India	16.67%	16.67%
2 Max Healthcare Institute Limited ⁽ⁱ⁾	India	45.95%	-

Notes:

- (i) Ceased to be a subsidiary as it became a joint venture w.e.f. November 10, 2014.
- (ia) All the said companies were subsidiaries of Max Healthcare Institute Limited (MHIL) & consequent to MHIL becoming a joint venture w.e.f. from Nov 10, 2104, they also ceased to be step down subsidiaries of the company.
- (ii) 1% held through Pharmax Corporation Limited.
- (iii) Earlier held through Max Neeman Medical International Limited, became subsidiary of Max Skill First Limited (formerly known as Max Healthstsf International Limited) we.f. March 19, 2015.
- (iv) Held through Antara Senior Living Limited.
- (v) Subsidiary w.e.f. February 7, 2015.
- (vi) Divested entire shareholding on March 31, 2015. The said companies ceased to be subsidiaries of Max India Limited on March 31, 2015.
- (vii) Earlier held through Neeman Medical International NV, became subsidiary of Max Neeman Medical International Limited w.e.f. March 13, 2015.
- (viii) Joint Venture of Pharmax Corporation Limited.

2.2 Additional information

Additional Information

(Rs. in Lacs)					
Sl. No.	Name of the Subsidiary	Net Assets i.e total assets - total liabilities		Share in profit or loss	
		Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss
Parent					
1	Max India Limited	3,40,525.37	103.13%	14,960.56	53.50%
Indian Subsidiaries					
2	Max Life Insurance Company Limited	80,442.79	24.36%	29,825.49	106.66%
3	Max Healthcare Institute Limited (Consolidated)	-	—	(1,334.31)	-4.77%
4	Max Bupa Health Insurance Company Limited	(41,505.92)	-12.57%	(6,906.27)	-24.70%
5	Pharmax Corporation Limited	1,048.10	0.32%	225.57	0.81%
6	Max Ateev Limited	(3,132.34)	-0.95%	(1.15)	0.00%
7	Max Skill First Limited (formerly known as Max HealthStaff International Limited)	(238.60)	-0.07%	(16.33)	-0.06%
8	Max Speciality Films Limited	14,799.01	4.48%	755.28	2.70%
9	Max Neeman Medical International Limited	(693.04)	-0.21%	(500.70)	-1.79%
10	Max One Distribution and Services Limited	(357.69)	-0.11%	(182.86)	-0.65%
11	Antara Senior Living Limited	(14,210.35)	-4.30%	(727.09)	-2.60%
12	Antara Purukul Senior Living Limited	5,301.93	1.61%	(7,576.66)	-27.10%
13	Antara Gurgaon Senior Living Limited	(1.09)	0.00%	(0.66)	0.00%
14	Taurus Ventures Limited	(0.76)	0.00%	(0.76)	0.00%
15	Capricorn Ventures Limited	(0.76)	0.00%	(0.76)	0.00%
Foreign Subsidiaries					
16	Neeman Medical International BV	(731.14)	-0.22%	2.21	0.01%
17	Neeman Medical International NV	(690.38)	-0.21%	168.34	0.60%
18	Max Neeman Medical International Inc.	(4,950.44)	-1.50%	0.17	0.00%
19	Max UK Limited	(71.33)	-0.02%	10.46	0.04%
Minority interest in all subsidiaries		(61,706.37)	-18.69%		
Joint Ventures					
1	Forum I Aviation Limited	332.73	0.10%	35.30	0.13%
2	Max Healthcare Institute Limited	16,041.87	4.86%	(773.43)	-2.77%
Total		3,30,201.61	100%	27,962.39	100%

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

3. Summary of significant accounting policies

3.1 Change in accounting policy

l) Depreciation on fixed assets

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

(a) Useful lives/ depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Group was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Hence, due to change in accounting policy, depreciation charge for the current financials year is higher by Rs. 2,135.36 Lacs. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 496.87 Lacs (net of Deferred Tax) has been adjusted with retained earnings.

(b) Depreciation on assets costing less than Rs. 5,000/-

Till year ended 31 March 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Group was charging 100% depreciation on assets costing less than Rs. 5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the Group has changed its accounting policy for depreciations of assets costing less than Rs. 5,000/-. As per the revised policy, the company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1 April 2014.

The change in accounting for depreciation of assets costing less than Rs. 5,000/- did not have any material impact on financial statements of the company for the current year.

(c) Employee stock compensation cost

Till 27 October 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, dealt with the grant of share-based payments to employees. Among other matter, these guidelines prescribed accounting for grant of share-based payments to employees. Hence, the company being a listed entity was required to comply with these Guidelines as well as the Guidance Note on Accounting for Employee Share-based Payments with regard to accounting for employee share-based payments. Particularly, in case of conflict between the two requirements, the SEBI guidelines were prevailing over the ICAI Guidance Note. For example, in case of equity settled option expiring unexercised after vesting, the SEBI guidelines required expense to be reversed through the statement of Profit and Loss whereas the reversal of expense through the statement of profit and loss is prohibited under the ICAI Guidance Note. In these cases, the company was previously complying with the requirement of SEBI guidelines.

From 28 October 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 have been replaced by the SEBI (Share Based Employee Benefits) Regulations, 2014. The new regulations don't contain any specific accounting treatment; rather, they require ICAI Guidance Note to be followed. Consequent to the application of the new regulations, the company has changed its accounting for equity settled option expiring unexercised after vesting in line with accounting prescribed in the Guidance Note, i.e., expense is not reversed through the statement of profit and loss. The management has decided to apply the revised accounting policy prospectively from the date of notification of new regulation, i.e., 28 October 2014.

Since there are no equity settled options expiring unexercised after 28 October 2014, the change in accounting policy does not have any impact on financial statements of the Group for the current year. However due to application of the regulation, the manner of presentation of "Employee Stock Option Outstanding Account" under the head "Reserves and Surplus" has changed. The company has changed this presentation for the current as well as previous year.

3.2 Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

3.3 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work-in progress is stated at cost.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

3.4 Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Group has used the following rates to provide depreciation on its fixed assets:

Assets	Useful life (years)
Factory Building	30
Other Building	60
Fences, Wells & Tubewells	5
Electrical Installations and Equipments	10
Plant and Equipments	15-25
Medical Equipments	13
Lab Equipments	10
Furniture and fixtures	5-10
Office equipments	3-5
IT Equipments (End user devices)	3
IT Equipments (Servers and network)	3-6
Vehicles including Ambulances	3-8

Leasehold improvement is amortized on a straight line basis over the period of lease.

In Max Life Insurance Company Limited, fixed assets at third party locations and not under direct physical control of the Company are fully depreciated over twelve months from the month of purchase.

The management has estimated the useful life of the following classes of asset supported by internal technical assessment:

- MHIL - The useful life of MRI machine is estimated as 7 years which is included in medical equipment.
- MLIC - The useful life of IT equipment server and networks is estimated as 4 years.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Cost of internally generated intangible assets

Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- its intention to complete the asset.
- its ability to use the asset.
- how the asset will generate future economic benefits.
- the availability of adequate resources to complete the development and to use the asset.
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

The cost of internally generated intangible asset includes sum of expenditure incurred from the time the intangible asset first meet the development criteria and comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce and make the asset ready for its intended use.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Intangible assets comprising of computer software and technical know-how are amortized over a period of two to six years based on management's estimate of economic useful life of the individual assets.

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

3.6 Leases

Where the Group is lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

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

3.7 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

3.8 Impairment of tangible and intangible assets

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

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

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

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

3.9 Government grant and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the grant/subsidy will be received, and (ii) the Group will comply with the conditions attached to them.

When the grant or subsidy relates an revenue item, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the Group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoter's contribution are credited to the capital reserve and treated as a part of shareholders fund.

3.10 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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

Insurance businesses:

Investments are made in accordance with the Insurance Act, 1938 and the Insurance Regulatory & Development Authority (Investment) Regulations, 2000, and as amended subsequent circulars/notifications issued by the IRDAI from time to time. Investments are recorded at cost on date of purchase, which includes brokerage and statutory levies, if any and excludes interest paid, if any, on purchase. Diminution in the value of investment (non-linked), other than temporary decline, is charged to revenue and profit and loss account as applicable.

a) Classification

Investments intended to be held for a period less than twelve months or maturing within twelve months from the balance sheet date are classified as short term investments. All other investments are classified as long-term investments.

b) Valuation - shareholders' investments and non-linked policyholders' investments

Debt securities, which include government securities, and redeemable preference shares are considered as 'held to maturity' and measured at historical cost subject to amortization. The premium/discount, if any, on purchase of debt securities including money market instruments is recognized and amortized in the revenue account/profit and loss account, as applicable, over the remaining period to maturity on the basis of their intrinsic yield.

Listed shares, as at balance sheet date, are valued at fair value, being the last quoted closing price on National Stock Exchange (NSE) and in case the same is not available, then on the BSE Ltd (BSE). Unlisted equity shares (including awaiting listing) are stated at historical cost subject to diminution, if any, determined separately for each individual investment. Investments in Mutual fund units are valued at previous day's net asset value of the respective funds.

Rights are valued at fair value, being last quoted closing price on National Stock Exchange (NSE) and in case the same is not available, then on Bombay Stock Exchange (BSE). Unlisted rights are valued at a price computed as a difference between offer price and valuation price of the parent security.

Reverse repos are valued at cost. Fixed deposits are valued at cost till the date of maturity.

Bonus entitlements are recognized as investments on the 'ex- bonus date'.

c) Valuation - Linked Investments

Government securities are valued at the prices obtained from CRISIL Ltd (CRISIL). Debt securities other than Government Securities are valued on the basis of values generated by bond valuer based on matrix released by the CRISIL Limited 'CRISIL' on daily basis.

Listed shares are valued at fair value, being the last quoted closing price on National Stock Exchange (NSE) and in case the same is not available, then on the BSE Ltd (BSE). Unlisted equity shares (including awaiting listing) are stated at historical cost subject to diminution, if any, determined separately for each individual investment. Mutual fund units are taken at the previous day's net asset values.

Unlisted equity shares are stated at historical cost, subject to provision for diminution.

Compulsory Convertible Debentures (CCD's) are valued at fair value, being the last quoted closing price on National Stock Exchange (NSE) and in case the same is not available, then on the BSE Ltd(BSE).

Reverse repos are valued at cost. Fixed deposits are valued at cost till the date of maturity.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Money market and debt securities with a residual maturity upto 182 days are valued at amortised cost (from cost/last valuation price till the beginning of the day to the redemption value), spread uniformly over the remaining maturity period of the instrument.

Rights are valued at fair value, last quoted closing price on National Stock Exchange (NSE) and in case the same is not available, then on Bombay Stock Exchange (BSE). Unlisted rights are valued at a price computed as a difference between offer price and valuation price of the parent security.

Bonus entitlements are recognized as investments on the 'ex- bonus date'.

d) **Transfer of Investments**

Investments in debt securities are transferred from shareholders to policyholders at net amortized cost. Investments other than debt securities are transferred from shareholders to policyholders at lower of book value or market value. Transfers of investments between unit linked funds are effected at prevailing market price. No transfer of assets (investments) between different policyholders' funds shall be allowed.

e) **Impairment of Investments**

The Group assesses at each Balance Sheet date, using internal and external sources, whether there is any indication that any investment may be impaired. In case of impairment, the amortized cost/acquisition cost in case of debt/equity securities of such investment is reduced to its fair value and the impairment loss is recognised in the Revenue/Profit and Loss account. However, at the Balance Sheet date if there is any indication among debt securities, that a previously recognized impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

3.11 Inventories

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes purchase price including duties, taxes and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on first-in-first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.12 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

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

Dividend

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

For Life Insurance Business, revenue is recognised as follows:

i) **Premium Income**

Premium is recognized as income when due from policyholders, if there is no uncertainty of collectability. For linked business, premium income is recognised when the associated units are created. Premium on lapsed policies is recognised as income when such policies are reinstated. Top-up premiums are recognised as single premium.

ii) **Income from linked policies**

Fees on linked policies including fund management charges, policy administration charges, surrender penalty charges, mortality charges, etc., are recovered from the linked fund and recognised when due in accordance with the terms and conditions mentioned in the policies.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Income earned on investments

Other than Linked Business

Amortization of premium/accretion of discount on debt securities including money market instruments is recognized over the maturity period on its intrinsic yield on straight line basis. Realized gains/loss on debt securities is the difference between the sale consideration and the amortized cost computed on weighted average basis on the date of sale.

In case of listed shares /mutual fund units, the profit/loss on actual sale of investment includes the accumulated changes in the fair value, previously recognized under "Fair Value Change Account". Unrealized gains/losses due to change in fair value of listed equity shares and mutual fund units are credited / debited to the 'Fair Value Change Account'.

Linked Business

Interest income from investments is recognized on an accrual basis. Amortization of premium/accretion of discount on debt securities with a residual maturity upto 182 days and money market instruments is recognized uniformly over the remaining maturity period. Dividend income is recognized on the ex-dividend date.

Realized gain/loss on securities is the difference between the sale consideration and the book value, which is computed on weighted average basis, as on the date of sale. Sale consideration for the purpose of realized gain/loss excludes interest accrued till transaction settlement date and is net of brokerage and statutory levies, if any. Unrealized gains and losses are recognised in the respective fund's revenue account.

Reinsurance premium ceded is accounted at the time of recognition of premium income in accordance with the treaty or in-principle arrangement with the reinsurer.

Income earned on loans

Interest income on loans is recognised on an accrual basis. Fees and charges also include policy reinstatement fee and loan processing fee which are recognised on receipt basis.

Health Insurance Business

Premium Income

Premium income and cessation thereof are recognized over the contract period or period of risk whichever is appropriate, on a gross basis (net of service tax). Any subsequent revision of premium or cancellation of the policies is accounted for in the year in which they arise.

Commission on Reinsurance Premium

Commission income on reinsurance ceded is recognized in the year of cessation of reinsurance premium.

Profit share under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of the profits and as intimated by the reinsurer."

Interest/Dividend income

Interest income is recognised on accrual basis. Accretion of discount and amortization of premium relating to debt securities is recognized as per constant yield method. Dividend is recognised when right to receive the dividend is established.

Premium/discount on purchase of investments

Accretion of discount and amortization of premium relating to debt securities is recognized as per constant yield method over the period of maturity/holding.

Profit/loss on Sale/Redemption of investments

Profit or loss on sale/redemption of investments, being the difference between sale consideration/redemption value and carrying value of investments is credited or charged to Profit and Loss account. The profit/loss on sale of investment include accumulated changes in the fair value previously recognized in 'Fair Value Change Account' in respect of a particular security.

Healthcare Business

Revenue from healthcare services are recognised on the performance of related services and includes service for patients undergoing treatment and pending for billing, which is shown as unbilled under other current assets. Revenues from other healthcare service providers and sponsorship and educational income are recognized on the performance of related services as per the terms of contracts.

Revenue from sale of pharmacy and pharmaceutical supplies is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales tax and value added taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Benefits under "Served from India Scheme" available for foreign exchange earned under prevalent scheme of Government of India are accrued when the right to receive these benefits as per the terms of the scheme is established and accrued to the extent there is no significant uncertainty about the measurability and ultimate utilization.

Clinical Research Business

Revenue from clinical data management services is recognized with reference to the stage of completion of clinical data management service projects subscribed with pharmaceutical companies.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Senior Living Business

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The Company develops and constructs residential senior living communities comprising residential apartments, clubhouse and other facilities for services. These apartments are leased on a long term basis to residents and the lease deed is executed on completion of the apartments and commencement of operations of the community. Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases.

During development phase of the community, income is recognised based on the principles of percentage of completion method (POCM) as provided in AS-7 (Revised)-'Construction contracts' on achievement of certain internal milestones based on cost based POCM formula, whereby the stage of completion is equal to the ratio of cost to the total estimated cost.

After completion of construction and execution of lease deed, income is recognised in full as 'Sales of leases' arrangement in the Statement of Profit and Loss.

Lease Rentals

In respect of lease rentals on non cancellable operating leases, revenue is recognized on the straight line basis and In respect of lease rental on cancellable operating lease, revenue is recognised on time proportionate basis as per related agreements. Contingent lease rent is recognized based on the occurrence of the contingency.

Export benefits

Export benefits constituting import duty benefits under Duty Exemption Pass Book (DEPB), duty draw back and advance licence scheme are accounted for on accrual basis. Export benefits under DEPB & duty draw back are considered as other operating income.

3.13 Foreign exchange transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward exchange contracts not intended for trading or speculation purposes

The premium or discounts arising at the inception of forward exchange contracts is amortised and recognised as an expense or income over the life of the contract. Exchange difference on such contracts is recognized in the statement of profit and loss in the period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the period.

Translation of non-integral foreign operations

The Group classifies all its foreign operations as "non-integral foreign operations." The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at average exchange rates which approximates the exchange rates at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognised in the statement of profit and loss.

3.14 Employee Benefits

Provident Fund

The Group administers employees provident fund benefits through a trust, 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.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Superannuation fund

Retirement benefit in the form of superannuation fund is a defined contribution scheme. Group has no obligation, other than the contribution payable to the fund. Liability in respect of superannuation fund to the employees is accounted for as per Group's Scheme and contributed to "Max India Limited Superannuation Fund" every year. The contributions to the funds are charged to the statement of profit and loss of the year.

Gratuity

Employee benefit in form of gratuity plan is a defined benefit obligation. The cost of providing benefit under this plan are determined on the basis of actuarial valuation at end of each year end using projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Group has a recognised gratuity trust "Max India Limited Employees Gratuity Fund" which in turn has taken a insurance policy to cover the gratuity liability of the employees.

Long term incentive plan (MLIC and Max Bupa)

Employee benefit in form of long term incentive plan is a other long term employee benefit. The cost of providing benefit under this plan are determined on the basis of actuarial valuation at end of each year end using projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Long term incentive plan (Other companies)

Employee benefit in form of long term incentive plan is a other long term employee benefit. The cost of providing benefit under this plan are determined on the actual basis.

Compensated Absences

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

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

3.15 Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same governing taxation laws.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

3.16 Employee Stock Option Scheme

Equity settled

Employees (including directors) of Max India Limited receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (SEBI) (Share based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. 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 expense or credit recognized in the statement of profit and loss 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.

Phantom stock

The value of options is equal to the aggregate of the intrinsic value of the options granted. Intrinsic value is the option discount represented by excess of market price, which is determined by the independent valuer, over the grant price. The intrinsic value of the options is amortised on a straight line basis over the vesting period. The intrinsic value is being measured at each reporting date and at the date of settlement, with any changes in such value being recognized in statement of profit and loss.

In a cash settled employee share based payment plan, MLIC recognizes an expense for the services received, as the employees render services over the vesting period.

Cash settled

Employees of MHIL receive remuneration in the form of share based payment transaction, whereby employees render services as a consideration for equity instruments or cash (equity settled transactions with a cash alternative).

Stock options are measured in accordance with the Guidance Note on Accounting for Employee Share-based Payments using the intrinsic value method and recognised, together with a corresponding increase in the "Provision for employee stock options outstanding" in Provisions. The expense or credit recognised in the statement of profit and loss account for a year represents the movement in the cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefit expense.

3.17 Segment reporting policies

Identification of segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on area of operations.

Inter-segment transfers

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment in proportion to the relative revenue of each segment.

Unallocated items

All the common income, expenses, assets and liabilities, which are not possible to be allocated to different segments, are treated as unallocated items.

Segment policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Group as a whole."

3.18 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.

3.19 Provisions

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

3.20 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

3.21 Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

3.22 Other Life insurance business specific accounting policies

(a) Acquisition Cost

Acquisition costs are expenses incurred to solicit and underwrite insurance contracts such as commission, medical fee etc. and are expensed in the year in which they are incurred. Claw back of the commission paid, if any, in future is accounted in the year in which it becomes recoverable.

(b) Benefits paid

Benefits paid include policy benefit amount and the direct cost of settlement, if any. Reinsurance recoverable thereon, if any, is accounted for in the same period as the related claim. Repudiated claims disputed before judicial authorities are provided for based on management prudence considering the facts and evidences available in respect of such claims.

Death and other claims are accounted for when notified. Surrenders / withdrawals under non-linked policies are accounted on the receipt of the consent from the policyholder. Surrenders / withdrawals under linked policies are accounted in the respective schemes when the associated units are cancelled. Surrender also include amount payable on lapsed policies which is accrued on the date of lapse of policy. Surrender and lapsation are disclosed net of charges recoverable.

Survival and maturity benefits are accounted for when due for payment.

Repudiated claims and other claims disputed before judicial authorities are provided for on prudent basis as considered appropriate by management.

(c) Liability for Life Insurance Policies in Force

The estimated liability for life policies in force is determined by the appointed actuary of Max Life Insurance Company Limited ("MLIC"), pursuant to his annual review of life insurance business, using appropriate methods and assumptions that conform with regulations issued by the IRDAI and Actuarial Practice Standards issued by the Institute of Actuaries of India. The liability is so calculated that together with future premium payments and investment income, MLIC is able to meet all future claims (including bonus entitlements to policyholders, if applicable,) and expenses on the basis of actuarial estimates.

Liability under linked policies comprise of unit liability representing the fund value of in force policies, the amount payable to discontinued policies and non unit liability for meeting future claims and expenses in excess of future charges, which is based on actuarial valuation carried out by the Appointed Actuary. Liability, if any, as determined by the Appointed Actuary, in respect of linked policies which have lapsed are maintained by a charge from the Revenue account till the expiry of the revival period. An additional claims provision is made, on the basis of actuarial estimate, for the benefits which are incurred but not reported. Provision has also been made for the cost of guarantee under unit linked policies offered with guarantee.

(d) Contributions to Policyholders' Account (Technical Account)

Contribution to Policyholders' Account (Technical Account) is made as decided by the board of directors of MLIC.

(e) Funds for future appropriations

The balance in the funds for future appropriations account represents funds, the allocation of which, either to participating policyholders or to shareholders, has not been determined at the balance sheet date. Transfers to and from the fund reflect the excess or deficit of income over expenses and appropriations in each accounting period arising in the policyholder fund.

3.23 Other Health insurance business specific accounting policies

(a) Premium Deficiency

Premium deficiency is recognized whenever the sum of expected amount of claims cost, related expenses and maintenance costs exceeds related premium carried forward to the subsequent accounting period as reserve for unexpired risk.

(b) Claims Incurred but Not Reported (IBNR) and Claims Incurred but Not Enough Reported (IBNER)

IBNR represents that amount of claims that may have been incurred prior to the end of the current accounting year but have not been reported or claimed. The IBNER provision also includes provision, if any, required for claims incurred but not enough reported and claim equalisation reserve for benefits which may accrue after a deferment period. IBNR and IBNER liabilities are provided based on actuarial principles and certified by the Appointed Actuary of the Max Bupa. The methodology and assumptions on the basis of which the liability has been determined has also been certified by the Appointed Actuary to be appropriate, in accordance with guidelines and norms issued by the Institute of Actuaries of India and in concurrence with the IRDAI.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

(c) **Reinsurance ceded**

Reinsurance cost, in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognized when incurred and due. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.

(d) **Allocation of Investment Income**

Investment income on Investments backing the policyholders liability has been allocated to statement of profit and loss.

(e) **Fair Value Change Account**

Fair Value Change Account' represents unrealized gains or losses due to change in fair value of traded securities and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of shareholder's funds and not available for distribution as dividend. Unrealized loss on listed and actively traded investments held for long term are not considered to be of a permanent nature and hence not considered as impaired. However, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

(f) **Acquisition Cost of Insurance Contracts**

Costs relating to acquisition of new and renewal of insurance contracts viz commission, policy issue expenses are expensed in the year in which they are incurred.

(g) **Advance Premium**

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

(h) **Claims Incurred**

Claims are recognized as and when reported. Claims are recorded in the revenue account, net of claims recoverable from reinsurers/ co-insurers to the extent there is a reasonable certainty of realization. These estimates are progressively re-valued on availability of further information.

Estimated liability in respect of claims is provided for the intimations received upto the year end, information/estimates provided by the insured/ surveyors and judgment based on the past experience and other applicable laws and practices.

(i) **Reserve for unexpired risk**

Reserve for unexpired risk represents net premium (i.e Premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the company under contractual obligations on contract period basis or risk period basis, whichever is appropriate subject to minimum reserve to be created on Miscellaneous – "Health" business under Section 64V (1) (ii) (b) of the Insurance Act, 1938.

(j) **Allocation of Operating Expenses**

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

- Expenses that are directly identifiable to a business class are allocated on actuals
- Other expenses, that are not directly identifiable, are allocated on the basis of Gross Written Premium (GWP) in each business class.

4. Share Capital

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Authorised shares (Nos.)		
460,000,000 (March 31, 2014: 460,000,000) equity shares of Rs. 2/- each	9,200.00	9,200.00
800,000 (March 31, 2014: 800,000) preference shares of Rs. 100/- each	800.00	800.00
	10,000.00	10,000.00
Issued, subscribed and fully paid-up shares (Nos.)		
266,502,773 (March 31, 2014: 266,227,257) equity shares of Rs. 2/- each fully paid up	5,330.06	5,324.55
	5,330.06	5,324.55

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

4.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2015		March 31, 2014	
	No. of shares	Rs. In Lacs	No. of shares	Rs. In Lacs
Equity Shares				
At the beginning of the year	26,62,27,257	5,324.55	26,55,20,289	5,310.41
Issued during the period - ESOP	2,75,516	5.51	7,06,968	14.14
Outstanding at the end of the year	26,65,02,773	5,330.06	26,62,27,257	5,324.55

4.2 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 declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The amount of per share dividend recognized as distribution to equity shareholders:

Name of the Shareholder	March 31, 2015		March 31, 2014	
	Face Value (Rs.)	Dividend per share	Face Value (Rs.)	Dividend per share
- Interim dividend	2.00	4.00	2.00	1.80
- Final dividend	2.00	1.00	2.00	1.80

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4.3 Details of shareholder holding more than 5% shares is set out below (legal ownership)

Name of the Shareholder	March 31, 2015		March 31, 2014	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 2/- each fully paid				
- Xenok Limited	2,40,79,700	9.04%	2,40,79,700	9.05%
- GS Mace Holdings Limited	1,71,96,381	6.45%	1,71,96,381	6.46%
- Reliance Capital Trustee Co. Ltd	1,43,62,425	5.39%	1,40,51,763	5.28%
- Maxopp Investments Limited	1,88,44,919	7.07%	1,88,44,919	7.08%
- Liquid Investment and Trading Company Pvt. Ltd	2,38,18,876	8.94%	2,38,18,876	8.95%
- Dynavest India Pvt. Ltd	1,75,46,167	6.58%	1,49,31,167	5.61%

4.4 Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 33.1.

4.5 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 2,048,340 shares (March 31, 2014: 1,790,936 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

5. Reserves and Surplus

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Capital Reserve	50.00	50.00
	50.00	50.00
Capital Redemption Reserve		
Balance as per last financial statements	-	-
Add: Addition during the year	2,587.84	-
Closing Balance	2,587.84	-
Securities Premium Account		
Balance as per last financial statements	2,10,818.26	2,09,309.31
Add: transferred from stock option outstanding	544.38	1,508.95
Closing Balance	2,11,362.64	2,10,818.26
Employee Stock Option Outstanding		
Gross employee stock compensation for options granted in earlier years	1,066.62	1,691.01
Add/(less): compensation options granted during the year	987.59	943.39
Less : transferred to securities premium on exercise of stock options	(544.38)	(1,508.95)
Less : stock options forfeited during the year	-	(58.83)
Closing Balance	1,509.83	1,066.62
Foreign Currency Translation Reserve		
Balance as per last financial statements	(161.15)	(194.04)
Increase/(decrease) during the year	(1,031.93)	32.89
Closing Balance	(1,193.08)	(161.15)
General Reserve		
Balance as per last financial statements	18,414.98	14,045.69
Add: transferred from surplus in statement of profit and loss	-	4,369.29
Less: amount transferred to surplus balance in the statement of profit and loss #	(3,056.91)	-
Closing Balance	15,358.07	18,414.98
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	62,898.44	60,285.91
Add: Profit for the year	27,962.39	13,945.45
Add: Adjustment for change in minority and cost of control	(740.87)	382.64
Add: Gain on dilution of controlling interest*	16,894.28	6,837.94
Add: Goodwill on accretion**	11,238.61	-
Less: Adjustment on account of transitional provision of Schedule II of the Companies Act, 2013	(496.87)	-
Less: Appropriations		
Transfer to Capital Redemption reserve	(2,587.84)	-
Interim dividend on equity shares (amount per share Rs. 4.00 (March 31, 2014: Rs. 1.80)	(10,659.67)	(4,787.27)
Proposed final dividend on equity shares (amount per share Rs. 1.00 (March 31, 2014: Rs. 1.80)***	(2,665.03)	(4,792.09)
Final dividend of earlier year	(4.77)	(9.15)
Preference dividend	(80.71)	(130.94)
Corporate dividend tax	(4,007.57)	(4,517.06)
Tax on Buyback of shares by MLIC	(2,587.21)	-
Transfer to General reserve	-	(4,369.29)
Share of minority interest in preference dividend	33.07	52.30
	(22,559.73)	(18,553.50)
Net Surplus in the statement of profit and loss	95,196.25	62,898.44
Total reserves and surplus	3,24,871.55	2,93,087.15

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

- * During the year, Life Healthcare (Pty) Limited and International Finance Corporation have further invested in equity share capital of one of the subsidiary of the Company, namely Max Healthcare Institute Limited (MHIL) resulting in dilution of the Company's holding from 65.86% to 45.95%. As a result of these transactions, MHIL ceased to be a subsidiary of the group w.e.f. November 10, 2014 and the same has been accounted as Joint venture. On the said transactions, the group has accounted for Rs. 18,878.80 Lacs as gain on dilution of controlling interest in reserves and accordingly goodwill of Rs. 1,984.52 Lacs has been derecognised through reserves.
- ** During the year, the MLIC bought back 25,878,378 shares from certain shareholders. Due to this transaction, the Company's holding in MLIC accreted from 71.05% to 72%, accordingly the group has accounted for Rs 11,238.61 lacs as goodwill. Also, MLIC has created a Capital Redemption Reserve amounting to Rs 2,587.84 Lacs (March 31, 2014: Nil) on account of the said transaction.
- *** The Board of Directors at its meeting held on May 27, 2015, has recommended a final dividend @50% (i.e Re. 1/- per equity share having par value of Rs. 2/- each), aggregating Rs. 2,665.03 lacs, subject to approval by the Shareholders at the forthcoming Annual General Meeting.
- # This is in accordance with the section 123 of The Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014 effective April 1, 2014, subsequently amended by the Companies (Declaration and Payment of Dividend) Amended Rules, 2014 effective June 12, 2014 (collectively referred to as the 'Dividend Rules') MLIC has transferred the balance of General Reserve to Surplus in Profit and Loss Account to declare the final dividend for FY 14-15. Also, this was supported by a legal opinion obtained by the Company.

6. Preference shares

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Nil (March 31, 2014: 65,468,747), 2% cumulative partially convertible preference shares of Rs. 10/- each (issued by Max Healthcare Institute Limited, an erstwhile subsidiary company))	-	6,546.87
	-	6,546.87

6.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2015		March 31, 2014	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Cumulative preference shares				
At the beginning of the year	6,54,68,747	6,546.87	12,50,00,000	12,500.00
Less: Redeemed during the year	(6,54,68,747)	(6,546.87)	(5,95,31,253)	(5,953.13)
Outstanding at the end of the year	-	-	6,54,68,747	6,546.87

6.2 Terms of conversion/redemption of 2% cumulative convertible preference shares

65,468,747 preference shares held as at March 31, 2014 in Max Healthcare Institute Limited (MHIL) represents 2% Cumulative Optionally Partially Convertible Preference Shares issued to International Finance Corporation, USA (IFC) on July 28, 2007 under a tripartite subscription agreement with Max India Limited, further amended by conversion and amendment agreement to subscription agreement dated September 30, 2013 as per terms and condition as stated below:-

- Dividend rate of 2% cumulative in nature is payable until date of redemption or date of purchase or conversion into equity shares, whichever is earlier. The earliest date of redemption or purchase is July 28, 2015 except in case of an equity issuance by MHIL.
- The preference shares have been issued to generate a 'Guaranteed internal rate of return' (GIRR) of 11.25% which is inclusive of 2% dividend rate and premium on redemption.
- The preference shareholders also have an option to convert a portion of preference shares into equity shares at fair market value, subject to a maximum of 7.5% equity stake in MHIL upon such conversion.
- The preference shareholders also have a put option which entitles them a right to exercise the option in respect of said preference shares on Max India Limited or any of its Affiliates starting July 28, 2015 or in case of an equity issuance by the company up to the extent of equity issuance by MHIL.

During the year, MHIL has redeemed the entire preference shares to International Finance Corporation, USA (IFC) amounting to Rs 14,342 Lacs including premium of Rs 7,796 Lacs.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

6.2 Details of shareholder holding more than 5% shares in the company (legal ownership)

Name of the Shareholder	March 31, 2015		March 31, 2014	
	No. of shares	% held	No. of shares	% held
Cumulative Convertible Preference Shares of Rs. 10 each				
International Finance Corporation, USA	-	-	6,54,68,747	100%

7. Long term borrowings

(Rs. in Lacs)

	Non-current portion		Current maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Term Loans (Secured)				
From banks	17,058.58	9,397.60	697.17	2,409.97
From financial institutions	14,748.99	20,802.28	1,154.58	1,422.07
From non-banking financial companies	8,051.86	12,070.45	465.47	464.31
Deferred Payment Liabilities (Unsecured)				
Deferred Payment Liabilities	-	-	40.94	268.14
Financial Lease Obligation (Secured)	306.66	937.75	124.51	235.80
Vehicle Loans (Secured)	138.47	326.55	97.53	227.62
	40,304.56	43,534.63	2,580.20	5,027.91
The above amount includes				
Secured borrowings	40,304.56	43,534.63	2,539.26	4,759.77
Unsecured borrowings	-	-	40.94	268.14
Amount disclosed under the head "other current liabilities" (note 13)	-	-	(2,580.20)	(5,027.91)
	40,304.56	43,534.63	-	-

7.1 Term loans from banks

Max India Limited (Company)

- Term loan from Kotak Mahindra Bank Limited amounting to Rs. Nil (March 31, 2014: Rs. 1,500.00.00 Lacs) was secured by a first pari passu charge on all existing and future movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) and immovable properties of the Company situated at Raimajra, Punjab and second pari passu charge on all existing and future current assets of the Company. The loan was repayable in 20 equal quarterly installment of Rs. 125.00 Lacs each commencing from June 30, 2012, The loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014. The charge has been satisfied against this loan.
- Term loan from IndusInd Bank Limited amounting to Rs. Nil (March 31, 2014: Rs. 3,553.50 Lacs) was secured by a first pari passu charge on the all movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) of the Company and first pari passu charge on immovable properties of the Company situated at Raimajra, Punjab. Further the loan is secured by a second pari passu charge on the current assets of the Company, both present and future. The loan was Repayable in 20 equal quarterly installment of Rs. 296.13 Lacs each commencing from April 1, 2012. The loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014. The charge has been satisfied against this loan.
- Term loan from Yes Bank Limited amounting to Rs. Nil (March 31, 2014: Rs. 1,485.29 Lacs) was secured by a first pari passu charge on all existing and future movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) and immovable properties situated of the Company at Raimajra, Punjab and second pari passu charge on the current assets of the Company, both present and future. The Loan was repayable in 20 equal quarterly installment of Rs. 123.77 Lacs each commencing from April 1, 2012. The loan was transferred in the name of 'Max Speciality Films Limited' on account of slump sale w.e.f. April 01, 2014. The charge has been satisfied against this loan.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Max Healthcare Institute Limited (MHIL)

- i) Loan of Rs. 3,332.54 Lacs (March 31, 2014: Rs. 5,108.53 Lacs) from ICICI Bank Limited obtained by MHIL repayable in 36 quarterly instalments from June 2014 is secured by way of: Exclusive charge over the immovable property located at Shalimar Bagh, first pari passu charge on the whole of movable fixed assets (excluding vehicles) including medical equipments (except assets having exclusive charge in favour of SREI Equipment Finance Private Limited), movable plant and machinery, spares etc of MHIL, second pari passu charge on all the entire current assets including book debts, operating cash flows, receivables, revenue subject to prior charge in favour of working capital bankers restricted to working capital limits of Rs.7500 lacs, first pari passu charge on the whole of movable fixed assets of Max Medical Services Limited MMS), a subsidiary of MHIL and pledge of MHIL's 26% shareholding in MMS and pledge of MMS's 26% shareholding in its subsidiary Alps Hospital Limited.

Max Speciality Films Limited (MSFL)

- i) Term loan from Yes Bank Limited amounting to Rs. 8500.00 Lacs (March 31, 2014: Rs. Nil) obtained by MSFL is secured by way of first pari passu charge on the moveable fixed assets (excluding assets/equipment/vehicles etc specifically charged to other lenders) and immoveable fixed assets both present and future of MSFL. The loan is repayable in 32 equal quarterly instalments commencing from 3rd December 2016.
- ii) Term loan from Yes Bank Limited amounting to Rs. 4900.00 Lacs (March 31, 2014: Rs. Nil) obtained by MSFL is secured by way of first pari passu charge on the moveable fixed assets (excluding assets/equipment/vehicles etc specifically charged to other lenders) and immoveable fixed assets both present and future of MSFL. The loan is repayable in 20 equal quarterly instalments commencing from 3rd December 2016.
- iii) Term loan from Yes Bank Limited amounting to Rs. 991.16 Lacs (March 31, 2014: Rs. Nil) obtained by MSFL is secured by a first pari passu charge on all existing and future movable fixed assets (excluding vehicles, hypothecated specifically against vehicle loans taken) and immoveable fixed assets both present and future of MSFL. The Loan is repayable in 12 equal quarterly installment commencing from April 1, 2014.

Form I Aviation Limited (Forum I)

- i) Term loan from HDFC Bank Ltd amounting to Rs. 32.05 Lacs (March 31, 2014: Rs. 160.25 Lacs) obtained by Forum I is secured by way of first and specific charge on the aircraft purchased out of the proceed of the loan. The loan is repayable in 26 equal quarterly instalments of Rs. 32.05 Lacs commencing from November 2008.

7.2 Term loans from financial institutions

MHIL

- (i) Rs. 965.00 Lacs (March 31, 2014: Rs. 3,450.00 Lacs) from Export Import Bank of India repayable in 15 half yearly instalments from December 20, 2008 and Rs. 6,858.57 Lacs (March 31, 2014: Rs. 14,414.35 Lacs) from Housing Development Finance Corporation Limited repayable in 36 quarterly instalments from February, 2015 secured by way of first pari passu charge on the whole of movable fixed assets (excluding vehicles of MHIL) including medical equipments (except assets having exclusive charge in favour of SREI Equipment Finance Private Limited), movable plant and machinery, spares etc of MHIL and movable fixed assets of MMS, first pari passu charge on all book debts, operating cash flows, receivables, revenue of whatsoever nature and wherever arising of MHIL, present and future (subject to a prior charge in favour of working capital lenders restricted to working capital limits of Rs.7,500 Lacs in aggregate), Pledge of MHIL's 26% shareholding in MMS and pledge of MMS's 26% shareholding in Alps, and secured by equitable mortgage of MHIL's immovable property at Plot no 1, Press Enclave Road, Saket, New Delhi.

Antara Purukul Senior Living Limited (APSL)

- (i) Term Loan from Infrastructure Development Finance Company Limited of Rs. 8,080.00 Lacs (March 31, 2014: Rs. 4,360.00 Lacs) obtained by APSL is repayable in 4 quarterly instalment commencing from June 15, 2016. The loan is secured by a first exclusive equitable mortgage of the immovable properties of APSL both present and future, a first exclusive charge by way of hypothecation of entire moveable property (excluding vehicles) of APSL both present and future including moveable plant and machinery, machinery spares, tools & accessories, furniture & fixtures and all other moveable properties of whatsoever nature, a first charge on entire cash flows, receivables, book debts and revenues of APSL of whatsoever nature (excluding pledge of Fixed Deposit Receipt of Rs. 620 lakhs (including accrued interest) in favour of HDFC Bank Ltd for securing bank guarantee in favor of Mussorie Dehradun Development Authority), and wherever arising both present and future, a first exclusive charge on the entire intangible assets of APSL including but not limited to goodwill and uncalled capital, both present and future, a first exclusive charge by way of hypothecation/ mortgage/ assignment, as the case may be of - (i) all the rights, title, interest, benefits, claims and demands whatsoever of APSL in the Project Documents, duly acknowledged and consented by the relevant counter-parties to such Project Documents, all as amended, varied or supplemented from time to time; (ii) subject to Applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the Clearances, and (iii) all the rights, title, interest, benefits, claims and demands whatsoever of APSL in any letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Documents, a first exclusive charge on the Escrow Account, Debt Service Reserve and any other reserve and other bank accounts of APSL wherever maintained, Corporate guarantee by Max India Ltd, which will come into effect if (i) the APSL is not able to meet the projected numbers of leases or cash collections milestones as per its business plan submitted to the lender or (ii) the APSL fails to maintain the Debt Service Reserve for ensuing one month's payment of interest and repayment principal amount of the loan.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

7.3 Term loan from non-banking financial companies

MHIL and its Subsidiaries

- (i) Term loan of Rs. 620.57 Lacs (March 31, 2014: Rs. 1,681.59 Lacs) from SREI Equipment Finance Private Limited repayable in 28 quarterly instalments from December 2011 is secured by way of exclusive charge over the medical equipment acquired from through this facility.
- (ii) Term loan from L&T Infrastructure Finance Company Limited of Rs. 4,896.76 Lacs (March 31, 2014: Rs. 10,853.17 Lacs) is repayable in 32 quarterly instalment commencing from December 2014 obtained by MHIL is secured by way of assignment by way of security of all rights, titles, interests, benefits, claims and demands under the concession agreement, project documents and other contracts, first charge on movable fixed assets excluding vehicles, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, first pari passu charge on all the book debts, operating cash flows, receivables and revenue from the project, all current assets, commissions and revenue, present and future (subject to a prior charge in favour of working capital bankers restricted to the present working capital limits of Rs. 1,000 Lacs each in HEPL and Rs. 500.00 Lacs in HBPL) and first charge on all intangibles.

MSFL

- (i) Term loan from Tourism Finance Corporation of India Limited amounting to Rs. 3,000.00 Lacs (March 31, 2014: Rs. Nil) obtained by MSFL is secured by way of first pari passu charge on the moveable fixed assets (excluding assets/equipment/vehicles etc specifically charged to other lenders) and immoveable fixed assets both present and future of MSFL. The loan is repayable in 32 step up quarterly instalments commencing from December 2016.

7.4 Deferred payment liabilities are the payments to be made to foreign vendors for acquisition of capital assets over 31 to 35 months.

7.5 Finance lease obligation is secured by hypothecation of medical equipments underlying the leases repayable in 20 quarterly instalments commencing from December 2011.

7.6 Vehicle Loans Rs. 236.00 Lacs (March 31, 2014 Rs. 554.17 Lacs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

8. Deferred tax liabilities

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Deferred tax liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	819.70	2,899.09
Gross deferred tax liability	819.70	2,899.09
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	273.54	519.97
Provision for doubtful debts and advances	12.64	15.41
Unabsorbed depreciation	-	885.93
Gross deferred tax assets	286.18	1,421.31
Net deferred tax liability	533.52	1,477.78

Note: Max India Limited has sold its business division/undertaking engaged in the business of manufacturing and sale of Biaxially Oriented Polypropylenes (BOPP) films by way of a Slump Sale on a going concern basis on April 01, 2014 to one of its subsidiary, MSFL. Post sale of BOPP business there is no reasonable certainty w.r.t. realisability of deferred tax assets, hence Max India Limited has not recognized any deferred tax assets as on March 31, 2015. Also, there are few subsidiaries which have net deferred tax asset with brought forward losses and unabsorbed depreciation as a major component. Consequently, deferred tax asset has been recognized only to the extent of deferred tax liability in those subsidiaries since there is no convincing evidence which demonstrates virtual certainty of realization of such deferred tax asset in the near future.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

9. Other long term liabilities

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Trade payables	7,379.78	6,281.05
Other liabilities		
Advances from policyholders	3,884.92	5,179.98
Advances from customers	7,682.06	1,052.02
Lease equalisation reserve	1,089.08	1,511.15
	12,656.06	7,743.15
	20,035.84	14,024.20

9.1. Details of dues to Micro and Small Enterprises as per MSME Act, 2006

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
The interest due on unpaid principal amount remaining as at the end of each accounting year.	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and,	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil

10. Provisions

	(Rs. in Lacs)			
	Long - term		Short - term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits				
Provision for leave benefits	-	-	4,636.48	3,991.48
Provision for gratuity (note 28.1)	1,820.40	753.11	414.63	680.28
Provision for employee stock options	5.14	15.43	14.77	35.59
Provision for long term incentive plan	323.00	-	-	-
Other provisions				
Provision for reserve for unexpired risk	-	-	20,400.27	16,636.42
Provision for guaranteed IRR on CCPS (note 6.2)	-	5,964.91	-	-
Provision for dividend on preference shares (note 6.2)	-	877.82	-	-
Proposed final dividend	-	-	2,665.03	4,792.09
Provision for corporate dividend tax	-	149.19	997.49	2,313.50
Provision for income tax (net of advance tax)	-	-	554.25	84.07
Provision for wealth tax	-	-	6.25	10.05
	2,148.54	7,760.46	29,689.17	28,543.48

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

11. Policyholders' funds

(Rs. in Lacs)

	Non Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Opening balance	18,98,059.49	16,05,528.73	2,67,172.97	1,68,806.42
Add : Change in valuation of liability against life policies in force (net)	6,03,770.00	2,92,530.76	7,600.96	59,264.48
Add : Policyholder bonus provided	-	-	20.81	39,102.07
Closing balance	25,01,829.49	18,98,059.49	2,74,794.74	2,67,172.97

12. Short term borrowings

(Rs. in Lacs)

	As at March 31, 2015	As at March 31, 2014
Loans repayable on demand		
Cash credit from banks (secured)	11,471.38	15,916.26
Short term loan from banks (unsecured)	-	5,700.00
	11,471.38	21,616.26
The above amount includes		
Secured borrowings	11,471.38	15,916.26
Unsecured borrowings	-	5,700.00
	11,471.38	21,616.26

Cash credit facilities availed by MSFL and MNMI from banks are repayable on demand and are secured by a first pari passu hypothecation charge on all current assets of the respective companies, both present and future.

MHIL

Cash credit facilities availed by MHIL are secured by way of prior pari – passu charge on stocks, book debts and other current assets, present and future of the company prior to charge in favour of term lenders of the company. The cash credit is repayable on demand.

ALPS

Cash credit facility availed by ALPS is secured by way of a first charge on stocks, book debts and other current assets, present and future of the Company. The cash credit is repayable on demand.

HEPL and HBPL

Cash credit facility availed by HEPL and HBPL from bank is secured by:

- 1) First charge by way of hypothecation of the entire current assets of the respective companies, present and future (prior to charge in favour of term lenders), except escrow account with the Government of Punjab.
- 2) Second charge on the entire movable fixed assets (excluding vehicles) both present and future.

13. Current Liabilities

(Rs. in Lacs)

	As at March 31, 2015	As at March 31, 2014
Trade payables	90,721.08	87,304.53
Other liabilities		
Current maturities of long-term borrowings (note 7)	2,455.69	4,792.11
Current maturity of finance lease obligation (note 7)	124.51	235.80
Interest accrued but not due on borrowings	54.51	96.26
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid Dividend	200.47	144.23
Advance from customers and policyholders	20,594.57	20,386.34
Claims outstanding (includes claims pending investigation)	6,453.99	4,654.97
Unclaimed amount - policyholders	15,124.22	15,673.96

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Payable to policyholder	410.85	30.65
Other liabilities		
Security deposit received	313.35	286.53
Statutory dues payable	4,506.80	5,726.21
Capital creditors	2,983.99	2,707.21
Unexpired discount on forward contracts	44.86	47.43
Lease equalisation reserve	382.67	181.70
Others	423.69	405.98
	54,074.17	55,369.38
	1,44,795.25	1,42,673.91

13.1 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year.	11.72	Nil
The interest due on unpaid principal amount remaining as at the end of each accounting year.	0.04	Nil
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and,	0.04	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil

14. Tangible Assets

	(Rs. in Lacs)										
	Land (Freehold)	Land (Leasehold)	Building	Plant & Equipment	Furniture & Fixtures	Office Equipments	Vehicles	Leasehold Improvements	Electrical Installations & Equipments	Computer & Data processing Units	Total
Cost											
At April 1 2014	6,216.32	6,257.62	35,663.00	80,379.53	8,323.02	18,806.13	2,368.87	20,911.55	3,473.00	4,081.78	1,86,480.82
Additions	-	-	532.95	2,083.44	350.12	1,364.22	611.22	728.74	47.79	602.88	6,321.36
Deletions/ Adjustments	-	-	-	(277.17)	(367.82)	(563.25)	(325.06)	(921.50)	(2.30)	(84.04)	(2,541.14)
Adjustment on account of conversion of subsidiary into Joint Venture	-	(3,381.26)	(15,155.08)	(23,454.19)	(2,088.49)	(750.21)	(409.00)	(4,077.53)	(1,886.35)	(1,160.99)	(52,363.10)
At 31 March 2015	6,216.32	2,876.36	21,040.87	58,731.61	6,216.83	18,856.89	2,246.03	16,641.26	1,632.14	3,439.63	1,37,897.94
Depreciation											
At 31 March 2014	-	-	3,530.26	27,574.07	4,357.33	14,705.19	744.21	12,393.16	767.00	2,138.40	66,209.62
Charge for the year	-	-	862.00	5,257.73	805.53	1,945.14	404.77	1,456.31	280.58	886.60	11,898.66
Deletions/ Adjustments	-	-	-	(384.22)	(286.76)	(508.85)	(222.78)	(685.08)	(2.30)	(69.06)	(2,159.05)
Charged to opening retained earnings on transition	-	-	1.93	135.98	33.78	137.03	6.99	14.78	48.74	116.26	495.49
Adjustment on account of conversion of subsidiary into Joint Venture	-	-	(1,390.48)	(9,410.11)	(964.28)	(415.43)	(92.70)	(1,511.06)	(522.41)	(811.82)	(15,118.29)
At 31 March 2015	-	-	3,003.71	23,173.45	3,945.60	15,863.08	840.49	11,668.11	571.61	2,260.38	61,326.43
Net Block											
At 31 March 2014	6,216.32	6,257.62	32,132.74	52,805.46	3,965.69	4,100.94	1,624.66	8,518.39	2,706.00	1,943.38	1,20,271.20
At 31 March 2015	6,216.32	2,876.36	18,037.16	35,558.16	2,271.23	2,993.81	1,405.54	4,973.15	1,060.53	1,179.25	76,571.51

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

14.1 Max Healthcare Institute Limited (MHIL)

Land pertaining to hospital situated in Saket and Shalimar Bagh is under perpetual lease.

Land measuring 3.15 acres pertaining to hospital situated in Mohali and Bhatinda has been provided by Punjab Government on long term lease of 50 years without consideration.

The Group has in its favour a sub lease for plot measuring 1.23 acres of land in Gurgaon for an initial period of 97 years, which can be further renewed for two terms of 97 years each.

Pharmax Corporation Limited

Land under perpetual lease Rs. 1.82 Lacs (March 31, 2014: Rs 1.82 Lacs).

14.2 Medical Equipment includes medical equipment taken on finance lease:

	(Rs. in Lacs)	
	March 31, 2015	March 31, 2014
Gross Block	899.70	1,958.35
Depreciation charge for the year	85.93	108.00
Accumulated depreciation	191.61	231.46
Net book value	708.09	1,726.89

14.3 The following assets given on an operating lease:

	(Rs. in Lacs)			
	Building		Plant & Equipment	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Gross Block	361.54	361.54	142.27	142.27
Depreciation charge for the year	5.68	5.86	6.12	6.70
Accumulated depreciation	69.95	64.27	119.73	87.99
Net book value	291.59	297.27	22.54	54.28

15. Intangible Assets

	(Rs. in Lacs)		
	Technical Know how	Computer Software	Total
At 31 March 2014	57.29	23,498.96	23,556.25
Additions	-	2,822.78	2,822.78
Deletions/ Adjustments	-	(1.25)	(1.25)
At 31 March 2015	57.29	24,630.35	24,687.64
Amortization			
At 31 March 2014	57.29	15,943.31	16,000.60
Charge for the year	-	3,481.21	3,481.21
Deletions/ Adjustments	-	(0.21)	(0.21)
Charged to opening retained earnings on transition	-	1.38	1.38
At 31 March 2015	57.29	18,407.74	18,465.03
Net Block			
At 31 March 2014	-	7,555.65	7,555.65
At 31 March 2015	-	6,222.61	6,222.61

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

16. Non- current investments

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Investment property (at cost less accumulated depreciation)		
Cost of building given on operating lease	2,731.66	-
Less: accumulated depreciation	33.42	-
Net Block	2,698.24	-
Non-trade investments (valued at cost unless stated otherwise)		
Life Insurance Business:		
Equity instruments (quoted)	8,97,658.26	7,19,207.18
Preference shares (quoted)	116.29	101.75
Bonds (quoted)	1,49,258.21	1,49,380.74
Government and trust securities (quoted)	12,20,613.34	9,04,566.88
Term deposits (unquoted)	3,848.00	3,848.00
Investment in infrastructure & social sector (quoted)	4,37,969.13	3,74,830.72
Other approved securities (quoted)	1,84,130.83	1,48,883.05
	28,93,594.06	23,00,818.32
Health Insurance Business:		
Bonds (quoted)	5,168.65	1,501.24
Government and trust securities (quoted)	9,895.00	8,203.49
Term deposits (unquoted)	1,970.76	37.07
Investment in infrastructure & social sector (quoted)	2,550.84	498.81
Other approved securities (quoted)	533.78	-
	20,119.03	10,240.61
	29,16,411.33	23,11,058.93
Aggregate market value of quoted investments	29,12,328.74	22,66,642.20
Aggregate amount of quoted investments	29,07,894.33	23,07,173.86
Aggregate amount of unquoted investments	5,818.76	3,885.07

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

17. Loans and Advances

(Rs. in Lacs)				
	Non - Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Capital Advances				
Unsecured, considered good	9,597.50	11,575.95	-	-
A	9,597.50	11,575.95	-	-
Security Deposits				
Unsecured, considered good	7,282.38	13,028.80	1,593.79	962.28
Doubtful	7.07	14.40	-	-
	7,289.45	13,043.20	1,593.79	962.28
Provision for doubtful security deposit	(7.07)	(14.40)	-	-
B	7,282.38	13,028.80	1,593.79	962.28
Advances recoverable in cash or in kind				
Unsecured, considered good	-	-	17,526.53	12,331.02
Doubtful	303.00	305.09	222.30	340.97
	303.00	305.09	17,748.83	12,671.99
Provision for Doubtful Advances	(303.00)	(305.09)	(222.30)	(340.97)
C	-	-	17,526.53	12,331.02
Intercompany deposits				
Unsecured, considered good	4,677.70	10,179.23	-	-
D	4,677.70	10,179.23	-	-
Loan to policyholders				
Secured, considered good	5,856.07	4,156.14	61.78	12.30
E	5,856.07	4,156.14	61.78	12.30
Other loans and advances (unsecured, considered good unless stated otherwise)				
Balances with statutory/government authorities	-	-	5,434.88	3,467.76
Prepaid Expenses	2,210.25	2,604.72	2,424.89	1,975.48
Loans to Employees	109.41	120.77	45.23	41.22
MAT Credit Entitlement	80.09	1,294.08	228.23	2,547.00
Advance income tax (net of provisions)	4,352.12	4,046.19	271.23	1,058.28
F	6,751.87	8,065.76	8,404.46	9,089.74
Total (A+B+C+D+E+F)	34,165.52	47,005.88	27,586.56	22,395.34

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

18. Trade Receivables

(Rs. in Lacs)

	Non - Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	1,845.83	3,247.15
Doubtful	-	-	1,348.79	2,029.28
	-	-	3,194.62	5,276.43
Provision for doubtful receivables	-	-	(1,348.79)	(2,029.28)
A	-	-	1,845.83	3,247.15
Other receivables				
Unsecured, considered good	1,793.67	4,158.63	67,496.65	62,565.53
Doubtful	-	-	557.82	501.43
	1,793.67	4,158.63	68,054.47	63,066.96
Provision for doubtful receivables	-	-	(557.82)	(501.43)
B	1,793.67	4,158.63	67,496.65	62,565.53
Total (A+B)	1,793.67	4,158.63	69,342.48	65,812.68

Notes:

- As at December 10, 2001, MMS a subsidiary of joint venture entity (MHIL) had entered into an agreement with a healthcare service provider to construct a hospital building. The phase I of the construction was completed and handed over in financial year 2004-05 for a consideration of Rs. 2,431 Lacs. The said consideration is repayable in equal instalments over 26.5 years from the handover date. Further, "MMS" has completed phase II of the construction in financial year 2010-11 and handed over the possession for a consideration of Rs. 3,520 Lacs. The said consideration is repayable in equal instalments over 20.5 years from the handover date. Accordingly, the non current portion represents the Group share of Joint Venture with respect to this transaction.
- Since the receipt of the consideration is spread over 26.5 years and 20.5 years respectively for phase I and phase II, an income amounting to Rs. 619.53 Lacs (Previous year Rs. 712.79 Lacs), has been recognized based on a fixed percentage of the turnover of the healthcare service provider and disclosed under "Other Income" as income from deferred credit.

19. Other Assets

(Rs. in Lacs)

	Non - Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note 22)				
Deposit with original maturity for more than 12 months	24.58	-	-	-
Marginal money deposit	820.54	760.66	-	-
Others				
Interest accrued on fixed deposits	1.82	-	92.52	100.27
Interest accrued on investments	-	-	39,838.23	35,280.23
Unbilled revenue	-	-	363.67	683.55
Option fee receivable	-	-	710.30	526.91
Export benefits receivables	-	-	192.66	220.49
Forward Recoverable	-	-	156.19	292.33
	846.94	760.66	41,353.57	37,103.78

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

20. Current Investments

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Current investments		
Life Insurance Business:		
Investment in infrastructure & social sector (quoted)	21,854.60	14,857.40
Government and trust securities (quoted)	42,851.07	15,525.24
Bonds (quoted)	6,259.19	12,713.71
Term deposits (unquoted)	7,226.67	8,618.13
Unit in mutual funds (unquoted)	76,670.77	33,482.70
Certificate of deposit (quoted)	8,482.59	53,952.29
Commercial paper (quoted)	3,995.04	-
Reverse Repo	9,942.07	7,000.89
Others	25,185.65	16,377.00
	2,02,467.65	1,62,527.36
Health Insurance Business:		
Investment in infrastructure & social sector (quoted)	2,501.62	4,484.92
Government and trust securities (quoted)	2,929.33	4,862.48
Bonds (quoted)	499.18	2,500.79
Term deposits (unquoted)	13,309.30	8,518.57
Unit in mutual funds (unquoted)	1,749.52	1,233.80
Certificate of deposit (quoted)	1,885.86	1,845.40
	22,874.81	23,445.96
Other Business (valued at lower of cost and fair value, unless stated otherwise)		
Quoted equity instruments		
<i>ICICI Bank Limited</i>	0.65	0.65
1,250 (March 31, 2014: 1,250) equity shares of Rs. 2/- each fully paid up		
Unquoted Mutual funds		
<i>Birla Sunlife Cash Plus Direct Plan Growth</i>		
Nil (March 31, 2014: 912,418) units of Face value Rs. 10/- per unit fully paid	-	1,875.00
<i>ICICI Prudential Liquid Super Institutional Plan - Growth</i>		
Nil (March 31, 2014: 3,569,665) units of Face value Rs. 100/- per unit fully paid	-	5,801.97
<i>ICICI Prudential Money Market Fund</i>		
9,523,687 (March 31, 2014: Nil) units of Face value Rs. 10/- per unit fully paid	18,401.45	-
<i>JP Morgan India Liquid Fund Direct Plan Growth</i>		
Nil (March 31, 2014: 11,277,856) units of Face value Rs. 10/- per unit fully paid	-	1,875.00
<i>Kotak Liquid (Institutional Premium) - Growth</i>		
Nil (March 31, 2014: 62,118) units of Face value Rs. 1000/- per unit fully paid	-	1,384.12
<i>L&T Liquid Fund Direct Plan Growth</i>		
Nil (March 31, 2014: 106,693) units of Face value Rs. 1000/- per unit fully paid	-	1,875.00
<i>Reliance Liquid Fund Treasury Plan Direct Growth</i>		
Nil (March 31, 2014: 60,026) units of Face value Rs. 1000/- per unit fully paid	-	1,875.00
<i>Tata Money Market Fund - Direct Fund Growth</i>		
839,042 (March 31, 2014: Nil) units of Face value Rs. 1000/- per unit fully paid	18,450.82	-
<i>UTI Money Market Fund - Institutional Plan - Direct Fund Growth</i>		
907,042 (March 31, 2014: Nil) units of Face value Rs. 1000/- per unit fully paid	14,200.59	-
<i>Tata Liquid Fund Direct Plan Growth</i>		
13,287 (March 31, 2014: 2,388) units of Face value of Rs. 1000/- per unit fully paid	322.34	52.34
<i>Tata Money Market Fund Direct Plan - Growth</i>		
12,203 (March 31, 2014: Nil) units of Face value of Rs. 1000/- per unit fully paid	265.00	-

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
<i>Birla Sun Life Cash Plus - Direct Plan</i>		
47,885 (March 31, 2014: Nil) units of Face value of Rs. 1000/- per unit fully paid	100.00	-
<i>ICICI Prudential Ultra Short Term - Direct Plan - Growth</i>		
12,266,948 (March 31, 2014: Nil) units of Rs.10/- per unit fully paid	1,700.15	-
<i>IDFC Cash fund - Growth (Direct Plan)</i>		
40,691 (March 31, 2014: Nil) units of Rs.10/- each per unit fully paid	689.25	-
<i>Kotak Liquid Scheme Plan A - Direct Plan - Growth</i>		
31,723 (March 31, 2014: Nil) units of Rs.1000/- each in per unit fully paid	873.27	-
<i>Kotak Floater Short Term-Direct Plan Growth</i>		
20,107 (March 31, 2014: Nil) units of Rs.1000/- each in per unit fully paid	459.50	-
<i>Reliance Liquid Fund - Cash Plan - Direct growth plan</i>		
51,183 (March 31, 2014: Nil) units of Rs.1000/- each in per unit fully paid	1,149.21	-
<i>UTI-Floating Rate Fund -STP-Direct Growth Plan</i>		
76,950 (March 31, 2014: Nil) units of Rs.1000/- each in per unit fully paid	1,700.15	-
<i>Kotak Mahindra Mutual Fund</i>		
293,833 (March 31, 2014 : 258,388) units of Rs. 10/- each	29.62	27.81
<i>Birla Sunlife Cash Plus Growth Regular Plan</i>		
4,171 (March 31, 2014: 4,171) units of face value Rs. 10/- each per unit fully paid	8.34	8.58
<i>DSP BlackRock Liquidity Fund - Direct Plan - Growth</i>		
184 (March 31, 2014: 31,331) units of Rs. 1,000/- each	3.65	573.05
<i>DSP BlackRock Liquidity Fund - Direct Plan - Growth</i>		
68,762 (March 31, 2014: 53,427) units of Rs. 1,000/- each	1,375.36	978.57
	59,729.35	16,327.09
	2,85,071.81	2,02,300.41
Aggregate market value of quoted investments	2,12,056.92	1,45,548.37
Aggregate amount of quoted investments	91,259.13	1,11,976.68
Aggregate amount of unquoted investments	1,93,812.68	90,323.73

21. Inventories (at lower of cost and net realisable value)

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Raw materials (including stock in transit Rs. 839.94 (March 31, 2014: Rs. 1,069.13 Lacs))	2,646.88	3,174.00
Packing material	58.18	46.42
Stores and spares	1,132.28	1,663.46
Work in process	985.17	1,089.45
Finished goods (including in transit Rs. 426.64 (March 31, 2014: Rs. Rs. 518.72 Lacs))	758.84	654.64
Construction work in process (refer note 35)	11,486.76	8,792.46
Traded goods of Pharmacy and pharmaceuticals supplies	851.90	1,519.51
	17,920.01	16,939.94

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

22. Cash and Bank Balances

(Rs. in Lacs)

	Non - Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Cash and cash equivalents				
Balances with banks				
on current accounts	-	-	18,451.70	29,858.85
Deposits with original maturity of less than three months	-	-	1,125.00	-
Cheques/drafts on hand	-	-	5,322.37	6,503.45
Cash on hand	-	-	952.43	1,488.98
Stamps on hand	-	-	107.49	50.40
	-	-	25,958.99	37,901.68
Other Bank Balances				
Balances with banks				
on dividend accounts	-	-	200.47	144.23
on escrow accounts	-	-	153.26	287.00
Deposits with original maturity for more than 3 months but less than 12 months	-	-	5,519.69	481.57
Deposits with original maturity for more than 12 months	24.58	-	-	-
Margin money deposits	820.54	760.66	87.93	632.04
	845.12	760.66	5,961.35	1,544.84
Amount of non current assets disclosed under other current assets (note 19)	845.12	760.66		
	-	-	31,920.34	39,446.52

Margin money deposits given as security

Rs. 1.84 Lacs (March 31, 2014: Rs. 5.27 Lacs) to secure bank guarantee given to sales tax authorities.

Nil (March 31, 2014: Rs. 397.52 Lacs) to secure debt service reserve a/c requirement of L & T Infrastructure Finance Company Limited./ IDFC Ltd

Rs. 47.60 Lacs (March 31, 2014: Rs. 121.54 Lacs) to secure performance bank guarantee in favour of Government of Punjab.

Rs. 733.90 Lacs (March 31, 2014: Rs. 674.77 Lacs) to secure performance bank guarantee in favour of Government of Uttarakhand.

Rs. 25.22 Lacs (March 31, 2014: Rs. 48.40 Lacs) to secure performance bank guarantee issued to customer.

Rs. 80.95 Lacs (March 31, 2014: Rs. 100.74 Lacs) to secure letter of credit.

Rs. 18.96 Lacs (March 31, 2014 : Rs. 44.46 Lacs) to secure performance bank guarantee in favour of Government Authorities

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

23. Revenue from operations

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Sale of products		
Finished goods		
BOPP Film	79,489.83	77,677.66
Soft leather finishing foil	492.81	448.98
Traded goods		
Pharmacy and pharmaceuticals supplies	10,079.12	16,380.15
	90,061.76	94,506.79
Sale of services		
Life insurance premium (net)	8,10,421.94	7,21,135.64
Health insurance premium (net)	31,543.65	23,562.32
Healthcare services	74,590.18	75,240.09
Clinical research	1,715.73	2,070.44
Lease rentals	105.87	123.41
	9,18,377.37	8,22,131.90
Other Operating revenue		
Income from investment activities		
Dividend income	11,759.78	12,385.62
Interest income on		-
Government securities	1,17,873.14	86,136.93
Bonds	32,335.84	31,742.97
Fixed deposits	1,976.98	2,258.07
Others	500.25	436.78
Amortisation of discount/(premium)	5,223.97	5,464.70
Profit on sale of investments	2,47,970.20	30,646.61
Unrealised gain on investments	56,393.62	77,707.52
Option fees	2,713.04	1,887.74
	4,76,746.82	2,48,666.94
Other		
Other operating revenue from Healthcare services		
- from leasing activities	1,297.48	1,441.00
- Sponsorship and educational income	276.45	372.00
- Income from laundry services	192.46	162.00
- Income from ancillary activities	144.11	155.00
Export benefits	413.34	191.74
Scrap of waste of plastic sale	180.54	466.68
Job work charges	53.14	-
	2,557.52	2,788.42
Total Other operating revenue	4,79,304.34	2,51,455.36
Revenue from operations (gross)	14,87,743.47	11,68,094.05
Less: Excise duty	6,208.16	5,460.62
Revenue from operations (net)	14,81,535.31	11,62,633.43

23.1. The Company has a put option to transfer upto 24% of its shareholding in Max Bupa Health Insurance Co. Limited and Bupa Singapore Pte. Limited (Bupa Singapore) has a call option under which the Company would be required to transfer 24% of its shareholding in Max Bupa Health Insurance Co. Limited to Bupa Singapore subject to approval under applicable laws and regulations. As a consideration of the call option granted by the Company, Bupa Singapore is obliged to pay an option fee, which is disclosed as above.

23.2. Excise duty on sales amounting to Rs. 6,208.16 Lacs (March 31, 2014: Rs. 5,460.62 Lacs) has been reduced from sales in the statement of profit and loss and excise duty on (increase) / decrease in stock amounting to Rs. 91.37 Lacs (March 31, 2014: Rs. (14.12) Lacs) has been considered as expense in note 29 of financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

24. Other Income

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Dividend income on current investment	1.81	1.76
Interest income on		
Inter corporate deposits	1,027.42	1,363.76
Fixed deposits	275.17	417.78
Others	537.56	329.89
Profit on sale of current investments	241.88	84.77
Liabilities/provisions no longer required written back	525.87	99.14
Policy reinstatement charges	945.76	1,417.60
Net Profit on Sale/Disposal of Fixed Assets	2.05	-
Gain on foreign exchange fluctuation (net)	1,010.27	674.43
Scrap sales	265.19	173.69
Income from deferred credit	619.53	712.79
Other non operating income	671.68	417.03
	6,124.19	5,692.64

25. Cost of raw materials consumed

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Inventories at beginning of year	3,174.00	1,753.83
Add: Purchases	51,158.01	54,266.31
Less: inventories at the end of year	2,646.88	3,174.00
Inventory written off	224.38	-
Cost of raw materials consumed	51,460.75	52,846.14
25.1 Details of raw materials consumed		
Polypropylene	45,986.81	48,006.58
Polypropylene compounds	4,519.72	3,849.13
Others	954.22	990.43
	51,460.75	52,846.14
25.2 Details of raw materials inventory		
Polypropylene	1,113.64	2,262.13
Polypropylene compounds	601.75	625.00
Others	1,155.86	286.87
	2,871.25	3,174.00

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

26. (Increase) / decrease in work-in-progress, finished goods and traded goods

	(Rs. in Lacs)		
	For the year ended March 31, 2015	For the year ended March 31, 2014	(Increase) /decrease
Inventories at end of year			
Work-in-process	985.17	1,089.45	104.28
Finished goods	758.84	654.64	(104.20)
Traded goods - Pharmacy and pharmaceuticals supplies	851.90	1,519.51	667.61
	2,595.91	3,263.60	667.69
Inventories at beginning of the year			
Work-in-process	1,089.45	1,012.79	(76.66)
Finished goods	654.64	243.78	(410.86)
Traded goods - Pharmacy and pharmaceuticals supplies	1,519.51	1,630.76	111.25
	3,263.60	2,887.33	(376.27)
(Increase)/ Decrease in work-in-progress and finished goods and traded goods	667.69	(376.27)	(1,043.96)
Less: Inventory written off	(50.43)	-	
Less: Adjustment on account of conversion of subsidiary into Joint Venture	(970.82)	-	
Net (Increase)/ decrease in work-in-progress, finished goods and traded goods	(353.56)	(376.27)	
Details of inventory			
Work-in-process			
BOPP Film	974.93	1,002.95	
Soft leather finishing foil	10.24	86.50	
	985.17	1,089.45	
Finished goods			
BOPP Film	758.04	646.88	
Soft leather finishing foil	0.80	7.76	
	758.84	654.64	
Traded goods			
Pharmacy and pharmaceuticals supplies	851.90	1,519.51	
	851.90	1,519.51	

27. Change in policy reserves

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Change in policy reserves	6,11,391.76	3,90,897.28
Transfer to/from Fund for future appropriations-participating policies	32,921.92	31,991.51
	6,44,313.68	4,22,888.79

28. Employee benefit expenses

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries, wages and bonus	89,345.77	86,784.04
Contribution to provident and other funds	3,167.81	3,159.32
Employee stock option scheme (note 33)	4,499.45	2,567.05
Gratuity expense (note 28.1)	1,253.43	593.91
Staff welfare expenses	2,688.51	2,574.48
	1,00,954.97	95,678.80

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

28.1. Gratuity

The group has a defined benefit gratuity plan. Every employee who has completed 5 years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India and Max Life Insurance Company Ltd. in form of a qualifying insurance policy.

The following table summarises the component of net benefit expense recognised in statement of profit and loss, the funded status and the amount recognised in the balance sheet in respect of defined benefit plans.

Statement of profit and loss

Net employee benefit expense recognized in employee cost

	(Rs. in Lacs)	
	Gratuity	
	March 31, 2015	March 31, 2014
Current service cost	658.52	652.53
Interest cost on benefit obligation	318.40	270.71
Expected return on plan assets	(170.96)	(201.78)
Net actuarial (gain) / loss recognized in the year	447.47	(127.55)
Past service cost	-	-
Net benefit expense	1,253.43	593.91
Actual return on plan assets	22.90	21.00

Balance sheet

Benefit asset/ liability

	(Rs. in Lacs)	
	Gratuity	
	March 31, 2015	March 31, 2014
Defined benefit obligation	4,725.49	3,693.83
Fair value of plan assets	2,107.09	2,260.44
Funded Status	(2,618.40)	(1,433.39)
Less: Adjustment on account of conversion of subsidiary into Joint Venture	(383.37)	-
Plan asset / (liability)	(2,235.03)	(1,433.39)

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

	(Rs. in Lacs)	
	Gratuity	
	March 31, 2015	March 31, 2014
Opening defined benefit obligation	3,693.83	3,340.29
Interest cost	318.40	270.71
Current service cost	658.52	652.53
Past service cost	-	-
Benefits paid by fund	(526.38)	(375.40)
Benefits paid by employer	(88.03)	(125.67)
Actuarial (gains) / losses on obligation	669.15	(68.63)
Closing defined benefit obligation	4,725.49	3,693.83

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

	(Rs. in Lacs)	
	Gratuity	
	March 31, 2015	March 31, 2014
Opening fair value of plan assets	2,260.44	2,323.03
Expected return	170.96	201.78
Contributions by employer	(19.61)	52.11
Benefits paid	(526.38)	(375.40)
Actuarial gains / (losses)	221.68	58.92
Closing fair value of plan assets	2,107.09	2,260.44

The group expects to contribute Rs. 414.63 Lacs (March 31, 2014: Rs. 722.88 Lacs) to gratuity fund in next year.

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The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	March 31, 2015	March 31, 2014
	%	%
Life Insurance Corporation of India	8	8
Max Life Insurance Company Ltd.	92	92

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

	Gratuity	
	March 31, 2015	March 31, 2014
Discount rate	7.70%-9.10%	7.80%-9.10%
Expected rate of return on assets	8.32%-9.00%	8.75%-10.75%
Retirement Age	58-60 years	58-60 years
Employee turnover	5%-40%	5%-60%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the overall expected rate on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been no significant change in expected rate of return on assets.

Amounts for the current and previous four years are as follows:

	(Rs. in Lacs)				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	4,725.49	3,693.83	3,340.29	2,565.34	2,304.50
Plan assets	2,107.09	2,260.44	2,323.03	2,169.01	2,134.83
Surplus / (deficit)	(2,618.40)	(1,433.39)	(1,017.26)	(396.33)	(169.67)
Experience adjustments on plan liabilities	57.67	143.21	(58.42)	(76.09)	(30.13)
Experience adjustments on plan assets	153.19	32.67	8.01	(92.17)	36.53

28.2.Provident Fund

The Group has set up a provident fund trust "Max India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its subsidiaries, which is managed by the group. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan as per AS-15 (Revised).

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Group.

The actuary has accordingly provided a valuation for "Max India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its subsidiaries based on assumptions provided below.

The details of fund and plan asset position as at March 31, 2015 as per the actuarial valuation of active members are as follows:

	(Rs. in Lacs)	
	March 31, 2015	March 31, 2014
Plan assets at year end at fair value	28,397.54	22,260.80
Present value of defined benefit obligation at year end	27,359.68	22,263.15
Surplus as per actuarial certificate	1,037.86	-
Shortfall recognised in balance sheet	-	(2.35)
Active members as at year end (Nos)	13,663	18,548

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

	March 31, 2015	March 31, 2014
Discount rate for the term of the obligation	7.93%	8.80%
Average historic yield on the investment portfolio	9.01%	8.92%
Discount rate for the remaining term to maturity of the investment portfolio	7.93%	8.80%
Expected investment return	9.01%	8.92%
Guaranteed rate of return	8.75%	8.75%

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28.3 Other long term benefits

During the year, MLIC and Max Bupa has recognised the following expenses in the statement of profit and loss representing deferred compensation (long term incentive plan): amounting to Rs 4,263.19 Lacs (March 31, 2014: Rs 1,340.27 Lacs) and Rs. 547.71 Lacs (March 31, 2014: Rs. 1050.17 Lacs) respectively.

29. Other expenses

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Claims and other benefits payout	3,65,918.49	3,06,801.44
Agents' commission for insurance business	78,082.57	71,068.80
Policy issuance cost	12,792.47	12,701.17
Professional and Consultancy Fees	18,932.76	20,668.99
Legal and professional	12,457.56	11,119.60
Consumption of stores and spares	792.68	663.89
Consumption of packing materials	2,181.33	2,182.17
(Increase)/decrease of excise duty on inventories	91.37	(14.12)
Power and fuel	9,856.25	10,398.52
Processing charges	1.97	34.54
Recruitment and training expenses	6,295.23	7,481.81
Outside lab investigation	245.08	214.02
Patient catering expenses	1,051.61	1,138.57
Rent	9,992.89	10,084.99
Insurance	1,203.39	1,214.75
Rates and taxes	8,545.71	8,184.05
Repairs and maintenance:		
Building	693.50	694.01
Plant and equipments	1,955.83	1,709.88
Others	10,765.29	10,996.62
Printing and stationery	1,819.75	2,102.27
Travelling and conveyance	7,411.92	7,349.98
Communication	3,333.42	4,074.89
Directors' sitting fee	186.18	29.87
Commission to other than sole selling agents	114.58	318.38
Cash discounts	104.20	762.46
Freight and forwarding expenses	3,166.29	3,715.99
Branding, advertisement and publicity	18,407.00	16,625.05
Provision for doubtful debts and advances	750.10	418.42
Net loss on sale/disposal of fixed assets	88.95	318.34
Doubtful advances written off	273.48	119.43
Provision for diminution in investments	-	2.38
Goodwill written off	3,370.09	-
Fixed assets written off	136.66	-
Inventory written off	274.81	-
Charity and donation	122.49	381.47
Construction work in progress written off (note I)	6,295.85	-
CSR Expenditure (note II)	969.00	-
Miscellaneous expenses	780.20	445.97
	5,89,460.95	5,14,008.60

I Certain expenses in subsidiaries of the Group, APSL and ASLL aggregating to Rs. 6,295.85 Lacs, retained as construction work in progress and to be charged against future projects (earlier envisaged) have now been charged to other expenses as "Construction work in progress written off" in the current year as APSL and ASLL does not presently have any projects other than one at Dehradun.

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- II As per provisions of section 135 of the Companies Act, 2013, MLIC has to provide at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, MLIC has formed a CSR committee for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed a sum of Rs. 969.00 Lacs towards this cause and debited to the Statement of Profit And Loss. The funds are primarily allocated to Max India Foundation, a Society registered under Section 12A of the Income Tax Act, 1961 for undertaking NGO work on health care platform, health awareness programs, providing artificial limbs and polo calipers, undertaking disaster relief projects, training in health programs and village adoption as part of rural development project.

30. Depreciation and amortization expense

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation of tangible assets	11,898.66	10,801.02
Amortization of intangible assets	3,481.21	2,989.82
	15,379.87	13,790.84

31. Finance cost

	(Rs. in Lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest	6,817.00	7,760.03
Bank charges	1,441.64	1,560.97
	8,258.64	9,321.00

32. Earnings per share (EPS)

	For the year ended March 31, 2015	For the year ended March 31, 2014
Basic EPS (Nominal value of share Rs 2 each)		
Profit after tax (after adjusting minority interest) (Rs. in Lacs)	27,962.39	13,945.45
Less: dividends on convertible preference shares & tax thereon	-	100.89
Net profit for calculation of basic EPS	27,962.39	13,844.56
Weighted average number of equity shares outstanding during the year (Nos.)	26,64,02,847	26,59,74,848
Basic Earnings Per Share (Rs.)	10.50	5.21
Dilutive EPS (Nominal value of share Rs 2 each)		
Equivalent weighted average number of employee stock options outstanding	18,09,165	13,45,376
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	26,82,12,012	26,73,20,224
Diluted Earnings Per Share (Rs.)	10.43	5.18

33. Employee Stock Option Plan

33.1. Max India Limited

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

The Company had instituted the 2003 Plan, which was approved by the Board of Directors in August 25, 2003 and by the shareholders in September 30, 2003. The 2003 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2003 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to five years and options can be exercised within two years from vesting date. As amended in the 2003 Plan and approved the shareholders in Annual General Meeting held on September 30, 2014, the Option Price will be determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

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Particulars	March 31, 2015		March 31, 2014	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	10,72,282	2.00	12,98,500	2.00
Granted during the Year	4,69,400	2.00	5,13,000	2.00
Granted during the Year	17,73,000	394.00	-	-
Forfeited during the year	-	-	(32,250)	-
Exercised during the year	(2,75,516)	2.00	(7,06,968)	2.00
Outstanding at the end of the year	30,39,166	230.69	10,72,282	2.00
Exercisable at the end of the year	1,67,000	2.00	59,000	2.00

For the period, the weighted average share price at the exercise date was Rs. 286.78 (March 31, 2014: Rs. 213.06)

The weighted average exercise price for stock options outstanding as at March 31, 2015 was Rs. 230.69 per share (March 31, 2014: Rs 2/- per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2015 is 3.51 years (March 31, 2014: 1.59 years). The range of exercise prices for options outstanding at the end of the year was Rs. 2.00 to Rs. 394.00 (March 31, 2014: Rs. 2.00).

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

Particulars	March 31, 2015				March 31, 2014		
	1-Apr-14	19-Aug-14	12-Dec-14	27-Mar-15	1-Apr-13	13-Aug-13	19-Aug-13
Date of option granted							
Stock Price Now (in Rupees)	208.05	315.00	399.45	444.85	223.40	186.85	180.85
Exercise Price (X) (in Rupees)	2.00	2.00	394.00	2.00	2.00	2.00	2.00
Expected Volatility (Standard Dev - Annual)	41.82%	41.82%	41.82%	41.82%	31.36%	31.36%	31.36%
Life of the options granted (Vesting and exercise period) in years	9.50	9.12	8.81	8.52	10.50	10.14	10.12
Expected Dividend	0%	0%	0%	0%	0%	0%	0%
Average Risk- Free Interest Rate	9.19%	8.73%	7.89%	7.81%	8.08%	8.68%	9.99%
Weighted average fair value of options granted	207.22	314.10	258.34	443.82	222.54	186.02	180.12

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

33.2. Max Life Insurance Company Limited

Employee Phantom Option Plan (Cash settled):

During the year ended March 31, 2013, the Company had issued Employee Phantom Stock Plan (EPOP) w.e.f. August 1, 2012. Further during the year the Company has issued Employee Phantom Stock Plan (EPOP) w.e.f. December 1st, 2014. Vesting period ranges from one to four years and options can be exercised within 72 months from vesting date. Date of Grant is December 1, 2014 (March 31, 2014: August 1, 2012)

Particulars	March 31, 2015		March 31, 2014	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	2,10,87,000	29.97	2,32,83,000	-
Granted during the Year	38,08,000	43.30	-	-
Forfeited during the year	(6,51,000)	29.97	(20,43,000)	29.97
Exercised during the year	(2,75,000)	29.97	(1,53,000)	29.97
Outstanding at the end of the year	2,39,69,000	32.09	2,10,87,000	29.97
Exercisable at the end of the year	-	-	1,32,300	29.97

Weighted average fair value of options granted on the date of grant is Rs. Nil (March 31, 2014: Rs. Nil)

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The Key assumptions used to estimate fair value of options are:

Particulars	March 31, 2015	March 31, 2014
Risk-free interest rate	7.81%-7.88%	8.25%-9.15%
Expected life	0.34-3.76 Years	0.25-8.34 Years
Expected Volatility	13.65%	16.50%
Expected dividend yield	1.72%	1.48%

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

33.3. Max Healthcare Institute Limited

Employee Stock Option Plan - 2006 ("the 2006 Plan")

The company has instituted the 2006 Plan, which was approved by the Board of Directors on July 31, 2006 and subsequently by the shareholders on August 10, 2006. The 2006 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 2006 Plan is administered by the Remuneration Committee appointed by the Board of Directors. Vesting period ranges from one to five years and options can be exercised after one year from vesting date.

The 2006 Plan gives an option to the employee to purchase the share at a price determined by remuneration committee subject to minimum par value of shares (Rs. 10/-). However employees have a right to choose to settle in cash at a value calculated as a difference between Fair Market value of Shares and Exercise Price of Share. The Company has valued Employee Stock Option outstanding as at year end presuming all the employees will exercise their option in favour of Cash Settlement or equity settlement based on trend of last two years.

The details of activity under the Scheme are summarized below:

Particulars	March 31, 2015		March 31, 2014	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	13,70,000	28.83	12,75,000	19.12
Granted during the Year	8,93,000	64.60	9,00,000	31.67
Forfeited during the year	(3,45,000)	31.52	-	-
Exercised during the year	(3,05,000)	27.46	(8,05,000)	16.61
Outstanding at the end of the year	16,13,000	48.32	13,70,000	28.83
Exercisable at the end of the year	90,000	25.00	1,55,000	25.00

For options exercised during the year, the weighted average share price at the exercise date was Rs 27.46 per share (March 31, 2014: Rs 35.45) per share.

The weighted average fair value of stock options granted during the year was Rs 64.60 (March 31, 2014: Rs 31.67)

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2015 are as follows:

Grant Date	For the year ended March 31, 2015		For the year ended March 31, 2014	
	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years
01-Mar-12	2,70,000	1.92	6,20,000	2.35
01-Oct-12	4,50,000	2.34	6,00,000	2.84
22-Jul-13	-	-	1,50,000	3.31
25-Mar-15	8,93,000	4.26	-	-

Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. During the year, no options have been granted. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

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Black Scholes Option Pricing model

Particulars	March 31, 2015	March 31, 2014	
	March 25, 2015	April 1, 2013	July 22, 2013
A. Stock Price Now (in Rupees)	45.17	37.36	37.36
B. Exercise Price (X) (in Rupees)	64.60	30.00	40.00
C. Expected Volatility (Standard Dev - Annual)	33.94%	29.05%	29.05%
D. Historical Volatility	-	-	-
E. Life of the options granted (Vesting and exercise period) in years	4.26 Years	2.84 Years	3.31 Years
F. Expected Dividend	Nil	Nil	Nil
G. Average Risk- Free Interest Rate	7.80%	8.73%	8.79%
H. Expected Dividend Rate	Nil	Nil	Nil

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

The company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net Profit after tax and minority interest as reported (Rs. in Lacs)	27,962.39	13,945.45
Add: Employee stock compensation under intrinsic value method (Rs. in Lacs)	4,499.45	2,567.05
Less: Employee stock compensation under fair value method (Rs. in Lacs)	(5,267.21)	(2,718.98)
Performa profit (Rs. in Lacs)	27,194.63	13,793.55
Earnings Per Share		
Basic (Rs.)		
- As reported	10.50	5.21
- Performa	10.21	5.19
Diluted (Rs.)		
- As reported	10.43	5.18
- Performa	10.14	5.16

34. Leases

34.1. Finance lease: group as lessee

The group has finance leases and hire purchase contracts for various items of medical equipments. Upon the expiry of lease term the absolute and unencumbered ownership of the equipment shall vest with the Group at the guaranteed residual value. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

	March 31, 2015		March 31, 2014	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	158.50	124.57	333.55	236.05
After one year but not more than five years	299.23	240.89	1,107.68	686.10
More than five years	69.38	65.71	277.00	251.40
Present value of minimum lease payments	527.11	431.17	1,718.23	1,173.55

34.2. Operating lease: group as lessee

Lease rentals recognized in the statement of profit and loss for the year is Rs. 9,992.89 Lacs (March 31, 2014: Rs. 10,084.99 Lacs).

The group has entered into operating leases for its office, hospitals, nurse hostel and for employees' residence, that are renewable on a periodic basis. The average life of lease is from 3 to 30 years. The total of future minimum lease payments under non-cancellable leases are as follows:

Particulars	March 31, 2015	March 31, 2014
	(Rs. in Lacs)	(Rs. in Lacs)
Not later than one year	1,527.29	2,428.60
Later than one year and not later than five year	6,516.97	10,268.56
Later than five year	7,031.39	15,171.03
Total	15,075.65	27,868.19

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34.3. Operating lease: group as lessor

The group has entered into commercial property leases on its investment property portfolio. These non-cancellable leases have remaining terms of 3 years.

- i) The detail of total of future minimum lease payments under non-cancellable leases are as follows:

	(Rs. in Lacs)	
Particulars	March 31, 2015	March 31, 2014
Not later than one year	37.38	-
Later than one year and not later than five year	59.18	-
Later than five year	-	-
	96.56	-

- ii) Max Medical Services Ltd ("MMS") had entered into a lease with a healthcare service provider on December 10, 2001 and further amendment thereto for supply of medical, other equipments for an initial term of 30 years. As per the terms lease rentals are based on a fixed percentage of the turnover of the healthcare service provider and are due to MMS on a monthly basis.

- Acquisition of equipment including its repair and servicing;
- Ensuring adequate insurance coverage for the assets; and
- Replacement of any existing equipment or suitable equipment in lieu thereof

As per terms, lease rentals based on a fixed percentage of the turnover of the healthcare service provider and are due to MMS on a monthly basis.

Income from lease rentals recognized for the year is Rs. 1,297.48 Lacs (March 31, 2014: Rs. 1,441.00 Lacs) and disclose under "Other Operating Revenue". As mentioned above, the company has entered into an agreement for supply of equipment on lease. The lease rent is entirely contingent on turnover, hence cannot be quantified for any future periods.

- iii) Lease rental income recognised for the year is Rs. 105.87 Lacs (March 31, 2014: Rs. 123.41 Lacs) represents cancellable lease agreement for lease of building of Pharmax Corporation Limited.

35. Capitalisation of Expenditure

	(Rs. in Lacs)	
Particulars	March 31, 2015	March 31, 2014
Opening Balances	8,792.46	4,613.19
Add:		
Adjustment on account of conversion of subsidiary into Joint Venture	(15.67)	-
Salaries, wages and bonus	1,155.37	830.23
Travel and Communication	36.62	70.03
Interest Expenses	1,422.65	534.14
Legal & Professional	382.67	1,505.35
Miscellaneous Expenses	159.95	151.60
Project Overheads	5,893.59	1,189.92
Power and Fuel	8.27	-
Total	17,835.91	8,894.46
Less: Capital work in progress written off (refer note 29)	(6,295.85)	-
Less: Capitalised during the year	(45.03)	(102.00)
Preoperative expenses pending capitalisation	11,495.03	8,792.46
- Tangible fixed assets	8.27	-
- Inventory	11,486.76	8,792.46

36. Interest in a joint venture

The Group holds, 45.95% (March 31, 2014: Nil) interest in Max Healthcare Institute Limited (MHIL) (incorporated in India), a joint controlled entity which is involved in the business of healthcare services and 16.67% (March 31, 2014: 16.67%) interest in Forum I Aviation Limited (FIAL) (incorporated in India), a joint controlled entity which is involved in the business of aircraft chartering services to its members. The group's share of the assets, liabilities, income and expenses of the jointly controlled entity for the period from November 10, 2014 to March 31, 2015 for MHIL and for the period from April 01, 2014 to March 31, 2015 for FIAL are as follows:

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(Rs. in Lacs)

	Max Healthcare Institute Limited		Forum I Aviation Limited	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Current assets	17,589.28	-	96.70	101.67
Non current assets	49,146.81	-	976.67	1,069.24
Current liabilities	(12,649.66)	-	(48.90)	(148.59)
Non Current liabilities	(15,581.91)	-	(214.80)	(232.05)
Consolidation adjustment	(22,462.65)	-	(476.94)	-
Equity	16,041.37	-	332.73	790.27
Revenue	22,894.48	-	529.61	533.69
Cost of material consumed	(6,799.05)	-	-	-
Depreciation	(1,520.89)	-	(57.13)	(57.06)
Employee benefit expenses	(4,683.43)	-	(75.74)	(70.35)
Other Expenses	(10,664.54)	-	(335.47)	(302.01)
Profit/(Loss) before tax	(773.43)	-	61.27	104.27
Tax expense	-	-	(25.97)	(25.95)
Profit/(Loss) after tax	(773.43)	-	35.30	78.32

Commitments and contingent liabilities of the jointly controlled entity are disclosed in note 39 and 40 respectively.

37. Segment Information

37.1. Business Segments

The Company has considered business segment as the primary segment for disclosure. The products/ services included in each of the reported business segments are as follows:

- Speciality Plastic Films - This segment relates to the manufacturing of speciality films business carried out by one of the Company's subsidiary..
- Life Insurance - This segment relates to the life insurance business carried out pan India, by one of the Company's subsidiary.
- Healthcare Business - Some of the Company's subsidiaries/joint ventures are engaged in the delivery of healthcare services in North India through its primary and tertiary healthcare centers. This also includes revenue from leasing of medical and other equipment.
- Clinical Research - Consists of business activities relating to conduct of medical research involved in drug development process as a Clinical Research Service provider. The group of subsidiaries involved in this business segment offer management services study, project management services, data base management services, monitoring services and clinical trial pharmacy supply chain management services to the pharmaceutical, medical device, biotechnology and Contract Research Organizations worldwide.
- Business Investments - This segment is represented by treasury investments.
- Health Insurance - This segment relates to the health insurance business carried out pan India, by one of the Company's subsidiary.
- Senior Living - One of the Company's subsidiaries is engaged in the business of senior living.
- Others - The leasing activities undertaken by one of the Company's subsidiary are classified under this segment.

The above business segments have been identified considering:

- The nature of products and services
- The differing risks and returns
- Organizational structure of the group, and
- The internal financial reporting systems

Segment Revenue consists of segment revenue from external customers and revenue from other segments.

Segment Result is the difference of segment revenue and segment operating expenses.

Unallocated Assets include assets pertaining to the holding company's corporate office such as, loans, advance and deposits.

Unallocated Liabilities include tax provisions and interest bearing loans not directly related to any business segment.

Unallocated Expenses - Expenses incurred at corporate office of the holding company relate to various business segments. As there is no reasonable basis of allocating this expenditure to various segments, the same are shown as unallocated reconciling expenses. Interest expense is not treated as part of a segment expense and is reflected as a separate line item.

37.2. Geographical Segments

The Company has considered geographical segment as secondary reporting segment for disclosure. For this purpose, the revenues are bifurcated based on location of customers in India and outside India.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

37.3. Segment Information

Primary Segments		(Rs. in Lacs)																																			
		Specialty Plastic Products				Healthcare business				Business Investments				Life Insurance business				Health Insurance business				Clinical Research Business				Senior Living				Others				Total			
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014		
a.	Segment Revenue from																																				
	Sales to external customers	73,774.48	72,666.02	10,079.12	16,380.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,853.60	89,046.17	
	Service Income	-	-	74,590.18	75,240.09	-	-	-	-	8,10,421.94	7,21,135.64	31,543.65	23,562.32	1,715.73	2,070.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,18,377.37	8,22,131.90	
	Service/Interest income from inter segments	-	-	1,373.61	3,250.07	21,460.79	20,547.55	92.91	45.28	21,460.79	20,547.55	92.91	45.28	164.77	250.49	58.40	31.79	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	23,869.74	24,810.00		
	Income from investment activities	-	-	-	-	35,745.28	5,719.80	4,37,630.34	2,40,366.12	-	-	3,371.20	2,581.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,76,746.82	2,48,666.94	
	Export benefits	630.17	658.42	1,927.35	2,130.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,557.52	2,788.42	
	Total Segment Revenue	74,404.65	73,324.44	87,970.26	97,000.31	57,206.07	26,267.35	12,48,145.19	9,61,547.04	57,206.07	26,267.35	12,48,145.19	9,61,547.04	34,951.37	26,290.47	58.40	31.79	788.61	661.10	788.61	661.10	788.61	661.10	788.61	661.10	788.61	661.10	788.61	661.10	788.61	661.10	788.61	661.10	15,05,405.05	11,87,443.43		
	Less: Inter segment revenue	-	-	1,373.61	3,250.07	21,460.79	20,547.55	92.91	45.28	21,460.79	20,547.55	92.91	45.28	164.77	250.49	58.40	31.79	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	682.74	537.69	23,869.74	24,810.00		
	Revenue from operations	74,404.65	73,324.44	86,596.65	93,750.24	35,745.28	5,719.80	12,48,052.28	9,61,501.76	35,745.28	5,719.80	12,48,052.28	9,61,501.76	34,914.85	26,143.34	-	-	105.87	123.41	105.87	123.41	105.87	123.41	105.87	123.41	105.87	123.41	105.87	123.41	105.87	123.41	105.87	123.41	14,81,535.31	11,62,633.43		
b.	Segments Results																																				
	Interest Income	5,234.66	3,369.29	967.28	(1,712.61)	32,375.19	5,719.80	48,005.67	50,721.40	32,375.19	5,719.80	48,005.67	50,721.40	(9,211.24)	(13,141.79)	(9,012.21)	(883.13)	292.96	276.88	292.96	276.88	292.96	276.88	292.96	276.88	292.96	276.88	292.96	276.88	292.96	276.88	292.96	276.88	68,421.03	44,265.45		
	Sub-total																																			1,840.15	2,111.43
	Less:																																			70,261.18	46,376.88
	Unallocated Expenses (Net of unallocated income)																																				
	Interest Expenses																																				
	Profit before tax																																				
	Provision for taxation (Includes provision for Deferred Tax)																																				
	Profit after tax																																				
	Minority Interest																																				
	Profit after tax (after adjusted minority interest)																																				
c.	Carrying amount of segment assets	51,527.30	52,238.55	65,728.01	1,24,333.23	58,016.04	15,221.24	32,46,965.10	25,97,883.68	58,016.04	15,221.24	32,46,965.10	25,97,883.68	50,993.78	42,412.48	21,929.50	21,897.33	3,677.46	6,616.75	3,677.46	6,616.75	3,677.46	6,616.75	3,677.46	6,616.75	3,677.46	6,616.75	3,677.46	6,616.75	3,677.46	6,616.75	3,677.46	35,000,490.84	28,62,863.21			
	Add: Unallocated assets																																				
	Goodwill																																				
	Total Assets																																				
d.	Segment Liabilities	6,887.48	6,984.90	8,878.75	24,306.12	-	-	30,40,025.90	23,83,157.77	-	-	30,40,025.90	23,83,157.77	34,002.70	28,132.16	7,486.73	2,036.67	455.70	493.05	455.70	493.05	455.70	493.05	455.70	493.05	455.70	493.05	455.70	493.05	455.70	493.05	455.70	30,98,511.91	24,45,967.65			
	Add: Unallocated liabilities																																				
	Total Liabilities																																				
e.	Cost to acquire tangible and intangible fixed assets																																				
	Unallocated																																				
	Total Addition																																				
f.	Depreciation and amortisation expenses	2,298.38	2,136.46	6,050.21	5,544.89	-	-	5,005.03	4,569.52	-	-	5,005.03	4,569.52	1,215.57	1,022.87	136.74	114.73	132.10	126.37	132.10	126.37	132.10	126.37	132.10	126.37	132.10	126.37	132.10	126.37	132.10	126.37	132.10	126.37	14,941.83	13,565.30		
	Unallocated depreciation & amortization																																				
	Total depreciation and amortization																																				
g.	Non-cash expenses other than depreciation and amortisation	-	-	5.95	45.98	-	-	3,505.92	1,423.20	-	-	3,505.92	1,423.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	Unallocated non cash expenses																																				
	Total																																				

SECONDARY SEGMENT

	(Rs. in Lacs)									
	India					Outside India				
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
a. Revenue from external customers	14,58,953.85	11,34,187.07	22,581.46	28,446.36	22,581.46	28,446.36	14,81,535.31	11,62,633.43	14,81,535.31	11,62,633.43
b. Carrying amount of segment assets by location of assets	34,94,863.47	28,54,965.53	5,627.37	7,897.68	5,627.37	7,897.68	35,00,490.84	28,62,863.21	35,00,490.84	28,62,863.21
c. Cost to acquire tangible and intangible fixed assets by location of assets	13,955.54	18,327.16	-	-	-	-	13,955.54	18,327.16	13,955.54	18,327.16

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FOR THE YEAR ENDED MARCH 31, 2015

38. Related Parties Disclosure

Names of other related parties with whom transactions have taken place during the year

Names of other related parties with whom transactions have taken place during the year

Key Management Personnel (KMP)	Mr. Analjit Singh (ceased to be KMP w.e.f. April 01, 2014) Mr. Rahul Khosla Mr. Mohit Talwar Mr. Rahul Ahuja Mr. V Krishnan
Relatives of key management personnel	Ms. Neelu Analjit Singh (Wife of Mr. Analjit Singh) Ms. Piya Singh (Daughter of Mr. Analjit Singh) Mr. Veer Singh (Son of Mr. Analjit Singh)
Enterprises owned or significantly influenced by key management personnel or their relatives	New Delhi House Services Limited Lakeview Enterprises Delhi Guest House Private Limited Malsi Estates Limited Max India Foundation Medicare Investments Limited Maxopp Investments Limited Max Ventures Pvt Limited Piveta Estates Pvt Limited Vana Retreat Pvt Limited Veeras Kitchen Pvt Limited Solace Hotels and Hospitality Services Pvt. Ltd. Siva Realty Ventures Private Limited Studio Urban Space Consultants Pvt Limited
Employee benefit funds	Max India Limited. Employees' Provident Fund Trust Max India Limited. Superannuation Fund Max India Limited Employees' Gratuity Fund

Transactions with related parties during the year:

									(Rs. in Lacs)	
									Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Reimbursement of expenses (Received from)										
Analjit Singh	-	67.02							-	67.02
Rahul Khosla	23.73	-							23.73	-
New Delhi House Services Limited					15.78	22.54			15.78	22.54
Max India Foundation					1.03	114.48			1.03	114.48
Piveta Estates Private Limited					34.03	37.97			34.03	37.97
Max Ventures Private Limited					28.21	35.32			28.21	35.32
Siva Realty Ventures Private Limited					0.24	-			0.24	-
Studio Urban Space Consultants Pvt Ltd					16.80	38.46			16.80	38.46
Malsi Estates Limited					-	48.38			-	48.38
Veeras Kitchen Private Limited					-	3.19			-	3.19
Vana Retreats Private Limited					25.04	41.44			25.04	41.44
Reimbursement of expenses (Paid to)										
New Delhi House Services Limited					421.88	686.75			421.88	686.75
Delhi Guest House P.Limited					44.04	37.24			44.04	37.24
Max India Foundation					13.22	4.91			13.22	4.91
Max Ventures Private Limited					-	137.73			-	137.73
Vana Retreats Private Limited					-	12.21			-	12.21

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									(Rs. in Lacs)	
	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Employee Benefit Fund		Total	
Studio Urban Space Consultants Pvt Ltd					-	94.60			-	94.60
Malsi Estates Limited					1.05	22.92			1.05	22.92
Rent paid										
Veer Singh			72.60	66.00					72.60	66.00
Delhi Guest House P.Limited					204.12	144.12			204.12	144.12
Lakeview Enterprises					43.56	39.60			43.56	39.60
Malsi Estates Limited					132.00	797.00			132.00	797.00
Managerial Remuneration										
Analjit Singh	-	499.31							-	499.31
Rahul Khosla	1,821.61	849.92							1,821.61	849.92
Mohit Talwar	799.72	363.98							799.72	363.98
Rahul Ahuja	164.49	-							164.49	-
V Krishnan	79.78	-							79.78	-
Salary Paid										
Piya Singh			1.27	7.92					1.27	7.92
Donation Paid										
Max India Foundation					1,054.60	335.00			1,054.60	335.00
Company's contribution to Provident Fund Trust							2,663.97	2,277.00	2,663.97	2,277.00
Company's contribution to Gratuity Trust							5.00	10.07	5.00	10.07
Company's contribution to Superannuation Trust							17.07	41.26	17.07	41.26
Interest paid										
Medicare Investments Ltd					-	0.33			-	0.33
Maxopp Investments Ltd					-	0.18			-	0.18
Capital advance received										
Analjit Singh	-	288.29							-	288.29
Capital advance given										
Piveta Estates Pvt Ltd					-	14,030.00			-	14,030.00
Security deposit given										
Delhi Guest House P.Limited					18.00	-			18.00	-
Repayment of loans taken										
Medicare Investments Ltd					-	100.00			-	100.00
Maxopp Investments Ltd					-	55.00			-	55.00
Purchase of fixed assets										
Neelu Analjit Singh			-	2,413.00					-	2,413.00
Balance outstanding as at the year end										
Amount receivable										
Veer Singh			30.00	30.00					30.00	30.00
Lakeview Enterprises					18.00	18.00			18.00	18.00
Max India Foundation					-	14.00			-	14.00
Delhi Guest Houses Pvt Ltd					54.00	36.00			54.00	36.00
Studio Urban Space Consultants Pvt Ltd					-	12.35			-	12.35
Vana Retreat Pvt Ltd					-	1.69			-	1.69
Piveta Estates Pvt Ltd					14,030.00	14,030.00			14,030.00	14,030.00
Amount Payable										
New Delhi House Services Limited					(46.62)	(133.93)			(46.62)	(133.93)
Malsi Estates Limited					(3.54)	(166.39)			(3.54)	(166.39)
Max Ventures Private Limited					(66.00)	(56.98)			(66.00)	(56.98)
Veeras Kitchen Private Limited					(1.91)	(1.91)			(1.91)	(1.91)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

39. Capital and Other Commitments

a) Capital Commitments

	(Rs. in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts remaining to be executed on capital account and not provided for	19,020.87	20,990.76
Less: Capital advances (note 17)	9,597.50	11,575.95
Net capital commitment for acquisition of capital assets	9,423.37	9,414.81

- b) The Company has a put option to transfer upto 24% of its shareholding in Max Bupa Health Insurance Co. Limited and Bupa Singapore Pte. Limited (Bupa Singapore) has a call option under which the Company would be required to transfer 24% of its shareholding in Max Bupa Health Insurance Co. Limited to Bupa Singapore subject to approval under applicable laws and regulations.
- c) The Company has entered into tripartite agreement between Axis Bank Limited, Max Life and the Company, whereby the Company will buy back the stake held by Axis Bank Limited in Max Life in 2 tranches from 2015 to 2016.
- d) MHIL had entered into a triplicate long term concessional agreement dated February 20, 2009 with the Government of Punjab. As per the terms of concessional agreement, two subsidiaries of MHIL i.e. Hometrail Estate Private Limited & Hometrail Estate Build tech Limited have to build and operate Hospitals for a initial term of 50 years on public-private-partnership (PPP) mode. Both subsidiaries are obliged to pay concessional fee to Government of Punjab as per terms of arrangement.

39.1 Commitment with respect to leases refer note 34

40. Contingent Liabilities not provided for

		(Rs. in Lacs)	
S. No.	Particulars	As at March 31, 2015	As at March 31, 2014
i.	Corporate guarantee given to financial institutions / banks on behalf of others. (Refer note (a))	-	19,411.00
	Share of guarantee given by the jointly controlled entity (Max Healthcare Institute Limited) (Refer note (a))	5,624.28	-
ii.	Claims against the Company not acknowledged as debts (Refer note (b))		
	- Excise Duty Demands	2,588.89	2,732.31
	- Custom Duty Demands	395.95	384.82
	- Service Tax Demands	43,637.72	18,231.20
	- Sales Tax	-	219.00
	- Legal claims	809.72	2,859.00
	- Entry Tax	-	2,877.34
	- Potential liability in respect of repudiated policyholders claims	943.71	748.40
	- Share of sales tax demands and medico legal claims of jointly controlled entity (Max Healthcare Institute Limited)	1,800.78	-
iii.	Liability on account of discounting of bills	-	685.43
iii.	Contingent liability for C-Form from customers	309.65	-
iv.	Letters of credit outstanding with various banks in favour of domestic and foreign suppliers for supply of raw materials and capital goods	-	334.55
v.	Obligation arising from import of capital equipment at concessional rate of duty during the year under Export Promotion Capital Goods Scheme (Refer note (c))	236.02	87.57
vi.	Litigation against the Company on Company Law matters	refer note (d)	
vii.	Income Tax cases (note (e) and (f) (g))		
vii.(a)	Tax demand on account of disallowances made during income tax assessments and withholding taxes for various years	177.64	282.84
vii.(b)	Penalty levied under section 271(1)(c) of the Income Tax Act, 1961, which are pending disposal for Assessment years 1992-93 to 1993-94, 2002-03 to 2005-06 and 2009-10	628.02	628.02
vii.(c)	Litigation in an erstwhile subsidiary of the Company, Max Telecom Ventures Limited ("MTVL") (since merged with the group with effect from December 1, 2005)	refer note (f)	
vii.(d)	Litigation in case of subsidiaries	refer note (g, h, i)	

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Note:

- a. Guarantees given by the group on behalf of others is not considered as prejudicial to the interest of the group as it provides opportunity for growth and increase in operations of the group.
- b. Claims against the group not acknowledged as debts represent the cases pending with judicial forums/authorities. Based on management estimation and opinions from legal advisors, management believes that its position will likely be upheld in appellate process. No tax has been accrued in the financials statements for tax/legal case demands. The management believes that the ultimate outcomes of the proceedings will not have material adverse effect on the group financial positions and result of operations.
 - i) Service tax demands against show cause cum demand notices received by MLIC from the Central Excise & Service Tax, Office of Commissioner and Directorate General Central Excise Intelligence (DGCEI), vide show cause notice dated March 30, 2013, April 22, 2013, April 16, 2014, October 14, 2014 and December 19, 2014. Further, Commissioner vide its order dated March 24, 2015, against one of such SCNs, confirmed demand of service tax. MLIC has filed a writ before High court & stay was granted by the honourable court on April 29, 2015 towards service tax demand of Rs 10,005.78 Lacs and equivalent penalty thereon. Given that MLIC is strong on merit and available precedence, it does not expect future liability.
 - ii) The group has not made any provision for the demands in Excise, Service Tax, Sales Tax, Customs, Entry Tax and legal claims as the Company believes that they have a favourable case based on existing judicial pronouncements .
- c. The export obligation undertaken by the Company for import of capital equipment under Export Promotion Capital Goods Scheme of the Central Government at concessional or zero rate of custom duty are in the opinion of the management expected to be fulfilled within the respective timelines.
- d. On an inspection carried out by the Ministry of Corporate Affairs in the year 2006, certain technical offences were alleged by the Inspection Officer based on which prosecution proceedings were initiated against the Company, its erstwhile Whole-time Directors and the Company Secretary at Chief Judicial Magistrate, Chandigarh. The group filed writ petitions against the prosecution proceedings with the Hon'ble High Court of Punjab & Haryana. The High Court stayed the proceedings and listed the case for arguments. The amount of liability/fine or penalty on account of the above is currently unascertainable. Based on the legal opinion obtained by the group management believes that the group have a good case and no provision is required to be made in the financials statements.
- e. Income tax cases represent the cases pending with Income Tax authorities/Appellate authorities. Based on management estimation, future cash outflow in respect of these cases are determinable only on receipt of judgments / decisions pending with various courts/authorities. The Company has not made any provision for the demands in income tax cases as the group believes that they have a good case based on existing judicial pronouncements.
 - i) The matters for AY 1999-00 to AY 2008-09 are currently pending with Hon'ble Punjab & Haryana High Court. The remaining years are pending disposal at the CIT(Appeals) level.
 - ii) The penalty matters for AY 2002-03 to 2005-06 are currently pending with the Hon'ble Income Tax Appellate Tribunal, Amritsar. The remaining years AY 1992-93, AY 1993-94, AY 2009-10 are pending disposal at the CIT(Appeals) level.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

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

S. No.	Assessment Year	Brief Description	Pending Before
1	1998-99	The capital gains realized by MTVL from the sale of shares of Hutchison Max Telecom Limited ("HMTL") [1st Stake Sale] were denied exemption under section 10(23G) of the Income-tax Act, 1961 ("the Act") by the Assessing Officer vide order dated March 28, 2001 and the sale transaction was held to be chargeable to tax in the financial year relevant to Assessment Year 1998-99 (MTVL had claimed that it pertained to AY 1999-2000). This resulted in a demand of Rs. 9,503.93 Lacs. On appeal by MTVL, the CIT (Appeals) vide order dated March 18, 2002 [while concluding that the sale transaction pertained to financial year relevant to Assessment Year 1998-99], quashed the order of the Assessing Officer denying exemption under section 10(23G), thereby cancelling the demand. The Tax Department has filed an appeal with the Income-tax Appellate Tribunal (ITAT) against this order which is pending as on date.	ITAT
2	1999-2000	Subsequently, in the next Assessment Year i.e. 1999-00, the above-mentioned transaction was once again sought to be taxed both as capital gains and under a different head of income (i.e. business income) on a protective basis by the Assessing Officer vide order dated March 28, 2002 as MTVL had claimed that the transaction pertained to Assessment Year 1999-00 and not Assessment Year 1998-99. This, along with a few other additions, resulted in creation of a further demand of Rs. 24,993.19 Lacs which included the demand of Rs. 24,368.00 Lacs on protective basis. On appeal by MTVL, the CIT (Appeals) decided in favour of MTVL vide order dated December 18, 2002 and the demand was cancelled. The Tax Department has filed appeal against this order with the ITAT, which is pending as on date.	ITAT
3	1998-99	MTVL also filed an appeal before ITAT for Assessment Year 1998-99 contending that the aforesaid sale transaction pertained to financial year relevant to Assessment Year 1999-2000. This was disposed off by ITAT vide order dated March 23, 2007 by applying a circular of Tax Department applicable only to capital gains and holding, as a result, that the transaction of sale of shares pertained to financial year relevant to Assessment Year 1998-99. However, the Tax Authorities filed a petition before the ITAT requesting a review of the said order of the ITAT on the ground that all the matters pertaining to the aforesaid sale transaction should have been clubbed and heard together. The said petition of the Department was accepted by the ITAT vide order dated March 27, 2009 by recalling its earlier order. Aggrieved, the Company filed a writ petition to the Hon'ble High Court of Punjab and Haryana (HC) challenging the above action of ITAT on the ground that the same was beyond jurisdiction. The HC vide order dated May 04, 2009 admitted the writ petition and stayed the operations of the said order of ITAT. The ITAT, thereafter, adjourned sine-die all the matters pending operation of the stay imposed by the HC. The Department, subsequently, moved a Special Leave Petition (SLP) to Hon'ble Supreme Court against the stay granted by Hon'ble HC. The SLP was dismissed by the Hon'ble Supreme Court vide order dated May 12, 2010 with a direction to the HC to expeditiously dispose the writ petition filed by MTVL.	High Court
4	2006-07	The capital gains realized from the sale of remaining shares of HMTL [2nd Stake Sale] were taxed by holding the gains from sale transaction to be in the nature of business income and not capital gains and as a consequence exemption under Section 10(23G) of the Act was denied by the Assessing Officer vide order dated December 31, 2009 and a demand of Rs. 15,585.17 Lacs was raised. MTVL filed an appeal against the said order. The CIT(Appeals), vide order dated March 22, 2011, had quashed the assessment framed by the Assessing Officer, holding that the assessment was nullity in law and in view of the fact that the order was framed in the name of MTVL, an entity which had ceased to exist w.e.f. December 1, 2005. As a consequence, the demand stood cancelled. The Department had filed an appeal to ITAT against the said order of CIT(Appeals). The ITAT vide its order dated March 8, 2013 has upheld the order of CIT(Appeals). The Tax Department has filed appeal against this order with the Hon'ble HC, which is pending as on date.	High Court
5	2006-07	Consequent to quashing of the first proceedings in the name of MTVL, the Department initiated proceedings against Max India Limited as Successor of MTVL u/s 147 of the Act vide notice dated April 26, 2011. These proceedings have been completed on March 26, 2013 by holding the gains from sale transaction to be in the nature of business income and not capital gains and consequently denying exemption under Section 10(23G) of the Act and a demand of Rs. 19,816.25 Lacs has been raised. The company has filed an appeal against the same on April 25, 2013 and obtained stay of demand on May 27, 2013. The CIT(Appeals), vide order dated November 18, 2013, held on merits that the gain arising from sale of shares of HMTL be treated as long term capital gains and allowed the exemption u/s 10(23G) of the Act in respect of long term capital gain arising on sale of shares of HMTL be allowed to MTVL. The CIT(A), however, upheld reassessment proceedings by the Assessing Officer under section 147 of the Act as valid. As a consequence, the demand stood cancelled. Pursuant to this, the Tax Department has filed appeal against this order and MTVL has also filed cross objections before the ITAT against the action of the CIT(A) upholding the validity of re-assessment proceedings. Both appeals are pending as on date.	ITAT

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

g. Max Life Insurance Company Limited ("MLIC")

For the assessment year 2002-2003, the Assessing Officer has reduced the returned loss of Rs. 6,684.09 Lacs (March 31, 2014: Rs. 6,684.09 Lacs) to Rs. 6,482.08 Lacs (March 31, 2014: Rs. 6,482.08 Lacs) by making disallowance of Rs. 202.01 Lacs (March 31, 2014: Rs. 202.01 Lacs) u/s 92CA(3) of the Income-tax Act, 1961 relating to Transfer Pricing. Similarly, for the assessment years 2003-04 & 2004-05, the returned losses have been reduced from Rs. 7,408.37 Lacs (March 31, 2014: Rs. 7,408.37 Lacs) to Rs. 7,331.92 Lacs (March 31, 2014: Rs. 7,331.92 Lacs) and from Rs. 7,563.42 Lacs (March 31, 2014: Rs. 7,563.42 Lacs) to Rs. 7,285.17 Lacs (March 31, 2014: Rs. 7,285.17 Lacs) respectively by the Assessing Officer. Further, for the assessment year 2005-06, the returned loss has been reduced from Rs. 9,427.20 Lacs (March 31, 2014: Rs. 9,427.20 Lacs) to Rs. 9,199.80 Lacs (March 31, 2014: Rs. 9,199.80 Lacs) by making disallowance of Rs. 121.70 Lacs u/s 92CA(3) of the Income Tax Act, 1961 relating to Transfer Pricing and Rs. 105.70 Lacs due to disallowance of loss on sale of investment. CIT (Appeals) has passed favourable orders for all the above mentioned assessment years i.e 2002-03 to 2005-06. Appeal against the orders have been filed with Income Tax Appellate Tribunal by the Department. For the assessment year 2006-07, the returned loss has been reduced from Rs. 5,805.44 Lacs (March 31, 2014: Rs. 5,805.44 Lacs) to Rs. 5,414.09 Lacs (March 31, 2014: Rs. 5,414.09 Lacs) by making disallowance of Rs. 11.83 Lacs u/s 92CA(3) of the Income Tax Act, 1961 relating to Transfer Pricing, Rs. 90.48 Lacs due to disallowance of loss on sale of investment, Rs. 255.75 Lacs on provision for FBT and Rs. 33.28 Lacs on provision for bad & doubtful debts. Appeal against the order has been filed with Income Tax Appellate Tribunal.

For the assessment year 2007-08, the returned loss has been reduced from Rs. 5,671.22 Lacs to Rs. 5,023.02 Lacs by making disallowance of Rs. 270.19 Lacs on account of loss on sale of investment, Rs. 311.43 Lacs on provision for FBT and Rs. 58.08 Lacs on provision for bad & doubtful debts & Rs. 8.50 Lacs on donation paid. Appeal against the order has been filed with CIT (Appeals).

For the assessment year 2008-09, the Assessing Officer has recomputed the value of fringe benefits from Rs. 1,421.15 Lacs to Rs. 1,460.05 Lacs & has raised demand of Rs. 17.76 Lacs. CIT (Appeals) has passed the order confirming the demand to the extent of 25%. Appeal against the order has been filed with Income Tax Appellate Tribunal by the Department. The returned loss for AY 2008-09 has been reduced from Rs. 14,684.45 Lacs to Rs. 13,471.61 Lacs by making disallowance of Rs. 635.02 Lacs on account of loss on sale of investment, Rs. 468.91 Lacs on provision for FBT and Rs. 100.03 Lacs on provision for bad & doubtful debts & Rs. 8.88 Lacs on donation paid. Appeal against the order has been filed with CIT (Appeals).

For the assessment year 2009-10, the returned loss has been reduced from Rs. 32,270.85 Lacs to Rs. 30,449.38 Lacs by making disallowance of Rs. 653.53 Lacs on account of loss on sale of investment, Rs. 794.30 Lacs for provision for FBT, Rs. 132.13 Lacs for provision for bad & doubtful debts & Rs. 241.51 Lacs for donation paid. Appeal against the order has been filed with CIT (Appeals).

For the assessment year 2010-11, the returned income has been increased from Rs. 4,005.06 Lacs to Rs. 5,684.41 Lacs by making disallowance of Rs. 710.43 Lacs on account of loss on sale of investment, Rs. 21.60 Lacs for provision for Bad debts, Rs. 250 Lacs for donation paid, Rs. 695.65 Lacs for Short deduction and payment of TDS and Rs. 1.67 Lacs for Penalties/Fine paid & Share issue expenses. Appeal against the order has been filed with CIT (Appeals).

For the assessment year 2011-12, Assessing Officer has increased the returned income from Rs. 27,141.14 Lacs to Rs. 28,586.14 Lacs by adding back Rs. 751.62 Lacs on account of profit on sale of investment & making disallowance of Rs. 314.71 Lacs for provision for Bad debts, Rs. 250.01 Lacs for donation paid and Rs. 128.66 Lacs for Short deduction and payment of TDS. Appeal against the order is yet to be filed with CIT (Appeals).

The Company is hopeful that above appeals will be disposed off in its favour.

h. Max Bupa Health Insurance Company Limited ("Max Bupa")

For assessment year 2010-11 and 2011-12 under section 143(3) of the Income Tax Act, 1961, expenses amounting to Rs. 6,137.28 Lacs have been disallowed by the Assessing Officer and the losses allowed to be carried forward by the Assessing Officer for the purpose of income tax assessment are lower to that extent. Accordingly, this may have effect on the taxability of future income of the company, depending on the outcome of the appeal. As on date, the matter is pending with CIT (Appeals). The management is confident that the outcome of these appeals would be in favor of Max Bupa.

i. Max Healthcare Institute Limited (MHIL)

(Rs. in Lacs)

Assessment year	Disallowances which were pending - as at March 31, 2015 (Rs. in lacs)	Disallowances as per Assessment Order which were pending before CIT(A)- as at March 31, 2014 (Rs. in lacs)	Demand(if any) (Rs. in Lacs)	
			As at March 31, 2015	As at March 31, 2014
2003-04*	530	1,158	-	-
2004-05*	295	641	-	-
2005-06*	289	628	-	-
2006-07*	212	462	-	-
2007-08*	421	917	-	-
2008-09*	114	239	-	-
2009-10*	97	211	-	-
2010-11*	188	410	-	-
2011-12*	458	997	-	-
2012-13**	756	-	-	-
2010-11	-	-	-	8
2011-12	-	-	-	11
2012-13	-	-	13	28
	3,361	5,663	13	47

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

41. Actuarial Assumptions

Life Insurance Business

MLIC's Appointed Actuary has determined valuation assumptions that conform with Regulations issued by the IRDA and professional guidance notes issued by the Institute of Actuaries of India (IAI). Details of assumptions are given below:

(a) Interest:

It is based upon the current and projected yields on the fund and the current and projected yields on 10 year G-sec. A valuation rate of interest of 7.40% (March 31, 2014: 7.75%) for participating, nonparticipating, health business and riders has been used.

The valuation rate of interest rate was reduced by margins for adverse deviations of 1.65% (March 31, 2014: 0.80%) for the participating products and 1.65% (March 31, 2014: 1.80%) for the major non-participating products.

Gross unit growth rate of 7.60% (March 31, 2014: 7.75%) has been used which was further reduced by a margin of adverse deviation of 1.65% (March 31, 2014: 1.80% pa). For unit-linked products where there is a premium related addition bonus payable, the margin of adverse deviation MAD for unit linked fund growth rate has been used as 2.35% (March 31, 2014: 2.50%).

(b) Mortality:

The base table used is the Indian Assured Lives Mortality 06-08 (March 31, 2014: IALM 94-96) as prescribed by the IRDA which is then adjusted to take into account observed experience. For major participating life products, the assumption in year 1 is 145% of the base table (March 31, 2014: 145%) whereas the long term mortality assumption converges to 77% (March 31, 2014: 77%) of the base table until age 65 and 100% (March 31, 2014: 100%) of base table beyond age 65. The mortality assumption for the major unit-linked products is 90% (March 31, 2014: 90%) of the base table in year 1 and 80% (March 31, 2014: 80%) of the base table until age 65 and 100% (March 31, 2014: 100%) of base table beyond age 65. In general, the assumptions in the initial years have been increased to reflect anti-selection but those in the later years have been retained. The assumptions have been increased by a margin for adverse deviation of 10% (March 31, 2014: 10%) for participating business and, 20%- 25% (March 31, 2014: 25%) for the non-participating, unit linked and health business.

(c) Morbidity:

The IAI has recommended the CIBT93 study of UK for morbidity incident rates, due to lack of any published Indian experience.

Proportions of 95% to 300% (March 31, 2014: 95% to 300%) of these tables have been used which were further increased by a margin for adverse deviation of 25% (March 31, 2014: 25%)

(d) Expenses:

The maintenance expense assumptions are based on the current expense levels of the company. For prudence, assumptions don't allow for future expected savings in expenses. The assumptions were increased by margins for adverse deviation of 10% (March 31, 2014: 10%) for participating policies and 10% (March 31, 2014: 10%) for non-participating, health and unit-linked policies.

(e) Inflation:

An assumption of 6.25% pa (March 31, 2014: 6.5% pa) for expense inflation has been used.

(f) Commission:

It is based on the actual commission rates paid.

(g) Lapses:

Lapse assumptions for valuation purposes in general are set at levels below the current experience.

These rates were further reduced by margins for adverse deviation of 20% (March 31, 2014: 20%) for participating policies, 50% (March 31, 2014: 50%) for non-participating and unit-linked policies and 20% (March 31, 2014: 20%) for health plans.

(h) Free look cancellation:

Provisions are made for the additional payments that are required to be made in the event of cancellation during the free look period. The free look cancellation assumption is 5% (March 31, 2014: 3.5%) for participating plans, 3% (March 31, 2014: 3%) for non participating plans and 5.5% (March 31, 2014: 4.5%) for the unit linked business. The assumptions were increased by margins for adverse deviation of 20% (March 31, 2014: 20%) for participating and non-participating policies; and, 50% (March 31, 2014: 50%) for unit linked policies.

(i) Future bonuses:

Provision is made for future bonuses based on estimated expected bonus payouts consistent with the valuation assumptions and policyholders' reasonable expectations.

(j) Linked Liabilities:

Liabilities under unit linked policies comprise of a unit liability representing the fund value of in force policies, the amount payable to discontinued policies; and, a non unit liability for meeting future claims and expenses in excess of future charges. In respect of the fund value and the amount payable for the discontinued policies component, the question of assumptions does not arise and in respect of the non unit liability the assumptions used are consistent with the comments above.

Health Insurance Business

Max Bupa's appointed Actuary has determined valuation assumptions in respect of 'Reserve for Unexpired Risk' and 'Claims Incurred But Not Reported' (IBNR) that conform with Regulations issued by the IRDAI and professional guidance notes issued by the Institute of Actuaries of India.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

42. Derivative Instruments and Unhedged Foreign Currency Exposure

a) Particulars of forward contract

Particulars of Derivatives	As at March 31, 2015	As at March 31, 2014	Purpose
Forward Contracts (Buy) outstanding at Balance Sheet Date (in Lacs)	Nil	USD 8.18 (INR 499.89)	To hedge the liability against outstanding trade payables.
Forward Contracts (Sell) outstanding at Balance Sheet date (in Lacs)	USD 33.08 (INR 2,029.10) EURO 13.13 (INR 941.73) GBP 3.28 (INR 306.81)	USD 36.22 (INR 2,141.91) EURO 28.98 (INR 2,344.17) GBP 1.25 (INR 122.58)	To hedge the outstanding trade receivables.

b) Particulars of Unhedged Foreign Currency Exposure

Particulars	As at March 31, 2015			As at March 31, 2014		
	Foreign Currency (in Lacs)	Exchange Rate (Rupee)	Indian Rupee (in Lacs)	Foreign Currency (in Lacs)	Exchange Rate (Rupee)	Indian Rupee (in Lacs)
Import trade payables (EUR)	4.24	68.98	292.48	1.81	84.35	152.67
Import trade payables (GBP)	0.03	94.50	2.84	0.28	99.85	27.96
Import trade payables (USD)	28.04	63.63	1,784.19	28.56	61.05	1,743.59
Import trade payables (YEN)	-	53.20	-	0.66	58.83	0.39
Import capital creditors (EUR)	0.06	68.98	4.14	-	-	-
Import capital creditors (GBP)	-	94.50	-	-	-	-
Import capital creditors (USD)	1.78	63.63	113.26	-	-	-
Import capital creditors (YEN)	0.61	53.20	0.32	-	-	-
Export trade receivables (USD)	30.10	61.34	1,846.31	12.79	59.14	756.40
Export trade receivables (EURO)	6.13	71.72	439.66	16.84	80.89	1,362.19
Export trade receivables (GBP)	1.51	93.33	140.93	4.22	97.77	412.59
Short term borrowings (USD)	0.02	63.63	1.27	-	-	-
Bank balance (USD)	-	61.34	-	-	-	-

43. Corporate restructuring

The Board of Directors in meeting held on January 27, 2015 has approved the Corporate Restructuring plan to vertically split the Company through a Scheme of demerger ('Scheme'), into three separate listed companies. The proposed appointed date is April 01, 2015.

Upon approval of the scheme of demerger by Hon'ble High Court of Punjab and Haryana, the existing company, Max India Limited, is proposed to be renamed as 'Max Financial Services Limited' and will focus solely on the group's life insurance activity. The second vertical, will be named as Max India Limited (Resulting Company 1), which will manage investments in the high growth potential Health and Allied businesses, primarily comprising of Max Healthcare Institute Ltd. and its subsidiaries, Max Bupa Health Insurance Co. Ltd., Antara Senior Living Ltd. etc. The third vertical will house the investment activity in the group's manufacturing business, Max Speciality Films Ltd., and will be named Max Ventures and Industries Limited (Resulting Company 2).

The Company's shareholders will retain one equity share of Rs. 2/- in Max Financial Services Limited (existing Max India, as renamed). In addition, the shareholders will get shares in the new companies on a Record Date, to be specified for this purpose, after the Scheme is approved by the Hon'ble High Court, as detailed below:

- one equity share of Rs. 2/- each of Resulting Company 1 for every one equity share of Rs. 2/- each held in the Company; and
- one equity share of Rs. 10/- each of Resulting Company 2 for every 5 equity shares of Rs. 2/- each held in the Company.

Subsequently, the Company has received the approvals from stock exchanges (BSE & NSE), SEBI & CCI and scheme has been filed with the Hon'ble High Court of Punjab and Haryana for its consideration and approval.

44. During the year, Max India Limited (MIL) has sold 5,67,66,451 equity shares @ Rs. 67.50 per share in Max Healthcare Institute Limited (MHIL) to Life Healthcare Group (Proprietary) Ltd ("LHC") for a consideration of Rs. 38,317.35 Lacs. On this transaction, a gain of Rs. 28,648.83 Lacs has been recognised and disclosed under "Income from investment activities" and goodwill amounting to Rs. 3,013.09 Lacs has been derecognised in statement of profit and loss. By virtue of the above transactions and equity infusion by IFC Washington to maintain its equity share at 7.50% in MHIL, MIL's shareholding diluted to 45.95% and MHIL has become a joint venture w.e.f. November 10, 2014.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

45. Subsequent to the year end, MIL has divested its 100% stake in the clinical research business of Max Neeman Medical International Limited to JSS Medical Research, a Canadian contract research organisation for a consideration of Rs. 942.90 Lacs. Accordingly, the group has derecognised goodwill of Rs. 357.00 Lacs in statement of profit and loss.
46. During the year, MIL sold 2,361 Ordinary Shares, representing its entire 100% stake in Neeman Medical International B.V., to Maprima Management B.V. for a sales consideration of Rs. 20.74 Lacs resulting a gain of Rs. 3.04 Lacs.
47. The group has reclassified previous year figures to conform to this year's classification, wherever considered necessary. However, in previous year, Max Healthcare Institute Limited and its subsidiaries have been consolidated in the group as subsidiary companies of the group. In current year due to dilution of Company's stake in MHIL, the same has been considered as joint venture and have been proportionately consolidated in the consolidated financial statement. Accordingly, the previous year figures are not comparable with the current year figures.

As per our report of even date

For S.R.Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Manoj Kumar Gupta

Partner

Membership Number: 83906

Place : Gurgaon

Date : May 27, 2015

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

Rahul Khosla

(Managing Director)

DIN No - 03597562

Rahul Ahuja

(Chief Financial Officer)

Place : New Delhi

Date : May 27, 2015

N. C. Singhal

(Director)

DIN No - 00004916

Ashwani Windlass

(Director)

DIN No - 00042686

V. Krishnan

(Company Secretary)



**NOTICE AND
PROXY FORM**



MAX INDIA LIMITED

(CIN: L24223PB1988PLC008031)

Registered Office: Bhai Mohan Singh Nagar, Railmaja, Tehsil Balachaur, District Nawanshahr, Punjab – 144 533

Tel : 011 42598000 fax : 011 26324126 www. Maxindia.com

E-mail : vkrishnan@maxindia.com; rajinder@maxindia.com

NOTICE

NOTICE is hereby given that the Twenty-Seventh Annual General Meeting (AGM) of Max India Limited ('the Company') will be held on Wednesday, September 23, 2015 at 4.00 pm, at the Registered Office of the Company at Bhai Mohan Singh Nagar, Railmaja, Tehsil Balachaur, District Nawanshahr, Punjab-144 533 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2015 including audited Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss for the year ended as at that date and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated Financial Statements of the Company and its subsidiaries for the year ended March 31, 2015 and the reports of the Auditors thereon.
3. To declare final dividend and confirm the interim dividend of Rs. 4/- per equity share, already paid for the year ended March 31, 2015.
4. To appoint a Director in place of Mr. Ashwani Windlass (holding DIN:00042686), who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Sanjeev Mehra (holding DIN:02195545), who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint a Director in place of Mr. Mohit Talwar (holding DIN: 02394694), who retires by rotation and being eligible offers himself for re-appointment.
7. Appointment of Statutory Auditors of the Company:

To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Deloitte Haskins and Sells, LLP, Chartered Accountants, (Firm Registration No.117366W/W-100018) be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 32nd AGM of the Company to be held in the year 2020 at such remuneration plus service tax, out of pocket expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

Special Business:

8. To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Dinesh Kumar Mittal (holding DIN: 00040000), who was appointed as an Additional Director and holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Act and in respect of whom the Company has received a notice in writing, along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for a period of 5 (five) consecutive years with effect from January 1, 2015."

9. To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mrs. Nirupama Rao (holding DIN:06954879), who was appointed as an Additional Director and holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Act and in respect of whom the Company has received a notice in writing, along with requisite deposit under Section 160 of the Act, proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for a period of 5 (five) consecutive years with effect from January 1, 2015."

10. To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

"RESOLVED THAT in partial modification of the Special Resolutions passed by the Shareholders in their Annual General Meetings held on September 30, 2003, September 27, 2011 and September 30, 2014 and subject to such approvals, consents, sanctions and permissions of the appropriate authorities as may be required under the applicable provisions of the Companies Act, 2013, SEBI guidelines including Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by SEBI ("**SEBI Regulations**"), as amended from time to time and any other applicable legislation for the time being in force, and subject further to such conditions and modifications as may be prescribed in granting such approvals by the Stock Exchanges, consent of the Shareholders of the Company be and is hereby accorded to amend the 'Max Employee Stock Plan - 2003 ("**Plan**") in accordance with the regulatory requirements prescribed under the SEBI Regulations, and to adopt the revised Plan approved by the Board of Directors of the Company."

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Nomination and Remuneration Committee be and is hereby authorized to take all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable for the aforesaid purpose and that all other terms and conditions of the Special Resolutions passed by the Shareholders of the Company in the Annual General Meetings held on September 30, 2003, September 27, 2011 and September 30, 2014 will remain unaltered."

By Order of the Board
For Max India Limited

New Delhi
August 12, 2015

V. Krishnan
Company Secretary
membership No.FCS -6527

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to the provisions of the Companies Act, 2013 ('the Act') and the rules thereunder, a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the

NOTICE

aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights then such proxy shall not act as a proxy for any other person or shareholder.

2. Proxies in order to be effective must be received at the Registered Office of the Company at Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab-144 533 at least 48 hours before the commencement of the meeting. A format of proxy is enclosed.
3. The Explanatory Statement pursuant to Section 102 of the Act in respect of item 8 – 10 is annexed hereto and forms part of this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 17, 2015 to Wednesday, September 23, 2015 (both days inclusive).
5. Route Map of the venue of the AGM along with the Landmark forms part of this Notice.
6. The final dividend on equity shares as recommended by the Board of Directors of the Company for the financial year 2014-15 when declared at the AGM will be paid by October 10, 2015 to those members (holding shares in physical form), whose names appear in the Register of Members of the Company on September 23, 2015. In respect of shares held in electronic form, the dividend will be paid to the beneficial owners of shares as on closing hours of business on September 16, 2015 as per the details furnished by respective depositories for this purpose.
7. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, and pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 30, 2014 (date of last Annual General Meeting) on the website of the Company, www.maxindia.com, as also on the Ministry of Corporate Affairs website. Members are hereby informed that dividends which remain unclaimed /unencashed over a period of 7 years have to be transferred by the Company to the Investor Education & Protection Fund constituted by the Central Government under Section 205 (A) & 205 (C) of the Companies Act, 1956 and Section 124 of the Companies Act, 2013 and Rules made thereunder. Accordingly, unclaimed/unencashed dividends declared by the Company since November 9, 2012 would be transferred within the prescribed timelines.
8. Members are requested to send all their correspondence directly to Mas Services Limited, Registrar & Share Transfer Agent of the Company at T-34, 2nd Floor, Okhla Industrial Area Phase II, New Delhi – 110 020. Tel-011-26387281-83, Fax-011-26387384; E-mail: info@masserv.com
9. Members/Proxies for Members should bring the attendance slip duly filled-in enclosed herewith for attending the meeting.
10. Members/Proxies for Members holding shares in dematerialized form should also bring their latest Statement of Account held with the concerned depository participant for attending the meeting.
11. The documents referred to in the proposed resolutions are open for inspection at the Registered Office as well as the Corporate Office of the Company during working hours

between 9.30 a.m. and 1.00 p.m., except on holidays. The relevant documents shall be available for inspection in physical or in electronic form during the business hours at the registered office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the annual general meeting.

12. The Notice of the AGM alongwith the Annual Report 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the depositories/ Mas Services Limited, the Registrar and Share Transfer Agent, to ensure that the annual report and other documents reaches them in their preferred email.

The members holding shares in physical form are further requested to convert their shareholding from Physical form to Demat form with a Depository Participant of their choice. Holding share in demat form has following advantages:

- i. Freedom from physical storage
 - ii. Elimination of chances of theft, mutilation, defacement.
 - iii. Easy to sell and realize sale proceeds and/or dividend in the bank account linked with the Depository.
 - iv. Contribution to the 'Green Initiative'
13. The face value of the shares has been split from Rs. 10/- each to Rs. 2/- each in the year 2007. Those members, who have not exchanged their old share certificates, are requested to surrender their old share certificates to the Share Transfer Agent to be exchanged with new share certificates.
 14. The Certificate from the Statutory Auditors of the Company certifying that the Max Employee Stock Plan - 2003 is being implemented in accordance with the SEBI (Share Based Employee Benefit) Regulations, 2014 and in accordance with the resolutions of passed by the shareholders at the general meetings, will be available for inspection by the Members at the AGM.
 15. In case of joint holders attending the AGM, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.
 16. The Statutory Registers required to be kept open for inspection under the Act read with rules made thereunder at AGM of the Company, will be available for inspection by the Members at the AGM.
 17. Corporate Members intending to send their authorized representative to attend the AGM are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the AGM.
 18. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to fill up the required form and send the same to the office of the Company's Registrar and Transfer Agent.
 19. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting

NOTICE

services provided by NSDL on all resolutions set forth in this Notice.

The instructions and other information relating to E-voting are as under:

(a) In case of Shareholders receiving e-mail from NSDL:

- (i) Open e-mail and open PDF file viz; MAX e-Voting. pdf with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the URL: www.evoting.nsdl.com.
- (iii) Click on "Shareholder" – "Login"
- (iv) Put user ID and password as initial password noted in step (i) above. Click on "Login".
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select EVEN (E-Voting Event Number) of Max India Limited.
- (viii) Once you enter the number, the Cast Vote page will open. Now you are ready for e-voting.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted. Please note that once your vote is cast on the selected resolution, it cannot be modified subsequently. Voting has to be done for each item of the Notice separately for each demat accounts/ folios.
- (x) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- (xi) Corporate/Institutional shareholders(i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail: sanjaygrover7@gmail.com and/or with a copy marked to evoting@nsdl.co.in.

(b) In case of Shareholders other than (a) above:

- (i) Initial password is provided at the bottom of the Attendance Slip as below:

EVEN (E VOTING EVENT NUMBER)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) as mentioned in (a) above, to cast vote

(c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting

User Manual for Shareholders, available at the download section of www.evoting.nsdl.com.

- (d) If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting your vote. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

(e) Other Information :

- (1) The members, whose names appear in the Register of Members/list of Beneficial Owners as on Wednesday, September 16, 2015 are entitled to vote on the item set forth in this Notice. The remote e-voting period will commence on Sunday, September 20, 2015 at 09:00 AM and end on Tuesday, September 22, 2015 at 5:00 PM. E-voting shall not be allowed beyond said time.
- (2) During aforesaid period, the members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date i.e., being September 16, 2015 may cast their vote by electronic means in the manner and process set out herein above. The remote e-voting module shall be disabled for voting thereafter. Once the vote on resolutions is cast by the member, the member shall not be allowed to change it subsequently. Further, the members who have cast their vote electronically shall not vote by way of poll at the Annual General Meeting, however, the Members who have cast their votes by remote e-voting prior to the date of the AGM may also attend the AGM. The Members can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting through polling paper at the AGM will not be considered.

Any person, who acquires shares of the Company and becomes a member of the Company after despatch of the notice and holding shares as of the cut-off date, i.e., September 16, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

- (3) However, if you are already registered with NSDL, for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no. 1800-222-990
- (4) The Company, has appointed Mr. Sanjay Grover, a practicing company secretary (CP No. 3850) having his office at B-88, 1st Floor, Defence Colony, New Delhi- 110024, as the scrutinizer ("Scrutinizer") to scrutinize the e-voting and polling process in a fair and transparent manner.
- (5) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the company.
- (6) The Scrutinizer shall make, not later than two days of conclusion of the Annual General Meeting, a scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman.

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- (7) The results declared along with the Scrutinizer's report shall be placed on the website of the Company i.e. www.maxindia.com and website of the NSDL i.e. <http://nsdl.co.in> and shall be forwarded, simultaneously, to the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").
- (8) Electronic copy of the Notice of the Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with attendance slip and proxy form are being sent to all the members whose email ID's are registered with the Company/depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company, inter-alia, indicating the process and manner of e-voting along with attendance slip and proxy form are being sent in the permitted mode.

20. Re-appointment of Directors:

At this Annual General Meeting, Mr. Ashwani Windlass, Mr. Sanjeev Mehra and Mr. Mohit Talwar retire by rotation and being eligible, offer themselves for re-appointment.

The information as required under Clause 49 of the Listing Agreements on Corporate Governance and informations as required under Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government, in respect of the Directors who have offered themselves for re-election is furnished hereunder:

Mr. Ashwani Windlass

Date of Birth: July 2, 1956

Mr. Ashwani Windlass is a leading strategist, telecom and technology professional, currently engaged in advisory role at the Board/CEO level, after over three decades of wide and top management experience with an outstanding track record of value creation. He focuses on strategy, M&As & telecom.

Mr. Windlass is a university topper with a Gold Medal in his B.Com (Bachelors of Commerce) and B.J.(Bachelors in Journalism). He obtained his MBA from Faculty of Management Studies, University of Delhi.

He currently serves as a non-executive Director on the Board of Max India Limited and non-executive Vice Chairman of Max Ventures Private Limited. He also serves on the Boards of Hindustan Media Ventures Limited, Vodafone India Limited and Antara Senior Living Limited. He also holds the positions of The Faculty of Management Studies (FMS), University of Delhi as member, and Trustee to LRG Foundation, Neeman Family Foundation and Neeman Family PVT Foundation.

Mr. Windlass has been the Founder Managing Director of Hutchison Max Telecom (since rechristened as Vodafone) and Vice Chairman & Managing Director of Reliance Telecom Limited, part of India's largest industrial conglomerate where he conceptualized and established their strategic entry into telecom.

In his distinguished executive career, he established and managed several new green field ventures in particular across telecom and technology sectors. These included setting up and managing Joint Ventures in India with world's leading corporations –Hutchison Group, Hong Kong; British Telecom UK, Comsat Corporation, USA, Avnet USA and Royal Gist Brocades, Holland; Elf Atochem (Total Group), France, MGRM

Technologies Inc., USA apart from strategic relationships with AT&T, Motorola & Siemens.

As a member of the founding executive team of Max India Limited since 1981, Mr. Windlass held various key management positions in the area of Corporate Affairs, Finance and Strategy, apart from conceptualizing, building and spearheading the group's foray into Electronics and Telecom Services. At the age of 38, he was appointed Joint CEO of the Group and the CEO of the Telecom Group. He also guided the group through some key strategic and innovative business initiatives.

He has contributed regular editorial columns in the leading Indian publications like Times of India, Economic Times, Business Standard & Indian Express.

Mr. Windlass is the Chairman of the Stakeholders Relationship Committee and Investment & Finance Committee of the Company and Audit Committee of Hindustan Media Ventures Limited. He is also a member of the Audit Committee, Nomination and Remuneration Committee, CSR Committee and Risk & Compliance Review Committee of the Company and a member of Nomination and Remuneration Committee of Hindustan Media Ventures Limited, Audit Committee of Vodafone India Limited and Remuneration Committee of Vodafone India Limited. Mr. Windlass holds 68,700 equity shares of the Company as on date.

The Company is not paying any remuneration to Mr. Windlass, except the sitting fee of rupees one lac for attending every Board and Committee meetings. Mr. Windlass attended all six Board meetings of the Company held during the financial year 2014-15. Mr. Windlass was originally appointed on the Board of the Company on December 2, 1994. Mr. Windlass has no relationship with any Directors or KMPs of the Company.

Mr. Sanjeev Mehra

Date of Birth: January 9, 1959

Mr. Sanjeev Mehra is representing Goldman Sachs Group on the Board of the Company. Mr. Sanjeev Mehra is a Managing Director in the Principal Investment Area (PIA) and serves as Vice Chairman of the global private equity business. Prior to assuming his current role, he was co-head of the Americas private equity business. Mr. Mehra is a member of the Merchant Banking Division (MBD) Client and Business Standards Committee, the MBD Risk Committee and the firm's US Retirement Investment Committee. He also serves on PIA's Investment Committee and heads PIA's Sub-Ops Committee. He previously served on the Firmwide Business Practices Committee. Mr. Mehra joined Goldman Sachs in 1986 in the Corporate Finance Department within the Investment Banking Division. After completing a one-year mobility in Fixed Income Capital Markets, he joined PIA in 1990. He started and led the firm's private equity business in India from 2006 to 2010. He was named Managing Director in 1996 and partner in 1998.

Mr. Sanjeev Mehra serves on the boards of ARAMARK Corporation Inc., USA, Interline Brands Inc, USA, Max India Limited, Sigma Electric Inc, USA, , SunGard Data Systems Inc, USA,TVS Logistics Services Ltd, Neovia Logistics Services LLC, USA. He also serves on the Board of Trustees of Oakham School Foundation, England, Indian School Society and Friends of The Doon School, India and serves as Chairman of the Board of Trustees of Brunswick School. Mr. Mehra is a member of Investment & Finance Committee of the Company. Mr. Mehra is a fellow of the Foreign Policy Association, a member of the Council on Foreign Relations and a member of the Committee of Undergraduate Resources (COUR) of Harvard College. He earned an MBA from Harvard Business School in 1986 and

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a BA from Harvard College in 1982. Mr. Sanjeev Mehra is not holding any shares in the Company as on date.

The Company is not paying any remuneration to Mr. Sanjeev Mehra. Mr. Mehra attended one Board meeting out of six Board meetings held during the financial year 2014-15. However, Mr. Vishal Bakshi, the Alternate Director for Mr. Mehra attended three Board meetings during the said financial year. Mr. Mehra was originally appointed on July 30, 2010. Mr. Mehra has no relationship with any Directors or KMPs of the Company.

Mr. Mohit Talwar

Date of Birth: September 17, 1959

Mr. Mohit Talwar is a post graduate from St. Stephen's College and completed his management studies in Hospitality from the Oberoi School. Mr. Talwar brings a wealth of experience of over 34 years in Corporate Finance and Investment Banking. He spent 24 years in Wholesale Banking in Standard Chartered, ANZ Grindlays and Bank of Nova Scotia. Prior to this, he spent almost 6 years with the Oberoi Group.

Mr. Talwar is the Deputy Managing Director of the Company and has been with Max India for seven years and has played a pivotal role in growing the business and transforming Max Group and its joint ventures into a profitable, billion-dollar enterprise. By leveraging his strong relationships with institutional investors, hedge funds, banks and private equity firms, and successfully leading several complex Corporate Finance and financial structuring deals for the group, he has ensured adequate investment and liquidity for Max India group operations. Mr. Talwar is the Vice Chairman of Max Speciality Films Limited and a member on the Board of Max Bupa Health Insurance Company Limited, Antara Senior Living Limited, Pharmax Corporation Limited and Max Healthcare Institute Limited. Further, Mr. Talwar is a member of Stakeholders Relationship Committee and the Investment & Finance Committee of the Company and Nomination and Remuneration Committee of Antara Senior Living Limited and Risk Committee of Max Bupa Health Insurance Committee. Mr. Talwar is holding 1,17,924 equity shares of the Company as on date.

The shareholders of the Company in its Extraordinary General Meeting held on December 5, 2013 approved the following remuneration to Mr. Mohit Talwar for the period from November 1, 2013 until October 31, 2016 :

Salary (including Basic, House : Not exceeding Rs. 5	
Rent Allowance/Company owned or	core per annum
leased Accommodation, Provident	
Fund and Gratuity), perquisites and	
allowances	
Variable compensation/performance : Not exceeding Rs.4	
incentive	core per annum
Stock Options	: For a value not
	exceeding Rs.1 crore
	per annum

The total Remuneration paid to Mr. Mohit Talwar during the financial year 2014-15 was Rs.7,99,71,600/-. Mr. Mohit Talwar attended five Board meetings out of six Board meetings held during the financial year 2014-15. Mr. Talwar was originally appointed on February 14, 2009. Mr. Talwar has no relationship with any Directors or KMPs of the Company

21. Appointment of statutory auditors

Pursuant to Section 139 & 142 of the Act, M/s S R Batliboi & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company at the Annual General

Meeting held on September 30, 2014 for a period upto the date of the next annual general meeting of the Company. M/s. S R Batliboi & Co. LLP, have expressed their unwillingness to be reappointed as Statutory Auditors of the Company. It is proposed to appoint M/s. Deloitte Haskins & Sells, LLP, in place of M/s SR Batliboi & Co.LLP as Statutory Auditors of the Company, till conclusion of Annual General Meeting to be held in year 2020. The Company received a written consent from M/s. Deloitte Haskins & Sells, LLP, Chartered Accountants, as required under Section 139 of the Act and a certificate to the effect that their appointment, if may, would be in accordance with the limits prescribed under Section 141 of the Act.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT.

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the business mentioned under item no. 8 to 10.

Item No. 8 & 9

The Company had, pursuant to the applicable provisions of the Act and Clause 49 of the Listing Regulations, appointed Mr. Dinesh Kumar Mittal and Mrs. Nirupama Rao as Independent Directors on January 1, 2015. The said appointments were made on the review and recommendation of proposal by the Nomination and Remuneration Committee of the Company.

Pursuant to provisions of Section 149 of the Act, every listed company having the promoter as the Non Executive Chairman is required to have at least one-half of the total number of directors as Independent Directors, who are not liable to retire by rotation. The Board of Directors of your Company recommended the appointment of aforementioned as independent directors for a term of five years from January 1, 2015 in terms of the Articles of Association of the Company.

Mr. Dinesh Kumar Mittal and Mrs. Nirupama Rao have given a declaration to the Board that they meet the criteria of Independence as provided under Section 149(6) of the Act. In the opinion of the Board, both the directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these Directors as Independent Directors is recommended for your approval.

The Company has received notices in writing pursuant to Section 160 of the Act, from members along with a deposit of Rs.1,00,000/- proposing the candidature of Mr. Dinesh Kumar Mittal and Mrs. Nirupama Rao for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Act.

The relevant documents for the appointment of the above Directors shall be available for inspection in physical or in electronic form during the business hours at the registered office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the annual general meeting.

A brief profile of the Independent Directors proposed to be appointed at the AGM is given below:

Profile of Mr. Dinesh Kumar Mittal

Date of Birth : January 25, 1953

Mr. Dinesh Kumar Mittal is an independent non-executive Director of Max Life Insurance Company Limited. He is a former Indian Administrative Service (IAS) officer of 1977 batch (UP cadre) and has served the government of India in various capacities. Mr. Mittal was earlier the Secretary, Department of Financial Services, where

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he was responsible for overseeing Banking, Insurance and Pension policies of India. During his tenure he worked very closely with the RBI and was on the Board of the RBI, LIC, State Bank of India, IIFCL and IIFCL (UK). Previously as Secretary, Ministry of Corporate Affairs, he has worked closely with ICAI, ICSI and ICWAI. As an Additional Secretary, Department of Commerce, Mr. Mittal was the chief negotiator of India for WTO negotiation. He also supervised all multilateral Preferential Tariff negotiations, development and operation of SEZs in India and FDI and Overseas Investment from India. As Joint Secretary, Ministry of Commerce, he had oversight of International Trade and Special Economic Zones. He formulated SEZ policy in March 2000 for the first time in India. He was with ILFS on secondment from the Govt of India and worked in the area of project development and financing of infra projects. Mr. Mittal has hands on experience in Infrastructure, International Trade, Urban Development, Renewable Energy, Agriculture Development and Micro- Credit, Corporate Governance, Banking, Insurance, Pension and Finance.

He holds a Master's degree in physics with specialization in Electronics from University of Allahabad, India.

Besides Max India Limited, Mr. Mittal holds directorships in Business Strategy Advisory Services Private Limited, HSBC Asset Management (India) Private Limited, Balrampur Chini Mills Limited, Bharti Airtel Limited, ONGC Tripura Power Company Limited, Max Life Insurance Company Limited, Jet Airways (India) Limited, Teestavalley Power Transmission Limited and Cross Border Power Transmission Company Limited. Mr. Mittal is also a member of Audit Committee of Balrampur Chini Mills Limited, ONGC Tripura Power Company Limited, Max Life Insurance Company Limited and Jet Airways (India) Limited. Mr. Mittal is not holding any shares in the Company.

The Company is not paying any remuneration to Mr. Mittal, except the sitting fee of rupees one lac for attending every Board and Committee meetings. Mr. Mittal was appointed on the Board of the Company on January 1, 2015. and since his appointment, two Board meetings of the Company were held during the financial year 2014-15 and Mr. Mittal attended one meeting. Mr. Mittal has no relationship with any Directors or KMPs of the Company.

Profile of Mrs. Nirupama Rao

Date of Birth : December 6, 1950

Mrs. Nirupama Rao was appointed to the Indian Foreign Service in 1973. During a career of four decades, she served in various key assignments in the Ministry of External Affairs and in various Indian embassies around the world. She was the first woman spokesperson of the Ministry of External Affairs, the first woman High Commissioner from India to Sri Lanka and the first Indian woman Ambassador to China. From 2009-2011, she served as India's Foreign Secretary. On her retirement in July 2011, she was appointed Ambassador of India to the United States of America. Mrs. Rao holds a Doctor of Letters (Honoris Causa) from Pondicherry University. She is a published poet.

Besides Max India Limited, Mrs. Nirupama Rao holds directorships in KEC International Limited and Network 18 Media & Investments Limited. She is not holding any shares in the Company.

The Company is not paying any remuneration to Mrs. Nirupama Rao, except the sitting fee of rupees one lac for attending every Board and Committee meetings. Mrs. Rao was appointed on the Board of the Company on January 1, 2015. and since her appointment, two Board meetings of the Company were held during the financial year 2014-15 and Mrs. Nirupama Rao attended one meeting. Mrs. Rao has no relationship with any Directors or KMPs of the Company.

None of the Directors, Key Managerial Personnel (KMP) or relatives of directors and KMPs, is concerned or interested in the Resolutions

at item Nos 8 & 9 except Mr. Dinesh Kumar Mittal and Mrs. Nirupama Rao as they are interested in passing the resolutions concerning their respective appointments.

Item No. 10

The Shareholders of the Company in their meeting held on September 30, 2003 approved the Employee Stock Option Plan – 2003 ("Plan") of the Company with the objective of granting Stock Options to employees to ensure sustained commitment and highest levels of motivation. The Plan was amended subsequently by Shareholders in their Annual General Meeting held on September 27, 2011, wherein the validity of the Plan was extended upto September 30, 2023. Thereafter, the Plan was once again amended by the Shareholders in their Annual General Meeting held on September 30, 2014 to increase the aggregate quantum of Stock Options to 5% of the then present paid-up share capital of the Company and to provide the power to the Nomination and Remuneration Committee of the Board ("NR Committee") to decide on the Exercise Price per option from time to time in compliance with the applicable provisions of law.

The members may please note that the Securities and Exchange Board of India ('SEBI') has notified the new SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations") with effect from October 28, 2014, while repealing the erstwhile SEBI (Employees Stock option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Under Regulation 31(2)(b) of the SEBI Regulations, all listed companies having existing schemes to which the SEBI Regulations apply, are required to comply with the SEBI Regulations within one year of the same coming into effect. It is therefore necessary for the Company to align the Plan with the requirements of SEBI Regulations. In pursuance of the aforesaid, the NR Committee has proposed certain amendments to the Plan as reflected in the revised draft of Plan approved by the NR Committee. Apart from such amendments, certain other changes are proposed to be made to the Plan in order to provide better clarity to the interpretation of the Plan. The variations proposed to be made to the terms of the Plan broadly include the following:

- (i) Regulation 5(3) of the SEBI Regulations requires the remuneration committees to formulate detailed terms and conditions of the scheme to which SEBI Regulations apply, including the provisions specified under SEBI Regulations. While the Plan provides the powers to the NR Committee to formulate the terms and conditions of stock options to be granted, it is proposed to clarify such powers to include all the provisions prescribed by SEBI. Such powers are to be exercised by NR Committee in accordance with applicable provisions of law, which has also been clarified in the revised Plan.
- (ii) The Plan is currently silent on the treatment of stock options in case of termination of employment of an optionee on account of misconduct. The SEBI Regulations recommend for remuneration committees to include the same in the terms of the scheme. Therefore, it is proposed to clarify that in the event the employment of an optionee has been terminated by the Company for misconduct, all vested and unvested stock options granted to such optionee will lapse.
- (iii) Regulation 9(7) of the SEBI Regulations requires that in the event an employee who has been granted stock options is transferred / deputed to an associate company prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue even after such transfer / deputation. Therefore, the said provision is proposed to be included in the Plan.
- (iv) The power of NR Committee is proposed to be clarified and widened for better interpretation of the Plan. While the Plan

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currently provides power to the NR Committee to formulate the terms of grant of options, such power is subject to the provisions of the Plan. As an example, the Plan provides for a specific time vesting schedule for vesting of Options. Therefore, since the NR Committee's power is subject to the provisions of the Plan, the power of NR Committee to determine vesting conditions may be viewed as restricted only to the fixed time vesting provided in the Plan. It is therefore proposed to clarify that the powers of NR Committee and also delete the fixed time vesting schedule provided under the Plan.

- (v) It is proposed to clarify that in the event the Company undertakes a demerger of any of its undertakings, the NR Committee will formulate the terms and conditions with respect to the

grant of options by the transferee company to the optionee, as the NR Committee may deem appropriate.

- (vi) The new Plan shall be applicable to all employees who have been granted and will be granted stock options under the Plan.

All other terms and conditions of the Plan approved by the Shareholders by way of the Special Resolutions in the Annual General Meetings held on September 30, 2003, September 27, 2011 and September 30, 2014 will remain unaltered.

The company shall conform to the accounting policies specified in Regulation 15 of the SEBI Regulations.

Other details required to be set out in the explanatory statement as per the SEBI Regulations are provided below:

Sr. No.	Particulars	Details
1.	Brief description of the scheme	<p>The Plan is aimed at attracting key employees to the Company and inducing key employees to remain with the Company, and encourage them to increase their efforts to make the Company's business more successful, by rewarding the eligible employees with equity based stock options ("Options").</p> <p>The Plan provides for grant of Options to eligible employees as identified by the NR Committee from time to time, at a price to be determined by the NR Committee. The NR Committee has the power to formulate the terms and conditions of grant of Options, which are recorded in the agreement ("Option Agreement") to be executed between the eligible employee and the Company at the time of grant of Options. Depending upon the class of employees, the vesting of Options is either time based or performance based or both.</p> <p>The plan is administered directly by the Company.</p>
2.	The total number of options, SARs, shares or benefits, as the case may be, to be granted.	Options equivalent to 1,33,14,787 equity shares of the Company, being an aggregate of 5% of the paid-up equity share capital of the Company as of August 13, 2014, per approval accorded by the shareholders in the AGM held on September 30, 2014.
3.	Exercise Price per Option	To be determined by the NR Committee from time to time, in accordance with the provisions of the applicable law, provided that the Exercise Price shall not be below the face value of the equity shares of the Company.
4.	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s).	As identified by the NR Committee from time to time.
5.	Requirements of vesting and period of vesting	Vesting may be time based or performance based, as determined by the NR Committee, from time to time, under the relevant Option Agreement.
6.	Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options / SARs / benefit shall be vested.	As determined by the NR Committee, from time to time.
7.	Exercise price, SAR price, purchase price or pricing formula.	As determined by the NR Committee under the relevant Option Agreement.
8.	Exercise period and process of exercise.	<p><u>Exercise period:</u> Two years from the respective vesting dates or such other date as may be determined by the NR Committee from time to time.</p> <p><u>Process of exercise:</u></p> <p>The Optionee is required to provide written notice (the "Exercise Notice") to the Company stating the number of Shares in respect of which the Option is being exercised in terms of the Plan.</p>
9.	The appraisal process for determining the eligibility of employees for the scheme(s).	The NR Committee shall determine the grant size for the employees eligible under the Plan based inter-alia, on number of years of service in the Company, seniority in the management cadre, annual performance appraisal/review, criticality of the function and the significance of contribution to the Company's growth.

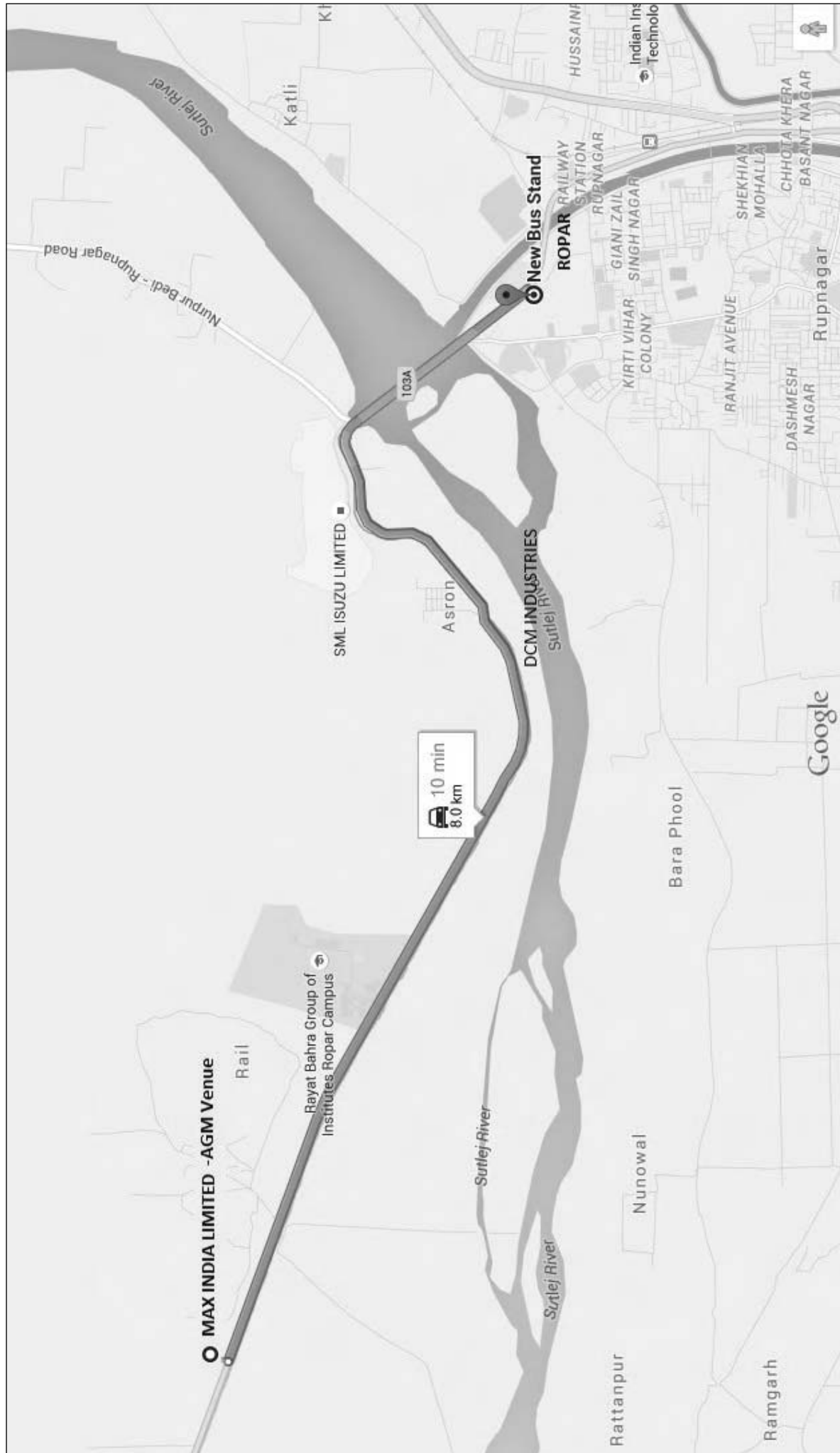
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| 10. Maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate. | <p><u>Aggregate:</u> Options equivalent to 1,33,14,787 equity shares of the Company, being an aggregate of 5% of the paid-up equity share capital of the Company</p> <p><u>Per employee:</u> As determined by the NR Committee from time to time.</p> |
| 11. Maximum quantum of benefits to be provided per employee under a scheme(s). | As determined by the NR Committee from time to time. |
| 12. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust. | Directly by the Company. |
| 13. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both. | New issue of shares. |
| 14. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc. | Not applicable. The Plan is not administered by a trust. |
| 15. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s). | Not applicable. The Plan is not administered by a trust. |
| 16. The method which the company shall use to value its options or SARs. | In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, will be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share of the company will also be disclosed in the Directors' report |

Regulation 7(2) of the SEBI Regulations requires the variation to the terms of a scheme to be approved by way of a special resolution passed by the shareholders. Your Directors, therefore, recommend the Special Resolution set out in item no. 10 for your approval. The amended Plan is posted on the website of the Company at www.maxindia.com for the information of the members.

The Directors and Key Managerial Personnel (KMP) or relatives of directors and KMPs of the Company may be concerned or interested in the Special Resolution set out at item No. 10 of this Notice to the extent to which the options may be granted to them, under the Plan, in future.

Route Map for A.G.M. Venue



MAX INDIA LIMITED

CIN: L24223PB1988PLC008031

Regd. Office: Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab-144 533
Tel: 011-42598000, Fax: 011 - 26324126; www.maxindia.com, E-mail: vkrishnan@maxindia.com; rajinder@maxindia.com

**Form No. MGT-11
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Folio/DP ID-Client ID No.**Name of the Member(s) & Address:**

I/We, being member(s) of Shares the above named company, hereby appoint.

1. Name:
Address: E-Mail Id :
Signature : or failing him

2. Name: Address:
..... E-Mail Id :
Signature: or failing him

3. Name: Address:
..... E-Mail Id :
Signature: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual general meeting of the Company, to be held on Wednesday, September 23, 2015 at 4.00 PM. at the Registered Office of the Company at Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
Ordinary Business			
1.	To receive, consider and adopt the Financial Statements of the Company including Audited Balance Sheet for the year ended March 31, 2015 and the Statement of Profit and Loss as at that date and the reports of the Directors and Auditors thereon.		
2.	To receive, consider and adopt the Consolidated Financial Statements of the Company for the year ended March 31, 2015 and the reports of the Auditors thereon.		
3	To declare final dividend and confirm the interim dividend of Rs. 4/- per equity share, already paid for the year ended March 31, 2015.		
4.	To appoint a Director in place of Mr. Ashwani Windlass (holding DIN:00042686), who retires by rotation and being eligible, offers himself for re-appointment.		
5.	To appoint a Director in place of Mr. Sanjeev Mehra (holding DIN: 02195545), who retires by rotation and being eligible, offers himself for re-appointment.		
6.	To appoint a Director in place of Mr. Mohit Talwar (holding DIN: 02394694), who retires by rotation and being eligible offers himself for re-appointment.		
7.	To approve the appointment of M/s Deloitte Haskins & Sells, LLP, Chartered Accountants, as the Statutory Auditors and to fix their remuneration.		
Special Business			
8	To consider and appoint Mr. Dinesh Kumar Mittal (holding DIN: 00040000) as an Independent Director of the Company.		
9.	To consider and appoint Mrs. Nirupama Rao (holding DIN: 06954879) as an Independent Director of the Company.		
10	To consider and approve amendment to the Max Employee Stock Option Plan – 2003.		

Signed this.....day of2015

Signature of the shareholder

Signature of the Proxy holder(s)

**Affix
revenue
stamp**

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CIN: L24223PB1988PLC008031

Regd. Office: Bhai Mohan Singh Nagar, Lailamajra, Tehsil Balachaur, District Nawanshahr, Punjab-144 533
Tel: 011-42598000, Fax: 011 – 26324126; www.maxindia.com, E-mail: vkrishnan@maxindia.com; rajinder@maxindia.com

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ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password/PIN	No. of Share(s)

The e-voting facility will be available during the following voting period:

Commencement of e-voting	From 9.00 a.m. (IST) on September 20, 2015
End of e-voting	Upto 5.00 p.m. (IST) on September 22, 2015

The cut-off date (i.e. the record date) for the purpose of e-voting is September 16, 2015. Please refer to the attached AGM Notice for instructions on e-voting.



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ATTENDANCE SLIP

Regd. Folio No. / DP ID – Client ID:

Name & Address of First/Sole Shareholder :

No. of Shares held:

I certify that I am a member/proxy for the meeting of the Company.

I hereby record my presence at the 27th Annual General Meeting of Max India Limited held on Wednesday, September 23, 2015 at 4.00 PM at Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533.

Signature of Member/Proxy

Notes:

1. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
2. Member/Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.

