

**Max Financial Services Limited (formerly known as 'MAX INDIA LIMITED')**  
**CIN: L24223PB1988PLC008031**  
**Corporate Office: Max House, Okhla, New Delhi - 110020**  
**Registered Office: Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533**  
**Website: www.maxfinancialservices.com**

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016**

Part-I						(Rs. in Crores)
Particulars	3 months ended 30.06.2016	Preceding 3 months ended 31.03.2016	Corresponding 3 months ended in the previous year 30.06.2015 (Restated)	Corresponding 3 months ended in the previous year 30.06.2015 (As published)	Previous year ended 31.03.2016	
	(Refer note 5)	(Refer note 9)	(Refer note 2)	(Refer note 6)		
	(Unaudited)		(Unaudited)	(Unaudited)	(Audited)	
	Column 1	Column 2	Column 3	Column 4	Column 5	
<b>1. Income from operations</b>						
(a) Revenue from operations	5.27	5.03	3.73	-	16.24	
(b) Income from investment activities	126.46	7.91	36.35	45.51	184.47	
<b>Total income from operations (net)</b>	<b>131.73</b>	<b>12.94</b>	<b>40.08</b>	<b>45.51</b>	<b>200.71</b>	
<b>2. Expenses</b>						
(a) Employee benefits expense	8.21	12.46	6.15	10.51	32.66	
(b) Depreciation and amortisation expense	0.51	0.55	0.52	0.79	2.22	
(c) Legal and professional expenses	12.20	10.91	4.61	4.00	26.71	
(d) Loss on sale of non current investments	-	6.05	-	-	6.05	
(e) Other expenses	3.86	6.96	3.76	5.32	18.38	
<b>Total expenses</b>	<b>24.78</b>	<b>36.93</b>	<b>15.04</b>	<b>20.62</b>	<b>86.02</b>	
<b>3. Profit/(loss) from operations before other income, finance costs (1-2)</b>	<b>106.95</b>	<b>(23.99)</b>	<b>25.04</b>	<b>24.89</b>	<b>114.69</b>	
4. Other income	0.17	0.16	0.11	0.12	0.51	
<b>5. Profit/(loss) before finance costs (3+4)</b>	<b>107.12</b>	<b>(23.83)</b>	<b>25.15</b>	<b>25.01</b>	<b>115.20</b>	
6. Finance costs	-	-	-	-	-	
<b>7. Profit/(loss) before tax (5-6)</b>	<b>107.12</b>	<b>(23.83)</b>	<b>25.15</b>	<b>25.01</b>	<b>115.20</b>	
8. Tax expense	-	-	0.42	0.42	-	
<b>9. Nat Profit/(loss) after tax (7-8)</b>	<b>107.12</b>	<b>(23.83)</b>	<b>24.73</b>	<b>24.59</b>	<b>115.20</b>	
10. Paid-up equity share capital (Face Value Rs. 2 Per Share)	53.40	53.40	53.32	53.32	53.40	
11. Reserves excluding revaluation reserve as per balance sheet of previous accounting year	-	-	-	-	1,616.53	
12. Earnings per share (of Rs. 2 each) (before and after extraordinary items) (not annualised)						
a) Basic (Rs.)	4.01	(0.89)	0.93	0.92	4.32	
b) Diluted (Rs.)	4.01	(0.89)	0.93	0.92	4.27	
See accompanying notes to the standalone unaudited financial results						

Dr

  
**Mohit Talwar**  
 Managing Director

**Notes to the Standalone unaudited financial results:**

- 1 The Board of directors at its meeting held today has approved the composite scheme of arrangement ("Scheme"), the share exchange ratios and execution of definitive agreements related to / ancillary to the Scheme, which inter alia contemplates (a) merger of its subsidiary, viz. Max Life Insurance Company Limited ("Max Life") with itself (with a share exchange ratio of one share of the Company for approx. five shares held in Max Life for shareholders other than the company); (b) demerger of the life insurance undertaking of the Company and merger of the said undertaking with HDFC Standard Life Insurance Company Limited ("HDFC Life") (share exchange ratio of approx. seven shares of HDFC Life for every three shares held in the Company); and (c) merger of the Company (holding the non-life insurance business) with Max India Limited (with a share exchange ratio of one share of Max India Limited for 500 shares held in the Company). The proposed transaction shall be subject to receipt of all relevant shareholder, regulatory, corporate and third party approvals, if any.
- 2 During the quarter ended June 30, 2016, Max Financial Services Limited ('the Company') has acquired 19,150,000 equity shares of Max Life Insurance Company Limited (MLIC), subsidiary of the Company from Infrastructure Development Finance Company Limited for a consideration of Rs. 146.50 crores, thereby increasing its equity stake in MLIC from 68.01% to 69.01%.
- 3 The Board of Directors of Max Financial Services Limited ('the Company'/erstwhile 'Max India Limited') in their meeting held on January 27, 2015 had approved the Corporate Restructuring plan to vertically split the Company through a Composite scheme of arrangement ('Scheme'), into three separate listed companies.  
  
The Hon'ble High Court of Punjab and Haryana vide its order dated December 14, 2015, had sanctioned the Scheme under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 between Max Financial Services Limited ('MFSL') ('the Company'/erstwhile Max India Limited), Max India Limited ('MAX' - erstwhile Taurus Ventures Limited) and Max Ventures and Industries Limited ('MVIL' - erstwhile Capricorn Ventures Limited) and their respective shareholders and creditors for transfer of all the assets and liabilities pertaining to each of the demerged undertakings (i.e. MAX and MVIL) with effect from April 1, 2015 (Appointed date). The Scheme was effective from January 15, 2016 i.e. the date of filing of the certified copy of the order of the Hon'ble High Court of Punjab and Haryana with the Registrar of Companies, Chandigarh and Shimla.  
  
The results for the quarter ended June 30, 2015 (restated) in the standalone unaudited financial results have been restated to reflect the effect of the Scheme and have been shown in a separate column to facilitate comparison with standalone unaudited financial results for the quarter ended June 30, 2016.
- 4 The figures for the quarter ended June 30, 2015 as stated in column 4 represent the amounts published in the standalone unaudited financial results for the quarter ended June 30, 2015, prior to the Scheme being effective and do not accordingly include the effect of this Scheme.
- 5 Income from investment activities of the Company includes dividend income of Rs. 123.98 crores, Rs. 35.92 crore and Rs. 167.18 crore for the quarter ended June 30, 2016, quarter ended June 30, 2015 and year ended March 31, 2016 respectively received from Max Life Insurance Company Limited, a subsidiary of the Company.
- 6 In terms of Companies (Indian Accounting Standards) Rules 2015, as amended, the Non Banking Finance Companies (NBFCs), including Core Investment Companies (CIC), having a net worth of Rs 500 crores or more are required to prepare Ind-AS based financial statements for accounting periods beginning on or after April 1, 2018 with comparatives for the periods ending March 31, 2018 or thereafter. Hence, the current financials have been drawn in accordance with Indian GAAP as Ind-AS provisions are not applicable to the Company for the current accounting year, the Company being a Core Investment Company (non-systemically important CIC).
- 7 During the quarter ended June 30, 2016, the Company has allotted 38,900 equity shares of Rs. 2 each to its employees (including employees transferred to MAX pursuant to the Scheme) and an executive director arising from exercise of ESOPs. Further, the Company has granted 29,235 stock options with graded vesting periods to an executive director under the 'Max India Stock Plan -2003'.
- 8 Being a holding company, the Company is having business investments and is primarily engaged in growing and nurturing the business investments and providing management advisory services to group companies. Accordingly, the Company views these activities as one business segment, therefore 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) Rules, 2014.
- 9 Figures for the quarter ended March 31, 2016 pertaining to the Company are the balancing figures between audited figures in respect of the full financial year and published year to date unaudited figures upto the third quarter of the year ended March 31, 2016 for the Company.
- 10 The previous period's figures have been regrouped / reclassified, wherever necessary to correspond with the current period's classification / disclosure.
- 11 These standalone unaudited financial results for the quarter ended June 30, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held today, and subject to a limited review by the statutory auditors of the Company.

By Order of the Board

Date : August 8, 2016  
Place : Mumbai



Mahit Talwar  
Managing Director

# Deloitte Haskins & Sells LLP

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF Max Financial Services Limited (Formerly Known as "MAX INDIA LIMITED")

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Max Financial Services Limited (Formerly Known as "MAX INDIA LIMITED")** ("the Company") for the quarter ended 30 June, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



*Jitendra Agarwal*

**Jitendra Agarwal**  
Partner

(Membership No. 87104)

Mumbai, 8 August, 2016