

Partnership consolidation

ANNUAL
REPORT
2021-22





To know more about the Company log on to www.maxindia.com



Scan the QR code for additional information about the Company

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Contents

03 Corporate Review

- 04** Our Enterprise
- 08** Our Path
- 09** Our Values
- 10** Board of Directors

17 Strategic Review

- 18** Letter to Shareholders
- 22** Business Review

25 Management Discussion and Analysis

- 26** Max Financial Services Limited
- 32** Max Life Insurance Co. Ltd.
- 63** Business Responsibility Review

75 Corporate Governance Report

89 General Shareholder Information

95 Board's Report

125 Standalone Financial Statements

187 Consolidated Financial Statements





CORPORATE REVIEW

Our Enterprise



Max Financial Services Limited (MFSL) is part of India's leading business conglomerate – the Max Group. Focused on Life Insurance, MFSL owns and actively manages an 81.83% majority stake in Max Life Insurance, India's largest non-bank, private life insurance company. MFSL recorded consolidate revenues of ₹31,188 Cr during FY22 and a Profit After Tax of ₹318 Cr.

The Company is listed on the NSE and BSE. Besides a 15% holding by Analjit Singh and sponsor family, some of the other group shareholders include MSI, Ward ferry, New York Life, Baron, GIC, Vanguard, Jupiter, Blackrock, and the Asset Management Companies of Nippon, HDFC, Canara, ICICI, Robeco Prudential, Sundaram, Mirae, DSP and Kotak.



Max Life is the sole operating subsidiary of Max Financial Services Limited. Max Life – a part of the \$4-Bn Max group, an Indian multi business corporation – is India's largest non-bank private life insurer and the fourth largest private life insurance company.

In FY22, Max Life reported an Embedded Value (EV) of ₹14,174 Cr, after allowing for the shareholder dividends led by 22% growth in value of new business. The Operating Return on EV (RoEV) over stood at 19.2%. The New Business Margin (NBM) for FY2022 was 27.4% (at actual costs), an increase of 360 bps and the Value of New Business (VNB) was ₹1,528 Cr (at actual costs), an annual growth of 22%.

On April 6, 2021, Axis Bank Limited, India's third-largest private sector bank, together with its subsidiaries Axis Capital Limited and Axis Securities Limited (collectively referred to as "Axis Entities") became the co-promoters of Max Life. This was after completion of the acquisition of 12.99% stake collectively by the Axis Entities in Max Life. Under the deal, the Axis Entities have a right to acquire an additional stake of up to 7% in Max Life, in one or more tranches, subject to regulatory approvals. Max Life has 346 branch units across India as of March 31, 2022.





New Max India Limited (MIL) was formed in June 2020 after Max India – the erstwhile arm of the \$4-billion Max Group – merged its healthcare assets into Max Healthcare and demerged its senior care and other allied businesses in June 2020 into a new wholly owned subsidiary called Advaita Allied Health Services Limited which was later renamed as Max India Limited.

Max India is now the holding company of Max Group's Senior Care business Antara, an integrated service provider for all senior care needs. It operates across two lines of businesses – Assisted Care services, including Care Homes, Care at Home and MedCare, and independent Residences for seniors.

Max India investor list includes: IFC, New York Life, Nomura, TVF, Rajasthan Global Securities.



ANTARA
SENIOR LIVING

A Max India Enterprise

Antara Senior Living and Antara Assisted Care Services are wholly owned subsidiaries of Max India. The two main lines of businesses are Residence for Seniors and Assisted Care Services, respectively, which provide services for all senior care needs.

Antara's first residential community in Dehradun consists of around 180 apartments spread across 14 acres of land. In 2020, Antara launched a new senior living facility in Noida, Sector-150. With 340 apartments in its first phase of development, it will be ready for possession by 2025.

Antara's Assisted Care Services include 'Care Homes' and 'Care at Home' and MedCare products. They cater to seniors over the age of 55, who need more immersive interventions in their daily lives due to medical or age-related issues.



Our Enterprise



Max Ventures & Industries Limited (MaxVIL) is engaged in Real Estate business in the premium residential and commercial space in Delhi-NCR through its subsidiary companies – Max Estates Limited, Max Asset Services Limited, Max I. Limited. MaxVIL is listed on the NSE and BSE. Besides a 49.7% holding by Analjit Singh sponsor family, other key shareholders include New York Life Insurance and First State Investments.



Established in 2016, Max Estates is the real estate arm of the Max Group. It is a wholly owned subsidiary of MaxVIL. Its vision is to bring the Group's values of Excellence, Credibility and 'Sevabhav' to the Indian real estate sector. Max Estates is focused on developing and operating Grade A, build to lease office complexes. Through its WorkWell concept, Max Estates offers workplaces which provide a blend of community building, technology, and environment friendly features. Its commercial projects include Max Towers, on the edge of South Delhi that opened in 2019 and houses recent occupants such as YES Bank, Cyril Amarchand Mangaldas, DBS, among others, Max House, Okhla, a Grade-A office campus located in South Delhi. Its upcoming projects include Max Square, in Sector 129, Noida which has equity participation from New York Life Insurance .



Max I. Limited is MaxVIL's wholly owned subsidiary, which facilitates intellectual and financial capital to promising and proven early-stage organizations with focus on real estate synergistic to the real estate business of the Max Group. Its investment model is a hybrid of accelerators and venture funding, providing both mentoring and growth capital for the organizations it invests in.





Max Asset Services Limited (MAS), a wholly owned subsidiary of MaxVIL, focuses on providing Real Estate as a service in the form of facility management, community development and managed offices. It aims to bring life into buildings by implementing the Max Estates' WorkWell philosophy through amenities and 'Pulse', which focuses on curating engaging events for office tenants.



Launched in 2008, Max India Foundation (MIF) represents the Max Group's social responsibility efforts. It is focused on the creation of opportunities by empowering children through education and sustainable livelihood skills. MIF's most recent initiative is Social Emotional Ethical (SEE) Learning – a K-to-12 education program to provide high quality, easy-to-use curricula and a comprehensive framework for educators and students for their holistic development. In the past, the Foundation's work focused on healthcare for the underprivileged and benefitted more than 3.4 million people in over 800 locations since its inception.

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW



Our **Path**

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW



Our Vision

To be the most admired company for protecting and enhancing the financial future of its customers.



Our Mission

Be the most preferred category choice for customers, shareholders and employees

Do what is right for our customers, and treat them fairly

Be the go-to standard for partnerships and alliances with all distributors and partners

Maintain cutting-edge standards of governance

Lead the market in quality and reputation

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.



Credibility

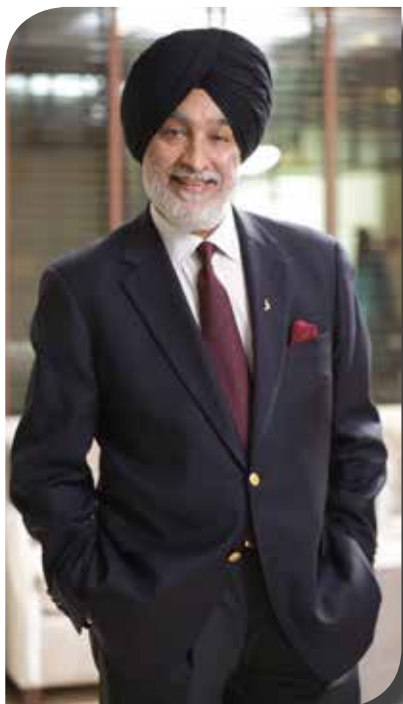
We give you our word. And we stand by it. No matter what. A 'No' uttered with the deepest conviction is better than a 'Yes' merely uttered to please, or worse, to avoid trouble. Our words are matched by our actions and behavior.



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.

Board of Directors



Mr. Analjit Singh
Founder & Chairman
Max Group

Mr. Analjit Singh is the Founder & Chairman of The Max Group, a \$5-bn Indian multi-business enterprise, with interests in life insurance (Max Life), real estate (Max Estates), senior living (Antara). The Max Group is renowned for successful joint ventures with some pre-eminent firms including Mitsui Sumitomo & Toppan, Japan; New York Life Insurance Company; Bupa Plc, Life Healthcare, SA; DSM, Netherlands, Hutchison Whampoa; Motorola, Lockheed Martin, and others.

Amongst privately held family businesses, Mr. Analjit Singh is the founder of Leeu Collection, a group of leisure boutique hotels in Franschhoek, South Africa; The Lake District, UK; and soon to be opened in Florence, Italy. The Leeu Collection also includes a significant presence in wine and viticulture through Mullineux Leeu Family Wines in SA.

Mr. Singh was awarded the Padma Bhushan, India's second highest civilian honour, by the President of India in 2011. An alumnus of The Doon School and Shri Ram College of Commerce, University of Delhi, Mr. Analjit Singh holds an MBA from the Graduate School of Management, Boston University. He has been conferred with an honorary doctorate by Amity University.

He served as a Director on the Board of Sofina NV/SA, Belgium till March 2022 and as the non-executive Chairman of Vodafone India till August 2018.

Mr. Singh was 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 the Board of Governors of The Indian Institute of Technology and The Doon School.

Mr. Singh has served on the Prime Minister's Indo US CEO and Indo UK CEO Council. He served as the Honorary Consul General of the Republic of San Marino in India from 2007 till 2018. His appointment as Honorary Counsel General of the Republic of San Marino is reinstated from March 2022.

He has been felicitated by Senator Hillary Clinton, former US Secretary of State, on behalf of the Indian American Centre for Political Awareness for his outstanding achievement in presenting the international community with an understanding of a modern and vibrant India and for creating several successful joint ventures with leading American companies and promoting business ties with the USA.

He has been honoured with the Ernst and Young Entrepreneur of the Year Award (Service Category) and the Golden Peacock Award for Leadership and Service Excellence. In 2014 he was awarded with Spain's second highest civilian honour, the Knight Commander of the Order of Queen Isabella, and the Distinguished Alumni Award from Boston University.



Ms. Naina Lal Kidwai
Independent Director

Ms. Naina Lal Kidwai is an independent director, Max Financial Services and Senior Advisor, Advent Private Equity. She is also a Non-Executive Director on the boards of Nestle SA and CIPLA Ltd and has been Past President of FICCI (Federation of Indian Chambers of Commerce & Industry). She retired on December 2015 as Executive Director on the board of HSBC Asia Pacific and Chairman HSBC India. She is Chairman of the Harvard Business School, South Asia Board.

An MBA from Harvard Business School, she makes a regular appearance on listings by Fortune since 2002 and others of international women in business. She has received many awards and honours in India and was awarded the Padma Shri, for her contribution to Trade & Industry, from the Government of India in 2007. She has edited two books Contemporary Banking in India and 30 Women in Power: Their Voices, Their Stories.

Her interest in Water and the environment and empowerment of women are reflected in her board positions of not-for-profit institutions like Shakti Sustainable Energy Foundation, The Energy Resources Institute, International Advisory Council of the Inquiry of United Nations Environment Program (UNEP), Commissioner for the Global Commission on Economy & Climate, Chair of FICCI's Water Mission and FICCI's Inclusive Governance Council and Chair of the India Sanitation Coalition.

She is one of India's representatives on the BRICs Business Council and India Malaysia CEO Forum, and is on the Governing Boards of the National Council of Applied Economic Research and ICRIER and also a member of Rajasthan Chief Minister's Advisory Council. She has been a member of the Government of India's Industry Task Force, the Prime Minister's Trade and Industry Council, the National Manufacturing Council, the National Trade Council, and on the Working Group on Banking, Financial Sector Legislative Reforms Commission, and the National Institute of Bank Management. She resigned from the Board of Directors of the Company on May 31, 2022.



Mr. Aman Mehta
Independent Director

Mr. Aman Mehta retired as CEO of HSBC Asia Pacific in Jan 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.



Mr. D.K. Mittal
Independent Director

Mr. D. K. Mittal is a former Indian Administrative Service (IAS) officer from the batch of 1977 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 specialization in Electronics from the University of Allahabad, India.



Mr. Jai Arya
Independent Director

Mr. Jai Arya is a member of the Board of the UK based research consultancy, the Official Monetary and Financial Institutions Forum (OMFIF). He is also Adviser to the Dean, NUS Business School, Singapore, as well as their Head of Executive Education. In addition, Mr. Arya has also been a Senior Adviser for Asian banking to a global consultancy firm and has also consulted on a project basis for the Asian Development Bank.

Prior to this, Mr. Arya worked for Bank of New York Mellon for 27 years and Bank of America for 10 years, in various Asian locations. Before leaving BNY Mellon in April 2014, Mr. Arya was an EVP and global head of their business with sovereign institutions, as well as a member of the bank's Global Operating Committee as well as Asia Executive Committee. Earlier roles included head of Asia client relationships and Asian country offices.

Mr. Arya received an MBA from the Faculty of Management Studies, Delhi University, and a BA (Honours) in Economics from St. Stephen's College, Delhi University.



Sir Charles Richard Vernon Stagg
Independent Director

Sir Charles Richard Vernon Stagg has been Chairman of Rothschild and Co, India since 2015. He is a Director of the JP Morgan Asian Investment Trust and a Trustee of the School of Oriental and African Studies in London.

Before joining Rothschild, Sir Richard was a career officer in the UK Foreign Service from 1977-2015. His last two postings were as High Commissioner in Delhi and British Ambassador in Kabul. From 2003-

2007, he was Chief Operating Officer, responsible for the Foreign Office's global network of Embassies and Consulates. And from 2007-2017, in addition to his diplomatic responsibilities, Sir Richard was Chairman of FCO Services – a PSU providing secure services to the UK and foreign governments.

Sir Richard has an MA in History from Oxford University.



Mr. Hideaki Nomura
Non-Executive Director

Mr. Hideaki Nomura is a Director on the boards of the Company and held the position of a Director of Max Life Insurance Co. Ltd. with effect from June 27, 2012, until December 8, 2020. He is also a Director of BOCOM MSIG Life in China, a Commissioner of Sinarmas MSIG Life in Indonesia, a Senior General Manager of Asian Life Insurance Business Dept. of Mitsui Sumitomo Insurance Co., Ltd. in Japan and a Senior General Manager of International Life Insurance Business Dept. of MS&AD Insurance Group Holdings, Inc. He has 36 years of experience in financial industries including insurance, banking, and investment banking.

In his tenure with Mitsui Sumitomo Insurance, Ltd. ("MSI") for 24 years, he steered and supervised Asian life insurance business as a shareholder. He also took a strategic role in helping the Company expand into Asian local insurance businesses by analyzing, structuring, and valuating M&A transactions, such as BOCOM MSIG Life in China, Sinarmas Life in Indonesia, Hong Leong Assurance in Malaysia, Hong Leong Takaful in Malaysia, Ceylinco Insurance in

Sri Lanka, Mingtai Insurance in Taiwan, etc.

He was also in charge of establishing new businesses, such as Unit-Linked Annuity Joint Venture with Citigroup, defined contribution business and mutual fund business.

Prior to joining MSI, he spent 12 years in Nippon Credit Bank (currently Aozora Bank) and its investment banking subsidiary in London, where his roles were bond trading, fixed income market analysis, financial derivatives sales, credit analysis and providing loans to corporations.

He holds an MBA from Graduate School of International Corporate Strategy, Hitotsubashi University, Tokyo, completed his exchange program from Anderson Business School at University of California, Los Angeles and has a BA in Economics from Keio University, Tokyo.

He is a Chartered Member of the Securities Analysts Association of Japan and a Certified Financial Planner granted by Japan Association for Financial Planners.



Mr. Mitsuru Yasuda
Non-Executive Director

Mr. Mitsuru Yasuda has been appointed as a Director of Max Life Insurance Co. Ltd. effective from July 24, 2020. He is also a Deputy General Manager of Asian Life Insurance Business Dept. of Mitsui Sumitomo Insurance Co. Ltd. ("MSI"). He has more than 20 years of experience in life insurance business, M&A advisory business and audit business. He holds a Japanese CPA license.

He joined MSI in 2015 and took on a supervisory role in Sinarmas MSIG Life, MSI's life insurance subsidiary in Indonesia until he got appointed as a Director of Max Life Insurance Co. Ltd. His responsibility in Sinarmas MSIG

Life included sales channel & product portfolio management, budget & profit management, risk management and so forth.

Prior to joining MSI, Mr. Yasuda spent 12 years with Deloitte in its M&A service function in both Tokyo and New York. During the tenure, he provided accounting and tax advice as well as valuation supports to his clients including both life and non-life insurance companies. He also spent 4 years with E&Y Tokyo in its audit function before joining Deloitte.



Mr. Kummamuri Narasimha Murthy
Independent Director

Mr. K Narasimha Murthy having a brilliant Academic record, getting ranks in both CA & ICWA courses, entered the profession of Cost & Management Accountancy in 1983. Presently, he is on the Boards of National Stock Exchange (NSE), NELCO (A TATA Enterprise), Max Life Insurance Company Ltd., Max Healthcare Institute Ltd., Max Financial Services Ltd., and Shivalik Small Finance Bank Ltd., earlier he was associated as a Director on the Boards of Oil and Natural Gas Corporation Ltd., (ONGC), IDBI Bank Ltd., LIC Housing Finance Ltd., UTI Bank Ltd., (presently AXIS Bank), Member Board of Supervision NABARD, Unit Trust of India (UTI), Infiniti Retail Limited (TATA Croma),

IFCI Ltd., STCI Finance Ltd., (Formerly Securities Trading Corporation of India Ltd.), AP State Finance Corporation, APIDC Ltd., etc., He was also associated as a Member / Chairman of more than 50 High Level Government Committees both at State & Central Level. He is associated with the Development of Cost & Management Information Systems for more than 175 Companies covering more than 50 Industries. He is also a Member on the Cost Accounting Standards Board of the Institute of Cost Accountants of India



Mr. Sahil Vachani
Non-Executive Director

Mr. Sahil Vachani is the CEO & Managing Director of Max Ventures and Industries Limited, one of the three listed companies of the \$5-bn billion Indian conglomerate – the Max Group. He also serves as a Director on the Boards of Max Financial Services Limited and its subsidiary Max Life Insurance as a representative of the Owner Sponsor Group led by Mr. Analjit Singh.

Sahil joined the Max Group in 2016 with a focus on creating a powerful Real Estate brand – Max Estates Limited and steering MaxVIL's other businesses towards growth. Since assuming his role at MaxVIL, he has successfully completed key transactions which will have an enduring impact on the Company's growth journey over the next few years. Max Estates today is among the top few Commercial Real Estate developers in the NCR region with marquee developments such as Max Towers and Max House. The company has received many accolades under Sahil's leadership notable amongst those being – Developer of the Year.

Sahil has also facilitated intellectual and financial capital to promising and proven early-stage organizations across identified sunrise sectors led investments through, Max I.

Sahil started his career as an investment banker with Citigroup in London, where he worked on Mergers and Acquisitions across the Middle East and Africa region. In 2004, he joined Dixon Technologies, a consumer appliance manufacturing firm as Business Head and set up new verticals across multiple locations. He was also involved in the launch of new products, setting up of new manufacturing facilities and establishing relationships with leading brands as customers.

He then progressed as the Co-founder and Managing Director of Dixon Appliances Pvt. Ltd., where he was responsible for the business from inception including designing of products, building the team, setting up the manufacturing facility, operations and building relationships with leading brands in India such as Panasonic, Godrej, LG, among others. He holds a Bachelor's degree in Management Sciences from the University of Warwick, U.K. and an Executive Management Program on Disruptive Innovation from the Harvard Business School.



Mr. Mohit Talwar
Managing Director

Mr. Mohit Talwar is the Managing Director of Max Financial Services Limited (MFSL), the listed parent company of Max Life and a member on the Board of Max Life. He is also a Non-Executive Director of Max India Limited.

Mr. Talwar stepped down from his role as Vice-Chairman, Max Group and Managing Director, Max India – the Group's holding company for its senior care business – effective January 15th, 2021. He also stepped off the Boards of Max Ventures & Industries and Antara.

During his tenure, Mr. Talwar has led multiple fronts such as effective alignment with Max Group's valued joint venture partners; progressing new business opportunities organically and inorganically; optimizing capital management & treasury and managing investors. He was instrumental in structuring the Axis transaction which led to significant value creation for all shareholders. Under his aegis, MFSL's market cap increased 4x over the last 5 years.

In his earlier role as the Deputy Managing Director of the erstwhile consolidated Max India Limited, he successfully leveraged his strong relationships with institutional investors, hedge funds, banks, and private equity firms, and led several complex corporate finance and financial structuring deals to ensure adequate investment and liquidity for the Group's operations.

He has played a central role in executing key transactions including the setting up of Max Bupa Health Insurance, bringing on board MS&AD Insurance Group Holdings as the new JV partner for Max Life and Life Healthcare's entry as JV partner in Max Healthcare, and later the equalization of its stake in the business, and completing the mega restructuring of the erstwhile Max India into three new listed companies, which received a significantly positive reaction from capital markets.

Mr. Talwar was instrumental in executing a stake repurchase transaction with IDFC Limited, and a transaction with IFC to repurchase its stake in Max Healthcare. He has also overseen key transactions in MaxVIL, including the induction of Toppan Group as a JV partner in Max Speciality Films, and a 22.5% stake sale to New York Life's subsidiary.

A veteran in the Corporate Finance and Investment Banking industry, Mr. Talwar has a wealth of experience in Corporate Finance and Investment Banking, having spent 24 years in Wholesale Banking across global organizations such as Standard Chartered, ANZ Grindlays and Bank of Nova Scotia, prior to joining the Max Group.



STRATEGIC REVIEW

Letter to Shareholders

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW



This new relationship between MFSL and Axis Entities will promptly address the reported uncertainty around Max Life's distribution and improve its position amongst its peers. The total premium generated through this relationship has been aggregated to over ₹50,000 crore.

Analjit Singh
Founder & Chairman



In the FY22 annual employee engagement survey, about 95% of the employees gave favourable scores to the company, making it among the best in its category.

Mohit Talwar
Managing Director



Dear Shareholders, Greetings !

The Indian economy, like the rest of the world, has been affected by multiple challenges in the past two years. While COVID-19 has impacted the growth prospects creating an uncertainty, a wave of new opportunities emerged with digitalisation strengthening the growth of the insurance ecosystem. This has witnessed elevated levels of activity in the past two years and is poised to grow exponentially in the years to come. According to a 2020 Insurtech report, India's global share in the insurance market is roughly 1.7%, which is expected to reach close to 2.3% by 2030.

According to the Insurance Regulatory and Development Authority of India (IRDAI), the life insurance industry's combined new business premium growth rate was 13% year-on-year in FY22 and will grow from here as awareness and risk perception among consumers is increasing owing to the continuous emergence of COVID-19 variants and the subsequent waves of infection. During the financial year under review, IRDAI had adopted e-KYC and video-KYC method for disseminating policies, making the process smooth and hassle-free.

This year, further solidifying Max Life's decade-long relationship with Axis Bank, Max Financial Services Limited (MFSL), and Axis Bank Limited, India's third-largest private sector bank, together with its subsidiaries Axis Capital Limited

and Axis Securities Limited, became the co-promoters of Max Life particularly so, after the completion of the acquisition of a 12.99% stake collectively by the Axis Entities in Max Life – India's fourth-largest private life insurance firm. From now on, MFSL's stake will be 81.83%.

This new relationship between MFSL and Axis Entities will promptly address the reported uncertainty around Max Life's distribution and improve its position amongst its peers. The total premium generated through this relationship has been aggregated to over ₹50,000 crore.

In FY22, Max Life had also filed an application with IRDAI for acquisition of a 5.17% equity stake in Max Life (balance shares held by MSI) by the Company under the MSI Put/Call option, which is pending approval.

During FY22, MFSL reported consolidated revenues of ₹31,188 crore, marginally lower than the previous year, due to lower investment income. Consolidated Profit after Tax at ₹318 crore, 43% lower compared to the previous year. The decline in the profits was primarily to COVID-19 related provisions in the current year and one-off items in the previous year.

Despite COVID-19-related challenges, Max Life's new business premium (individual and group) grew 16% to ₹7,905 crore. In addition, the renewal premium (including group) grew 19% to ₹14,509 crore, taking the gross premium to ₹22,414 crore, an increase of 18% over



In FY22, Max Life secured an overall market share of 6.8% in terms of total new sales. Among the life insurer players in the private industry in India, Max Life has secured a 9.9% market share in terms of individual adjusted first year premium this year.

the previous year.

In FY22, Max Life secured an overall market share of 6.8% in terms of total new sales. Among the life insurer players in the private industry in India, Max Life has secured a 9.9% market share in terms of individual adjusted first year premium this year and maintained its fourth rank.

Max Life achieved the highest-ever New Business Margin (NBM) of 27.4%, an increase of 215 bps and the Value of New Business (VNB) was ₹1,528 crore (post overrun), an annual growth of 22%. The 22% growth in VNB has been achieved on a high base of 39% VNB growth achieved in FY21. On a 2-year CAGR, the VNB growth stood at an industry best of 31%.

Max Life reported an Embedded Value of ₹14,174 crore, while the Operating Return on EV (RoEV) over FY22 stood at 19.2%, which increases to 20.1% after excluding one-off impact of COVID-19; including non-operating variances, the RoEV came to 19.8%. Further, assets under management (AUM) reached ₹1,07,510 crore as on March 31, 2022, rising 19% over the last financial year.

The strong performance was despite a more severe impact of the second wave of COVID-19 compared with the first wave. Claim experiences were higher than expected across all lines of businesses with significantly higher variance for Protection and Group businesses.

With the InstaClaim initiative in place, Max Life has settled 30,830 death claims worth ₹2,009 crore this year with 30% of the claims settled in a day. The claims paid ratio of Max Life in FY22 was at a respectable 99.34%.

We are happy to announce the appointment of Max Life as a 'Sponsor' of the Pension Fund by the Pension Fund Regulatory and Development Authority. The Pension Fund Management (PFM) entity was incorporated and registered with the Ministry of Corporate Affairs.

Max Life conducted the 'India Retirement Index Study' (IRIS) in partnership with Karvy Insights and released an ESG Report in 2021, which focused on the company's transition to becoming one of the most sustainable workplaces. According to a survey conducted by the Great Place to Work Institute, Max Life was ranked 18th amongst 'India's Best Companies to Work For' in 2021 – a jump of six positions from 2020.

Moreover, Max Life was recognized among the top 30 Best Workplaces in BFSI. In the FY22 annual employee engagement survey, about 95% of the employees gave favourable scores to the company, making it among the best in its category.

Max Life always creates a three-year strategy and reviews it periodically and FY22 has been no different. As a part of a three-year business plan for FY22-24 and with Axis Bank becoming a co-promoter, Max Life looks forward to redefining the comprehensive strategic framework comprising six pillars to drive sales, profitability, and customer and employee outcomes.

These pillars include consistent market outperformance by focusing on priority areas, leverage synergies with Axis Bank, inorganic expansion (M&A) and business development, digitization for efficiency and intelligence, people capability, and creating a sustainable business.



Max Life was recognized among the top 30 Best Workplaces in BFSI. In the FY22 annual employee engagement survey, about 95% of the employees gave favourable scores to the company, making it among the best in its category.

In the years to come, the industry will continue to be driven by digitization and is expected to attract an increased Foreign Direct Investment limit to 74%. The management will closely review the market landscape and critically analyse the opportunities to redefine our growth ambitions to drive consistent and profitable growth.

As the world adjusts itself with the new normal, MFSL is committed to ensuring financial protection of the larger community and plans for a smooth transitioning of the business processes onto digital channels to promptly provide life insurance solutions and services to the customers.

We thank each and every one of you for your continued belief in the Company and its vision. We are grateful to all our employees across the Group, our business partners, investors as well as the government and its various agencies with whom we engage actively for their support.

Analjit Singh

Founder & Chairman

Mohit Talwar

Managing Director

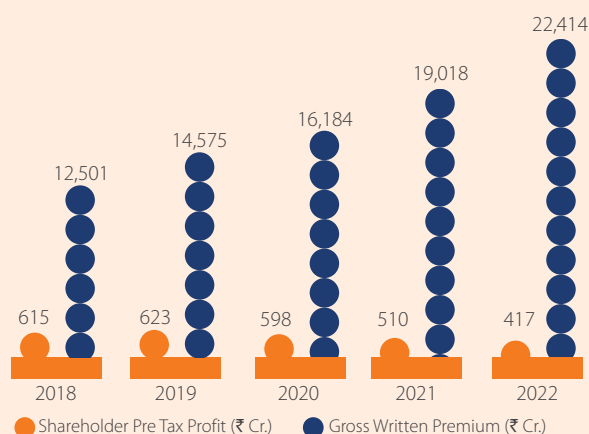
Business Review

CORPORATE REVIEW

STRATEGIC REVIEW

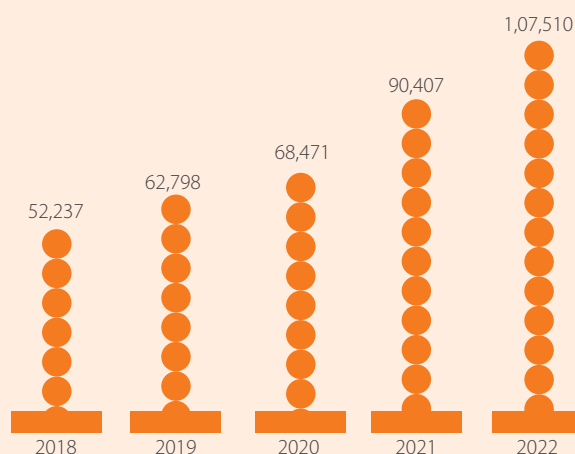
FINANCIAL REVIEW

Shareholder Pre Tax Profit and Gross Written Premium



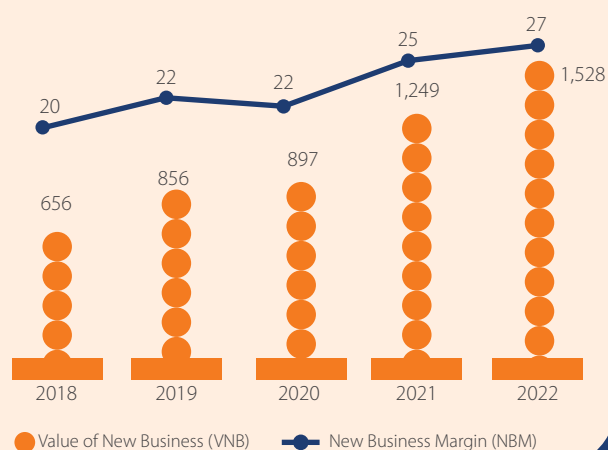
Strong premium growth continued; Shareholder Profits impacted by COVID related provision in CY

Assets Under Management (₹Cr.)



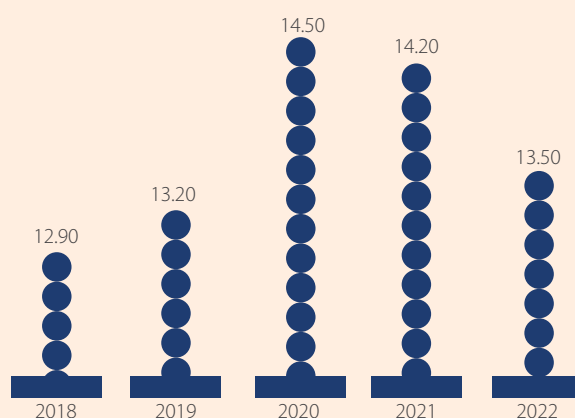
AUM crossed ₹1 Lacs Crore mark in Sep 2021, despite the market volatility caused by COVID-19 pandemic in the last year

Value of New Business (VNB) (₹Cr.) and New Business Margin (NBM) (%)



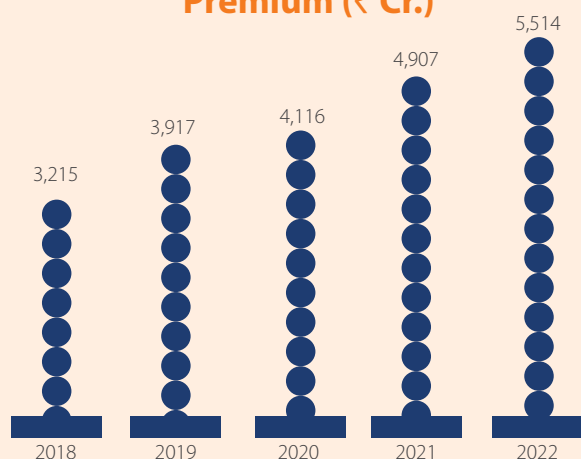
Continuous improvement in margins owing to calibrated approach on product and distribution mix

Operating Expenditure Ratio (Opex/Gross Premium)



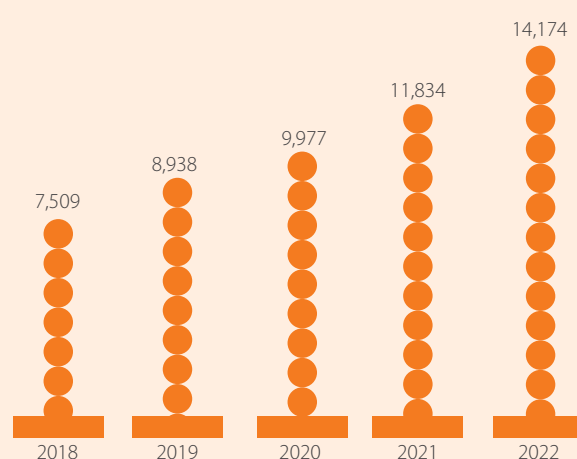
Sustained improvement in Opex ratio backed by structural cost optimization initiatives

Individual Adjusted First Year Premium (₹ Cr.)



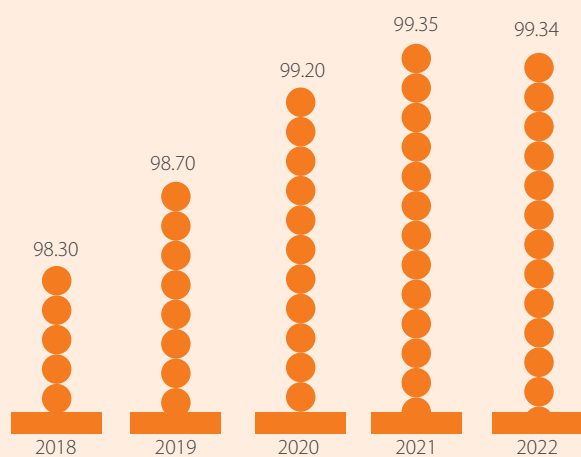
Stable growth in New Business Premium backed by robust performance across channels

Embedded Value (₹ Cr.)



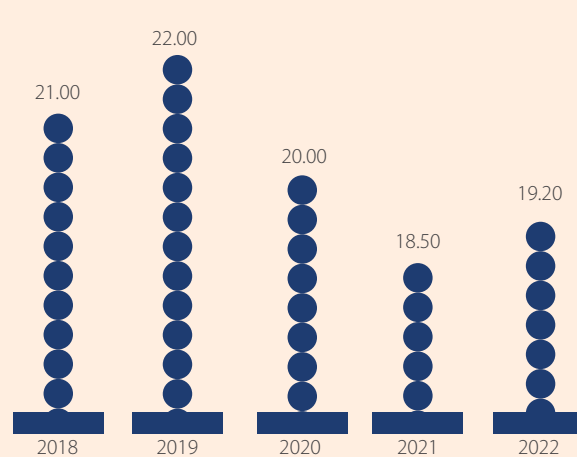
Strong growth in Embedded Value

Claims Paid Ratio (%)



Max Life continued to lead in the Claims Paid Ratio in life insurance industry, despite surge in claims

Operating RoEV (%)



RoEV continues to be in a healthy range





Management Discussion and Analysis

Management Discussion & Analysis



Mr. Mohit Talwar
Managing Director

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Indian Economic Outlook

The Indian economy has been plagued by a multiplicity of challenges over the past two years. While the ongoing COVID-19 pandemic has dented growth forecasts for most emerging economies, the disruption in supply-chain models due to simmering geopolitical tensions and high inflation rates have particularly hit the Indian economy.

The second wave of the pandemic, which took the country by a storm in April-May last year, too, has had a lingering effect on the overall revival of India's economic growth. Despite the numerous macroeconomic challenges posed by a volatile global landscape, the Indian government has put into motion several policy measures such as increasing the capital expenditure and implementation of supply-side measures to stem the downward trend.

Record GST collections, strong industrial output and steady vaccination coverage have countered the challenges head on. Consequently, this has provided impetus to the economy and the country's GDP is expected to grow over 9%. With the new financial year, India aims to unlock its vast growth potential aided by recovery expected in the agriculture, manufacturing, and service sectors. A normal monsoon will also pave the way for economic revival.

Further, the Reserve Bank of India hiked the Repo rate by 40 bps to 4.4% – the first in over four years – and the cash reserve ratio (CRR) by 50 bps to 4.50% to suck out the liquidity and curtail elevated inflation rates amid the Russia-Ukraine conflict, high crude oil prices and shortage of commodities globally.

The RBI's surprise rate hike in view of the overarching global landscape and government initiatives such as Product-Linked Incentives (PLI) Schemes, the National Monetisation Plan (NMP), and PM Gati Shakti – National Master Plan – are expected to boost future growth and herald a resurgence of the economy.

Life Insurance Industry Overview

The COVID-19 pandemic has brought about a paradigm shift in most industries and sectors, and the life insurance industry is no exception. While people have become more cautious with their lives and opted for better insurance policies to secure the lives of their near and dear ones, the death claims pay out to the families, which lost their members due to the pandemic, has impacted the treasuries of the insurance companies.

Either way, the insurance sector has seen elevated levels of activity over the past two years and is poised to grow further in the years to come. A 2020 Insurtech



Record GST collections, strong industrial output and steady vaccination coverage have countered the challenges head on. Consequently, this has provided impetus to the economy and the country's GDP is expected to grow over 9%.

report stated that India's global share in the insurance market is roughly 1.7% and is expected to reach close to 2.3% by 2030.

Though the onset of the global pandemic disrupted the existing dynamics of the Indian insurance industry, the Insurance Regulatory and Development Authority of India (IRDAI) left no stone unturned to make the entire insurance process seamless and convenient to aid customers during these trying times.

As per IRDAI, the life insurance industry's combined new business premium growth rate was 13 percent year-on-year in FY22. The industry saw strong growth in the protection business as awareness and risk perception among consumers grew owing to the pandemic and the growing impact of variants thereafter. Guaranteed and annuity products also have witnessed significant demand from consumers.

It is imperative to mention here the role played by digitalization in strengthening the growth of the insurance ecosystem. As the country reported a vast number of deaths every day, there was fear and anxiety among people as they were uncertain if deaths caused by COVID-19 would be covered under their life insurance policy.

But, setting a monumental example, the IRDAI clarified that these deaths would be classified under general deaths, given the diagnosis was made after the policy was issued. Furthermore, to ease customer approval, the IRDAI also adopted e-KYC and video-KYC instead of physical documentation.

Findings of a 2022 report by global consultancy firm Deloitte suggests that despite ongoing COVID-19 concerns, insurers expect more rapid growth

next year – although non-pandemic challenges around regulation, talent, sustainability, and evolving consumer preferences may present speed bumps.

"A lot will depend on how effectively insurers manage their investments in people and emerging technologies," it reads. "Flexible work models, balancing automation with the need to maintain a human touch with customers and being more proactive in bolstering stakeholders' trust should be among the industry's strategic priorities."

Corporate Developments

Max Financial Services Limited (MFSL or the Company), a part of the \$4-Bn Max Group, is the holding company for Max Life Insurance Company Limited (Max Life). It owns and actively manages an 81.83% majority stake in Max Life – India's largest non-bank owned, private life insurance company.

On April 6, 2021, Axis Bank Limited, India's third-largest private sector bank, together with its subsidiaries Axis Capital Limited and Axis Securities Limited (collectively referred to as "Axis Entities") became the co-promoters of Max Life. This was after completion of the acquisition of a 12.99% stake collectively by the Axis Entities in Max Life – India's fourth-largest private life insurance firm.

The transaction was completed after IRDAI gave its formal approval in February 2021. MFSL, Max Life's holding company, and Axis Bank had first announced their intent to bring in the latter as a strategic partner into Max Life in February 2020.

Under the deal, the Axis Entities have a right to acquire an additional stake of up to 7% in Max Life, in one or more tranches, subject to regulatory approvals.

This development resulted in a mutually beneficial and enduring relationship



As per IRDAI, the life insurance industry's combined new business premium growth rate was 13 percent year-on-year in FY22. The industry saw strong growth in the protection business as awareness and risk perception among consumers grew owing to the pandemic and the growing impact of variants thereafter.

between Axis Bank and Max Life. It further solidifies Max Life's decade-long relationship with Axis Bank, providing long-term saving and protection products to over 1.9 million customers. This relationship will permanently address uncertainty around Max Life's distribution and improve its position amongst its peers. The total premium generated through this relationship has aggregated to over ₹50,000 crore.

During the financial year, Max Life had filed an application for approval with IRDAI for acquisition of 99,136,573 equity shares constituting 5.17% equity stake in Max Life (balance shares held by MSI) by the Company under MSI Put/Call option. Pending receipt of requisite approvals, the said transaction has not concluded in the current financial year.

On November 10, 2021, MFSL announced Mr. Mohit Talwar, the Company's Managing Director, will continue in his role for another year till January 15, 2023. Mr. Talwar will provide continuity to the key initiatives that are currently underway. He will also remain on the Board of Max Life and Max India, as a Non-Executive Director.

Mr. Talwar stepped down from his role as Vice-Chairman, Max Group and Managing Director, Max India – the Group's holding company for its senior care business – effective January 15, 2021. He also stepped off the Boards of Max Ventures & Industries and Antara.

Business Performance

Negatively impacted by lockdowns and the COVID-19 pandemic, Max Life – MFSL's sole operating subsidiary – continued its upward trend and secured a 9.9% market share among the private players in terms of individual adjusted first year premium, maintaining its fourth rank. In FY22, Max Life secured an overall

market share of 6.8% in terms of total new sales.

Max Life registered a post-tax shareholders profit of ₹387 crore in FY22 as compared to ₹523 crore in the previous financial year, a decline of ~26%. It paid an interim dividend of ₹176.53 crores to the shareholders, which takes the total dividend distribution to 9.2% of the face value of each share.

During FY22, the Company reported consolidated revenues of ₹31,188 crore which was marginally lower than the previous year due to lower investment income. Excluding investment income, the consolidated revenues grew 17%. The Gross Premiums at ₹22,414 crore, grew at 18% compared to the previous year.

The Company recorded a Consolidated Profit after Tax of ₹318 crore, 43% lower compared to the previous year. The decline in the Profit after Tax was primarily due to COVID-19-related provision in the current year and one-off items in previous year.

During the financial year, Max Life – MFSL's sole operating subsidiary – achieved highest ever New Business Margin (NBM) of 27.4% in FY22, an increase of 215 bps and the Value of New Business (VNB) was ₹1,528 crore (post overrun), an annual growth of 22%. The 22% growth in VNB has been achieved on a high base of 39% VNB growth achieved in FY21. On a 2-year CAGR, the VNB growth stood at an industry best of 31%.

Max Life reported an Embedded Value of ₹14,174 crore, while the Operating Return on EV (RoEV) over FY22 stood at 20.1%**; including non-operating variances and adding the dividends, the RoEV came to 19.8%.

Max Life total new business premium



During FY22, the Company reported consolidated revenues of ₹31,188 crore which was marginally lower than the previous year due to lower investment income. Excluding investment income, the consolidated revenues grew 17%.

(individual and group) increased 16% to ₹7,905 crore. In addition, the renewal premium income (including group) grew 19% to ₹14,509 crore, taking the gross premium to ₹22,414 crore, an increase of 18% over the previous financial year. The operating expenses (policyholders) to net premium ratio improved from 14.2% in FY21 to 13.5% in FY22 due to effective cost management efforts and higher business growth.

Max Life's assets under management (AUM) were ₹1,07,510 crore as on March 31, 2022 – a rise of 19% over the previous year.

This strong performance was despite a more severe impact of the second wave of COVID-19 compared with the first wave. Claim experiences were higher than expected across all lines of businesses with significantly higher variance for Protection and Group businesses. Max Life maintained its 4th rank in the private industry.

Max Life conducted the 'India Retirement Index Study' (IRIS) in partnership with Karvy Insights. India's Retirement Index stood at 44 in terms of health and financial preparedness and is a key retirement concern amongst Indians. It also released its ESG Report 2021 during the quarter under review, which focuses on the company's transition to become one of the most sustainable workplaces that provide a conducive environment for the growth of its employees.

Lastly, following the appointment of Max Life as a 'Sponsor' of the Pension Fund, the Pension Fund Management (PFM) entity was incorporated and registered with the Ministry of Corporate Affairs.

Redefining settlement of claims

Prompt settlement of death claims holds the key when a life insurer sells an

insurance policy. Timely & hassle-free claim settlement is the most important moment of truth for the life insured and life-insurer relationship. We endeavour to keep promises and keep dreams alive at the time of the customer's utmost need by paying death claims within one day for eligible policies.

With the InstaClaim™ initiative for Max Life's vintage policyholders (i.e. policies that have been in force for at least 3 continuous years with us), it endeavours to provide death claim payment within one day. Currently, 30% of the claims are settled in a day. The claims paid ratio of Max Life in FY22 was at a respectable 99.34%. The company is putting continuous efforts to increase the ratio even further.

Max life paid in-total 30,830 death claims worth ₹2,009 crore during FY22. Since its inception, Max Life Insurance has paid ₹6,133 crores towards death claims on over 1,50,000 policies.

Long-term customer retention is of critical importance in creating a win-win for customers, distributors, and the organization. Ongoing improvements in Max Life's structural solutions and services to improve the persistency is one of the key focus areas. In FY22, the 13th-month persistency of Max Life Insurance was at 86.1%, and the 61st-month persistency stood at 52.9% (Cumulative).


Human Resources

Owing to the nationwide lockdown by the Indian government, Max Life shifted the complete working ecosystem to the digital mode, including onboarding, engagement, celebrations, performance management, and exit management.

The cycle of goal setting, mid-year reviews, year-end feedback, and performance appraisal happened



**Max Life's
assets under
management
(AUM) were
₹1,07,510 crore
as on March 31,
2022 – a rise of
19% over the
previous year.**



As a part of a three-year business plan for FY22-24, Max Life redefined the comprehensive strategic framework comprising six pillars to drive sales, profitability, and customer and employee outcomes.

digitally – a critical process to drive the performance-based culture in the organization. MFSL and Max Life recognized team members who went above & beyond to deliver value to the organization during the pandemic.

To continue with the firm's culture of celebration and joy, MFSL celebrated Founder's Day on January 15, 2022, digitally. Further, a COVID-19 crack team was created to support our team members during the pandemic. The team touched the lives of people & their families by being present in their most difficult times.

Owing to such policy initiatives, Max Life was ranked 18th amongst 'India's Best Companies to Work For' in 2021 – a jump of six positions from 2020. It has been bestowed upon this honour for the tenth time in the most comprehensive employee survey of workplace culture conducted by the Great Place to Work Institute.

Max Life was also recognized amongst the top 30 Best Workplaces in BFSI; and retained its position amongst Top 50 Best Workplaces for the fifth consecutive year of participation, as per the Great Place to Work Institutes (GPTW) 2021 study. In the FY22 annual employee engagement survey, about 95% of the employees gave favourable scores (top 2 box score rating), making it among the best in its class.

Outlook

Max Life creates a three-year strategy and reviews it periodically. With Axis Bank becoming a co-promoter of Max Life in FY22, the Company's management team decided to chart a new growth trajectory by combining the forces of the third largest private bank in India with the fourth largest private life insurer. The

management team undertook a detailed review of the market landscape and opportunities to redefine our growth ambitions and sharpen our strategic framework to drive consistent and profitable growth.

As a part of a three-year business plan for FY22-24, Max Life redefined the comprehensive strategic framework comprising six pillars to drive sales, profitability, and customer and employee outcomes. These pillars include consistent market outperformance by focus on priority areas, leverage synergies with Axis Bank, inorganic expansion (M&A) and business development, digitization for efficiency and intelligence, people capability, and creating a sustainable business.

As the pandemic shows signs of waning over this year, MFSL and Max Life are committed to ensure financial protection of the larger community by leading with agility and transitioning the business processes onto digital channels to promptly provide life insurance solutions and service to the customers.

Consumer receptiveness is driving digital adoption in the industry by demonstrating their comfort in engaging through online channels. The supply-side transformation in the industry will continue to be driven by the digitalization of services along with expected investments from an increased Foreign Direct Investment (FDI) limit to 74% and potential demand owing to low insurance penetration. The Indian Life Insurance industry will thus need to accelerate its structural transformation further to be in tune with this evolving megatrend.

CEO Letter to Shareholders



Mr. Prashant Tripathy
Managing Director & CEO

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Dear Shareholders,

India was amongst the worst hit countries in the second wave of the pandemic. Nevertheless, fiscal and monetary measures undertaken by the Indian Government and the Reserve Bank of India (RBI), along with a widespread vaccination drive, have helped cushion the impact on a large section of society. While the disruptions brought along challenges, there have been opportunities as well.

Max Life has demonstrated resilience in addressing these challenging times. Our employees, Life Advisors, and partners have worked with the singular purpose of inspiring people to increase the value of their lives, which has enabled us to consistently deliver year on year. In FY22, we secured a 9.9% market share among the private players in terms of individual adjusted first-year premium and were amongst the top four in the private life insurance industry. During the year, the total new business premium (individual + group) of Max Life increased by 16% to ₹7,905 crore. Additionally, the renewal

premium income (including group) grew by 19% to ₹14,509 crore, taking the gross written premium to ₹22,414 crore, an increase of 18% over the previous financial year.

FY22 also marked a significant milestone in our strategic partnership with Axis Bank as it became a co-promoter of Max Life. Our management team resolved to chart a new growth trajectory by combining the forces of the third largest private bank in India with Max Life to elevate the experience for our customers through digitally-enabled processes, innovative products, and a wider reach.

At Max Life, we have always believed in creating long-term value for our shareholders. In order to deliver consistent and long-term profitability for the company and for our shareholders, we have refreshed our strategy and set targets for consistent market outperformance, powered by customer-centricity across the value chain, digitization and analytics. These strategic priorities are:

- ▶ leadership in e-commerce
- ▶ a highly scalable and profitable proprietary distribution business
- ▶ Protection and health, and retirement business

PREDICTABLE & SUSTAINABLE GROWTH BY BUILDING DISTRIBUTION

In the e-commerce business, while we maintained our leadership in online protection sales this year, we also entered savings market, growing the channel by 58%. In offline proprietary channels, we



In FY22, we secured a 9.9% market share among the private players in terms of individual adjusted first-year premium and were amongst the top four in the private life insurance industry. During the year, the total new business premium (individual + group) of Max Life increased by 16% to ₹7,905 crore.

are leveraging the combined strength of agency and direct sales, and building scale and profitability with a balanced product mix. Our Banca and other partnerships showed strong growth momentum on the back of deep technology integration, investment in distribution, and an enhanced engagement model to drive insurance penetration.

PRODUCT INNOVATION TO DRIVE MARGINS

Innovation is a key enabler for driving insurance penetration through product offerings that address the unique demands of various customer cohorts. In FY22, we introduced a new PAR proposition, besides new variants in Non-PAR offered for long-term income. We also launched several innovative products unique to the industry based on deep consumer insights targeting segments such as GenZ, millennials, homemakers, and more. In addition, we introduced products in the Annuity and Retirement segment to capitalize on the opportunities emerging from the trends in this space. In Health and Wellness, we leveraged critical illness and disability riders to target this segment.

CUSTOMER OBSESSION ACROSS THE VALUE CHAIN

We are proud to achieve the industry's best claims paid ratio (CPR) again. In a year marred by the second pandemic wave, our CPR was 99.34%. The outcome of our unwavering commitment to customers is also reflected in the persistency scores of FY22 - our 13th-month persistency of regular premium products went up by about 120 basis points to 84.8, and the 61st-month persistency stood at 50.2, which is a year-on-year growth of about 90 basis points.

Most significantly, the Net Promoter Scores (NPS) also grew by 5-point to 44, an 11% growth in the NPS scores.

DIGITIZATION FOR EFFICIENCY AND INTELLIGENCE

Technology is central to resolving customer and enterprise challenges. We have taken important steps to build and improve our digital capabilities with significant investments in cloud infrastructure, automation, and modernization to enhance customer experience and improve enterprise risk management. We are also leveraging digital and AI tools to provide a contemporary and inspirational workplace experience to our millennial workforce. Today, nearly 46% of our infrastructure is on the cloud, a big jump from 18% last year. 'mSmart', a sales governance tool for the agency channel has 87% adoption making onboarding frictionless with new ways of cloud-native and intelligent underwriting systems and integration with the Banca marketplace. Also, our award-winning solution called VOX Speech Analytics engine offers customer insights, sentiment, call effectiveness, agent collaboration, and identification of cross-selling initiatives. We have also deployed a Risk Analytics engine that identifies fraud at the policy application phase, which has led to 100% real-time risk prediction. On the servicing side, we have deployed analytics to predict consumer buying behavior leading to a 3x conversion rate in high propensity leads.

OUR PEOPLE & CULTURE

Building a progressive organization driven by our purpose of 'Inspiring people to increase the value of their life', remains our North Star. It is the



Innovation is a key enabler for driving insurance penetration through product offerings that address the unique demands of various customer cohorts. In FY22, we introduced a new PAR proposition, besides new variants in Non-PAR offered for long-term income. We also launched several innovative products unique to the industry based on deep consumer insights targeting segments such as GenZ, millennials, homemakers, and more.

commitment to our people and practices that has helped Max Life rank 18th amongst 'India's Best Companies to Work for' and 55th in '2021 Best Workplaces in Asia' by Great Place to Work®. In the latter, Max Life was the only Indian life insurer in the region to be featured. This year more than 94% of employees gave favorable scores to the organization, validating our people strategies and compelling employee engagement initiatives.

The success of a good strategy rests on the culture and behavior of the firm. We are in the midst of a cultural transformation - 'Project Gati' - that is inherently built on the principle of working with speed, simplicity, and innovation to bring greater agility, foster collaboration, and enhance empowerment within the teams.

DRIVING AN INCLUSIVE WORKPLACE CULTURE

Diversity, equity, and inclusion are at the heart of our operations, and we had encouraging results in FY 22 deploying enabling programs and initiatives. Today, more than 45% of our sales agents are women, the highest in India's life insurance sector. Our diversity ratios have seen a consistent upward trend with a 50% increase in women employees since 2012. Today, women constitute 25% of the organization's workplace. We will continue in our journey to create a workplace that is diverse and inclusive, where every individual can thrive and grow.

ESG BASED ON OUR PURPOSE AND VALUES

ESG is shaping investment decisions across the world and guiding business

strategies for sustainability. We are embedding the principles of ESG into our products, business operations, people and community engagements. Our transformational, long-term ESG strategy reflects our purpose and values across the four pillars: Working Ethically and Sustainably; Care for People and Community; Financial Responsibility; Green Operations. While pursuing business priorities, we acknowledge the growing threat of environmental degradation and climate change that can undermine the sustainable growth of economies and businesses. We are currently assessing Max Life's carbon footprint to build a roadmap and achieve the carbon neutrality target by FY28.

GOING FORWARD

When I reflect on our accomplishments in these times of uncertainty, I am proud of the fact that Max Life is a company that provides a good return for its shareholders while also providing real value to its customers, employees and the society at large. I am optimistic about the future, and with emerging opportunities in areas like Retirement, Health and Protection, we are poised for growth. We have the right foundation for our success - a growing fraternity of customers, competitive offerings, and a highly engaged workforce - that gives me confidence as we work towards becoming the most admired life insurance company in India.

Regards,
Prashant Tripathy
Managing Director & CEO
Max Life Insurance Co. Ltd.



It is the commitment to our people and practices that has helped Max Life rank 18th amongst 'India's Best Companies to Work for' and 55th in '2021 Best Workplaces in Asia' by Great Place to Work®. In the latter, Max Life was the only Indian life insurer in the region to be featured. This year more than 94% of employees gave favorable scores to the organization, validating our people strategies and compelling employee engagement initiatives.

Management Discussion & Analysis



Mr. Prashant Tripathy
Managing Director & CEO

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

ECONOMY REVIEW

The Indian economy has faced challenges in the last two years as a result of the COVID-19 pandemic. Outbreaks with high infection rates, supply-chain disruptions, and more recently, elevated inflation have made policy-making extremely difficult.

Faced with these significant obstacles, the Indian government responded with safety nets to mitigate the impact on vulnerable parts of society and businesses. Its emphasis on boosting capital spending and implementing supply-side policies have helped the economy prepare for recovery that will withstand continued macroeconomic challenges.

Record GST collections, strong industrial output and steady vaccination coverage have provided an impetus to the economy, where the GDP is expected to grow by 8.9% for FY 2021-22, as per the second advanced estimate by NSO.¹

OUTLOOK

The government's focus on capital spending and exports is expected to boost production capacity and aggregate demand. This would also attract private capital and aid in the growth

of investment activities, which would be supported by a favourable financial environment. Capacity utilisation is improving, according to Reserve Bank of India (RBI) surveys, which will promote investment and consumption demand.

Several indicators, such as increased GST collections, increased usage of UPI-based transactions, positive growth in the Index of Industrial Production (IIP), and rising private spending, indicate to a sustained economic growth in the near short-term.

While various macroeconomic parameters signal sustained growth, possible new variants of COVID-19 and recent geopolitical tensions, like the Russia-Ukraine conflict did have spill-over effects, causing a surge in inflation led by increasing crude oil prices, rising input costs, and supply chain disruptions.

As we move into a new fiscal, India remains at the cusp of unlocking growth, with recovery expected in the agriculture, manufacturing, and service sectors.

With the new financial year, India aims to unlock its vast growth potential aided by recovery expected in the agriculture, manufacturing, and service sectors. A normal monsoon will also pave the way for economic revival.

Further, the RBI has hiked the repo rate by 90 basis points- to 4.9% as of now — the first in over four years — and the cash reserve ratio (CRR) by 50 bps to 4.50% in a bid to tighten the liquidity and curtail elevated inflation rates amid, high energy and commodity prices globally. The GDP growth for FY 2022-23 is expected to be 7.2%.

INDUSTRY REVIEW

Indian insurance industry

Over the last two decades, India's insurance market has grown at a rapid pace, owing to increased private sector participation and improved distribution capabilities, and significant improvements in operational efficiencies. According to the Insurance Regulatory and Development Authority of India (IRDAI), the new business premium growth rate in the life insurance industry was 13% year-over-year in FY 2021-22.²

The industry saw momentum in the protection business during the year, as awareness and risk perception among consumers increased owing to the pandemic and the subsequent variants that continue to impact lives and livelihood. Guaranteed and annuity products have also witnessed an increased demand from consumers that are now looking to invest in safer assets with sustainable returns.

Life insurance sector overview

India ranks tenth in the global life insurance industry with 2.73% share of global life insurance market in 2019.³

The life insurance industry earned ₹6.29 Lakh Crore in premium during FY 2020-21, up from ₹5.73 Lakh Crore in FY 2019-20, registering a growth of 9.74%. While renewal premiums made up 55.67% of total premiums received by life insurers, new business made up the remaining 44.33%. The growth in renewal premium was recorded at 11.6%. While new business premium registered a growth of 7.5% in FY 2020-21.⁴

1. <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR103MPC81636A20CC4146AAA70682C8252B56DB.PDF>
 2. <https://www.moneycontrol.com/news/business/life-insurance-companies-record-37-rise-in-new-business-premium-in-march-8382231.html>
 3. https://www.policyholder.gov.in/Indian_Insurance_Market.aspx
 4. irdai.gov.in/admincms/cms/uploadedfiles/annual%20reports/Annual%20Report%202020-21.pdf

Premium underwritten by life insurers		
Insurer	Premium (in ₹ Crore)	
	FY 2019-20	FY 2020-21
LIC	3,79,389.60	4,03,286.55
	(12.41)	(6.30)
Private sector	4,03,286.55	2,25,444.48
	(13.42)	(16.50)
Total	5,72,910.19	6,28,731.04
	(12.75)	(9.74)

*Figures in bracket indicate the percentage increase over the last year

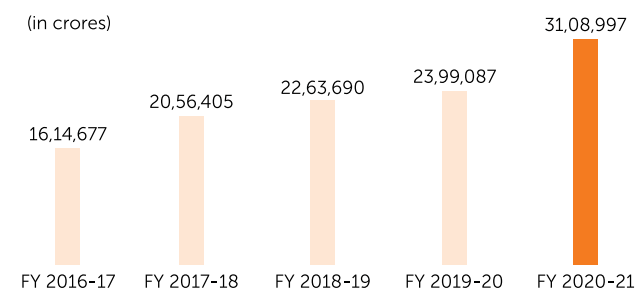
Life Insurer	Private Market Share (excl. LIC) FYTD (Mar'22) basis individual adj. FYP
SBI Life	23.4%
HDFC Life	14.8%
ICICI Prudential	11.4%
Max Life	9.9%
Tata AIA	8.1%
Bajaj Allianz	6.7%
Kotak Life	4.0%
Birla Sunlife	3.8%
PNB MetLife	3.2%
Canara HSBC OBC	2.5%
IndiaFirst Life	2.4%
Star Union Dai-ichi	1.9%
Reliance Life	1.7%
Exide Life	1.3%
Bharti Axa Life	1.3%
IDBI Federal	1.0%
Shriram Life	0.8%
Edelweiss Tokio	0.7%
Future Generali Life	0.6%
Aviva	0.4%
Pramerica Life	0.2%
Aegon Life Insurance	0.0%
Sahara Life	0.0%

MEGATRENDS FOR THE INSURANCE SECTOR FINANCIALISATION OF SAVINGS

India's gross financial savings has risen exponentially over the past five fiscal, growing from ₹16 lakh crore in FY 2016-17, to ₹31 lakh crore in FY 2020-21. Life insurance funds formed 24% of the total financial savings in FY 2020-21. Life insurance industry is uniquely positioned to cater to multiple needs of consumer across fixed income and equity platforms. In the longer term, rise in disposable income would result in increasing household savings which would likely be invested in various financial instruments including life insurance.

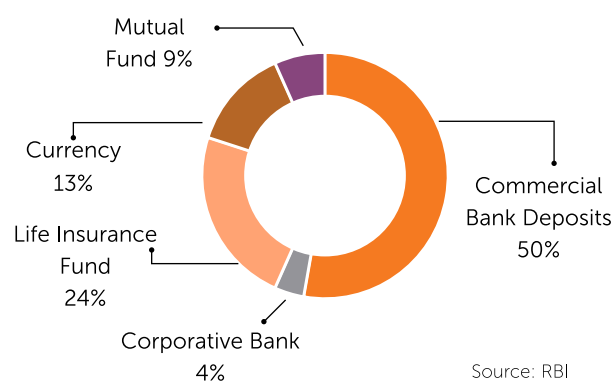
Currently, insurance penetration in India is low. The Economic Survey 2021-2022 has revealed that life insurance penetration went up from 2.82% in 2019 to 3.2% in 2020. As per definition, insurance penetration is measured as the percentage of the total life insurance premium paid in a year to the Gross Domestic Product (GDP). Additionally, the Economic Survey has also revealed that people got themselves insured due to the fear and uncertainty that came along with COVID-19. This opens up huge growth opportunities for the sector. India's insurance density stands at nearly

Gross financial savings Cumulatively, households saved ₹8.5 lakh in 2 years.



Source: SBI Ecowrap

Composition of financial savings in FY 2020-21



Source: RBI

INSURANCE PENETRATION IN INDIA

Penetration and Density of Life Insurance in India										
Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Insurance Penetration	3.40	3.17	3.10	2.60	2.72	2.72	2.76	2.74	2.82	3.20
Insurance Density	49.0	42.7	41.0	44.0	43.2	46.5	55.0	55.0	58.0	59.0

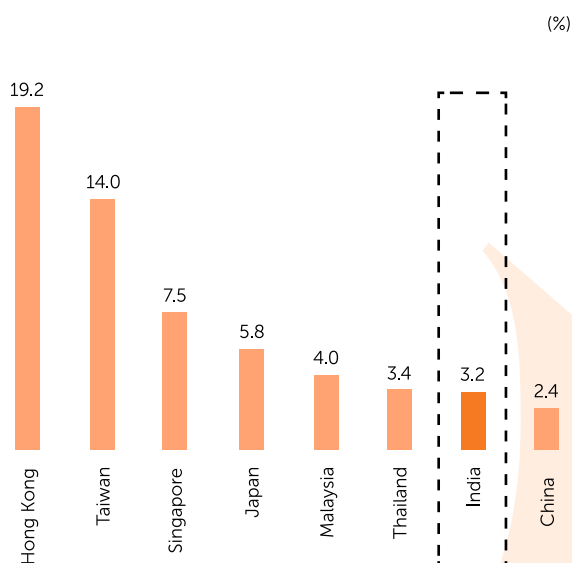
Source: Economic survey 2021-22

\$58 in 2020, while its retail-protection sum assured as a proportion of GDP is at 19%. In comparison, other South-Eastern countries including Malaysia and Thailand stand at 142% and 113%, respectively. As compared to other developed economies, India remains vastly under-insured, both in terms of penetration and

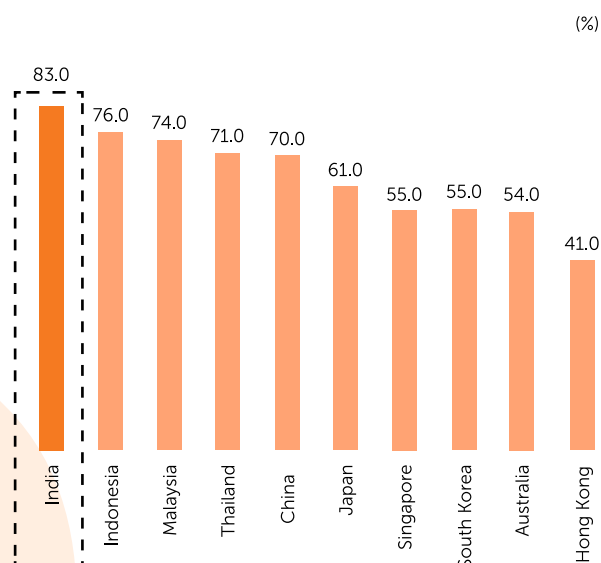
density. The macroeconomic factors such as growth in GDP and rise in per capita income, coupled with rising awareness about need for life insurance, higher financial savings as a percentage of GDP, increasing urbanisation and increase in digitalisation would continue to aid the growth of the Indian life insurance sector.

The 'protection gap' in India is amongst the highest in the world at 83%, as growth in savings and life insurance coverage has lagged economic and wage growth. The increase in disposable income, coupled with pandemic induced awareness of protection products shall help increase penetration levels.

Life insurance penetration¹ (FY2020-21)



Protection gap² (2019)



1. Penetration as measured by premiums as % of GDP,

2. Source: Swiss Re report (Based on respective financial year of the countries)

DEMOGRAPHIC PROFILE OF INDIA

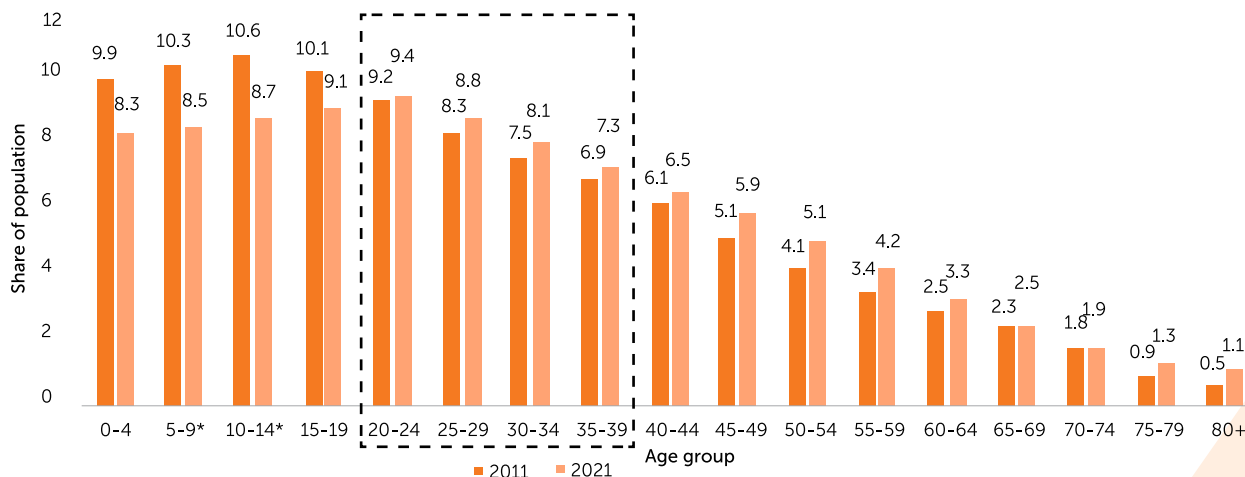
India is the second most populous country in the world. As per the 'World Urbanisation Prospects: The 2018

Revision' by the United Nations, India is expected to grow by 1% CAGR between 2015-2030 to reach population by 1.5 billion. The median age of the population in India is 26.8 years indicating a favourable demographic for life insurance

industry. India's demographic profile presents a significant opportunity for the industry as it helps mobilise long term savings and secure the future with a stable financial income.

Demographic profile of Indian population

(%)



Source: CRISIL

FOCUS ON INDIA'S ELDERLY POPULATION

However, India has experienced a dramatic demographic transition in the past 50 years, entailing almost a tripling of the population over 60 years. With this pattern poised to continue, India's elderly population (aged 60 and above) is projected to touch 194 million in 2031 from 138 million in 2021, a 41% increase over a decade, according to the National Statistical Office (NSO)'s Elderly in India 2021 report. With the percentage growth of the senior citizen population in India continuing to grow, the government has introduced focused programmes, including National Health Protection Scheme, The National Policy on Senior Citizens, and The Continuing Education and Adult Education programmes, amongst others. This focus ties back to India's commitment to taking all possible steps towards improving the quality of life of older persons and protecting their rights and dignity through full implementation of the Madrid International Plan of Action on Ageing and the 2030 Agenda.

The country's focus on enhancing

the quality of life for elderlies opens opportunities for helping build greater financial security and independence for the population segment. In this parlance, the relevance of retirement savings products becomes more imperative to secure the financial future of the citizens. Research points out that while the growth of the elderly population (>60) in India is outpacing the overall population growth, India's Pensions assets to GDP ratio is among the lowest in the world. While traditional support structures of joint families have been consistently declining, the rising awareness about retirement planning as an investment and tax planning tool augurs a positive sign.

Retirement is a key focus area for Max Life, and the business remains committed to increasing retirement protection penetration in the country. To understand the pulse of the consumers, Max Life launched the first edition of its 'India Retirement Index Study' (IRIS), which maps the retirement preparedness of consumers in India. The retirement-focused survey aims to reveal the state of urban India's preparedness to lead

a healthy, peaceful, and financially independent retirement life.

According to the India Retirement Index Study¹, 26% of the people believe in planning for retirement early before 35 years, while only 24% are driven by 'savings for retirement' when investing. Some of the major challenges like support from children, family wealth, and delayed planning pose barriers to retirement investment planning. With more than 67% of people considering life insurance as the most suitable product for retirement, there is an increasing preference for insurance policies.

Key findings of India Retirement Index Study

- ✕ Retirement evokes positive sentiments, yet 1 in 3 Indians do not want to retire
- ✕ Retirement readiness highest in West Zone and Metros, North and South Zones least prepared
- ✕ 47% of urban Indians invest in retirement for financial independence

- ✕ 70% are aware of retirement corpus amount, yet 1 in 4 believe ideal age to start planning after 65 years
- ✕ 45% depend on children for retirement support
- ✕ Only 24% consider 'savings for retirement' as a financial priority, despite 56% believing that savings will be exhausted within 10 years of retirement
- ✕ 67% of urban India considers life insurance as the most suitable product for retirement savings; only 40% have invested in it.

DIGITISATION

Digital integration of businesses is proving to be a big opportunity to excel in the business. Customers are demanding easier and efficient solution with frictionless end-to-end experience. Technological advancement would help the business to reducing costs, expand customer reach, widen product offerings and manage risks more efficiently.

Digitisation in insurance sector is fast-tracking claim processes and reduce time for customer onboarding. Digital innovations that speed up the claims process are bringing convenience to customers while reducing operational costs significantly.

RISKS AND CONCERNS

The life insurance industry faces a number of risks primarily due to rapidly evolving customer behaviour, changing demographic profile, increasing competition and dynamic macroeconomic conditions. The financial conditions and future prospects of companies may be significantly affected by factors such as market fluctuations, changes in tax rates or in interest rates. Risks also exist in the form

of a change in relationship with key distribution partners. While some risks are controllable, others are non-controllable like the ongoing geo-political unrest that poses short-term challenge to the industry in terms of inflation and erosion of disposable income.

OPPORTUNITIES

The increase in the size of the global middle-class population, higher incomes, medical and healthcare inflation, and the heightened need for mortality protection have become the tailwinds for the life insurance industry.

The pandemic bolstered customers' growing trust in insurance as a secure financial instrument, particularly in unpredictable times. This shift in mindset, which sees life insurance as one of the best risk-mitigation tools rather than just a savings tool, will continue in 2022.

- ✕ The Indian life insurance sector is at a pivotal moment right now. The country's low product penetration will continue to give the sector plenty of potential to expand. Given these developments, demand for appropriate life insurance products will remain robust in 2022, and long-term growth potential will be as appealing as ever.
- ✕ In 2022, customer behaviour will be shaped even more by value-based customised purchasing, digital adoption, and enhanced awareness. Such developments will be game-changing for the life insurance sector, providing opportunities to innovate and produce granular, value-based integrated products to fulfil consumer expectations.
- ✕ With insurance companies



Digital integration of businesses is proving to be a big opportunity to excel in the business. Customers are demanding easier and efficient solution with frictionless end-to-end experience. Technological advancement would help the business to reducing costs, expand customer reach, widen product offerings and manage risks more efficiently.

implementing Omni-channel sales and other novel ways of interacting with the customers through hyper-personalisation, customer engagement will be enhanced simplifying the interactions and thereby attracting more customers.

CHALLENGES

- ✖ Low penetration rate: Lack of penetration has been a problem for more than a decade now, as a major portion of the population stays uninsured.
- ✖ This will not happen to me' mindset: A prevalent mindset of 'this will not happen to me', leads to lower life insurance adoption, and leaves a larger customer base unprotected. We have seen the havoc that the unprecedented COVID-19 pandemic brought upon us, and hence people across age groups need to understand the importance of life insurance in securing their and loved ones' future.
- ✖ Accessibility and lack of financial literacy: For a variety of factors, including lack of information, the insurance business is less accessible to consumers in rural areas.

BUSINESS OVERVIEW

Max life secured 9.9% market share in FY 2021-22 amongst the private players in terms of individual adjusted first year premium, maintaining fourth position. In terms of total new sales, Max Life secured 6.8% market share overall.

During the year FY 2021-22, the total new business premium (individual + group) of Max Life grew by 16% to ₹7,905 Crore. In terms of individual adjusted first year premium, the Company recorded

a 12% growth to ₹5,442 Crore. Further, the renewal premium income (including group) grew by 19% to ₹14,509 Crore, taking gross written premium to ₹22,414 Crore, an increase of 18% over FY 2020-21.

The after-tax profit for the shareholder was ₹387 Crore for FY 2021-22, compared to ₹523 Crore in FY 2020-21, registering a decline of 26%. Lower profit in the current year includes ₹100 crore impact due to COVID-related claims.

PRODUCTS

Max Life has always believed that having a well-balanced product mix is essential for meeting the demands and financial goals of a wide range of clients while maintaining profitable growth. The Company maintains a well-balanced product line that includes a good mix of classic savings, unit-linked and pure protection plans.

During FY 2021-22, the Company added several new products to its portfolio in the individual as well as the group space. For the individual business, a blockbuster Smart Wealth Income Plan (with an early income option) and a protection plan (Smart Secure Plus Plan) with Industry-First features as well as competitive rates was launched.

In the group retirement space, the Company entered the National Pension System (NPS) market as well as the superannuation proceeds with the launch of the Smart Guaranteed Pension Plan, an annuity plan.

PRODUCT CATEGORIES

- ▶ **Unit Linked Insurance Plans - A** Unit Linked Insurance Plan, popularly known as ULIP, comes with the dual benefit of insurance and investment. While one part of the ULIP plan's premium is utilised to provide life



During FY 2021-22, the Company added several new products to its portfolio in the individual as well as the group space. For the individual business, a blockbuster Smart Wealth Income Plan (with an early income option) and a protection plan (Smart Secure Plus Plan) with Industry-First features as well as competitive rates was launched.

insurance cover, the rest is a long-term savings fund. A ULIP plan is an insurance plan which has both insurance and investment component that will help create a lump sum and support financial goals.

In other words, investing in a ULIP plan provides a flexible approach to investment planning as ULIP plans help one to safely balance one's fund with equity and debt components, with options to switch as the market changes. At the same time, one's investments and life goals are protected by a financial safety net in the form of life insurance coverage under the ULIP plan.

- ▶ **Term insurance plans** - is the simplest and purest form of life insurance, offering financial coverage to the policyholder against fixed premiums for a specified duration — hence the name 'term' insurance policy. Choosing and investing in the right term insurance plan is of utmost importance to anyone who has dependents and the right term insurance plan provides security as well as value for money. The premium for the best term insurance plan depends on various crucial factors including age, gender, ppt, policy term, sum assured and so on, and the policy term.
- ▶ **Savings Plans** - Savings schemes or plans are an important part of financial planning and long-term financial stability. Additionally, investing in the suitable savings plan is essential for medical emergencies, post-retirement years, marriage, education, or rainy days.
- ▶ **Retirement Plans** - A pension plan or retirement plan is designed to cater to one's financial needs and

requirements post-retirement, including medical emergencies, household expenses, and other living costs. Investing in the best retirement plan is essential to safeguard one's golden years. Retirement and pension plans are financial instruments that can shape one's hard-earned income into savings for post-retirement life. It comes in various forms to cater to a multitude of savings and investment goals, enabling a financially stable retired life.

- ▶ **Child Insurance Plans** - A child insurance plan is a combination of insurance and investment that ensure a secure future for the child. Life cover is available as a lump sum payment at the end of policy term. Not just this, these plans also provide flexible payouts at important milestones of the child's education. While one may not want to think about unfortunate situations like death or serious medical illness, it's important that one shields the child's future against such incidents. A child insurance plan ensures that the child's future financial needs are taken care of even in one's absence.
- ▶ **Group Insurance Plans** - Group Insurance Plans help deliver multiple insurance benefits to a standard group of individuals in one go. These are available for organisations and groups to provide effective life insurance benefits to their employees or members of different groups. Whether it is health insurance, savings, or voluntary funded plans like group gratuity; credit life for borrowers of banks/ financial institutions; or pure protection plans for the members of a master policy, Group Insurance Plans cover various facets to provide complete financial security.



Term insurance is the simplest and purest form of life insurance, offering financial coverage to the policyholder against fixed premiums for a specified duration — hence the name 'term' insurance policy. Choosing and investing in the right term insurance plan is of utmost importance to anyone who has dependents and the right term insurance plan provides security as well as value for money. The premium for the best term insurance plan depends on various crucial factors including age, gender, ppt, policy term, sum assured and so on, and the policy term.

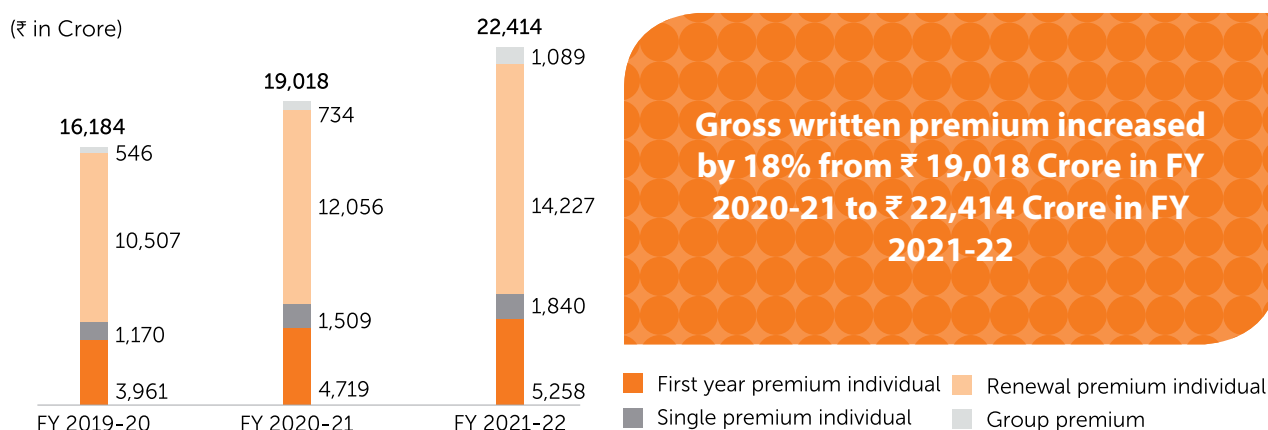
FINANCIAL OVERVIEW INCOME STATEMENT ANALYSIS

As one of the leading private life insurance companies in the country, we continue to focus on developing

technologies to integrate our offerings, driving financial performance. The robust operational efficiencies and balanced portfolio mix have helped register an increase in gross premium income by 18%. We have generated a post-tax

shareholders' profit of ₹387 Crore in FY 2021-22, as compared to ₹523 Crore in the previous financial year, recording a decline of -26%. Lower profit in the current year includes ₹100 Crore impact on account of COVID-19 related claims.

1. Gross premium earned



Revenue and Profit and Loss Account	FY 2021-22	FY 2020-21	Growth
Gross Premium Income	22,414	19,018	18%
Reinsurance (ceded)	-427	-279	53%
Total Premium Income (net)	21,987	18,739	17%
Income from investments (net)			
Policyholders	8,710	12,144	-28%
Shareholders	322	235	37%
Income from investments (net)	9,032	12,379	-27%
Other Income			
Policyholders	52	41	27%
Shareholder	4	13	-69%
Total Income (A)	31,075	31,172	0%
Commissions	1,403	1,227	14%
Operating Expenses	3,052	2,762	10%
Interest on Non-convertible debentures	25	-	100%
GST on linked charges	188	164	15%
Benefits paid	9,277	7,001	33%
Changes in Valuation Reserves (net)	16,458	19,622	-16%
Change in funds for future appropriations	255	-114	-324%
Total expenses (B)	30,658	30,662	0%
Provision for tax (C)	30	-13	-331%
Profit after tax (A-B-C)	387	523	-26%

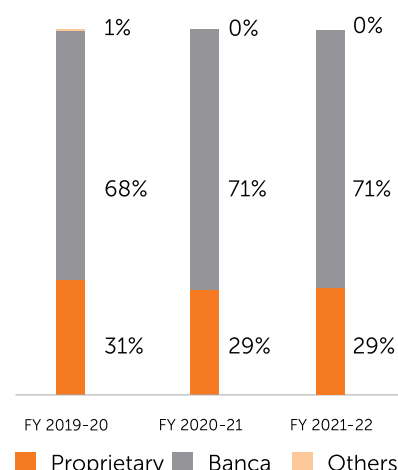
► First year premium grew by 10% from ₹4,834 Crore in FY 2020-21 to ₹5,317 Crore in FY 2021-22. Max Life has continued to deliver strong performance on individual new business at a 5-Yr CAGR of 16% as compared to 10% across the private life insurance industry and maintained 4th rank in Annualised Premium Equivalent (APE) and 3rd in individual sum assured. The volatility in financial markets and reducing interest rates by financial institutions prompted the consumers to invest towards long-term stable financial instruments like insurance policies,

resulting in increase of first year premiums for the year.

- Renewal premium grew by 19% from ₹12,191 Crore in FY 2020-21 to ₹14,510 Crore in FY 2021-22 due to higher renewals across all product offerings. The growth was on account of higher new business growth in the previous year across all segments and better collection in long term saving products.
- 13th month persistency has seen an increase from 84% to 85% which reflects the quality of in-force book.
- Single Premium grew by 30% from ₹1,993 Crore in FY 2020-21 to ₹2,587

Crore in FY 2021-22 due to higher annuity and group business.

Channel Mix - Max Life has focused on maintaining a balanced distribution mix



REINSURANCE PREMIUM

Reinsurance premium for the period is higher by 53% mainly due to higher group business and change in product mix.

Snapshot of income from investments

Particulars	FY 2021-22					FY 2020-21				
	Policyholders			Share-holders	Total	Policyholders			Share-holders	Total
	Par	Non-par	Unit par linked			Par	Non-par	Unit linked		
Interest, dividend and rent	3,300	886	1,022	231	5,349	2,921	559	847	215	4,652
Profit on sale / redemption of investments	1,686	62	4,605	95	6,448	1,351	54	4,167	23	5,594
(Loss on sale / redemption of investments)	(485)	(1)	(1,334)	(5)	(1,825)	(136)		(1,204)	(2)	1,342
Transfer / Gain on revaluation / Change in Fair value (Unrealised Gain)		(94)	(886)		(980)	-	(56)	3,553	-	3,497
Total income from investment	4,501	853	3,408	321	9,083	4,136	666	7,363	236	12,402

POLICYHOLDERS

Non-linked (Par and Non-par)

The segment witnessed an increase in income from interest, dividend and rent from ₹3,590 Crore in FY 2020-21 to ₹4,186 Crore in FY 2021-22 on the back of higher Asset Under Management (AUM), supported by higher premium across both renewals and new business

premiums. Net profit on sale of investments stood at ₹1,262 Crore for FY 2021-22, as compared to ₹1,269 Crore for FY 20-21.

Unit linked

The income from interest, dividend and rent in Unit linked fund was higher at ₹1,022 Crore in FY 2021-22 as compared to ₹847 Crore in the previous

year. This was driven by improvement in investments yields and higher AUM. Net profit from sale of investments that increased from ₹2,963 Crore in FY 2020-21 to ₹3,271 Crore in FY 2021-22 due to higher profit realisation on the equity portfolio.

SHAREHOLDERS

Interest income from shareholders

increased from ₹215 Crore in FY 2020-21 to ₹231 Crore in FY 2021-22 due to increase in Asset Under Management (AUM). Profit on sale/redemption of investments increased from ₹21 Crore in FY 2020-21 to ₹90 Crore in FY 2021-22 due to higher profit realisation on the equity portfolio.

Time Weighted Rate of Return (TWRR)

During the FY 2021-22, TWRR yields

(without unrealised gains/losses) for policyholders decreased on account of lower realised income and lower interest income due to lock-in of new assets at lower yields. TWRR yields (without unrealised gains/losses) for shareholders increased on account of increase in realised income and increase in income of fixed income portfolio.

Decrease in TWRR (with unrealised gains/losses) for shareholders, PAR funds and linked funds are mainly due to lower

growth in equity markets vis-a-vis previous financial year and hardening of Gsec yields in FY 2021-22. The TWRR with unrealised gains/losses for Non-PAR funds decreased mainly due to increase in yields in the debt market. In FY 2021-22 equity market has witnessed growth of 19% as compare to 71% in FY 2020-21. 10yr Gsec yields hardened by 66 bps in FY 2021-22 vis-a-vis hardening of 4 bps in FY20-21, resulting in higher unrealised losses in FY 2021-22 in fixed income portfolio.

(₹ in Crore)

Particulars	FY 2021-22	FY 2020-21
Investments:		
Policyholders' Investments	102,362	86,558
Shareholders' Investments	5,148	3,848
A. Without Unrealised Gains/Losses		
Shareholders' Funds	8.4%	6.9%
Policyholders' Funds	10.5%	11.7%
• Non linked		
a) Participating	9.5%	10.2%
b) Non participating	7.4%	7.7%
• Linked- non participating	13.8%	16.6%
B. With Unrealised Gains/Losses		
Shareholders' Funds	6.9%	7.7%
Policyholders' Funds	6.7%	18.1%
• Non linked		
a) Participating	5.5%	12.6%
b) Non participating	4.2%	7.2%
• Linked- non participating	10.1%	35.9%

Other income

Other income increased from ₹41 Crore in FY 2020-21 to ₹52 Crore in FY 2021-22 mainly due to increase in interest of loans.

Commissions

The summary of commission expense is as follows:

(₹ in Crore)

Particulars	FY 2021-22				FY 2020-21			
	First Year	Renewal	Single	Total	First Year	Renewal	Single	Total
Premium	5,317	14,510	2,587	22,414	4,833	12,192	1,993	19,018
Commission (A)	959	363	46	1,368	845	326	28	1,199
Commission%	18%	3%	2%	6%	17%	3%	1%	6%
Rewards* (B)	35	-	-	35	28	-	-	28
Total commission (A+B)	993	363	45	1,403	873	326	29	1,227

*Represents rewards as defined under Insurance Regulatory Development Authority of India (IRDAI) (Payment of commission or remuneration or reward to insurance agents and Insurance intermediaries) Regulations, 2016.

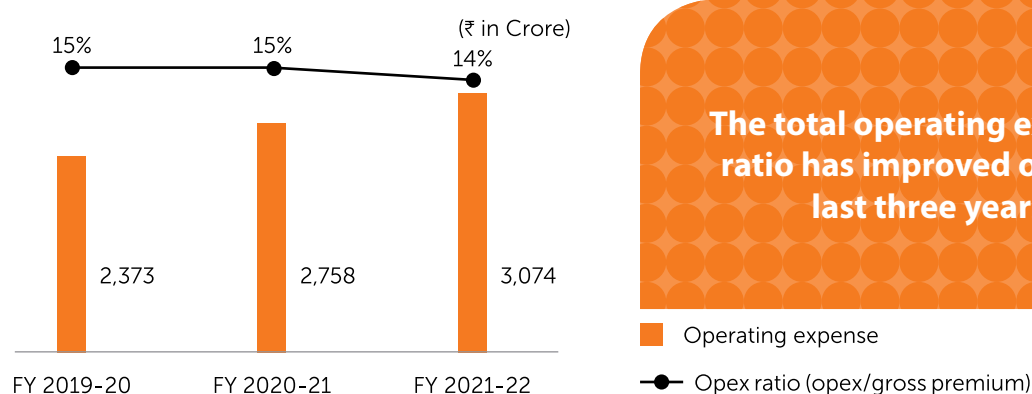
- First year commission increased from ₹845 Crore in FY 2020-21 to ₹959 Crore in FY 2021-22 due to higher business volumes and change in product mix.
- Renewal commission increased from ₹326 Crore in FY 2020-21 to ₹363 Crore in FY 2021-22 due to higher renewal premium.
- Single premium commission increased from ₹28 Crore in FY 2020-21 to ₹46 Crore in FY 2021-22 due to strong growth in group and annuity business

Operating expenses

The summary of operating expenses as follows:

(₹ in Crore)			
Particulars	FY 2021-22	FY 2020-21	Growth%
Employees' remuneration and welfare benefits	1,651	1,620	2%
Advertisement and publicity	588	353	67%
Volume based cost	165	135	22%
Others	615	593	4%
Operating Expenses Policyholders (A)	3,019	2,701	11%
Operating Expenses Shareholders (B)	55	57	-4%
Total	3,074	2,758	11%

The total operating expenses (including shareholder) to total premium ratio over past 3 years is shown below.



The total operating expenses ratio has improved over the last three years.

Operating expenses under policyholders' revenue account:

The total policyholder operating expenses to total premium ratio stood at 13.5% as compared to 14.2%.

Employee remuneration

Employee cost increased from ₹1,620 Crore in FY 2020-21 to ₹1,651 in FY 2021-22 registering a 2% increase over the last year.

Advertisement and publicity spends

In line with our focus on increasing brand visibility and creating insurance awareness, our advertisement and publicity spends increased by ₹235 Crore.

Volume based expenses

Increase in volume based expenses are in line with business volume.

Other expenses

Inflationary pressures during the year across all services, including rent, training and communication led to rise in operating expenses. However, our cost optimising measures helped restrict the increase in operating expenses to 4%.

Operating expenses under shareholders' account:

Expenses other than those related to insurance business decreased by 4% from ₹57 Crore in FY 2020-21 to ₹55 Crore in FY 2021-22. This includes interest of ₹25 Crore on non-convertible debentures of ₹496 Crore issued during the FY 2021-22.

The total policyholder operating expenses to total premium ratio stood at 13.5% as compared to 14.2%.

SNAPSHOT OF CLAIMS AND BENEFITS

During FY 2021-22, there was a significant increase in the inflow of claims driven by the deaths due to the COVID-19 pandemic. The Company's prudential risk management of holding reserves for

tail risk events (such as this pandemic) helped absorb a large part of the financial strain caused by the excess claims, resulting in minimal impact on the Company's financials (shareholders' profits). With the InstaClaim™ initiative for our vintage policyholders (policies that have been in force for at least 3

continuous years with us), the Company endeavours to provide death claim payment within one day.

An impressive claim settlement ratio across our offerings, positions us among the trusted life insurance companies in the country today.

BENEFITS PAID SUMMARY

Particulars	FY 2021-22				FY 2020-21			
	Par	Non-par	Unit linked	Total	Par	Non-par	Unit linked	Total
Insurance Claims								
(a) Claims by death	691	2,175	304	3,170	406	773	171	1,349
(b) Claims by Maturity	447	112	407	966	235	129	537	901
(c) Annuities/ Pension payment	-	31	-	31	-	19	-	19
(d) Other benefits	-	-	-	-	-	-	-	-
Surrenders	1,356	279	3,139	4,774	1,097	232	2,363	3,692
Health	21	42	0	63	4	22	0	27
Survival Benefit	91	156	-	247	77	108	-	185
Bonus to Policyholders	1,181	-	-	1,181	1,143	-	-	1,143
Others	32	2	21	54	17	2	12	31
Total Paid	3,819	2,797	3,870	10,486	2,980	1,283	3,082	7,345
Total ceded	(45)	(1,147)	(21)	(1,213)	(29)	(309)	(9)	(347)
Net Paid	3,774	1,650	3,849	9,273	2,951	974	3,073	6,999

- Claims by death increased from ₹1,349 Crore in FY 2020-21 to ₹3,170 Crore in FY 2021-22 due to higher death claims paid during the pandemic.

- Claims by maturity increased from ₹901 Crore in FY 2020-21 to ₹966 Crore in FY 2021-22 due to higher count of policies eligible for maturity.

- Survival benefit paid increased from ₹185 Crore in FY 2020-21 to ₹247 Crore in FY 2021-22 due to higher number of policies attaining eligibility for money back payouts as compared to the previous year.

- An uncertain macroeconomic environment propelled several customers to

premature their investments, resulting in surrenders rising to ₹4,774 Crore in FY 2021-22. This was largely visible in ULIP, as customers rushed to redeem their investments with financial markets witnessing a rise during a major part of the year. With customers preferring to have immediate cash in hand, Company has reached out to

customers explaining the benefits of continuing the policy and achieve their long-term financial goals.

CHANGE IN VALUATION OF POLICY LIABILITIES

The following table provides summary of the changes in valuation of liabilities, for the periods indicated.

(₹ in Crore)

Particulars	FY 2021-22	FY 2020-21
(a) Gross	12,182	9,963
(b) Fund Reserves	3,933	8,049
(c) Discontinuance Fund	1,136	1,160
(d) Amount ceded in Reinsurance	(794)	450
(e) Amount accepted in Reinsurance	-	-
Change in valuation of liabilities & respect of life policies	16,457	19,622

Changes in valuation reserves indicate changes in actuarial liabilities for policies that are currently inforce, as well as, policies for which premium has been ceased but a liability still remains. Under

the unit linked section, the change in fund reserves includes the change in unit fund value of policyholders' fund. Fund reserves increased from ₹25,470 Crore in FY21 to ₹29,403 Crore in FY22. The reason

for increase in fund value by ₹3,933 Crore is primarily due to the premium income received (both renewal and first year) and the upsurge in equity market during the year.

CHANGE IN FUNDS FOR FUTURE APPROPRIATION:

Change in funds for future appropriation: FFA reflects the surplus arising from the participating business to the extent it is not distributed. The change in FFA increased from negative of ₹114 Crore in

FY 2020-21 to positive ₹255 Crore in FY 2021-22. The change in FFA was negative in FY 2020-21 due to strong recovery in the equity markets during the year that is, the unrealised losses from equity investments in FY 2019-20 recovered in FY 2020-21.

BALANCE SHEET ANALYSIS SOURCES OF FUNDS SHAREHOLDER'S FUNDS

The breakup of capital and reserves is as follows:

(₹ in Crore)

Particulars	As on March 31, 2022	As on March 31, 2021
Share Capital	1,919	1,919
Reserve and surplus	1,276	1,059
Credit/Debit fair value change account	1	30
Shareholder's fund	3,196	3,008

Net-worth increased from ₹2,885 Crore at March 31, 2021 to ₹3,064 Crore at March 31, 2022 due to profit earned during the year, offset with final dividend payment. Fair value change account represents the balance of unrealised gains/loss on equity securities in the shareholder's fund. The decrease in fair value change from ₹30 Crore to ₹1 Crore in FY 2021-22 was due to market movement.

Borrowings

Borrowings as on March 31, 2022 were ₹496 Crore. During the year ended March 31, 2022, unsecured, subordinated, non-convertible debentures (NCDs) worth

₹496 Crore were issued in the nature of 'Subordinated Debt' as per the IRDAI (Other Forms of Capital) Regulations, 2015. The said NCDs were allotted on August 02, 2021 and are redeemable at the end of 10 years from the date of allotment with a call option to redeem the NCDs post completion of 5 years from the date of allotment and annually thereafter. The issuance of subordinated debt was carried out to improve the solvency position and support working capital requirement.

POLICYHOLDER'S FUND

The summary of Policyholders' funds is given below:

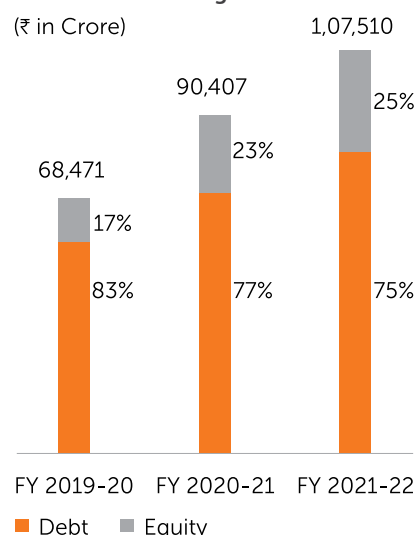
(₹ in Crore)

Particulars	As on March 31, 2022	As on March 31, 2021
Credit/ (Debit) Fair Value Change Account	653	964
Policy Liabilities	67,282	55,894
Provision for Linked liabilities	29,403	25,470
Funds for discontinued policies	4,040	2,903
Funds for future appropriations	3,237	2,982
Revaluation Reserve	26	2
Total Policyholders Funds	1,04,641	88,215

- ▶ Credit / (Debit) Fair Value Change Account - The movement in fair value change account is a function of the performance of the equity markets and the mix of equity and mutual funds in the portfolio. It decreased from ₹964 Crore to ₹653 Crore in FY 2021-22 mainly due to equity market movement.
- ▶ Policy liabilities increased from ₹55,894 Crore to ₹67,282 Crore in FY 2021-22. The increase in policy liability is in line with business volume.
- ▶ Provision for linked liabilities represent unit fund liability. This increased from ₹25,470 Crore to ₹29,403 Crore due to higher business volume and strong growth in equity market movement.
- ▶ Funds for future appropriations increased from ₹2,982 Crore to ₹3,237 Crore in FY 2021-22. This represents funds in participating segment, the allocation of which, either to participating policyholders' or to shareholders', has not been determined. The increase is mainly due to transfer of current year participating policyholder surplus.
- ▶ Application of funds Investments

The graph below summaries the Asset Under Management (AUM):

Assets Under Management (₹ in Crore)



The break-up of investments as on balance sheet dates is as follows

(₹ in Crore)

Particulars	FY2021-22	FY2020-21	Growth
Shareholder's Investments	5,148	3,848	34%
Policyholder's Investments	68,919	58,185	18%
Assets Held To Cover Linked Liabilities	33,443	28,374	18%
Total	1,07,510	90,407	19%

SHAREHOLDER'S INVESTMENT

Shareholders' investments increased by 34% from ₹3,848 Crore as at March 31, 2021 to ₹5,148 Crore as at March 31, 2022 mainly due to investment made out of current year profit and proceeds from NCD issuance.

POLICYHOLDERS' INVESTMENTS

Policyholders' investments increased by 18% from ₹58,185 Crore as at March 31,

2021 to ₹68,919 Crore as at March 31, 2022 in line with business volume and higher investment income.

ASSETS HELD TO COVER LINKED LIABILITIES

Assets Held To Cover Linked Liabilities increased by 18% from ₹28,374 Crore as at March 31, 2021 to ₹33,443 Crore as at March 31, 2022 due to higher business volume and equity market movement.

LOANS AGAINST POLICY

Loans against policies increased from ₹532 Crore in FY 2020-21 to ₹666 Crore in FY 2021-22 with increasing number of customers availing loans against policies, that are fully secured against the surrender value of policies.

CURRENT ASSETS

The following table sets forth, the periods indicated, for summary of current assets:

(₹ in Crore)

Particulars	As on March 31, 2022	As on March 31, 2021
Income accrued on investments	1,215	1,090
Outstanding premiums	677	608
Due from other entities carrying on insurance business (including reinsurers)	370	156
Derivative margin money investment	205	64
Other Assets	490	451
Cash and Bank balance	662	579
Total	3,619	2,948

ANALYSIS OF CURRENT ASSETS

- Income accrued on investments increased from ₹1,090 Crore at March 31, 2021 to ₹1,215 Crore at March 31, 2022 due to increase in fixed income securities.
- Outstanding premium represents premium due but not received on non linked policies which are within allowed grace period as per IRDAI regulation. The same has been increased from ₹608 Crore as at March 31, 2021 to ₹677 Crore as at March 31, 2022 due to

- higher policy base as compared to previous year.
- Due from other entities carrying on insurance business represents the net amount due from reinsurers pertaining to claims accepted and receivable by us, net of reinsurance premium payable to them. It also includes claims received by us but pending decision and intimation to the reinsurers. The increase from ₹156 Crore as at March 31, 2021 to ₹370 Crore as at March 31, 2022 was primarily on account of higher claims recognised on account of

- COVID-19 pandemic.
- Derivative Margin money is higher as compared to previous year due to higher MTM losses on account of increase in interest rates.
- Other Assets includes prepayments, advance to suppliers, advance to employees, security and other deposits, outstanding trade investments, unclaimed assets, service tax/income tax deposits and other assets.

Current liabilities:

The summary of current liabilities is as follows

(₹ in Crore)

Particulars	As on March 31, 2022	As on March 31, 2021
Agents balances	227	198
Unallocated premium	352	383
Sundry creditors	1,204	1,010
Claims outstanding (includes pending investigation)	808	420
Derivative Liability	249	55
Payable for purchase of investments	311	279
Others Current Liabilities	572	540
Total	3,723	2,885

Key items of current liabilities are:

- ▶ Agent balances represents amounts payable to insurance agents and intermediaries towards commission as at the balance sheet date. This increased from ₹198 Crore in FY 2020-21 to ₹227 Crore in FY 2021-22 due to higher business volumes.
- ▶ Unallocated premium represents premium received on policies that are in the process of being issued or pending due to underwriting requirements. The decrease is due to

lower number of policy pending underwriting or receipt of additional documents, decreased from ₹383 Crore to ₹352 Crore in FY 2021-22.

- ▶ Sundry creditors includes amount payable/ accruals for various services utilised by the Company for expenses like employee related cost, marketing cost, other expenses etc. Increase in sundry creditors from ₹1,010 Crore to ₹1,204 Crore is due to normal business activity.
- ▶ Claims outstanding balance increased

from ₹420 Crore to ₹808 Crore mainly due to increase in number of cases where the settlement is pending due receipt of additional documents.

- ▶ Derivative Liability increased from ₹55 Crore to ₹249 Crore mainly due to increase in interest rates.
- ▶ Others include tax deducted, Goods and Services Tax

CONTINGENT LIABILITIES

The below table summarises the contingent liabilities:

(₹ in Crore)

Particulars	As on March 31, 2022	As on March 31, 2021
Partly paid-up investment	100	172
Claims, other than against policies, not acknowledged as debts by the Company	28	26
Statutory demands/ liabilities in dispute, not provided for	-	6
Others	89	50
Total	217	254

- ▶ Contingent liability for partly paid up investments decreased from ₹172 Crore as at March 31, 2021 to ₹100 Crore as at March 31, 2022 mainly due to payment of call amount on the respective call dates of underlying investment.

- ▶ Other includes potential liability in respect of repudiated policy holder claims. The same is higher due to increase in number of high value claims.

CASH FLOW STATEMENTS

The following table sets forth, for the periods indicated, a summary of the cash flows:

(₹ in Crore)

Particulars	FY2021-22	FY2020-21
Cash flow from operating activities	8,512	8,555
Cash flow from financing activities	319	(200)
Cash flow from investing activities	(8,749)	(8,183)

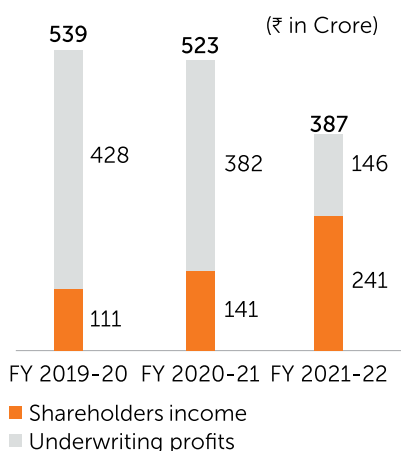
Cash flow from operating activities:

- ▶ Cash flows from operating activities marginally decreased from ₹8,555 Crore in FY 2020-21 to ₹8,512 Crore in the current year.
- ▶ Cash flow from financing activities
- ▶ Cash flows from financing activities increased from negative ₹200 Crore in FY 2020-21 to ₹319 Crore owing to issuance of subordinated debentures which was partially offset with dividend payment.
- ▶ Cash flow from investing activities
- ▶ Cash flows from investing activities increased from negative ₹8,183 Crore in FY 2020-21 to negative ₹8,749. This mainly represents net increase in investment of funds in various securities such as government bonds, equity, corporate bonds/paper, money market instruments and liquid mutual funds.

KEY ANALYTICAL RATIO

Profitability

Sustaining profitability amidst challenging scenario

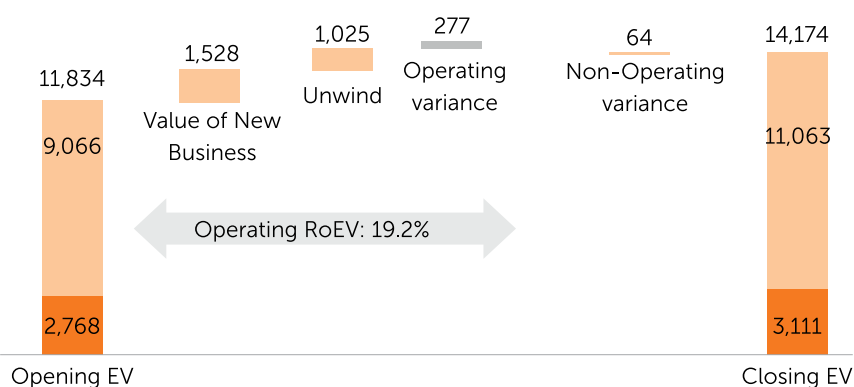


Underwriting profits decreased from ₹382 Crore in FY21 to ₹146 Crore in FY22 due to increase in new business strain from ₹860 Crore to ₹932 Crore and back book surplus decreased ₹1242 to ₹1078 Crore due to additional COVID related provisions. SH Income is higher compared to previous year on account of higher investment income. Profit after tax is ₹387 Crore for FY22.

Solvency

We continue to meet the solvency margin ratios as defined by the regulatory authorities. Our solvency ratio stood at 201% as on March 31, 2022

Analysis of change in Embedded Value (EV)



compared to 202% as on March 31, 2021.

NEW BUSINESS MARGIN

Year	Value of new business	New business margin (post overrun)
2019-20	897	21.6%
2020-21	1,249	25.2%
2021-22	1,528	27.4%

The value of new business (VNB) grew to ₹1,528 Crore in FY 2021-22 as a result of premium growth and expansion of new business margins. The new business margins increased to 27.4% compared to 25.2% last year due to change in product and distribution mix.

- ▶ The Operating Return on EV (RoEV) over FY 2021-22 is 19.2%, which increases to 20.1% after excluding one-off impact of COVID19.
- ▶ Operating return on EV is mainly driven by value of new business and unwind.
- ▶ Operating variance includes Covid impact and strengthening of assumptions.
- ▶ Non-operating variances are mainly driven by positive economic variances during the period.

Cash flows from financing activities increased from negative ₹200 Crore in FY 2020-21 to ₹319 Crore owing to issuance of subordinated debentures which was partially offset with dividend payment.

Sensitivity analysis as at 31st March 2022

Sensitivity	Scenario	Change in VNB margin
	% change	% change
Lapse/Surrender - 10% increase	(1%)	(2%)
Lapse/Surrender - 10% decrease	1%	2%
Mortality - 10% increase	(2%)	(4%)
Mortality - 10% decrease	2%	4%
Expenses - 10% increase	(1%)	(6%)
Expenses - 10% decrease	1%	6%
Risk free rates - 1% increase	(2%)	4%
Risk free rates - 1% reduction	1%	(5%)
Equity values - 10% immediate rise	1%	Negligible
Equity values - 10% immediate fall	(1%)	Negligible
Corporate tax Rate - 2% increase	(2%)	(3%)
Corporate tax Rate - 2% decrease	2%	3%
Corporate tax rate increased to 25%	(14%)	(20%)

Sensitivity to various parameters shown above is lower owing to balanced product mix, diversified distribution and robust risk management framework. Please note that sensitivities with respect to change in risk free rates under EV and VNB allow for the change in value of assets as at the date of valuation

MAX LIFE'S STRATEGIC THRUST AREAS AND PROGRESS MADE

The comprehensive strategic framework comprises four pillars to drive sales, profitability, and customer and employee outcomes.

PREDICTABLE AND SUSTAINABLE GROWTH	PRODUCT INNOVATION TO DIGITAL DRIVE MARGINS	CUSTOMER CENTRICITY ACROSS THE VALUE CHAIN	DIGITISATION FOR EFFICIENCY AND INTELLIGENCE
<p>Aspirations</p> <ul style="list-style-type: none"> ▶ Fastest growing profitable proprietary distribution ▶ Leader in Online acquisition ▶ Inorganic expansion ▶ Deepen bancassurance partnerships <p>Progress Achieved</p> <ul style="list-style-type: none"> ▶ Strong growth of 15% in proprietary channels, Banca grew by 12% ▶ Continued leadership in protection sales in ecommerce, entered savings market as well. Ecommerce grew by 58% ▶ Partnership with new 10 fintech partners during the year such as Phonepe, Scripbox, InsuranceDekho, Ditto Insurance, Renewbuy 	<p>Aspirations</p> <ul style="list-style-type: none"> ▶ Leader in Protection + Health and Wellness proposition ▶ Leader in Retirement ▶ Drive Non PAR saving ▶ Enhanced investment and mortality risk management <p>Progress Achieved</p> <ul style="list-style-type: none"> ▶ Highest ever quarterly margin of 31.9% in Q4FY22, Clocked highest ever FY margin of 27.4% ▶ Annuity grew by 65%, NPS ecosystem augmented with retiral offerings across the spectrum ▶ Individual Sum assured rank #3 in FY22 ▶ Product Launches: Smart Wealth Income Plan, Smart Secure Plus and Smart Guarantee Pension Plan and CIDR in FY22 ▶ Rider attachment at 30% for FY22; proprietary channels leading with 48% rider attachment rates. Attachment improved by 64% in Q4 	<p>Aspirations</p> <ul style="list-style-type: none"> ▶ Improve position in 13M and 61M persistency ranking ▶ Highest Relationship Net Promoter Score (NPS) in the industry <p>Progress Achieved</p> <ul style="list-style-type: none"> ▶ Improvement in 13M and 61M persistency* 84.8% (+120bps) and 50.2% (+90bps), respectively ▶ Claim paid ratio at 99.35% at the end of FY21, best in the industry ▶ Brand consideration A improved by 8% from FY 2020-21 ▶ Improvement of 5 points from 44 in FY 2020-21 to 49 in FY 2021-22 in the overall Company NPS scores 	<p>Aspirations</p> <ul style="list-style-type: none"> ▶ Continue with digitisation agenda across the organisation ▶ Build intelligence (AI) in all digital assets <p>Progress Achieved</p> <ul style="list-style-type: none"> ▶ 1 mSmart - A comprehensive sales governance platform launched in Agency ▶ First life insurance partner to go live on Axis Bank marketplace to ensure seamless customer onboarding ▶ Adopted a 'Cloud First Approach' for all new workloads; Cloud Migration Phase 1 completed with ~46% of entire IT infra now on cloud (18% in FY21) ▶ Unified HRMS platform (SAP success factors) launched to support recruitment, onboarding, training, performance management, succession planning, leave, attendance and Payroll

PREDICTABLE AND SUSTAINABLE GROWTH

With Axis Bank becoming a co-promoter of Max Life in FY22, the Company plans to accelerate its growth trajectory and improve its market share position both through organic (growth in existing channels) as well as inorganic avenues (through the acquisition of life insurer and/or addition of new partners).

For organic growth, Max Life has set specific aspirations across proprietary and partnership distribution channels:

(a) Proprietary distribution - Online:

Online sales channels are poised for future growth in India, given the increasing preference for online insurance purchases among customers, the evolution of the digital ecosystem, and low online sales penetration vis-à-vis global benchmarks.

Max Life aspires to establish a market leadership position in the channel (in both term and savings categories) through new product innovations, partnerships/alliances, and improved conversion efficiencies.

(b) Proprietary distribution - Offline:

Building a stronger agency distribution channel continues to be a key priority area for Max Life. The Company plans to drive growth through efficiency improvement in the core agency, footprint expansion, and the variabilisation of the agency

(c) Partnership distribution:

Bancassurance is the most significant sales contributor for Max Life, with Axis and YBL banks as the leading partners. The Company plan to implement several initiatives for seller productivity improvement, accessing new customer pools,

and opening up new alternate channels to mitigate the impact of open architecture at both the banks and continue the growth momentum.

In terms of inorganic growth, Max Life will continue to augment new partnerships across sectors (e.g. fintech, bank counters) for incremental revenue growth.

PRODUCT INNOVATION TO DRIVE MARGINS

Max Life has a balanced approach toward business growth and will continue to focus on margins along with sales growth. The Company intends to maintain a healthy mix of high-margin categories - protection, retirement, and savings - in the overall sales to drive VNB performance.

During FY2022, Max Life added several new products -Smart Guaranteed Pension Plan in the Annuity space, Smart Wealth Income Plan in Par, and Smart Secure Plus in the Term category, amongst others.

CUSTOMER CENTRICITY ACROSS THE VALUE CHAIN

The Company is committed to delivering best-in-class customer outcomes, exemplified by improvements in Net Promoter Score (44 in FY2021 to 49 in FY2022) and the best-in-industry claims-paid ratio of 99.34% in FY2022 despite COVID resulting in an exponential increase in claims volume. Max Life also improved its 13M and 61M persistency metrics to 86% (+200 bps) and 52.9% (+40 bps) respectively, over the previous year.

DIGITISATION FOR EFFICIENCY AND INTELLIGENCE

Max Life continues to push its digitisation strategy to augment sales, provide a best-in-class experience to customers,



Max Life continues to push its digitisation strategy to augment sales, provide a best-in-class experience to customers, distributors and employees, and optimize back-office costs.

distributors and employees, and optimize back-office costs. During FY2022, the Company launched various digital assets (across customer onboarding, sales governance, and customer servicing), adopted a "Cloud-First Approach" for all new workloads, and implemented AI models to improve productivity. This has resulted in improved customer NPS, reduced customer onboarding time, and incremental revenue from new sales platforms in partner banks and own e-commerce platforms.

CREATING A SUSTAINABLE BUSINESS (ESG)

The Company believes in long-term value creation through sustainable growth, continuing to progress on the Environmental, Social and Governance (ESG) agenda through identified imperatives around work, people and community, green operations, and financial responsibility.

DISTRIBUTION CHANNELS

The pandemic has increased demand for life insurance protection plans, while stock market volatility has heightened demand for guaranteed savings plans.

To offer these product solutions, the Company has invested in and cultivated a varied multi-channel distribution infrastructure that reaches consumers across the country.

PROPRIETARY DISTRIBUTION CHANNELS

At Max Life, proprietary distribution channels have been the core of consistent growth. The combination of Agency Distribution, Customer Advisory Team (CAT), and e-commerce has enabled the Company to maintain a higher development pace while also ensuring excellent business quality. The proprietary channels recorded a growth of 13% during the year and closed the year with a 28% share in adjusted individual first-year premium in FY 2021-22.

- ▶ **Agency distribution-** This is the oldest and most mature distribution channel of the Company. The channel registered a growth of 8%YoY and enabled the Company to build a high-growth proprietary distribution by improving the efficiency and productivity of agency distribution.
- ▶ The Company has carved out the Agency Partners Channel within the agency distribution, which is powered by a variable agency model and leverages recruitment through a higher variable construct. This Agency Partners Channel recruited more than 1411 agency leaders and 4959 agent advisors during FY 2021-22.
- ▶ **Direct Sales Force-** Max Life has created a central command named Direct Sales Force (DSF) that combines CAT, SPARC, IMF & Rakshak channels under one leadership. The Direct Sales Force (DSF) combines:

CAT (Customer Advisory Team)-

The Company has created a Customer Advisory Team (CAT) that works to ensure that the needs of the customers whose agents are no longer part of Max life systems, are met. The channel is incubating new business models that would grow exponentially in the coming years by serving customers acquired via online sales channels.

SPARC (Service Points as Revenue Channel) -

A cross-sell channel leveraging service touch points with existing Max Life customers. The leads are generated by the Ops team from interactions at service points, such as financial payouts, service requests, premium reminder calling, etc. that are then passed to the field sales force to generate new sales.

IMF (Integrated Marketing Firms)

- Started in 2015, the IMF channel enshrines a group of agencies to improve the market penetration of the insurance business to enable the selling of mutual funds, pension plans, stocks, and other financial services by merchandisers under one umbrella. Insurance Marketing Firms (IMFs) are similar to 'Distribution Companies' having multiple tie-ups with insurers, a model akin to Independent Financial Advisors (IFA).

RAKSHAK - A direct sales channel that essentially caters to the life insurance needs of the Indian Armed Forces. Ex-servicemen, defense kins, and war widows or Veer Naaris are recruited within Max Life's Rakshak team, thus empowering them financially and enabling them to contribute to the overall wellbeing of communities and the nation at large.

Online channel - Over the years, Indian consumer behaviour has begun to change. Previously customers used to research online and buy offline. However nowadays customers are getting more comfortable with making purchases online. Because of the pandemic, there has been a higher awareness of the need for pure protective solutions, particularly in the online channel. The online channel registered growth of 47% in FY 2021-22.

In FY 2022-23, the online channel aims to capitalise on its success in the savings business by scaling it up while maintaining its leadership in the protection industry through innovative product releases, smarter journeys, and ecosystem collaborations.

PARTNERSHIP DISTRIBUTION

Axis Bank: This collaboration is one of the fastest-growing bancassurance agreements in the Indian life insurance business and both parties are committed to offering better value to their consumers. Max Life continues to dominate the bank's life insurance counter in both individual and group business despite the bank's adoption of open architecture.

YES Bank: The YES Bank and Max Life bancassurance relationship has reached 16 years of successful partnership in FY 2021-22. Despite an open architecture set up in the Bank, both the partners are committed to growing the business multi-fold in FY 2022-23.

Other bancassurance partnerships:

Our Urban Cooperative Banks' partnership business grew despite being impacted due to the pandemic with geographic concentration of these bank branch networks in Maharashtra.

Group business: Group business that has focused largely on Credit Life's business set a new sales record by registering robust 54% growth despite multiple challenges during the pandemic period. Group business also continued to add new clients in Group Term Life business despite the impact of second wave of COVID-19.

RISK MANAGEMENT

Governance of enterprise risk at Max Life

The Company's overall approach to managing risks is based on the 'Three Lines of Defence' model with a clear

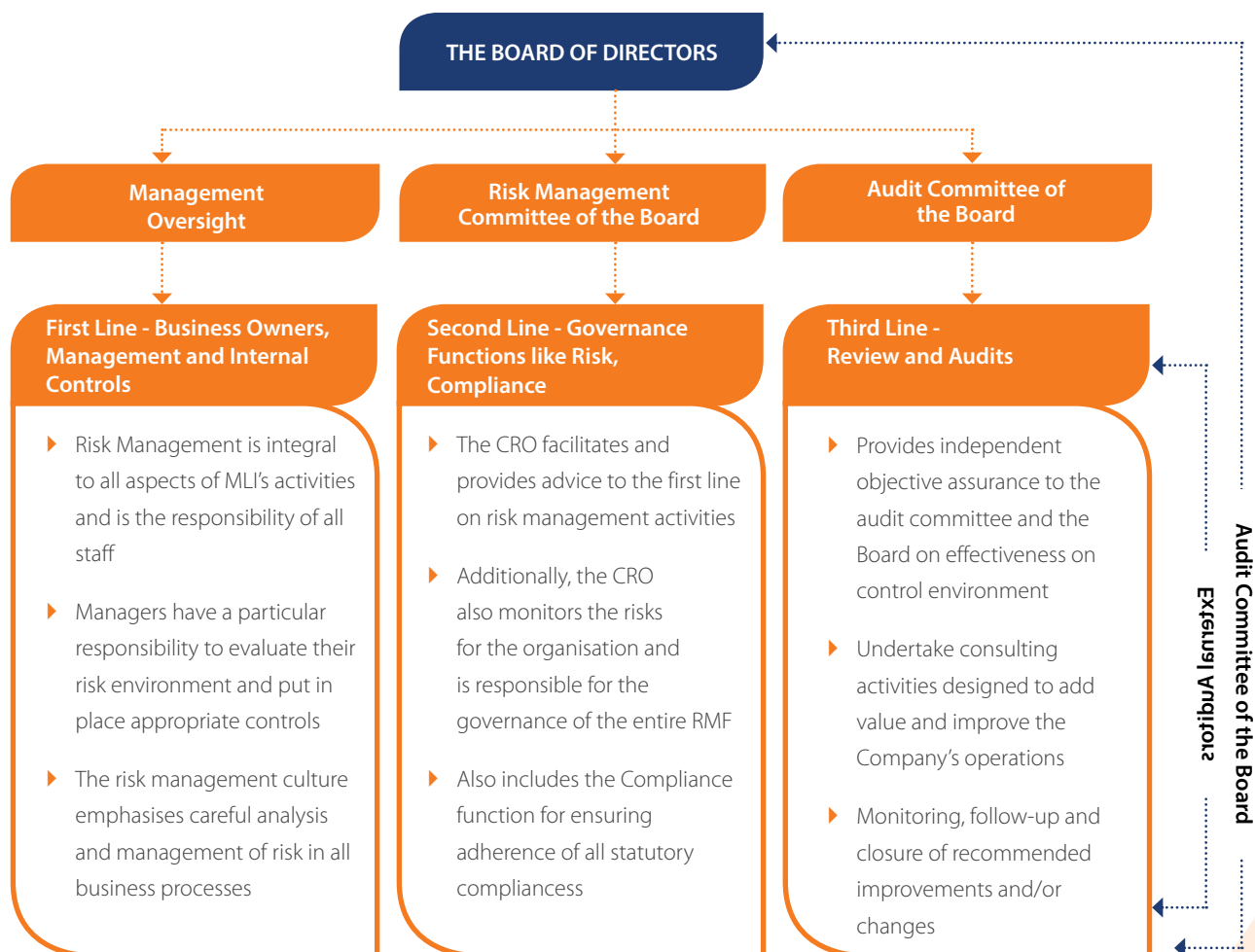
segregation of roles and responsibilities for all the lines. Business managers are part of the first line of defence and have the responsibility to evaluate the risk environment and put in place appropriate controls to mitigate such risks or avoid them. The risk management function, along with the compliance function, form the second line of defence. The internal audit function guided by the Audit Committee is the third line of defence and provides an independent assurance to the Board. The Statutory

Auditors and regulatory oversight aided by the Appointed Actuary in his fiduciary

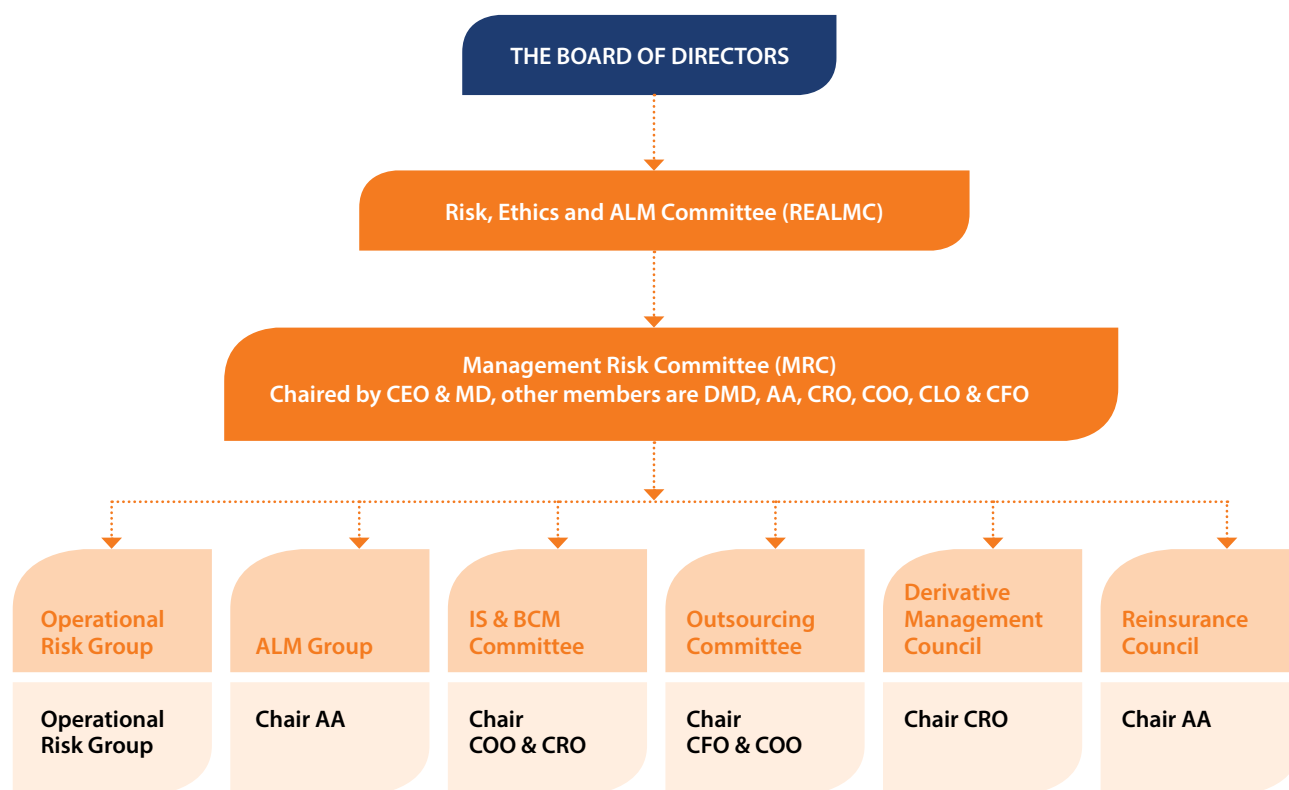
capacity is also construed to provide an additional third line of defence.

The entire implementation is monitored both at the management level as well as the Board level committees, and the overall risk management framework and its effectiveness is subject to periodic assurance reviews. These sub-committees report on periodic basis to the Management Risk Committee chaired by the CEO and MD, which appraises to the management regarding the Top Risks, Risk Appetite, Material Risk and other statutory and internal risk matters to the Board sub-Committee on Risk Management.

BOARD OVERSIGHT AND LINES OF DEFENCE



BOARD OVERSIGHT AND MANAGEMENT COMMITTEES



A robust risk management framework to address enterprise-wide risks

Max Life has a Risk Management Framework (RMF) that enables it to appropriately develop and implement strategies, policies, procedures and controls to manage different types of material risks. The RMF is Max Life's totality of systems, structures, policies, processes and people that identify, measure, monitor, report and control or mitigate all internal and external sources of material risk. This framework provides reasonable assurance to the management that each material risk is being prudently and soundly managed, having regard to the size, business mix and complexity of Max Life's operations.

The RMF is maintained by the independent risk management function, headed by the Chief Risk Officer who reports directly to the Chief Executive

Officer (CEO) of the Company. He also has direct access to the Board and the Risk Committee of the Company to share his independent view of key risks affecting the Company. Under RMF, the risk function is responsible for the supervision of all risk management activities in the Company, including:

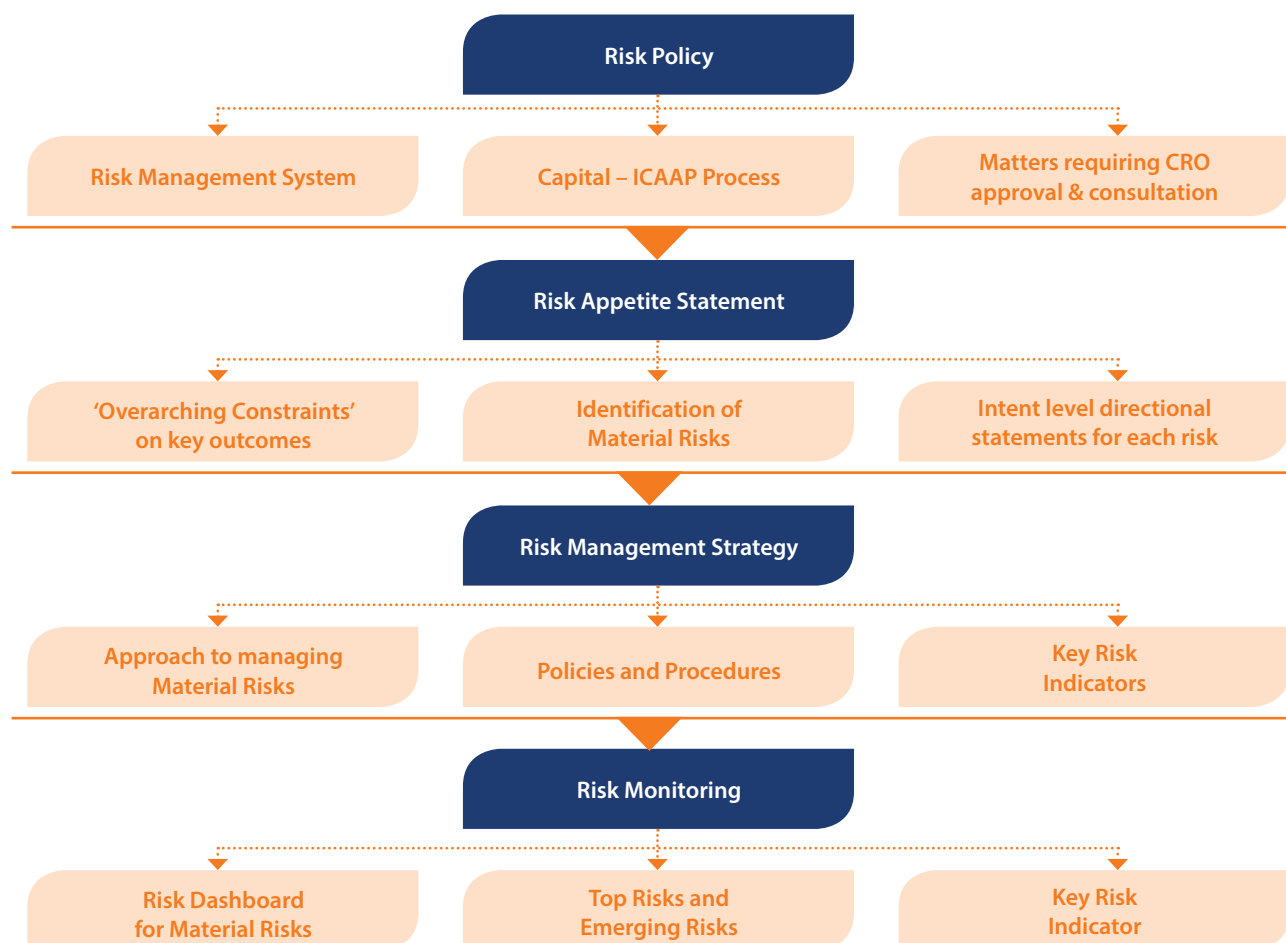
- ▶ Developing the Risk Appetite Statement (RAS) which states the material risk and the degree of risk that Max Life is prepared to accept.
- ▶ Appropriateness and adequacy of the Risk Management Strategy (RMS) that states Max Life's strategy to address the material risks and the policies and procedures supporting the management of the material risks in Max Life.

Internal Capital Adequacy Assessment Process and Ensuring through various management submissions that the Board

is adequately informed on top risks and key emerging risk-related issues and, if necessary, provides supplementary advice to the Board through the Risk Committee.

Max Life's Risk Management Policy sets the broad contours of the management system, which is used to identify, assess, monitor, review, control and report risks and controls within the Company. It is also the Company's policy that risks should be managed systematically with the process of risk management being well defined and with its various elements properly integrated. The implementation of the RAS is a continuous cycle of improvement over the Company's existing risk management elements. Max Life continues to progress well on its vision of a mature state of risk culture where every individual takes responsibility or risks and has a thorough understanding of all risk tolerances.

BOARD OVERSIGHT AND MANAGEMENT COMMITTEES



CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

EVOLUTION OF ENTERPRISE RISK MANAGEMENT AT MAX LIFE

Journey of ERM at Max life is constantly evolving and has matured from the early phase of establishing risk governance, policies and processes to proactive risk management which add immensely to the business outcomes of the Company while ensuring protection from inherent and emerging risks.

Material Risks	Standard Practices	New Practices
Credit Risk	<ul style="list-style-type: none"> Monitoring of financial risks Risk assessment based on external credit ratings 	<ul style="list-style-type: none"> Monitoring of non-financial risks Risk assessment based on internal rating models
Market Risk	<ul style="list-style-type: none"> Monitoring of concentration risk Performance analysis/Peer Ranking Early warning framework for impairment 	<ul style="list-style-type: none"> Performance risk analysis along with attribution analysis Early warning framework for performance
Interest Rate Risk	<ul style="list-style-type: none"> Classical Asset-Liability Management techniques Prudent pricing philosophy and balanced product mix 	<ul style="list-style-type: none"> Interest Rate Risk Appetite through product boundaries (non-par savings), with defined ALM tolerances Hedging of interest rate risks in saving products using multiple instruments (FRA, IRS) to minimize volatility in P&L Hedging of interest rate risks in protection products to support long-term protection product designs

Material Risks	Standard Practices	New Practices
Protection or Mortality Risk	<ul style="list-style-type: none"> ▶ Traditional Underwriting practices ▶ Reinsurance Strategies ▶ Fraud control unit 	<ul style="list-style-type: none"> ▶ In-house proprietary analytical model deployed for savings and protection business separately ▶ Enhanced fraud and UW models deployed with risk scores leveraging credit scores and other industry databases.
Reputation Risk	<ul style="list-style-type: none"> ▶ Focus only on social media and crisis management 	<ul style="list-style-type: none"> ▶ Industry first, set of simulations for identified scenarios are being conducted for managing reputation risk against high fidelity events.
Operational Risk	<ul style="list-style-type: none"> ▶ Risk Control and Self Assessments (RCSA) 	<ul style="list-style-type: none"> ▶ Real time incident reporting framework along with operational loss appetite defined.
Information Security Risk	<ul style="list-style-type: none"> ▶ Security framework based on ISO 27001 	<ul style="list-style-type: none"> ▶ Enhanced security maturity with industry leading advanced capabilities such as Breach attack simulation, Dark web monitoring, Shift Left Security, Private bug bounty and continuous benchmarking against leading industries
Business Continuity Risk	<ul style="list-style-type: none"> ▶ ISO 22301 certified robust Business continuity management system 	<ul style="list-style-type: none"> ▶ Full business coverage with practical experience (@ COVID) across the value chain for better resilience – crisis, recovery, and business as usual

APPROACH TO IDENTIFYING RISKS

On a quarterly basis, the CRO discusses with the Management the items posing risks within one or more of the risk areas identified along with its potential implications. All of the items listed are assessed based on residual risks i.e. after considering the existence and reliability of controls. A monitoring and mitigation plan is agreed and tracked by the CRO on an ongoing basis. The high rated risks are presented to the Management Risk Committee (MRC) as well as the Board Risk Committee on a quarterly basis along with the CRO's assessment of the risks.

The Risk team pro-actively assesses the topical and emerging situation like intensity of cyber risk and global events like Russia - Ukraine war and their possible implications on the economy of the country and on the overall planned growth and solvency of the Company. Basis the assessment, the risk team along with relevant stakeholders, deploys possible mitigating actions to ensure minimal impact on the Company. Shared below is a broad approach implemented

by ERM across the Company in response to the pandemic.

COMPLIANCE

- ▶ Adherence to guidelines issues by MoHFW and State Government
- ▶ Promoting digital medium for customer interactions
- ▶ Non-opening of offices in containment/ red zones
- ▶ Staffing level maintained as per the guidelines issued by Govt. authorities

WORKPLACE PREPAREDNESS

- ▶ Mandatory thermal checks upon entrance for all customers and employees
- ▶ Seating arrangements as per social distancing and face masks it worn at all the times
- ▶ Periodic sanitisation with approved chemicals
- ▶ COVID protections shield installed at the branch offices



The Risk team pro-actively assesses the topical and emerging situation like intensity of cyber risk and global events like Russia - Ukraine war and their possible implications on the economy of the country and on the overall planned growth and solvency of the Company.

- ▶ Arrangements with multiple vendors for deep sanitisation (with approved chemicals) if COVID positive case is reported from office

EMPLOYEE AWARENESS AND SAFETY

- ▶ Regulating in-office employee attendance through Max Life Mobile App for employees
- ▶ Only approved employees, within permitted limits, allowed to work from office post self-declaration of health status of self and family members
- ▶ Periodic awareness sessions, posters and communications (emails, SMS, and so on) for employee and ground staff
- ▶ COVID Kawach Insurance Policy for providing additional insurance cover for employees
- ▶ COVID vaccination camps for employees and their family members

CUSTOMERS

- ▶ Enabled digital support and sales tools for customer servicing and sales
- ▶ Periodic communications to customers providing details of alternate methods of communication
- ▶ Video-conference and other digital means of communication to restrict physical meetings with customers
- ▶ Hygiene standards were maintained across offices/branches

BUSINESS CONTINUITY FRAMEWORK AND PLANNING (BCP)

Max Life has a comprehensive Business Continuity Program to build and manage the resiliency and redundancy across Facility, Infrastructure, IT and utility components. The BCMS (Business Continuity Management System) framework focuses on the safety of employees, sites and system to ensure uninterrupted delivery of services. The framework is aligned and certified to ISO22301 standard and the deployed mechanisms are reviewed and tested per defined timelines.

In addition, annual risk assessment is conducted for all 350+ Max Life offices across India to identify the gaps and assess impact basis the geographic location and existing controls. Systemic BIA (Business Impact Analysis) is undertaken to assess all the processes and recovery strategies are then identified and deployed to ensure continuity during a crisis situation which may impact- Site, System, Supplier, Service, Staff.

Effectiveness of devised continuity plans are tested through multiple exercises such as communication cascades, call tree testing, table-top and BCP-DR drill periodically.

INFORMATION SECURITY AND DATA PRIVACY

Information security continues to be focus area for Max Life. As part of ISO 27001 and ISMS assessment programme, independent auditors review and certify controls implemented by us, basis IRDAI cyber security guidelines. We are cognisant that this is an evolving space where hackers continue to find new ways to attack organisation, hence to up the ante, we continue to invest in state of art technologies such as Breach attack simulation which coupled with external assessments; keep us in top league when compared with global industry

benchmarks.

Company has well defined Information security policy which is approved by Board and is reviewed every year to stay current with ecosystem demands. There is robust governance structure including management risk committee of the Board where matters pertaining to Information Security are discussed on quarterly basis.

Periodic awareness sessions for employees, vendors and even customers are conducted with clear Do's and Don'ts. In addition, table top exercises and simulation on advanced attack scenarios are conducted for preparedness to ensure speed of response in any eventuality.



Max Life has a comprehensive Business Continuity Program to build and manage the resiliency and redundancy across Facility, Infrastructure, IT and utility components.

ACCOLADES FOR THE ERM TEAM

The ERM team has been in receipt of several prestigious awards and nominations both at domestic and international levels. A few of these have been listed below:

- ▶ UBS Forum
 - ▶ Risk Management Team of the Year
 - ▶ The Most Innovative Risk Strategy of the Year
 - ▶ The Chief Risk Officer (CRO) of the Year
 - ▶ The Risk Manager of the Year
 - ▶ The Risk Rising Star of the Year
- ▶ Corporate Risk Manager of the year (Top 3 Nomination) by Asia Insurance Review
- ▶ Global CISO Top 100 by Forcepoint
- ▶ Best Security Practices in Insurance industry by data security council of india, 2021

HUMAN RESOURCES

Inspiring leadership, improving the employee experience and contemporising people practices are key drivers of Max Life's high-performance culture.

Owing to the nationwide lockdown by the Indian government, Max Life shifted the complete working ecosystem to the digital mode, including onboarding, engagement, celebrations, performance management, and exit management.

The cycle of goal setting, mid-year reviews, year-end feedback, and performance appraisal happened digitally - a critical process to drive the performance-based culture in the organisation. Max Life recognised team members who went above and beyond to deliver value to the organisation during the pandemic.

To continue with the firm's culture of celebration and joy, Max Life celebrated its Founder's Day on November 12th, 2021 where 323 employees were recognised with long service awards for completing 10,15, and 20 years of service with Max Life. Further, a COVID-19 crack team was created to support our team members during the pandemic. The team touched the lives of people and their families by being present in their most difficult times.

Owing to such policy initiatives, Max Life was ranked 18th amongst 'India's Best Companies to Work For' in 2021 - a jump of six positions from 2020. It has been bestowed upon this honour for the tenth time in the most comprehensive employee survey of workplace culture conducted by the Great Place to Work Institute.

Max Life was also recognised amongst the top 30 Best Workplaces in BFSI; and retained its position amongst Top 50 Best Workplaces for the fifth consecutive year of participation, as per the Great Place to Work Institutes (GPTW) 2021 study. In the FY 2021-22 annual employee engagement survey, about 95% of the employees gave favourable scores (top 2 box score rating), making it among the best in its class.

MAX LIFE BUSINESS OUTLOOK

Max Life creates a three-year strategy and reviews it periodically. With Axis Bank becoming a co-promoter of Max Life in FY 2021-22, the Company's management team decided to chart a new growth trajectory by combining the forces of the third largest private bank in India with the fourth largest private life insurer. The management team undertook a detailed review of the market landscape and opportunities to redefine our growth ambitions and sharpen our strategic framework to drive consistent and profitable growth.



To continue with the firm's culture of celebration and joy, Max Life celebrated its Founder's Day on November 12th, 2021 where 323 employees were recognised with long service awards for completing 10,15, and 20 years of service with Max Life.

As the pandemic shows signs of waning over this year, Max Life is committed to ensure financial protection of the larger community by leading with agility and transitioning the business processes onto digital channels to promptly provide life insurance solutions and service to the customers.

Consumer receptiveness is driving digital adoption in the industry by demonstrating their comfort in engaging through online channels. The supply-side transformation in the industry will continue to be driven by the digitalisation of services along with expected investments from an increased Foreign Direct Investment (FDI) limit to 74% and potential demand owing to low insurance penetration. The Indian Life Insurance industry will thus need to accelerate its structural transformation further to be in tune with this evolving megatrend.





BUSINESS RESPONSIBILITY REVIEW

Business Responsibility Review

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

The mind of a growing child, particularly during the schooling years, is akin to clay. If molded in the right manner, it can help them become thinking individuals and not a mere addition to the country's burgeoning workforce.

~ Tara Singh Vachani



The journey of Max India Foundation (MIF), the CSR arm of the Max Group, is characterized by the ethos of *Sevabhav* and giving back to the society with dignity. As the vision of the Max Group transitioned from Healthcare to Realty and Hospitality in 2019, education was identified as the new area of focus.

MIF's notion of good education ensures quality and value-based education to underprivileged children. This empowers them to have an equal chance for furthering their educational pursuits and compete for job opportunities, thereby giving them a chance to change their lives, along with that of their families. We believe for change to happen in a deeply divided society like ours, quality education for all needs to be the guiding principle.

Not-for-profit institutions have played a critical role in improving education

through sustained work and a wide range of creative interventions. Their work has had a direct impact on the ground and has also led to shifts in educational discourse. There is a burgeoning need for not-for-profit institutions to address the evolving challenges of education in the country. Our approach is to support such organizations engaged in education to elevate the child's foundational capabilities of numeracy and literacy and aid social emotional development.

The academic year gone was a year with ups and downs, learning and unlearning, triumphs and opportunities. We finally saw phased re-opening of schools with multi layered COVID mitigation measures. Although schools were disrupted the world over, the national response from each country was different. State governments in India **strengthened the resilience of the education system** by taking adequate safety protocols. NGO



We believe for change to happen in a deeply divided society like ours, quality education for all needs to be the guiding principle.



partners supported by MIF **persevered and created value for students**

by adopting hybrid learning models, ensured capacity building opportunities for educators, invested the parents in their child's learning and strengthened the education system. Understanding the need of the hour, they also conducted timely check-in to assess the ration needs of students and their families. Additionally they supported the families of the students by creating awareness about COVID 19 vaccine and enabling registration to get the vaccination done timely.

In the academic year 2022-23, MIF supported the education of 1.04 lakh students, 2,297 teachers and 41 fellows (teacher leaders) through its partnership

with 12 NGOs. Further, 54 lakh+ students of 42,000+ local government schools were impacted through our NGO partner The Education Alliance through its work in partnership with Tamil Nadu and Tripura Government.

Value-Based Education

SEE Learning India is a collaboration between the Max India Foundation and Emory University, USA. SEE Learning India is the exclusive and nodal body for the dissemination of SEE Learning® in India. It involves training and facilitation of educators embarking on the social, emotional and ethical learning journey, while forging and cultivating partnerships with schools and organizations across India.



“Education is the way to achieve far reaching results, it is the proper way to promote compassion and tolerance in society”.

- His Holiness
The XIV Dalai Lama

800+ Educators introduced to SEE Learning

200+ hours invested in training educators

40000 Students receiving or have received SEE Learning lessons or practices

Adding to the growing SEE Learning® ambassador community, the largest cohort of **53 L1 Facilitators** from Mongolia, Taiwan, Singapore, Hong Kong, Japan, South Korea and India were **certified** after having completed the 9 month facilitation track and they are taking the baton forward as SEE Learning® facilitators. Taking SEE Learning® to other adults, these certified facilitators are offering and conducting workshops and supporting the implementation of the SEE Learning® curriculum across India. **80 educators embarked on the L1 facilitator certification journey, an immersive exploration of the SEE Learning® foundational concepts, framework and curricular content.** The course will prepare these participants as certified facilitators who can offer SEE Learning® workshops to their peers and will also equip them with the skills that they need to implement SEE Learning® in their schools, organisations and communities.

Moreover, SEE Learning India also facilitated the certification of **12 Emory University certified CBCT®(Cognitively-Based Compassion Training) instructors in India.**

SEE Learning India continued conducting online orientations capacity building

of educators to reach more classrooms and students. These training sessions in the form of *Taste of SEE Learning* and *Getting Started with SEE Learning* provides educators with a glimpse of the SEE Learning curriculum, framework and pedagogical model that they can take to their students in their classrooms. In this previous year, **2000+** educators were introduced to SEE Learning in these training sessions.

SEE Learning India and Kshamtalaya Foundation worked as the implementation partner along with Indus Action for the *Emotions & Expressions* pilot project on the invitation of The Department of Women and Child Development. As part of this project, **175 Anganwadi workers across two districts** of New Delhi, were trained in **SEE Learning® Resiliency and Body Awareness practices.** Appreciative of learning the skills and practices related to building resilience through regulating and navigating emotions, these workers participated in bi-monthly, virtual training sessions over three months with great enthusiasm. Their feedback testimonials attest to the fact that this pilot project came at an opportune time to equip them with the tools and skills needed to deal with the repercussions of the pandemic.



SEE Learning India continued conducting online orientations capacity building of educators to reach more classrooms and students. These training sessions in the form of Taste of SEE Learning and Getting Started with SEE Learning provides educators with a glimpse of the SEE Learning curriculum, framework and pedagogical model that they can take to their students in their classrooms. In this previous year, 2000+ educators were introduced to SEE Learning in these training sessions.

Beacon Educators (government school teachers) hope to spark new waves of consciousness about sustainable development goals (SDG) amongst children by activating a range of knowledge, skills & mindsets, rooted in everyday sustainable practices. Our NGO partner Foster and Forge foundation focused on meaningful education using Sustainable Development Goals (SDGs) as a tool.



Making SEE Learning more and **more accessible** has been one of our major priorities, hence, we have embarked on the journey of **translating all the 3 curriculums** and the **SEE Learning Companion** along with **Implementation Guide**. Translation of **online SEE 101** has been completed and will be launched officially by Emory team very soon.

Facilitating Foundational Learning

MIF provides grants to established organizations working on the ground on facilitating cognitive skills like foundational literacy, numeracy, higher order skills like critical thinking, problem

solving and also social, emotional and ethical learning. The highlights of some of the initiatives by MIF's implementing partners are:

Sustainable Development Goals

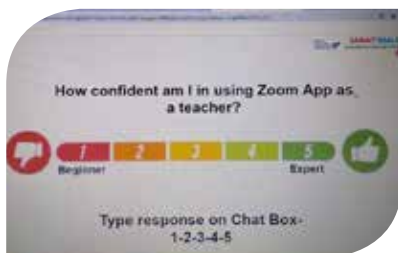
Beacon Educators (government school teachers) hope to spark new waves of **consciousness about sustainable development goals (SDG)** amongst children by activating a range of knowledge, skills & mindsets, rooted in everyday sustainable practices. Our NGO partner **Foster and Forge foundation** focused on meaningful education using Sustainable Development Goals (SDGs) as a tool.



Government teacher (a Beacon educator) conducting activity based session on sustainable development goal- Zero Hunger (Foster and Forge Foundation)

Helping Teachers Build Digital Confidence

SEF partnered with Samait Shala to conduct online training for educators on Google Meet and Zoom



As learning solutions remained remote in academic year 2021-22, blended learning emerged as a stronger structure. NGO partners Simple Education Foundation (SEF), Kshamtalaya Foundation, The Education Alliance (TEA) enabled the educators to adopt technology for their classrooms by conducting rigorous training which enhanced ways in which they use tools of e-learning and helped them build their confidence.

Parents as Partners

Building a strong partnership with parents **empowers them to contribute to the learning process of their**



Parents understand how learning can be delivered through different mediums as per child's learning style. (Kshamtalaya Foundation)

children. Our NGO partners conducted parent-teacher meetings to emphasize the importance of parents' participation in their child's education. Further the parents were informed about child safety, hygiene of children, schedule for the annual examination and importance of regular attendance in schools. They were also given insight into the learning gaps arising from the pandemic, with the aim of **building an environment at home which is conducive to learning** and provided trainings on how to maintain hygiene at home, government schemes, emotional well-being, nutrition for children, menstrual hygiene etc. Additionally Our NGO partner Saarthi believes that it is the mothers with whom a child spends most of their time. To involve mothers in a child's education, Saarthi Education has designed Standard Operating Procedures (SOPs) for every mother to follow and support their child's education.

Joining hands with state government

In addition to working with teachers, students and parent community, our NGO partners like The Education Alliance,



Building a strong partnership with parents empowers them to contribute to the learning process of their children. Our NGO partners conducted parent-teacher meetings to emphasize the importance of parents' participation in their child's education. Further the parents were informed about child safety, hygiene of children, schedule for the annual examination and importance of regular attendance in schools.



Regular meetings held with State Officials to update them on NGO program implementation status in Tripura (The Education Alliance)

Kshamtalaya Foundation, Foster and Forge Foundation are working in tandem with the state governments to help build an ecosystem where governments upgrade the public education system and create a deep impact in the child's learning outcomes.

STEM Learning

NGO partners supported by Max India Foundation are on a journey of **creating a spirit of scientific inquiry by transforming science learning at school level**. Schools under School Quality Enhancement Program (The Education Alliance) and AASRA trust organised sessions on coding, robotics etc to cultivate scientific temper, objectivity, and computational and structured logical thinking in students.



Coding classes in Delhi government school, Student displaying Robotics activities (The Education Alliance)

Integrated Pedagogy

The New Education Policy 2020 lays emphasis on the importance of integration and adoption of experiential learning including hands-on learning, arts-integrated, sports-integrated and story-based learning within each subject. **Our NGO partners are enabling the government school ecosystem by adopting integrated pedagogy.**



Children facilitating puppet show and storytelling with visitors (Kshamtalaya Foundation)



NGO partners supported by Max India Foundation are on a journey of creating a spirit of scientific inquiry by transforming science learning at school level. Schools under School Quality Enhancement Program (The Education Alliance) and AASRA trust organised sessions on coding, robotics etc to cultivate scientific temper, objectivity, and computational and structured logical thinking in students.

VIRSA: Learning from our Virasat



Virsa session in progress

Our NGO partner Routes 2 Roots through its digital cultural education program Virsa disseminates cultural education to lakhs of students across India through classes, which are two-way sessions with real-time interaction. Last academic year they organized numerous digital workshops held by Virsa gurus in various disciplines like arts, yoga, music, dance etc. A mobile application named "Routes 2 Roots" was launched for the students

to learn the performing arts wherever or whenever they want on any device of their choice.

Making Well-being accessible: Happiness Curriculum

Max India Foundation firmly believes in the importance of value based education. Our NGO partner Labhya Foundation makes **Social Emotional Learning (SEL) and wellbeing accessible for children enrolled in government schools of India at scale.** In this quarter, Labhya Foundation and the Government of Delhi conducted training for 1030 Happiness Teacher Coordinators across all government schools of Delhi. **International Day of Happiness** was celebrated by the entire Happiness Curriculum team on 20th of March 2022 through a panel discussion titled "**Happiness Curriculum - The Future of Education**".



Glimpse of "A Happy Classroom" from government school in Sundernagri



Our NGO partner Routes 2 Roots through its digital cultural education program Virsa disseminates cultural education to lakhs of students across India through classes, which are two-way sessions with real-time interaction. Last academic year they organized numerous digital workshops held by Virsa gurus in various disciplines like arts, yoga, music, dance etc. A mobile application named "Routes 2 Roots" was launched for the students to learn the performing arts wherever or whenever they want on any device of their choice.



Tara Singh Vachani judged the Business Blasters program, an initiative by Delhi government

Business Blasters

Tara Singh Vachani Managing Trustee, Max India Foundation participated in the Business Blasters program sharing her business insights and generous support for the student startups. Business Blasters programme is a practical component of the **Entrepreneurship Mindset Curriculum (EMC)** introduced in Delhi Government Schools in 2019 for grades 9-12, to enable students to take charge of their career paths and explore their potential to the fullest.

Acts of Kindness: Thank You for Volunteering

Our NGO partners continue to nurture the spirit of volunteerism to solve systemic issues of gap in learning levels of children. Different approaches were adopted by our NGO partners- Kshamtalaya Foundation is cultivating a community driven learning ecosystem by identifying a group of family champions.



COME VOLUNTEER IN A TEACH FOR INDIA CLASSROOM

Join our **virtual** classrooms to bridge the learning loss our Students have suffered.

A call to volunteer in a remedial program to reverse learning losses

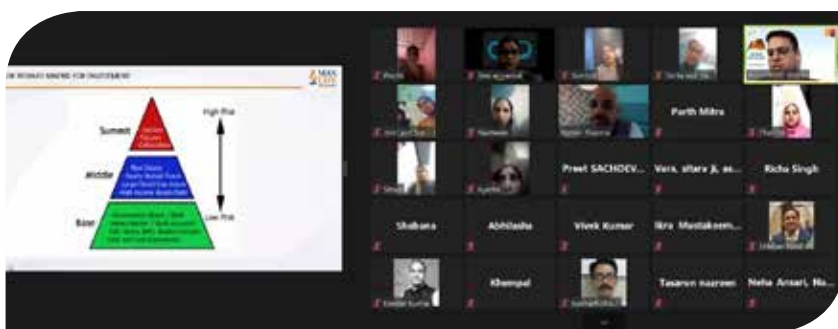


Business Blasters programme is a practical component of the Entrepreneurship Mindset Curriculum (EMC) introduced in Delhi Government Schools in 2019 for grades 9-12, to enable students to take charge of their career paths and explore their potential to the fullest.

Teach for India launched the **Bridge Program** with a bold and ambitious vision. **Every child in Teach for India classrooms, every week, has access to small-group remedial programs to reverse learning losses** suffered due to the COVID- 19 pandemic.

Max Life Insurance volunteers conducted a virtual interactive session on financial literacy for family champions and

community members of Kshamtalaya Foundation. Sessions were also conducted on personal health and hygiene for students of Teach for India and Simple Education Foundation. The session included symptoms and precautions with respect to COVID-19, social emotional well-being, ways to improve one's immunity and right kinds of food to eat etc.



Financial literacy virtual volunteering session for community members by Max Life volunteers

COVID Care

From oxygen to emotional support

As the second wave of COVID hit India, its ferocity left people in panic. To address the need of the hour, Max India foundation spread its caring arms and provided assistance in COVID relief efforts through NGO partners like Citizen

India Foundation, Ramakrishna Ashrama Mission, Waste Warriors, DASRA, SOS Children's Village of India. Max India Foundation committed support for medical supplies, vaccination drive, dry ration and hygiene kit supplies and trauma informed training, grief counselling, healing through storytelling etc.



Financial literacy virtual volunteering session for community members by Max Life volunteers



Max Life Insurance volunteers conducted a virtual interactive session on financial literacy for family champions and community members of Kshamtalaya Foundation.



Max India Foundation committed support for medical supplies, vaccination drive, dry ration and hygiene kit supplies and trauma informed training, grief counselling, healing through storytelling etc.



#HumHongeKaamyaab- Awareness to Action

Hum Honge Kaamayaab is a project by 2020 Teach For India Fellow, to create awareness about COVID-19 vaccination, simplifying its registration process and bursting myths about the COVID-19 vaccines amongst low-income communities in Delhi. We saw collaboration between our NGO partners- Simple Education Foundation and Hum Honge Kaamayaab team for creation of awareness of COVID 19 vaccine, registration process and getting slots for vaccination.

Vaccination Drive at Max Towers

It is critical that each of member of our community is vaccinated before we return to the field.

To enable the same **MIF supported the vaccination for Teach for India fellows and staff members** during the Vaccination Drive held at Max Tower.

Around 12.4 lakh beneficiaries were supported during COVID 2nd wave.

MIF will continue to build the capacities of important actors in the education system to bring about the desired reform by supporting the NGO partners working in the space of education.

Going forward, SEE Learning India plans to expand partnership with schools and organizations to build capacities of educators ranging from orientation to deeper immersion through cascading model with an expected outcome to create champions; train educators to pass SEE Learning educator support programs independently to other educators. Additionally, it plans to explore and leverage digital platform to scale the program.



Max Life Insurance volunteers conducted a virtual interactive session on financial literacy for family champions and community members of Kshamtalaya Foundation.

Stories of Transformational Learning Impact

Jatin*, is a seven-year-old boy who has Cerebral Palsy with mild to moderate intellectual disability. The initial assessment suggests that he communicates in one word, greets strangers with gestures, but has some behavioural issues. With no exposure to a school he has no academic skills. Jatin is attending the School Readiness programme to prepare him to eventually be enrolled in the Raphael day school. The intervention programme has been shared with his mother so that she can continue it at. As a result, there is a remarkable change in his behaviour, his attending skills have improved, and he is able to identify pictures of familiar objects. After five months of intervention, Jatin joined the Primary Class in the Day Centre where he is doing well and takes interest in all classroom activities.

Sandhna*, Learning Champion of Kshamtalaya Foundation is a confident girl studying in Grade 10 of a Government school. She was motivated to be a learning champion as she enjoys learning and also supporting others to learn. When she began facilitating the learning circle, she taught children in her partner Family Champion Archana Didi's house. However, the intervention was paused due to objections raised by Archana Didi's family members. This did not deter her from her mission. She helped her parents to understand the relevance of the learning circle and started teaching children in her home, without being restricted by the fact that her home space is smaller and it's difficult to accommodate children comfortably.

Sana*, a grade 3 student, who had moved to Delhi a few years ago from West Bengal. She grew up in a household with difficult circumstances. Despite gaining admission in school, Sana's troubles had not come to an end. As soon as the parents left for work, Sana's grandmother used to take her to beg. At this point, her teacher intervened, imploring her grandmother to support her education by allowing her to attend school. Moreover, she was given insight into the ill-effects of begging, and the punishment that can be meted out for this act. This proved to be a pivotal moment. Now, Sana attends school every day. The transformation can be seen in Sana's grandmother too, who now ensures that her granddaughter is regular at school. In fact, she even supports the admission process by spreading awareness of the importance and benefits of sending children to school.



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

OUR CORPORATE GOVERNANCE PHILOSOPHY

The Company continues to be committed towards maintaining the highest standards of Corporate Governance recognizing that in today's environment, it is a critical driver for achieving excellence, attracting high-quality talent, and optimizing capital sourcing and allocation.

To ensure strong discipline in capital management, robust performance management of its businesses and sustained value creation across all stakeholders, Max Financial Services embarked upon a journey, over a decade ago, to implement a comprehensive governance framework across the Group. This entailed implementation of various transformational initiatives across three key facets of governance:

Board Architecture

The Boards in each of the Group's operating companies were re-configured to create the right composition with 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 respective CEOs and the Chairmen. In addition, a clear role for the Board has been articulated in areas such as strategy formulation, monitoring financial health, leadership development, risk management and succession planning.

Board Processes

The various people, process of the Board have been optimized (viz. on boarding of Directors, Board education and business engagement, enabling independence, adherence to the code of conduct etc.). Key operational aspects such as ensuring a comprehensive and well-balanced meeting agenda, timely and adequate flow of information to the Board and inviting external speakers to inform the Board on best practices, are in place to ensure that the Board's time is spent optimally in all critical areas of the business. Further, it is ensured 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 Board sub-committees that are composed of the right balance between the Executive, Non-executive, and Independent Directors, who add value to, and are specifically qualified for the particular sub-committee. Detailed charters are published for every sub-committee of the 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 also effected, as may be required, 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 Board, which involves establishing clear standards of conduct & behavior, setting a calendar of key governance interventions (such as strategy-setting sessions, risk management sessions), consequence management etc.

BOARD OF DIRECTORS

As of March 31, 2022, the Board comprised of eleven members with one Executive Director and ten Non-executive Directors of which six were independent. Mr. Analjit Singh (DIN: 00029641), Promoter Director is the Chairman of the Board of Directors of the Company as of March 31, 2022.

None of the Directors are a member in more than ten committees or the Chairman of more than five committees, across all public companies in which he/she is a director. Further, none of the Directors is a Director in not more than seven Listed entities and an Independent Director in not more than seven Listed entities.

During the year under review, there was no change in the composition of the Board of Directors since the closure of the last financial year.

The details of the Directors and their attendance at the Board meeting during the year 2021-22 and at the last annual general meeting, including the details of their Directorships and Committee Memberships, as of March 31, 2022, are furnished hereunder:

Name of Director	Attendance at Board meetings during the year 2021-22		Attendance at last AGM held on September 23, 2021	Number of committees positions held in other public companies as on March 31, 2022*		Directorships in other Listed Companies in India (category of Directorship)
	Held	Attended		Chairman	Member	
Mr. Analjit Singh [Chairman & Non- Executive Non-Independent Director] DIN: 00029641 [Promoter Director]	5	5	Yes	-	-	Max India Limited (Non-Executive Director & Chairman) Max Ventures and Industries Limited (Non-Executive Director & Chairman)
Mrs. Naina Lal Kidwai [Independent Director] DIN: 00017806	5	4	Yes	-	1	Cipla Limited (Independent Director) UPL Limited (Independent Director) Gland Pharma Limited (Independent Director)
Mr. Mohit Talwar [Managing Director] DIN: 02394694	5	5	Yes	-	1	Max India Limited (Non-Executive Director)
Mr. Aman Mehta [Independent Director] DIN: 00009364	5	5	Yes	1	1	Wockhardt Limited (Independent Director)
Mr. Dinesh Kumar Mittal [Independent Director] DIN: 00040000	5	5	Yes	4	4	Balrampur Chini Mills Ltd (Independent Director) Bharti Airtel Limited (Independent Director) Max Ventures And Industries Limited (Independent Director) Trident Limited (Independent Director)
Mr. Sahil Vachani [Non-Executive Non Independent Director] DIN: 00761695 [Promoter Director]	5	4	Yes	-	3	Max Ventures and Industries Limited (Managing Director)
Mr. Jai Arya [Independent Director] DIN: 08270093	5	4	Yes	-	-	-
Sir Charles Richard Vernon Stagg [Independent Director] DIN: 07176980	5	4	Yes	-	-	First Source Solutions Limited (Independent Director)
Mr. Hideaki Nomura [Non-Executive Non Independent Director] DIN: 05304525	5	5	Yes	-	-	-
Mr. Mitsuru Yasuda [Non-Executive Non Independent Director] DIN: 08785791	5	5	Yes	-	1	-
Mr. K. Narasimha Murthy [Independent Director] DIN: 00023046	5	5	NA	4	4	Max Healthcare Institute Limited (Independent Director) Max Ventures & Industries Limited (Independent Director) Nelco Ltd. (Independent Director)

* Represents Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies, other than companies formed under Section 8 of the Companies Act, 2013/Section 25 of the Companies Act, 1956

Core skills/expertise/competencies identified by the Board of Directors as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations]

In terms of the requirement of the SEBI (LODR) Listing Regulations, the Board has identified the following core skills/expertise/competencies of the Directors for the effective functioning of the Company in the context of the company's business.

1. Industry and sector experience or knowledge: understand the Company's business, policies, and culture and knowledge of the industry in which the Company operates;
2. Leadership and governance: Board experience, responsible for taking decisions, keeping in mind the interest of all stakeholders
3. Strategic thinking and decision making: Having experience in decision making keeping in mind the interest of shareholders;
4. Experience in M&A, business restructuring and joint ventures; and
5. Financial Skills: Experience in financial management; risk assessment; treasury and fundraising initiatives.

Mr. Analjit Singh, Mrs. Naina Lal Kidwai, Mr. Aman Mehta, Mr. Dinesh Kumar Mittal, Mr. Jai Arya, Mr. Mohit Talwar, Mr. Sahil Vachani, Mr. Hideaki Nomura, Mr. Mitsuru Yasuda and Mr. K. Narasimha Murthy possesses all the aforementioned skills/expertise/competencies. Sir Richard Stagg possesses the skill sets mentioned in serial no. 1 to 4 above. The brief profiles of Directors forming part of this Annual Report provide an insight into the education, expertise, skills and experience of the Directors, thus bringing diversity to the Board's perspectives which enable them to make an informed decision treasury and fundraising initiatives on making at the Board.

Confirmation of the independence of the Independent Directors

The Board of Directors hereby confirms that in their opinion, the Independent Directors fulfill the conditions specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) SEBI (LODR) Regulations

and are Independent of the Management.

During the year under review, none of the Independent Director resigned before the expiry of his/her tenure.

Details of Board meetings held during the year ended March 31, 2022:

During the year ended March 31, 2022, the Board of Directors of your Company met five times. Dates of the board meetings along with the total number of directors associated as on the date of the meetings and directors' attendance at the meetings are mentioned below: -

S. No.	Dates of Board meeting	Board Strength associated as on the date of the meeting	No. of Directors present in the meeting
1	June 08, 2021	11	10
2	August 10, 2021	11	10
3	September 8, 2021	11	11
4	November 9, 2021	11	10
5	January 28, 2022	11	10

INTER-SE RELATIONSHIP AMONG DIRECTORS

Mr. Sahil Vachani and Mr. Analjit Singh are related to each other; Mr. Sahil Vachani being the son-in-law of Mr. Analjit Singh.

The details of equity shares of ₹ 2/- each held by Non-Executive and Executive Directors of the Company as on March 31, 2022 are:

- (a) Mr. Analjit Singh – 1,10,000 equity shares,
- (b) Mr. Aman Mehta – 29,000 equity shares (held through his private trust),
- (c) Mr. Mohit Talwar – 2,05,958 equity shares
- (d) Mr. K. Narasimha Murthy – 5,000 equity shares and
- (e) Mr. Dinesh Kumar Mittal – 300 equity shares

HOW DO WE MAKE SURE OUR BOARD IS EFFECTIVE?

The calendar for the Board and Committee meetings is fixed in advance for the whole year, along with significant agenda items. At least one Board meeting is held within 45 days from the close of each quarter to review financial results and business performance and the gap between two Board meetings does not exceed the time gap as prescribed under the law from time to time.

Apart from the aforesaid four quarterly meetings, additional Board meetings are also convened to meet business exigencies, as required. 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 generally held prior to the Board meeting. The Chairpersons of the respective Committees brief the Board about the proceedings of the Committee meetings and its recommendations on matters that the Board needs to consider and 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 generally circulated (electronically in a secure dedicated portal). The Board is regularly updated on the key risks and the steps and processes initiated for managing, 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 of the overall performance of the Company and its subsidiary 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/Committee meetings to provide detailed insight into the items being discussed.

Further, the Company has made familiarization programmes to familiarize Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. The detail of such familiarization programme is available at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

CODE OF GOVERNANCE

In compliance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), 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 at www.maxfinancialservices.com. All the members of the

Board of Directors and senior management personnel had affirmed compliance with the above-mentioned regulation, including Code for the financial year ended March 31, 2022, and a declaration to this effect signed by the Managing Director forms 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 a Code of Conduct to Regulate, Monitor and Report Trading by Insiders for the prevention of insider trading, which is applicable to all the Directors, Promoters, Key Managerial Personnel and designated employees/persons.

COMMITTEES OF THE BOARD

Audit Committee:

As of March 31, 2022, this Committee comprised of Mr. Dinesh Kumar Mittal (Chairman), Mr. Aman Mehta, Mrs. Naina Lal Kidwai and Mr. Mitsuru Yasuda as members. All members of the Committee are Independent Directors, except Mr. Mitsuru Yasuda, who is Non- Executive Nominee Director. The Company Secretary of the Company acts as the Secretary of this Committee.

The scope of the Audit Committee has been defined by the Board of Directors in accordance with Regulation 18 and Part C of Schedule II of the SEBI LODR Regulations and applicable provisions of the Companies Act, 2013. This Committee *inter alia*, recommends the appointment and remuneration of statutory auditors, secretarial auditors and internal auditors; reviews the Company's financial reporting processes and systems and internal financial controls, financial and risk management policies and Company's financial statements, including annual and quarterly financial results and financial accounting practices & policies and reviews the functioning of the whistle-blower mechanism.

The representatives of Internal Auditors and Statutory Auditors are invited to the meetings of the Committee, as required. Mr. Dinesh Kumar Mittal, Chairman of the Audit Committee, was present at the last Annual General Meeting. All the recommendations made by the Committee to the Board during the year have been accepted by the Board.

Meetings & attendance during the year ended March 31, 2022:

During the year ended March 31, 2022, the Audit Committee

MAX FINANCIAL SERVICES LIMITED

met four times – on June 7, 2021, August 10, 2021, November 9, 2021 and January 28, 2022. The Composition and attendance of the members at the meeting held during the FY 2021-22 are given below:

Name of Committee members	Number of meetings entitled to attend	Number of meetings attended
Mr. Dinesh Kumar Mittal	4	4
Mr. Aman Mehta	4	4
Mrs. Naina Lal Kidwai	4	3
Mr. Mitsuru Yasuda	3	3

Nomination and Remuneration Committee:

As on March 31, 2022, this Committee comprised of Mrs. Naina Lal Kidwai (Chairman), Mr. Analjit Singh, Mr. Aman Mehta, Mr. Hideaki Nomura, Mr. Jai Arya and Mr. Dinesh Kumar Mittal as members. All the members are Independent Directors, except Mr. Analjit Singh and Mr. Hideaki Nomura, who are Non-executive Non-Independent Directors.

The scope of the Nomination and Remuneration Committee has been defined by the Board of Directors in accordance with Regulation 19 and Part D of Schedule II to the SEBI LODR Regulations and applicable provisions of the Companies Act, 2013. This Committee inter alia, evaluates the compensation and benefits for Executive Directors and Senior Executives at one level below the Board, recruitment of key managerial personnel and finalization 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(s) of the Company including allotment of equity shares arising from the 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. All the recommendations made by the Committee to the Board during the year have been accepted by the Board.

Meetings & attendance during the year ended March 31, 2022:

During the year ended March 31, 2022, the Nomination and Remuneration Committee met two times – on June 8, 2021 and November 9, 2021. The composition and attendance of the members at the meeting held during the FY 2021-22 are given below:

Names of Committee members	Number of meetings entitled to attend	Number of meetings attended
Mrs. Naina Lal Kidwai	2	2
Mr. Aman Mehta	2	2
Mr. Analjit Singh	2	1
Mr. Dinesh Kumar Mittal	2	2
Mr. Hideaki Nomura*	1	1
Mr. Jai Arya**	-	-

*Appointed as a member of committee on June 8, 2021 and attended the said meeting as an invitee. Mr. Hideaki Nomura attended the subsequent meeting held on November 9, 2021 as a member.

** Appointed as a member of committee on December 27, 2021

Remuneration paid to the Directors during 2021-22

During the year 2021-22, the Company paid a sitting fee of ₹ 1,00,000/- per meeting to its Non-executive/Independent Directors for attending the meetings of the Board and Committees of the Board and separate meeting(s) of Independent Directors. There were no pecuniary relationships between the Company and its Non-Executive/Independent Directors, except detailed below:

Sitting fees paid for 2021-22 are as under:

S. No	Name of Director	Amount (₹)
1	Mr. Analjit Singh	6,00,000/-
2	Mrs. Naina Lal Kidwai	10,00,000/-
3	Mr. Aman Mehta	15,00,000/-
4	Mr. Dinesh Kumar Mittal	16,00,000/-
5	Mr. Sahil Vachani	5,00,000/-
6	Mr. Jai Arya	8,00,000/-
7	Sir Charles Richard Vernon Stagg	5,00,000/-
8	Mr. K. Narasimha Murthy	6,00,000/-
9	Mr. Hideaki Nomura	Nil
10	Mr. Mitsuru Yasuda	Nil

Commission paid to Directors during 2021-22 are as under:

Pursuant to applicable provisions of the Companies Act, 2013 rules made thereunder, payment of commission was made during the financial year to Directors of the Company for the previous financial year 2020-21, detailed as under:

Name of Director	Amount (₹)
Mrs. Naina Lal Kidwai	20,00,000/-
Mr. Aman Mehta	20,00,000/-
Mr. Dinesh Kumar Mittal	20,00,000/-
Mr. Jai Arya	20,00,000/-
Sir Charles Richard Vernon Stagg	20,00,000/-
Mr. Analjit Singh	3,00,00,000/-

Additionally, Mr. Analjit Singh, has also been paid a gross compensation of ₹ 3.00 crore per annum during Financial Year ended March 31, 2022, in terms of special resolution approved by the shareholders of the Company effective April 01, 2021.

The remuneration payable to the Managing Director of the Company, including performance incentives, were determined from time to time by the Nomination and Remuneration Committee, within the limits approved by the Board of Directors and shareholders of the Company, in terms of applicable provisions of the Companies Act, 2013 read with the Company's remuneration policy. The details of the remuneration policy form part of the Directors' Report attached as part of this Annual Report.

During FY2021-22, the Company had paid remuneration to Mr. Mohit Talwar as Managing Director (MD) of the Company as provided in Form MGT-7 (annual return), the details of which are accessible at weblink at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Return-Max-Financial.pdf>

Mr. Mohit Talwar, Managing Director of the Company, was reappointed for a period of one year from January 15, 2022 to January 14, 2023 with a notice period of three months or salary in lieu thereof. During FY2021-22, the company has not granted any stock options to Mr. Mohit Talwar, and he is also entitled to other perquisites and benefits as approved by the shareholders earlier. The severance fee, if any, shall be payable as per the provisions of the Companies Act, 2013.

The performance evaluation procedure for Directors is detailed in the Directors' Report attached as part of this Annual Report.

Stakeholders' Relationship Committee:

As of March 31, 2022, this Committee comprised of Mr. Sahil Vachani (Chairman), Mr. Dinesh Kumar Mittal, Mr. Mitsuru Yasuda and Mr. Mohit Talwar as members. Key responsibilities of this Committee are the formulation of procedures, in line with the statutory guidelines, for ensuring the speedy disposal of various requests received from shareholders, from time to time and redressal of shareholders' and investors' complaints/grievances. The Committee also approves the transfer and transmission of securities, and issuance of duplicate certificates etc.

The Committee has delegated the authority to effect the transfer and/or transmission of shares up to 1000 per folio to Company Secretary/Compliance Officer, and such transfers are subsequently ratified in the next meeting of the Committee.

The Company has normally attended to the Shareholders/ Investors complaints within a period of 7 working days except in cases which were under legal proceedings/disputes. During the financial year ended March 31, 2022, three complaints were received and resolved by the Company, which were general in nature viz. issues relating to non-receipt of dividend, annual reports, share certificates etc., all of those were resolved to the satisfaction of the respective shareholders. Mr. V. Krishnan, Company Secretary of the Company is the designated Compliance Officer. The last meeting of the Committee was held on January 28, 2022, in the presence of all the aforesaid members of the Committee.

Corporate Social Responsibility Committee:

The Company has not exceeded the threshold of ₹ 50 lakh during the financial year 2020-21 year for CSR contribution prescribed under extant regulations. Hence, this Committee has been disbanded effective June 8, 2021.

Risk Management Committee:

As of March 31, 2022, this Committee comprised of Mr. Aman Mehta (Chairman), Mr. Dinesh Kumar Mittal, Mrs. Naina Lal Kidwai, Mr. Jai Arya, Mr. Mitsuru Yasuda and Mr. Mohit Talwar. Four members of the Committee are Independent Directors except Mr. Mohit Talwar and Mr. Mitsuru Yasuda. The responsibilities of this Committee are enshrined in the Companies Act, 2013, applicable SEBI LODR Regulations and as per the risk management framework of the Company. All the recommendations made by the Committee to the Board during the year have been accepted by the Board.

Meetings & attendance during the year ended March 31, 2022:

During the year ended March 31, 2022, the Risk Management Committee met two times – on June 7, 2021 and November 9, 2021. The composition and attendance of the members at the meeting held during the FY 2021-22 are given below: -

Director	Number of meetings held	Number of meetings attended
Mr. Aman Mehta	2	2
Mrs. Naina Lal Kidwai	2	1
Mr. Dinesh Kumar Mittal	2	2
Mr. Jai Arya	2	2
Mr. Mohit Talwar	2	2
Mr. Mitsuru Yasuda*	1	1

*Appointed as a member of the Committee on June 8, 2021

Separate meeting of Independent Directors

A separate meeting of the Independent Directors was held on May 10, 2022, in the presence of all the five Independent Directors of the Company where at, inter alia, the following agenda items were considered in performance evaluation of the board/committees/chairman for the financial year ended March 31, 2022, in terms of applicable regulations.

Evaluation of the performance of Non-Independent Directors and the Board as a whole; Evaluation of the performance of Chairperson of the Company; and Assessment of the quality, quantity and timeliness of the flow of information between the Company management and the Board, that is necessary for the Directors to perform their duties effectively and reasonably.

ANNUAL GENERAL MEETING

The Annual General Meetings (AGMs) of the Company for the financial year 2019 were held at the Registered Office of the Company at Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab – 144533. The proceedings of last two AGM were held through Video Conferencing/Audio Visual means on December 30, 2020 and September 23, 2021 respectively in compliance with the provisions of the Companies Act, 2013 and SEBI LODR, Regulations, as permitted by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") through various circulars. The details of the last three AGMs held, and special resolutions passed by the shareholders in the said AGMs are as under:

Financial Year ended	Date & Time	Special Resolutions passed
March 31, 2019	September 24, 2019 – 1100 hrs (IST)	<ol style="list-style-type: none"> 1. Re-Appointment of Mr. Aman Mehta (holding DIN: 00009364) as an Independent Director of the Company for second and final term of 5 (five) consecutive years with effect from September 30, 2019. 2. Re-Appointment of Mr. Dinesh Kumar Mittal (holding DIN:00040000) as an Independent Director of the Company. for second and final term of 5 (five) consecutive years with effect from January 1, 2020. 3. Approval accorded to the Board to permit Registered Foreign Portfolio Investors ("RFPIs") and the Foreign Institutional Investors ("FIIs") to acquire and hold on their own account (including their sub-accounts), the Equity Shares of the Company up to limit of 58% of the Paid-up Equity Share capital of the Company and the individual shareholding of RFPIs/FIIs on its own account shall not exceed 10% of the Paid-up Equity Share capital of the Company or such limits as specified from time to time under the applicable laws.
March 31, 2020	December 30, 2020 – 1200 hrs (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	<ol style="list-style-type: none"> 1. Approval for re-appointment of Mrs. Naina Lal Kidwai (DIN:00017806) for second and final term of 5 (five) consecutive years with effect from January 15, 2021 to January 14, 2026 2. Approval for re-appointment of Mr. Mohit Talwar (DIN: 02394694) as the Managing Director of the Company for a further period of one year w.e.f January 15, 2021 to January 14, 2022 and that the remuneration payable to Mr. Mohit Talwar for the said period Approval for purchase of equity shares of Max Life Insurance Company Limited, from the Axis Bank Limited, Axis Capital Limited and Axis Securities Limited and/or their affiliates, for an aggregate amount not exceeding ₹ 20,000 crore from time to time in one or more tranches."
March 31, 2021	September 23, 2021 – 1100 hrs (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	No Special Resolution passed at Annual General Meeting

POSTAL BALLOT AND POSTAL BALLOT PROCESS

During the financial year 2021-22, the Company had passed the following resolutions through the postal ballot process.

1. The payment of a commission in the aggregate, not exceeding 3% of the net profits of the Company for the Financial Year 2020-21 to the Non-Executive Directors of the Company (including payment of compensation by way of commission, not exceeding 2% of the net profits of the Company to Mr. Analjit Singh (DIN: 00029641), Non-Executive Chairman of the Company, which will be in excess of fifty percent of the total compensation payable to all the Non-Executive Directors of the Company by way of commission for the said financial year).
2. Payment of annual gross compensation of ₹ 3,00,00,000/- (Rupees Three crore Only) (apart from sitting fees and reimbursement of expenses payable for attending meetings of the Company) to Mr. Analjit Singh (DIN: 00029641), Non-Executive Chairman of the Company for the Financial Year commencing from April 1, 2021.

The shareholders have approved aforesaid proposals no. 1 & 2 by way of special resolutions with requisite majority. The results of the postal ballot were declared on May 01, 2021.

3. Payment of a one-time special incentive of a gross amount of ₹ 5,00,00,000/- (Rupees Five crore Only) to Mr. Mohit Talwar, Managing Director of the Company.

The shareholders have approved the aforesaid proposal no. 3 by way of special resolution with requisite majority. The results of the postal ballot were declared on July 17, 2021.

4. Reappointment of Mr. Mohit Talwar, (DIN: 02394694) as the Managing Director of the Company for a further period of one year from January 15, 2022 to January 14, 2023 and that the remuneration payable to Mr. Mohit Talwar for the said period shall not exceed ₹ 6.11 crore.
5. Allowing usage of trademarks of the Company ('Max Trademarks'), without any consideration by a wholly owned subsidiary company proposed to be incorporated by Max Life Insurance Company Limited for management of pension assets under National Pension System ("NPS") for Private Sector subscribers and Government Sector subscribers pursuant to the provisions of Pension Fund Regulatory and Development Authority (Registration of Pension Fund) Guidelines, 2021.

The shareholders have approved the aforesaid proposal no. 4 by way of special resolution and proposal no. 5 by way of ordinary resolution with requisite majority. The results of the postal ballot were declared on December 24, 2021.

The Company sought approval of the shareholders of the Company by way of a postal ballot process for sale of the Company's Property at N-31 1st Floor Panchshila Park, New Delhi – 110017 ('the Property') to Mr. Rahul Khosla, former Managing Director of the Company. The shareholders have dis-approved aforesaid proposal no. 6. Therefore, the said proposal no. 6 was not carried through, and the results of the postal ballot were declared on March 22, 2022.

The details of the said postal ballot processes are under:

The Process followed for passing resolutions through postal ballot:

The Company appointed M/s Shashikant Tiwari, Partner of Chandrasekaran Associates, Practicing Company Secretaries having an office at 11F, Pocket-IV, Mayur Vihar Phase-I, Delhi – 110091 as the Scrutinizer for conducting all the Postal Ballot processes in a fair and transparent manner.

The Company issued the postal ballot notice dated March 26, 2021 for item 1 and 2, June 11, 2021 for item 3, November 19, 2021 for item 4, 5 and February 11, 2022 for item 6. All the notices mentioned above were sent through electronically.

In light of the COVID-19 crisis and in accordance with Section 110 of the Companies Act, 2013 and Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014 read with the Circular no. 14/2020 dated April 8, 2020 read with Circular no. 17/2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 08, 2021 issued by the Ministry of Corporate Affairs, Government of India ('MCA Circulars'), physical copy of the Notices were not circulated to the members. However, it was clarified that all the persons who are members of the Company as on as on the respective cut off dates, i.e., March 26, 2021, June 11, 2021, November 19, 2021 and February 11, 2022 (including those members who may not have received this Notice due to non-registration of their email IDs with the Company or with the Depositories) were entitled to vote in relation to the resolutions specified in respective Notices.

MAX FINANCIAL SERVICES LIMITED

The results of the postal ballots were declared on May 01, 2021, July 17, 2021, December 24, 2021 and March 22, 2022, respectively at the Website of Company along with the Scrutinizer's Report. The results were also informed to the 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 at

<https://www.maxfinancialservices.com/wp-content/uploads/2021/05/SEDISSCRUTINIZERREPORTMFSL.pdf>
<https://www.maxfinancialservices.com/wp-content/uploads/2021/07/SEDISMAXFINANCIL17072021.pdf>
<https://www.maxfinancialservices.com/wp-content/uploads/2021/12/SEDISSCRUTINIZERREPORTMFSL24122021.pdf>
<https://www.maxfinancialservices.com/wp-content/uploads/2022/03/SEDISMAXFINANCIALPBRESULTS22032022.pdf>

No resolution requiring postal ballot process as required by the Companies (Management and Administration) Rules, 2014, is proposed to be placed for the shareholders' approval as on the date of issuance of this report.

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 Business Standard (English) and Desh Sewak (Punjabi). The results can also be accessed on the Company's website www.maxfinancialservices.com.

The official news releases and the presentations made to the investors/analysts are also displayed on the Company's website. 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 at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

Transactions entered by the related parties are disclosed in Note no. 29 under Notes to Accounts to the standalone 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, Listing Regulations, 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 matter relating to capital markets during the last three years.

(c) Vigil Mechanism - Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for directors/employees to report concerns about unethical behavior. The policy provides adequate safeguards against the victimization of directors/employees.

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.

(d) Disclosure of the compliance with corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except as disclosed in (b) above.

(e) Disclosure of commodity price risk and commodity hedging activities

As the Company is holding investments in a subsidiary company and provides management services to group entities that are all operating in India, there is no foreign exchange exposure. Hence, the said disclosure is not applicable to the Company.

(f) Fees to the Statutory Auditors of the Company

The total fees for all services paid by the Company to the

Statutory Auditors of the Company are mentioned in Note No. 37 of Notes to standalone financial statements.

(g) **Dividend Distribution Policy**

The Board of Directors of the Company approved a Dividend Distribution Policy in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is enclosed as an Annexure to the Directors' Report and is also available on the website of the Company at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

SUBSIDIARY COMPANIES

The Company had one material unlisted subsidiary company viz., Max Life Insurance Company Limited ("Max Life") during the year 2021-22, and a step-down subsidiary viz., Max Life Pension Fund Management Limited of Max Life which was incorporated on February 28, 2022.

Further, the Company has formulated a policy for determining 'material subsidiaries' which is disclosed at the following link on the website of the Company weblink at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

Mr. K. Narasimha Murthy is the common Independent Director for the Company and Max Life as of March 31, 2022.

Further, Mr. Analjit Singh, Chairman, Mr. Mohit Talwar, Managing Director, Mr. Sahil Vachani, Non-executive Director and Mr. Mitsuru Yasuda, Non-executive Director of the Company are also on the Board of Max Life.

GENERAL SHAREHOLDER INFORMATION

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

MANAGEMENT DISCUSSION & ANALYSIS

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

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The certification by the Managing Director and Chief Financial Officer of the Company, in compliance with Regulation 17(8) read Part B, Schedule II of the Listing Regulations, is enclosed as **Annexure II**.

M/s. Chandrasekaran Associates, Practicing Company Secretaries have certified that the Company has complied

with the conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations and the said certificate is annexed to the Directors report. Kindly refer to **Annexure 5** of the Director's report.

A certificate from M/s. Chandrasekaran Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is annexed as **Annexure – III** to the Report.

DISCLOSURE ON NON-MANDATORY REQUIREMENTS

The Company has duly complied with all the mandatory requirements under Listing Regulations and the status of compliance with the non-mandatory recommendations under Part E of Schedule II of the Listing Regulations is given below:

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 endeavor to present unqualified financial statements. There is no audit qualification in respect of financial statements of the Company for the financial year 2021-22.

Separate posts of Chairman and CEO

The Company has separate persons for the post of Chairman and Managing Director, Mr. Analjit Singh, a Non-Executive Promoter Director is the Chairman of the Company. Mr. Mohit Talwar is the Managing Director of the Company.

Reporting of Internal Auditor

The Internal Auditors report directly to the Audit Committee, which defines the scope of Internal Audit.

For Max Financial Services Limited

Analjit Singh
Chairman
DIN:00029641

Place: - New Delhi
Date: May 10, 2022

DECLARATION BY THE MANAGING DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

This is to declare and confirm that Max Financial Services Limited ("the Company") has received affirmations of compliance with the provisions of the Company's Code of Conduct for the financial year ended March 31, 2022, from all Board of Directors and Senior Management personnel of the Company.

For **Max Financial Services Limited**

Mohit Talwar

Managing Director

DIN: 02394694

Place: New Delhi

Date: May 10, 2022

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To,
The Board of Directors,
Max Financial Services Limited
Bhai Mohan Singh Nagar, Rail Majra,
Tehsil Balachaur, Distt. Nawanshahr,
Punjab-144533 India

We, Mohit Talwar, Managing Director and Amrit Pal Singh, Chief Financial Officer of Max Financial Services Limited ("the Company") certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2022 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; and
 - (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 is 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; and
 - (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.

For Max Financial Services Limited

Place: New Delhi
Date: May 10, 2022

Mohit Talwar
Managing Director

Amrit Pal Singh
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members

Max Financial Services Limited

Bhai Mohan Singh Nagar, Rail Majra,

Tehsil Balachaur, Distt.

Nawanshahr Punjab-144533

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Max Financial Services Limited having CIN L24223PB1988PLC008031 and registered office at Bhai Mohan Singh Nagar, Rail Majra, Tehsil Balachaur, Distt. Nawanshahr Punjab-144533 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Original Date of appointment in Company
1.	Analjit Singh	00029641	23-07-2018
2.	Naina Lal Kidwai	00017806	15-01-2016
3.	Aman Mehta	00009364	12-12-2008
4.	Dinesh Kumar Mittal	00040000	01-01-2015
5.	Mohit Talwar	02394694	14-02-2012
6.	Sahil Vachani	00761695	25-05-2018
7.	Jai Arya	08270093	14-11-2018
8.	Charles Richarad Vernon Stagg	07176980	11-02-2019
9.	Hideaki Nomura	05304525	08-12-2020
10.	Mitsuru Yasuda	08785791	08-12-2020
11.	Narasimha Murthy Kummamuri	00023046	30-03-2021

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates

Company Secretaries

Firm Registration No.: P1988DE002500

Peer Review Certificate No.: 1428/2021

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302D000283371

Date: May 7, 2022

Place: Delhi



**GENERAL
SHAREHOLDER
INFORMATION**

GENERAL SHAREHOLDER INFORMATION

Registered Office:

Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur,
District (Nawanshahr), Punjab- 144 533.

Corporate Office:

L20M, Max Towers, Plot No. C-001/A/1,
Sector 16B, Noida 201301
Tel. No. : +91 120 4696000
e-mail: investorhelpline@maxindia.com

Share Transfer Agent:

Mas Services Limited,
T-34, 2nd Floor, Okhla Industrial Area, Phase - II
New Delhi-110 020
Tel-011 26387281/82/83, Fax-011 26387384
e-mail: info@masserv.com

Annual General Meeting:

Date and Time: Thursday, August 25, 2022 at 1030 hrs.

Venue: Through Video Conference ("VC") or Other Audio-Visual Means ("OAVM")

Book Closure :

Friday, August 19, 2022 to Thursday, August 25, 2022 (both days inclusive)

Financial Year

The financial year of the Company starts from April 1st of a

year and ends on March 31st of the following year.

Financial Calendar – 2022-23:

1. First quarter results - By second week of August 2022
2. Second quarter & half yearly results - By second week of November 2022
3. Third quarter results - By second week of February 2023
4. Annual results - By May 30, 2023

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 2022-23.

Connectivity with Depositories:

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

Stock Code:

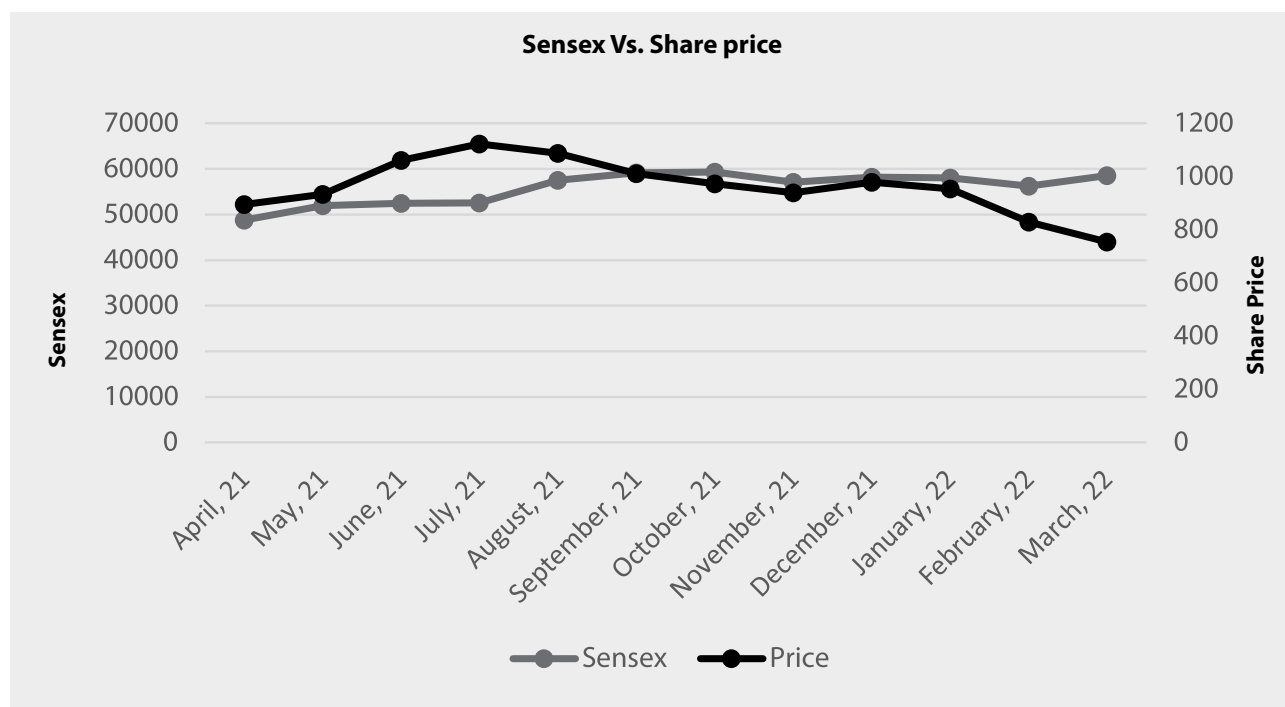
BSE	-	500271
NSE	-	MFSL
Demat ISIN No. for NSDL and CDSL	-	INE180A01020

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

Share Price Data - Monthly high and low quotation on NSE and BSE

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 21	931.65	834.00	931.10	835.70
May, 21	964.80	865.45	966.00	827.20
June, 21	1097.55	929.90	1097.00	929.25
July, 21	1148.05	1014.00	1147.90	1014.30
August, 21	1140.00	1000.00	1140.00	1001.00
September, 21	1137.00	982.05	1136.80	979.00
October, 21	1045.60	944.25	1045.40	943.85
November, 21	1026.50	910.25	1020.00	910.30
December, 21	1016.00	881.00	1015.55	890.15
January, 22	1080.70	862.70	1081.00	862.55
February, 22	960.20	795.25	960.00	796.10
March, 22	861.10	700.00	861.35	700.10

Performance of share price of the Company in comparison to BSE Sensex



Shareholding Pattern as on March 31, 2022:

Category	No. of shares held	% of shareholding
Promoters	50801253	14.72
Mutual Funds and UTI	96817782	28.05
Financial Institutions/Banks	14075	0.00
Insurance Companies	9826006	2.85
Foreign Institutional Investors	610346	0.18
Foreign Portfolio Investors	79679339	23.09
Foreign Direct Investment	75458088	21.86
Alternate Investment Funds	4300738	1.25
Bodies Corporate	2831029	0.82
Non-resident Indians/Overseas Corporate Bodies	1689246	0.49
Clearing Members	457936	0.13
Directors and their relatives (other than Promoter Directors)	210958	0.06
Employees	19150	0.01
Resident Individuals	21436784	6.21
Trusts	204122	0.06
Unclaimed Suspense Account	78870	0.02
IEPF	679049	0.20
Total	345114771	100

MAX FINANCIAL SERVICES LIMITED

Distribution of shareholding as on March 31, 2022:

No. of Shareholders	Percentage to total	Shareholdings	No. of shares	Percentage to total
67612	97.97	1 to 5000	15921332	4.61
675	0.98	5001 to 10000	2394632	0.69
302	0.44	10001 to 20000	2090475	0.61
97	0.14	20001 to 30000	1179259	0.34
40	0.06	30001 to 40000	704020	0.20
30	0.04	40001 to 50000	681542	0.20
71	0.10	50001 to 100000	2579822	0.75
187	0.27	100001 and above	319563689	92.60
69014	100	Total	345114771	100

Dematerialisation status as on March 31, 2022:

- (i) Shareholding in dematerialized mode 99.77%
- (ii) Shareholding in physical mode 0.23%

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 dematerialized 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.

For Shareholders holding their equity shares in physical form

Your kind attention is drawn towards SEBI regulations which prescribe that with effect from April 1, 2019, the transfer of securities, in physical form, shall not be processed unless securities are held in dematerialized form with any of the depository and therefore, all members holding shares in physical form are further advised to convert their shareholding from Physical form to Demat form with a Depository Participant of their choice. Holding share(s) in Demat form has following

advantages:

1. Freedom from physical storage
2. Elimination of chances of theft, mutilation, defacement etc.
3. Easy to sell and realize sale proceeds and/or dividend in the bank account linked with the Depository.
4. Contribution to the 'Green Initiative'
5. To make any change in your particulars, you can make single request with your DP, which will be applicable to all companies in your demat account.
6. Demat account can be operated from anywhere in the world

Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Company Secretary is authorized by the Board severally to approve transmission or transposition of securities, which are noted at subsequent meetings.

Further, in respect of shares upto 1000 per folio, transmission or transposition of securities are effected on a weekly basis. For others, the transmission or transposition of securities are effected within limits prescribed by law. The average turnaround time for processing registration of transmission or transposition of securities is 15 days from the date of receipt of requests. The processing activities with respect to requests received for dematerialisation are generally completed within 7 - 10 days.

Dividend

The Company has not declared any dividend for the current financial year.

The Board of Directors approved a Dividend Distribution Policy in line with Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended, from time to time ("Listing Regulations"). The said policy is enclosed as an annexure to the Directors' Report and is also available on the website of the Company at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

Unclaimed Dividends

In respect of any unpaid/unclaimed dividends, the shareholders are requested to write to the Registrar and Share Transfer Agent of the Company. Further, the Companies Act, 2013, mandates 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 past dividend(s), will be transferred to IEPF within the statutory period prescribed under the Act.

Transfer of Unclaimed Dividend and Shares to the Investor Education and Protection Fund

The Company had paid Final Dividend in FY 2013-14 and Interim Dividend in FY 2014-15 and the unpaid dividends were transferred to a separate accounts in same year within prescribed time. In terms of the provisions of Section 124 (5) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of dividend which remains unpaid/unclaimed for more than 7 years, from the date of the payment of dividend shall be mandatorily transferred by the Company to the Investor Education and Protection Fund (IEPF).

Further as per Section 124(6) of the Companies Act 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company in the name of Investor Education and Protection Fund.

The Company had declared Final Dividend for the financial year 2013-14 and Interim Dividend for the financial year 2014-15 on May 28, 2014 and November 12, 2014, respectively. The unpaid/unclaimed dividend for the aforesaid Final Dividend for FY 2013-14 and Interim Dividend for FY 2014-15 were due for transfer to IEPF Authority on October 29, 2021 and December

11, 2021, respectively.

Further, the equity shares on which dividend have not been claimed/encashed for a continuous period of last seven years i.e. from F.Y. 2013-14 and 2014-15 shall also be mandatorily transferred by the Company to IEPF as per the provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

In this regard, the Company had given adequate notice on July 31, 2021 to the members of the Company, advising them to encash the said dividends intimated through advertisement in Business Standard (English), all editions and Desh Sewak (Punjabi), Chandigarh edition for the information of the members of the Company.

In view of the extraordinary circumstances due to COVID-19 pandemic, the bulk mailing services of the Indian Postal Department were yet to be fully resumed on account of nationwide lock-down during that period, the Company has not communicated individually to the concerned shareholders for claiming their aforesaid unclaimed dividends.

In this regard, (i) a sum of ₹ 17,80,947/- which was lying as unpaid/unclaimed dividend in the Dividend Account No. 000184400007073 viz., Final Dividend for FY 2013-14 of the Company with Yes Bank was remitted to IEPF on November 18, 2021 and 33,330 equity shares of ₹ 2/- each were also transferred by the Company in the name of Investor Education and Protection Fund on November 26, 2021 as per Section 124(6) of the Companies Act 2013, all shares in respect of which dividend have not been paid or claimed for seven consecutive years or more and (ii) a sum of ₹ 38,92,304/- which was lying as unpaid/unclaimed dividend in the Dividend Account No. 000184400008251 viz., Interim Dividend for FY 2014-15 of the Company with Yes Bank was remitted to IEPF on December 11, 2021 and 13,736 equity shares of ₹ 2/- each were also transferred by the Company in the name of Investor Education and Protection Fund on December 24, 2021 as per Section 124(6) of the Companies Act 2013, in respect of which dividend have not been paid or claimed for seven consecutive years or more.

On transfer of the aforesaid equity shares to IEPF, the members will now have recourse to IEPF to reclaim the shares by providing documentary evidence to IEPF as provided under the Companies Act, 2013.

MAX FINANCIAL SERVICES LIMITED

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As at March 31, 2022, the Company did not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad

Not Applicable

Commodity Price Risks and Commodity Hedging Activities

The Company does not deal in Commodity Activities. The Commodity price risks and commodity hedging activities are not applicable to the Company.

Plant Locations: Not Applicable

Communication of Financial Results

The unaudited quarterly financial results and the audited annual accounts are normally published in the Mint or Business Standard (English) and Desh Sewak (Punjabi newspaper). The financial results, press releases and presentations, if any are communicated to the NSE and BSE and are also displayed on the Company's website- www.maxfinancialservices.com

Address for Correspondence with the Company

Investors and shareholders can correspond with the office of the Registrar and 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
Tel No.:-011-26387281/82/83
Fax No.:- 011 – 26387384
e-mail: info@masserv.com

Max Financial Services Limited

Secretarial Department
L20M, Max Towers, Plot No. C-001/A/1,
Sector 16B, Noida 201301
Tel. No. : +91 120 4696000
e-mail: investorhelpline@maxindia.com

Company Secretary and Compliance Officer

Mr. V. Krishnan
Tel. No.:- +91 120 4696000
e-mail:- vkrishnan@maxindia.com

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



BOARD'S REPORT

BOARD'S REPORT

Dear Members,

Your directors have the pleasure of presenting the 34th (Thirty-fourth) Board's Report of Max Financial Services Limited ("MFSL" or "the Company") along with the audited Financial Statements for the financial year ended March 31, 2022.

Standalone Results

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

	(₹ in crore)	
	Year ended 31.03.2022	Year ended 31.03.2021
Revenue from operations	199.70	306.38
Other income	2.36	1.43
Total income	202.06	307.81
Expenses		
Finance costs	0.14	0.22
Impairment loss on investment in subsidiary	-	88.16
Loss on sale of investment in subsidiary	-	32.89
Employee benefits expenses	21.62	21.25
Depreciation and amortization expense	3.48	3.80
Legal and professional expenses	13.85	18.32
Other expenses	15.89	13.70
Total expenses	54.98	178.34
Profit before tax	147.08	129.47
Tax expense	44.46	30.24
Profit after tax for the year	102.62	99.23
Other comprehensive income for the year	0.36	0.01
Total comprehensive income=	102.98	99.24

Your Company is primarily engaged in the business of making and holding investments in its subsidiary, Max Life Insurance Company Limited ("Max Life") and providing management consultancy services to group companies

and accordingly, in terms of extant RBI guidelines, your Company is an Unregistered Core Investment Company (Unregistered CIC) as it does not meet the criteria stipulated by RBI for Systematically important CIC.

The net worth of your Company on a standalone basis grew by around 2% to ₹6,750 crore as of March 31, 2022 as against ₹ 6,645 crore as of March 31, 2021. The increase in the net worth was mainly on account of profits.

Consolidated Results

In accordance with the Companies Act, 2013 ("the Act") and applicable accounting standards, the audited consolidated financial statements are enclosed as part of this Annual Report.

In FY 2021-22, MFSL reported consolidated revenues of ₹ 31,188 crore, marginally lower than the previous year, due to lower investment income. The Gross Premiums at ₹ 22,414 crore, grew at 18% compared to the previous year. The Company reported a consolidated Profit after Tax of ₹ 318 crore, 43% lower compared to the previous year. The decline in the Consolidated Profit after Tax was primarily due to COVID related provisions in the current year and one-off items in previous years.

Max Life AUM as of March 31, 2022 stood at ₹ 1,07,510 crore, growing 19% over the previous year, owing to mark-to-market gain on debt and equity portfolio and increased scale of business. Another benchmark set by Max Life was in the Claims Paid Ratio category. The claims paid ratio at 99.34% in FY22 similar to 99.35% in FY21, despite a significant increase in covid claims during FY22. The Market Consistent Embedded value of Max Life as of March 31, 2022 was ₹ 14,174 crore, with an Operating Return on Embedded Value (RoEV) of 19.2% and the value of a new business at ₹ 1,528 crore has grown 22%, achieved the highest ever VNB margins of 27.4%, 220 bps improvement year on year.

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

(₹ in crore)

	Year ended 31.03.2022	Year ended 31.03.2021
Revenue from operations	31,181.14	31,273.91
Other income	6.44	14.11
Total income	31,187.58	31,288.02
Expenses		
Finance costs	24.74	0.27
Impairment on financial instruments	(1.73)	(55.24)
Employee benefits expenses	36.77	60.80
Depreciation and amortization expense	5.00	5.32
Legal and professional expenses	13.85	18.32
Policyholders' Expenses of Life Insurance operations	30,687.55	30,634.31
Other expenses	32.75	31.34
Total expenses	30,798.93	30,695.12
Profit before tax	388.65	592.90
Tax expense	70.25	33.15
Profit after tax for the year (including non-controlling interests)	318.40	559.75
Other comprehensive income for the year	(11.91)	(4.37)
Total comprehensive income (after tax)	306.49	555.38
Total comprehensive income attributable to		
Owners of the company	243.66	419.80
Non-controlling interests	62.83	135.58

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, 2022 and the date of the Directors' report i.e., May 10, 2022.

Estimation of uncertainties relating to COVID-19 global health pandemic

The Company has assessed the impact of COVID-19 on its operations as well as its financial statements, including carrying amounts of trade receivables, investments, property, plant and equipment and other assets, as of March 31, 2022. In assessing the carrying value of these assets, the Company has used internal and external sources of information up to the date of approval of the financial statements for the year ended March 31, 2022 and based on current estimates, expects the net carrying

amount of these assets to be recovered. The Company will continue to closely monitor any material changes to the business and financial statements due to COVID-19.

The subsidiary company viz., Max Life had assessed the impact of COVID-19 on its operations as well as its financial statements, including but not limited to the areas of investments, valuation of policy liabilities and solvency, for the year ended March 31, 2022. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these financial statements and the subsidiary company will continue to closely monitor any material changes to future economic condition.

Subsidiaries, Associates & Joint Venture companies

As of March 31, 2022, your Company had only 1 (one) operating subsidiary viz., Max Life. In addition, Max Life incorporated Max Life Pension Fund Management Limited on February 28, 2022 as its wholly owned subsidiary which has not commercial operations as of date. There were no other associate or joint venture companies.

A report on the performance and financial position of Max Life, included in the consolidated financial statements, presented in Form AOC-1 is attached to this report as **Annexure - 1**, as per Rule 8(1) of the Companies (Accounts) Rules, 2014.

Further, a detailed update on the business achievements of Max Life, being an operating subsidiary, is furnished as part of the Management Discussion and Analysis section which forms part of this Annual Report.

As provided in Section 136 of the Act, the financial statements and other documents of Max Life are not attached with the financial statements of the Company. The complete set of financial statements including financial statements of the subsidiary of the Company is available on the website of the Company at www.maxfinancialservices.com. These documents will also be available for inspection during business hours at the registered office of the Company.

Material Unlisted Subsidiary

In terms of the provisions of the SEBI Listing Regulations, your Company has a policy for determining 'Material Subsidiary' and the said policy is available on the

MAX FINANCIAL SERVICES LIMITED

Company's website at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

Your Company has one material subsidiary, viz., Max Life Insurance Company Limited.

Dividend

Your Directors have not recommended any dividend for the financial year 2021-22.

The Board of Directors of your Company has approved a Dividend Distribution Policy in line with Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The said policy is available on the website of the Company at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

Transfer to Reserves

The Company has not transferred any amount to reserve during the year under review.

Share Capital

During the year under review, the Company allotted 24,469 equity shares of ₹ 2/- each to an option-holder on the exercise of ESOPs under the Max Employee Stock Plan 2003 ("2003 Plan");

The Paid-up Capital of the Company as of March 31, 2022 was ₹ 69,02,29,542/- (Rupees Sixty-nine crore two lakh twenty nine thousand five hundred forty two only) comprising of 34,51,14,771 equity shares of ₹ 2/- each.

Employee Stock Option Plans

Your Company has two employee stock option plans viz. The 2003 Plan and Max Financial Employees Stock Option Plan – 2022 ('2022 Plan'). The 2003 Plan provides for the grant of stock options aggregating not more than 5% of the number of issued equity shares of the Company to eligible employees and Directors of the Company. 2022 Plan was approved by the Shareholders of the Company on May 9, 2022. This 2022 Plan does not contemplate issue of any fresh shares. The Company established a separate Trust, viz., Max Financial Employees Welfare Trust ('Trust'). The Trust shall acquire shares of the Company in secondary market, hold and transfer to option holders

upon exercise of vested options. The Company is yet to grant any option under 2022 Plan. The 2003 & 2022 Plans are administered by the Nomination and Remuneration Committee constituted by the Board of Directors of the Company. Disclosures as required under SEBI (Share Based Employee Benefits) Regulations, 2014 are enclosed in this report as **Annexure - 2**.

A certificate confirming that the 2003 Plan of the Company has been implemented in accordance with the applicable SEBI Regulations and shall be placed before the members at the ensuing Annual General Meeting.

Directors and Key Managerial Personnel

As of the date of this report, the Board of Directors of your Company comprises 11 (Eleven) members with 1 (one) Executive Director and 10 (Ten) Non-Executive Directors of which 6 (Six) are Independent Directors. Mr. Analjit Singh (DIN: 00029641), Chairman of the Company is a Non-Executive, Non-Independent Promoter Director.

Further, in terms of Section 152 of the Act and the Articles of Association of the Company, Mr. Hideaki Nomura is liable to retire by rotation at the ensuing Annual General Meeting. Mr. Hideaki Nomura, being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting.

Brief profiles of aforesaid directors are given in the Annual Report.

The Board met five times during the financial year 2021-22:

S. No.	Date	Board Strength	No. of Directors present
1	June 08, 2021	11	10
2	August 10, 2021	11	10
3	September 08, 2021	11	11
4	November 09, 2021	11	10
5	January 28, 2022	11	10

The details regarding the number of meetings attended by each Director during the year under review have been furnished in the Corporate Governance Report attached as part of this Annual Report.

During the year under review, Mr. Jatin Khanna, Chief Financial Officer ('CFO') resigned from the services of the Company effective close of business hours on

September 30, 2021. Considering the synergy between the finance role at the Company and Max Life Insurance Company Limited (Max Life), the Board had approved the appointment of Mr. Mandeep Mehta, Deputy Chief Financial Officer of Max Life as the CFO of the Company effective October 1, 2021.

Mr. Mandeep Mehta since resigned as the CFO of the Company to pursue other career options outside the group and in his place, Mr. Amrit Pal Singh, CFO of Max Life has been appointed as the CFO of the Company effective May 1, 2022.

As of the date of this Report, Mr. Mohit Talwar, Managing Director, Mr. Amrit Pal Singh, Chief Financial Officer and Mr. V. Krishnan, Company Secretary are the Key Managerial Personnel of the Company.

Forfeiture of stock options:

Arising from the resignation of Mr. Jatin Khanna with effect from close of business hours on September 30, 2021, the following unvested options granted earlier to him elapsed with effect from close of business hours on September 30, 2021 in terms of Max Employee Stock Plan-2003:

- (i) 16,004 options at an exercise price of ₹ 404.45 per option granted earlier on July 2, 2019; and
- (ii) 25,392 options at an exercise price of ₹ 382.40 per option granted earlier on April 3, 2020.

There are no outstanding options in terms of Max Employee Stock Plan-2003 as of date.

Statement of Declaration by Independent Directors:

In terms of Section 149(6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI LODR Regulations') the following Non-Executive Directors are categorized as Independent Directors of the Company: Mrs. Naina Lal Kidwai (DIN: 00017806), Mr. Aman Mehta (DIN: 00009364) Mr. Dinesh Kumar Mittal (DIN: 00040000), Mr. Jai Arya (DIN: 08270093), Sir Charles Richard Vernon Stagg (DIN: 07176980) and Mr. K. Narasimha Murthy (DIN: 00023046).

The Company has received declaration of independence from all the above-mentioned Independent Directors as per Section 149(7) of the Act and applicable SEBI LODR

Regulations confirming that they continue to meet the criteria of independence. Further, pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have confirmed their registration with the Indian Institute of Corporate Affairs (IICA) database.

Committees of the 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 forming part of this Annual Report.

1. Audit Committee:

The Audit Committee met four times during the financial year 2021-22, viz. on June 07, 2021, August 10, 2021, November 09, 2021 and January 28, 2022. As of the date of this report, the Committee comprises of Mr. Dinesh Kumar Mittal (Chairman), Mr. Aman Mehta, Mrs. Naina Lal Kidwai and Mr. Mitsuru Yasuda. All the recommendations by the Audit Committee were accepted by the Board.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee met twice during the financial year 2021-22, viz. on June 8, 2021 and November 09, 2021. As of the date of this report, the Committee comprises of Mrs. Naina Lal Kidwai (Chairman), Mr. Analjit Singh, Mr. Aman Mehta, Mr. Dinesh Kumar Mittal, Mr. Hideaki Nomura and Mr. Jai Arya.

3. Corporate Social Responsibility Committee:

The provision under section 135 of the Act, w.r.t constitution of CSR Committee is not applicable to the Company and that CSR functions for the Company to be discharged directly by its Board of Directors as and when required.

4. Stakeholders' Relationship Committee:

The Committee met one time during the financial year 2021-22, viz. on January 28, 2022. As of the date of this report, the Committee comprises of Mr. Sahil Vachani (Chairman), Mr. Dinesh Kumar Mittal, Mr. Mohit Talwar and Mr. Mitsuru Yasuda.

5. Risk Management Committee:

As of the date of this report, the Committee comprises Mr. Aman Mehta (Chairman), Mr. Dinesh Kumar Mittal, Mrs. Naina Lal Kidwai, Mr. Jai Arya, Mr. Mohit Talwar and Mr. Mitsuru Yasuda. This Committee met twice during the year under review on June 07, 2021 and November 09, 2021.

6. Independent Directors:

The Board of Directors includes 6 Independent Directors as of March 31, 2022 viz. Mr. Aman Mehta, Mr. Dinesh Kumar Mittal, Mrs. Naina Lal Kidwai, Mr. Jai Arya, Sir Charles Richard Vernon Stagg and Mr. K. Narasimha Murthy.

The Independent Directors had separate meetings on June 7, 2021 and on May 10, 2022. The meetings were conducted to:

- Review the performance of non-independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and non-executive Directors; and
- Assess the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

Performance Evaluation of the Board

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

The Board of Directors has evaluated the performance of Independent Directors during the year 2021-22 and opined that the integrity, expertise, and experience (including proficiency) of the Independent Directors are satisfactory.

The performance evaluation was carried out by obtaining feedback from all Directors through a confidential online survey mechanism through Diligent Boards, a secured electronic medium through which the Company

interfaces with its Directors. The outcome of this performance evaluation was placed before the meetings of the Nomination and Remuneration Committee and Independent Directors 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 a commitment to good governance by ensuring a constant improvement of processes and procedures and contributed their best in the overall growth of the organization.

Human Resources

Your Company is primarily engaged in growing and nurturing business investment as a holding company in the business of life insurance and providing management advisory services to group companies. The remuneration of employees is competitive with the market and rewards high performers across levels. The remuneration to Directors, Key Managerial Personnel and Senior Management is a balance between fixed, incentive pay, and a 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.

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 to this report as **Annexure - 3A** and **Annexure - 3B**.

As of March 31, 2022, there were 12 (Twelve) employees on the rolls of the Company.

Nomination and Remuneration Policy

In adherence to the provisions of Sections 134(3)(e) and 178(1) & (3) of the Act, the Board of Directors on the recommendation of the Nomination and Remuneration Committee had approved a policy on Directors' appointment and remuneration. The said policy includes terms of appointment, criteria for determining qualifications, performance evaluation and other matters. Copy of the same is available on the website of the Company at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

Corporate Social Responsibility ("CSR")

The Company is not required to constitute a CSR Committee under section 135 of the Act, and a copy of the duly adopted CSR policy is available on the website of the Company at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

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

In terms of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, all Companies meeting the prescribed threshold criteria, i.e., the net worth of ₹ 500 crore or more or a turnover of ₹ 1,000 crore or more or net profits of ₹ 5 crore or more during the immediately preceding financial year are required to spend at least 2% of the average net profits of the Company for the immediately preceding three financial years.

As per rule 2(h) 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 from whom the Company has been receiving dividends, from time to time, discharged its CSR responsibilities for the financial year 2021-22, the dividend income received by the Company 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, the Company is not mandatorily required to spend on Corporate Social Responsibility for the financial year 2021-22 and therefore, the requirement for submission of the Corporate Social Responsibility Report, pursuant to Clause (o) of Sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is not applicable on the Company. However, the Company has voluntarily made certain donations.

Business Responsibility Report

In terms of Clause 34(2)(f) of SEBI LODR Regulations, a

Business Responsibility Report, on various initiatives taken by the Company, is enclosed in this report as **Annexure - 4**. In addition to the statutory disclosures made in the said Annexure, the significant ESG initiatives taken by the Company and its subsidiary, Max Life are available at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

Policy for Prevention of Sexual Harassment

Your Company has a requisite policy for Prevention of Sexual Harassment, which is available on the website of the Company at www.maxfinancialservices.com/shareholder-information. The comprehensive policy ensures gender equality and the right to work with dignity to all employees (permanent, contractual, temporary and trainees) of the Company. Your company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case was reported to the Committee during the year under review.

Loans, Guarantees or Investments in Securities

The details of loans given, and investments made by the company pursuant to the provisions of Section 186 of the Act are provided in Note no. 30 to the standalone financial statements of the Company for the FY 2021-22.

Management Discussion & Analysis

In terms of Regulation 34 of SEBI LODR Regulations, a review of the performance of the Company, including those of your Company's subsidiary, is provided in the Management Discussion & Analysis section, which forms part of this Annual 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 Part C of Schedule V of LODR Regulations. 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 Chandrasekaran Associates, Practicing Company Secretaries regarding compliance with the conditions of Corporate Governance pursuant to Part E of Schedule V of SEBI LODR Regulations is Annexed

MAX FINANCIAL SERVICES LIMITED

to this Report as **Annexure – 5**. Further, a certificate from the Managing Director and Chief Financial Officer on compliance with Part B of Schedule II of SEBI LODR Regulations, forms part of the Corporate Governance Report.

Copies of various policies adopted by the Company are available on the website of the Company at www.maxfinancialservices.com

Statutory Auditors and Auditors' Report

Pursuant to Sections 139 & 142 of the Act, M/s Deloitte Haskins and Sells, LLP, Chartered Accountants (Firm Registration Number: 117366W/W-100018), were appointed as the Statutory Auditors of the Company at the 32nd Annual General Meeting ("AGM") held on December 30, 2020 for a period of five years. They continue as the Statutory Auditors of the Company.

There are no audit qualifications, reservations, disclaimers or adverse remarks or reporting of fraud in the Statutory Auditors Report given by M/s Deloitte Haskins and Sells, LLP, Statutory Auditors of the Company for the financial year 2021-22 annexed in this Annual Report.

Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Act, your Company had appointed M/s Chandrasekaran Associates practicing Company Secretaries, New Delhi as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2021-22. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2021-22 is annexed to this report as **Annexure - 6**.

There are no audit qualifications, reservations, disclaimers or adverse remarks in the said Secretarial Audit Report.

Your Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

Further, Max Life Insurance Company Limited, the material subsidiary of the Company has undergone Secretarial Audit for the year ended March 31, 2022. The Secretarial Audit Report issued by M/s Chandrasekaran Associates, Practicing Company Secretaries, New Delhi is enclosed as **Annexure-7**. The said report is self-explanatory and does not contain any qualifications, reservations, adverse remarks, or disclaimers.

Internal Auditors

The Company follows a robust Internal Audit process and audits are conducted on a regular basis, throughout the year, as per the agreed audit plan. During the year under review, M/s MGC, Global Risk Advisory LLP were re-appointed as Internal Auditors for conducting the Internal Audit of key functions and assessment of Internal Financial Controls, etc.

Internal Financial Controls

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 Management has reviewed the existence of various risk-based controls in the Company and also tested the key controls towards the assurance of compliance for the present fiscal.

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. Further, the testing of the adequacy of internal financial controls over financial reporting has also been carried out independently by the Statutory Auditors as mandated under the provisions of the Act.

During the year under review, there were no instances of fraud reported by the auditors to the Audit Committee or the Board of Directors.

Risk Management

Your Company considers that risk is an integral part of its business and therefore, it takes proper steps to manage all risks in a proactive and efficient manner. The Board has formed a Risk Management Committee to identify the risks impacting the business and formulate strategies/policies aimed at risk mitigation as part of risk management. Further, a core team 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.

The Company has adopted a Risk Management policy, 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 the business performance.

There are no risks which, in the opinion of the Board, threaten the very existence of your Company. However, some of the challenges/risks faced by its subsidiary have been dealt with in detail in the Management Discussion and Analysis section, forming part of this Annual Report.

Vigil Mechanism

The Company has a vigil mechanism pursuant to which a Whistle Blower Policy has been adopted and is in place. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns raised and also that no discrimination will be meted out to any person for a genuinely raised concern in respect of any unethical and improper practices, fraud or violation of the Company's Code of Conduct.

The said Policy, covering all employees, Directors and other persons having association with the Company, is hosted on the Company's website at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

A brief note on Vigil Mechanism/Whistle Blower Policy is also provided in the Report on Corporate Governance, which forms part of this Annual Report.

Cost Records

Your Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act.

Public Deposits

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

Compliance with Secretarial Standards

Pursuant to the provisions of Section 118 of the Act, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

Details of the application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

During the period under review, no application was

made by or against the company and accordingly, no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

Contracts or Arrangements with Related Parties

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis, except an ongoing transaction with Max Life Insurance Company Limited for allowing usage of trademarks without any consideration for which approval has already been obtained from shareholders of the Company in 2016 for the said transaction.

There is no material contract or arrangement in terms of SEBI LODR Regulations, 2015 for the year under review. Form AOC-2 furnishing particulars of contracts or arrangements entered by the Company with related parties referred in Section 188(1) of the Companies Act, 2013, is annexed to this report as **Annexure - 8**.

The details of all the Related Party Transactions form part of Note no. 29 to the standalone financial statements attached to this Annual Report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

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

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is as follows:

a) Conservation of Energy

- (i) the steps are taken or impact of the conservation of energy: Regular efforts are made to conserve the energy through various means such as the use of low energy-consuming lighting, etc.
- (ii) the steps taken by the Company for using alternate sources of energy: Since your Company is not an energy-intensive unit, utilization of alternate sources of energy may not be feasible.

- (iii) capital investment on energy conservation equipment: Nil

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned	Nil
Total Foreign Exchange used	₹ 536.49

Annual Return

The Annual Return as of March 31, 2022 under Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, can be accessed at the website of the Company at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Return-Max-Financial.pdf>

Directors' Responsibility Statement

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

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- 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;
- 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;

- The Directors had prepared the annual accounts on a going concern basis;
- 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
- 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.

Significant and material orders passed by the regulators or courts or tribunals

During the year under review, there were no such significant and material orders passed by the regulators or courts or tribunals which could impact the going concern status and company's operations in the future.

Transfer of Unclaimed Dividend and Shares to the Investor Education and Protection Fund

The Company had paid a Final Dividend in FY 2013-14 and an Interim Dividend in FY 2014-15 and the unpaid dividend were transferred to two separate bank account in the same year for the aforesaid two dividends. After completion of Seven years, the unpaid amounts still lying in the said accounts were transferred to the Investor Education and Protection Fund, along with respective shares on which such dividend remained unpaid.

Unclaimed Shares

Regulation 39(4) of the SEBI LODR Regulations inter alia requires every listed company to comply with a certain procedure in respect of shares issued by it in physical form, pursuant to a public issue or any other issue and which remained unclaimed for any reason whatsoever.

The face value of the shares of the Company was split from ₹ 10/- each to ₹ 2/- each in the year 2007. Certain share certificates were returned undelivered and were lying unclaimed. The Company had sent necessary reminders to concerned shareholders, and subsequently, such shares were transferred to the Unclaimed Suspense Account.

The voting rights on the equity shares lying in the said Unclaimed Suspense Account shall remain frozen till the rightful owner claims such shares. Further, all corporate

benefits in terms of securities accruing on the said unclaimed shares viz. bonus shares, split, etc., if any, shall also be credited to the said Unclaimed Suspense Account.

The concerned shareholder(s) are requested to write to the Registrar and Share Transfer Agent to claim the said equity shares. On receipt of such claim, additional documents may be called for and subject to its receipt and verification, the said shares lying in the said Unclaimed Suspense Account shall be transferred to the depository account provided by the concerned shareholder(s) or the physical share certificate shall be delivered to the registered address of the concerned shareholder(s).

The details of Equity Shares held in the Unclaimed Suspense Account are as follows:

S. No.	Particulars	No. of Shareholders	No. of Equity Shares
1.	The Aggregate number of share-holders and the outstanding shares originally lying in the Unclaimed Suspense Account (as at beginning of the financial year i.e., April 1, 2021)	388	95,705
2.	Number of share-holders who approached listed entity for transfer of shares from the Unclaimed Suspense Account during the year	*84	16,835
3.	Number of share-holders to whom shares were transferred from the Unclaimed Suspense Account, during the year	*84	16,835
4.	The aggregate number of share-holders and the outstanding shares in the Suspense Account (as at end of the financial year i.e., March 31, 2022)	304	78,870

*This includes 16,235 equity shares comprising 81 shareholders which were transferred to the Investor Education and Protection Fund

Till the date of this report, the Company had approved 1899 such claims from shareholders for 3,96,440 shares, for transfer of the shareholding back to the shareholders from the Unclaimed Suspense Account in Demat form.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis describing the Company's/subsidiary'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.

Acknowledgments

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, Financial Institutions and Banks, Shareholders, Joint Venture partners and all other business associates.

On behalf of the Board of Directors

Max Financial Services Limited

Analjit Singh

Chairman

DIN: 00029641

Place: New Delhi

Date: May 10, 2022

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 ₹ lakh)

Sl. No.	Name of Subsidiary Company	Date since when subsidiary was acquired	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 (refund)	Profit after taxation	Proposed Dividend	Extent of Shareholding (in %)
1	Max Life Insurance Company Limited	11 July, 2000	31 March, 2022	INR	1,91,881.29	1,27,595.21	1,12,05,496.01	1,08,86,019.51	1,07,50,958.26	31,12,527.33	41,695.13	3,029.54	38,665.59	-	81.83%

NOTE: Max Life Insurance Company Limited, post receipt of requisite approvals from Pension Fund Regulatory and Development Authority ("PFRDA") and Insurance Regulatory and Development Authority of India ("IRDAI"), had incorporated Max Life Pension Fund Management Limited, a public limited, pension fund company in India as its wholly owned subsidiary company on February 28, 2022. The company has been incorporated under the provisions of the Companies Act, 2013, with initial paid-up capital of ₹55 crore to manage pension fund business. Initial paid-up capital of ₹55 crore has been infused in the month of April 2022.

Part "B" - Associate Companies and Joint-Ventures

Not Applicable, as there are no Associates/Joint Ventures

DETAILS OF MAX EMPLOYEES STOCK PLAN – 2003 PURSUANT TO SEBI LODR REGULATIONS AND THE ACT, FOR THE YEAR ENDED MARCH 31, 2022

- A. Relevant disclosures in terms of the 'Guidance on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time:

Details provided in Note no. 27 of Standalone Financial Statements for the year ended March 31, 2022.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with IND-AS-33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time:

₹ 2.97 per share.

- C. Summary of status of ESOPs granted:

- i. The description of Max Employee Stock Plan 2003 is summarised as under:

S. No.	Particulars	Plan 2003
1	Date of shareholders' approval	September 30, 2003
2	Total number of options approved under ESOPs	1,33,48,642
3	Vesting requirements	Vesting may be time based or performance based as determined by the Nomination and Remuneration Committee ("NRC"), from time to time, under the relevant Option Agreement.
4	Exercise price or pricing formula	As determined by the NRC, under the relevant Option Agreement.
5	Maximum term of options granted	As determined by the NRC, subject to the compliance of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
6	Source of shares (primary, secondary or combination)	Primary
7	Variation in terms of options	Nil

- ii. Method used to account for ESOPs:

The Company has adopted a fair value method of Valuation.

- iii. Option movement during the year:

Number of options outstanding at the beginning of the year	65,865
Number of options granted during the year	-
Number of options forfeited/lapsed during the year	(41,396)
Number of options vested during the year	(24,469)
Number of options exercised during the year	(24,469)
Number of shares arising as a result of exercise of options	(24,469)
Money realized by exercise of options (INR), if scheme is implemented directly by the company	4,44,46,648
Loan repaid by the Trust during the year from exercise price received'	Not Applicable. The ESOP Plan-2003 is not administered by any Trust.
Number of options outstanding at the end of the year	-
Number of options exercisable at the end of the year	-

MAX FINANCIAL SERVICES LIMITED

- iv. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Weighted average exercise price for options exercised during FY2021-22 was ₹ 393.12/- Further, the weighted average fair value of the outstanding options as on March 31, 2022 was ₹ Nil For details, please refer to Note no. 27 of Standalone Financial Statements.

- v. Employee wise details of options granted ESOPs were granted by the Company during the financial year 2021-22.

a) Senior Managerial Personnel	Nil	
b) Any other employee who receives a grant in any one year of options amounting to 5% or more of option granted during that year; and	NA	
c) Identified employees who were granted option 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.	NIL	

- vi. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

No ESOPs were granted by the Company during the financial year 2021-22.

weighted-average values of share price (at time of grant)	NA
exercise price	NA
expected volatility	NA
expected option life (in years)	NA
expected dividends	NA
risk-free interest rate	NA
any other inputs to the model	NA
the method used and the assumptions made to incorporate the effects of expected early exercise	NA
how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	NA
whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	NA

INFORMATION AS PER SECTION 197 OF THE ACT READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2022

- (i) Percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the FY 2021-22:

Sl. No.	Name	Designation	Remuneration for FY21 (₹ crore)	Remuneration for FY22 (₹ crore)	% Increase in Remuneration in FY22 vs. FY21
1	Mr. Mohit Talwar ¹	Managing Director	19.57	11.47	-41%
2	Mr. Mandeep Mehta ²	Chief Financial Officer	-	0.09	NA
3	Mr. V Krishnan ³	Company Secretary	1.26	2.27	81%
4	Mr. Jatin Khanna ⁴	Chief Financial Officer	1.18	3.95	235%

¹ Mr. Mohit Talwar's remuneration includes one-time special incentive of ₹ 5.0 crore paid for his valued contribution in consummation of Axis transaction

² Mr. Mandeep Mehta was appointed as the CFO in place of Mr. Jatin Khanna w.e.f. Oct 1, 2021. Apart from the remuneration disclosed above, he also received remuneration from Max Life Insurance Company Limited, material subsidiary Company, in his capacity as Deputy CFO.

³ Mr. V. Krishnan remuneration includes one-time special incentive of ₹ 1.25 crore paid for his valued contribution in consummation of Axis transaction

⁴ Mr. Jatin Khanna had left the services of the Company on September 30, 2021. His remuneration for FY22 includes one-time special incentive of ₹ 1.5 crore paid for his valued contribution in consummation of Axis transaction and perquisite value of ₹ 1.3 crore being the value of ESOPs exercised during the year under review against the ESOPs granted earlier.

Note: All independent Directors of the company other than Mr. K. Narasimha Murthy (joined the Board on March 30, 2021) received gross commission of ₹ 20 lakh for the year ended March 31, 2021 basis the profits of the Company for the FY 21, while no such commission was paid to such directors during FY 21. Further, Mr. Analjit Singh received gross compensation of ₹ 3 crore during FY 22 while no such compensation was paid to him during FY 21. He has also been paid a Commission on profits amounting ₹ 3 crore for the year ended March 31, 2021 during FY 22, while no such commission was paid during FY 21.

- (ii) The Median Remuneration of Employees excluding Whole-time Directors ("MRE") was ₹ 29,86,691/- in FY 22 as against ₹ 25,45,875/- in FY21. The increase in MRE in FY 22 as compared to FY21 is around 17%.

Further, the Ratio of Remuneration of Mr Mohit Talwar (the only executive director as on March 31, 2022) to the MRE for FY22 is around 38:1

- (iii) The number of permanent employees on the rolls of the Company as on March 31, 2022 was 12 (Twelve).
- (iv) The average increase in fixed remuneration (excluding WTD remuneration) in FY22 over FY21 was around 8%.
- (v) The Remuneration paid during the financial year under review was as per the remuneration policy of the Company.

During FY22, there was no such employee who received remuneration in excess of the remuneration paid to Executive Director(s) and held 2% or more of the equity shares in the Company, along with spouse and/or dependent children.

Annexure 3B

MAX FINANCIAL SERVICES LIMITED

DETAILS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION INCLUDING ALL EMPLOYEES WHO WERE IN RECEIPT OF REMUNERATION OF (A) ₹102,00,000/- PER ANNUM OR MORE, OR (B) ₹8,50,000/- PER MONTH OR MORE, IF EMPLOYED FOR PART OF THE YEAR ENDED MARCH 31, 2022

Sr. No.	Name	Age (Yrs.)	Designation	Nature of duties	Remuneration (In ₹)	Qualification	Date of Commencement of employment	Experience (Yrs.)	Last Employment Held Organisation	Position held
A. Employed throughout the year										
1	Pai, Ramachandra Vishnu	55	Manager – Administration	Administration	26,56,077	B.Com	18.09.1995	32	Johnson & Johnson	Warehousing Supervisor
2	Ramsundar, K K	64	Admn. Assistant, Office of Founder & Chairman Emeritus	Administration	30,27,628	B.Com (P), PGDBA, PGDMM	02.07.1979	46	Ranbaxy Labs Limited	Steno Typist
3	Rao, Anuradha	63	Executive Assistant, Office of Founder & Chairman Emeritus	Executive Assistant	63,79,198	BA (Hons)	03.06.1987	42	Northern Engineering Industries (India) Limited	Assistant cum Secretary
4	Talwar, Mohit	62	Managing Director	General Management	11,47,15,842	Post Graduate (Arts), Post Graduate (Hospitality Management)	01.11.2007	43	Standard Chartered Bank	Director & Head Wholesale Bank, East India
5	Krishnan, V	58	Company Secretary	Company Secretary	2,27,04,382	B.Com, FCS	01.07.2019	37	Max India Limited	Company Secretary
6	Nishant Kumar Gehlawat	39	GM- Finance	Finance	67,70,115	CA, PGPMAX-ISB, B.Com (H)	01.05.2020	16	Max India Limited	GM- Finance
7	Shri Raj	58	Sr. Manager - Finance	Finance	29,45,754	B.Com	01.05.2020	37	Max India Limited	Sr. Manager – Finance
8	Simardeep Kaur	41	GM - Human Capital	Human Resources	76,64,375	MBA in HR & Finance	16.10.2020	20	Max Skill First Ltd	GM - Human Capital
B. Resigned Employees										
1	Khanna Jatin	44	Chief Financial Officer	Finance	3,94,90,012	CA, PGPMAX-ISB	01.07.2019	20	Max India Limited	Chief Financial Officer
2	Dilbagh Singh Narang	51	Director Taxation	Taxation	1,98,73,162	B.Com, FCA, INSEAD Alumni	01.05.2020	23	Max India Limited	Director Taxation

Notes:

- Remuneration includes salary, allowances, value of rent-free accommodation, bonus, value of ESOPs exercised, leave travel assistance, personal accident and health insurance, Company's contribution to Provident, Pension, Gratuity and Superannuation fund, leave encashment and value of perquisites, as applicable.
- None of the above employees is a relative of any director of the Company.
- Mr. Mohit Talwar holds 2,05,958 equity shares constituting 0.06% of the equity share capital of the Company, as of the date of this report.
- None of the above employees held 2% or more equity shares of the Company, by himself/herself or along with his/her spouse and dependent children.

BUSINESS RESPONSIBILITY REPORT

Section A	General information about the Company	
1	Corporate Identification Number	L24223PB1988PLC008031
2	Name of the Company	Max Financial Services Limited
3	Registered address	Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr Punjab 144533
4	Website	www.maxfinancialservices.com
5	Email address	investorhelpline@maxindia.com
6	Financial year reported	1 April 2021– 31 March 2022
7	Sector(s) that the Company is engaged in	Investments and Consultancy services to group companies
8	Three key products/services manufactured/provided by the Company	Investments in subsidiaries (NIC Code – 64200) Management Consultancy (NIC Code – 70200)
9	Total number of locations where business activity is undertaken by the Company	Two locations: Registered office at Nawanshahr (Punjab) and corporate office at Noida, U.P.
10	Markets served by the Company	India
Section B	Financial details of the Company	
1	Paid-up capital	₹ 69.02 crore
2	Total turnover	₹ 202.06 crore (Total income)
3	Total profit after tax	₹ 102.62 crore
4	Total spending on CSR as percentage of profit after tax	N.A. (Refer Directors' Report)
5	List of the activities in which expenditure in 4 above has been incurred	N.A.
Section C	Other details	
1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Company's subsidiary Max Life Insurance Company Limited engages in BR initiatives for the group. For detailed information, please refer to Business Responsibility Review section of this Annual Report.
3	Do any other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]	No
Section D	BR information	
1a	Details of Director(s) responsible for BR	Mr. Mohit Talwar (DIN: 02394694) Managing Director
1b	Details of the BR head	Name: Mr. Amrit Pal Singh Designation: CFO Telephone number: 0120-4696000 Email ID: amrit@maxindia.com
2	Principle-wise BR policy/policies	Included in this BR Report
3	Governance related to BR	Included in this BR Report
Section E	Principle-wise performance	
1	Principle-wise performance	Included in this BR Report

Preface

As mandated by Securities and Exchange Board of India (SEBI), India's top 1000 listed entities based on market capitalisation on the BSE and NSE, are required to submit a 'Business Responsibility Report' (BRR) along with their Annual Report. Max Financial Services Limited (MFSL) presents its BRR in line with the requirements of SEBI. This BRR provides information on key initiatives undertaken by the Company and/or its subsidiary.

MFSL is the holding company of Max Life Insurance Company Limited (an unlisted material subsidiary), which continued to work with Max India Foundation to implement its CSR programme which has a focus on healthcare, sanitation, safe drinking water, environment protection, financial literacy & insurance awareness and village adoption. It is committed to attaining the highest standards of service in protecting and enhancing the financial future of its customers by adhering to a set of values that is shared across the Group – Sevabhav (spirit of service), Excellence and Credibility.

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

MFSL continues to adopt high standards of corporate governance, adhering to all applicable guidelines with transparent disclosures about the Company's performance. As the holding company of life insurance business, MFSL considers ethics, transparency and accountability to be its top-most priority.

MFSL has a Code of Conduct for the Company's Directors and Senior Management. A declaration of the Directors and Senior Management's affirmation to this Code of Conduct is communicated to all stakeholders by the Managing Director in the Annual Report.

MFSL has established a Whistle Blower Policy, which lays down the process to report any unethical behaviour or violation of the Code of Conduct. Employees can report to the Management any instances of unethical behaviour, or suspected fraud or violation of the Code of Conduct. Adequate measures are in place to ensure safeguards against victimization of employees who report any unethical behaviour. There is also a provision for direct access to the Chairman of the Audit Committee in exceptional cases. All whistle blower complaints are

investigated, and action is initiated, wherever required.

No complaints linked to the Code of Conduct adherence were received in the reporting year.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

MFSL endeavors to contribute to sustainability and conservation of resources in all possible manners. All Board level meetings have been paperless for more than five years with Directors and other participants accessing relevant material electronically.

Principle 3: Businesses should promote the well-being of all employees

As of March 31, 2022, MFSL had a total of 12 (Twelve) employees, which included five women employees. There were no temporary or contractual employees in the reporting year. As a holding company with limited areas of operations, the Company's staffing is adequate and commensurate with the scale of its business. The Company believes its employees are its greatest strength and invests in the growth and development of all its employees and engages with them on a regular basis including providing requisite training. Employees are also given opportunities to move across other Group companies to get wider exposure.

MFSL has policies and procedures in place to prevent any kind of discrimination. It has a 'Policy on Prevention of Sexual Harassment at Workplace' in place to ensure the safety and security of its female employees. The Company did not receive any complaint relating to child labor, forced labor, involuntary labor or sexual harassment in 2021-22 and none were pending as of March 31, 2022. The Company does not have any employee association.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

MFSL is an equal opportunity employer. Remuneration practices are based on merit, without regard to the person's ethnic background or gender and are periodically updated based on market benchmarks. The Company ensures there is no discrimination of any type against socially disadvantaged sections in the workplace.

MFSL regularly undertakes initiatives to engage with its internal and external stakeholders. The Company has robust mechanisms in place which ensure full, fair, accurate, timely and understandable disclosures to all our shareholders and investors.

Principle 5: Businesses should respect and promote human rights

MFSL is dedicated to upholding the human rights of all its employees and it strictly ensures compliance with all applicable laws of the land pertaining to human rights. All policies of the Company comply with conventionally understood provisions of human rights. There is no discrimination whatsoever in the Company on the basis of cast, creed, race, gender, religion or physical handicap. The Company did not receive any complaint relating to violation of human rights in 2021-22.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

MFSL is committed to conducting its business in a manner that protects the natural environment. Given that MFSL is a holding company with no manufacturing operations and small number of employees, the Company does not have any significant direct environmental impacts. However, regular efforts are made to conserve the energy through various means.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

MFSL is a holding company with no direct business operations however its subsidiary Max Life actively engages in policy advocacy to balance the interests of various stakeholders.

Principle 8: Businesses should support inclusive growth and equitable development

For detailed information on steps taken towards inclusive growth and equitable development through Max India Foundation, a CSR arm of the Max Group, please refer to the Business Responsibility Review section of this Annual Report.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

MFSL, being a holding company, is having investments in its subsidiary and primarily engaged in growing and nurturing the business investments and providing management consultancy services to group companies. Accordingly, it does not have any direct customers or consumers under the scope of this BRR.

In addition to the statutory information as stated above, the members are requested to access various initiatives taken by the Company and its subsidiary, Max Life on ESG which are more fully captured on the website of the Company at <https://www.maxfinancialservices.com/wp-content/uploads/2022/07/Annual-Report-Doc-2021-22.zip>

On behalf of the Board of Directors
Max Financial Services Limited

Analjit Singh
Chairman
DIN: 00029641

Place: New Delhi
Date: May 10, 2022

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015

To,

The Members

Max Financial Services Limited

Bhai Mohan Singh Nagar, Rail Majra,

Tehsil Balachaur, Distt. Nawanshahr,

Punjab-144533 India

We have examined all relevant records of Max Financial Services Limited (the Company) for the purpose of certifying all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2022. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate 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.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Chandrasekaran Associates**

Company Secretaries

Rupesh Agarwal

Managing Partner

Membership No. ACS 16302

Certificate of Practice No. 5673

UDIN: A016302D000286044

Date: May 10, 2022

Place: Delhi

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

To
The Members,
Max Financial Services Limited
Bhai Mohan Singh Nagar,
Rail Majra, Tehsil Balachaur,
Distt. Nawanshahr, Punjab-144533

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Max Financial Services 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 on March 31, 2022 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, 2022 (“during the period under review”) 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 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (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; **Not Applicable during the period under review.**
- (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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable and The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 to the extent applicable, prior to its repealment;

- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review.**
- 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, 2021; **Not Applicable during the period under review** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **Not Applicable during the period under review.**

(vi) As confirmed and certified by the management, there is no sectoral law specifically applicable to the Company based on the Sectors/Businesses. Further, the management confirmed that the Company is an Unregistered Core Investment Company in terms of The Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as updated from time to time and hence does not require registration as a NBFC.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, agenda and detailed notes on agenda were sent least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), 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 were 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, following specific event/action took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- (i) The Company had issued a postal ballot dated February 11, 2022 for seeking approval of its members by way of Special Resolution in terms of section 180 of the Act, for the sale of company's property situated at N-31, 1st Floor, Panchshila Park, New Delhi — 110 017 ('the Property') to Mr. Rahul Khosla, former Managing Director of the Company. However, the said resolution was not carried through as the members of the Company had disapproved the same.

We further report that the Company received a demand notice dated February 18, 2020 from the Office of Enforcement

Directorate, New Delhi ("ED Office"). The said notice referred to an adjudication order dated June 30, 2004 issued by Office of the Additional Commissioner of Customs, New Delhi imposing a penalty of ₹ 8 crore on the Company (erstwhile Max India Limited) for alleged non-submission of documentary evidence in respect of import of goods against foreign exchange remitted. The Company, had vide its reply dated February 28, 2020, sought time from the ED Office to submit detailed response and also sought assistance in retrieval of facts and relevant background papers involving the adjudication proceedings against the Company. The Company had submitted applications under the Right to Information Act, 2005 on June 9, 2020 with the Customs Department, Delhi Zone for seeking the background papers to this case. The Company had represented before the Directorate of Enforcement authorities to drop the proceedings on the above matter as Various officials of the Customs Department had responded stating that no records were available in this regard with the Department. The Company has not paid any penalty on this matter as the matter is currently pending with the Directorate of Enforcement.

For Chandrasekaran Associates

Company Secretaries

Firm Registration No.: P1988DE002500

Peer Review Certificate No.: 1428/2021

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302D000283250

Date: May 7, 2022

Place: Delhi

Notes:

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

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Max Financial Services Limited
Bhai Mohan Singh Nagar,
Rail Majra, Tehsil Balachaur,
Distt. Nawanshahr, Punjab-144533

Our Report of even date is to be read with along with this letter.

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. Wherever 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 the 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.

For Chandrasekaran Associates

Company Secretaries

Firm Registration No.: P1988DE002500
Peer Review Certificate No.: 1428/2021

Rupesh Agarwal

Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN: A016302D000283250

Date: May 7, 2022

Place: Delhi

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Max Life Insurance Company Limited
419, Bhai Mohan Singh Nagar, Railmajra,
Tehsil Balachaur Nawan Shehar,
Punjab – 144533

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Max Life Insurance Company 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, 2022 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, 2022 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; Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; applicable only to the extent of dematerialization of equity shares and Non-Convertible Debentures of the Company;
- (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; Not Applicable
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 prior to its repealment; Not Applicable

- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 prior to its repealment to the extent 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable
- (i) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:
 1. Insurance Regulatory and Development Authority of India Act, 1999,
 2. Insurance Act, 1938 and various Rules, Regulations & Guidelines issued thereunder, including circulars issued from time to time

Insurance Regulatory and Development Authority of India (IRDAI) vide its order dated 27th April, 2021 levied a penalty of ₹ 3 lakh on Max Life, with respect to (i) ₹ 2 lakh for non-reporting under outsourcing and (ii) ₹ 1 lakh for non-reporting of outsourcing agreement with a related party.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Non-Convertible Securities.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as 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, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), 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 or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees 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 following specific events/actions having a major

bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Transfer of 172,731,531 equity shares bearing face value of ₹ 10/- each of the Company held by Max Financial Services Limited to Axis Bank Limited on April 6, 2021.
2. Allotment of 7.50% 4,960 unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures of face value of ₹ 10 lakh each aggregating to ₹ 496.00 crore (Rupees four hundred ninety-six crore only) on private placement basis.
3. The company has listed its securities i.e., Non-Convertible Debentures on the National Stock Exchange of India Limited (NSE) w.e.f August 3, 2021.
4. The Company has incorporated a wholly owned subsidiary as per the provisions of the Companies Act, 2013 and the rules made there namely "Max Life Pension Fund Management Limited" on 28th February 2022.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:1428/2021

Rupesh Agarwal

Managing Partner
Membership No. A16302
Certificate of Practice No. 5673
UDIN: A016302D000286088

Date: 07.05.2022
Place: Delhi

Note:

- (i) 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.
- (ii) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.

The Members

Max Life Insurance Company Limited

419, Bhai Mohan Singh Nagar, Railmajra,
Tehsil Balachaur Nawan Shehar,
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. Wherever 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.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.:1428/2021

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302D000286088

Date: 07.05.2022

Place: Delhi

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - a) Name(s) of the related party and nature of relationship: Max Life Insurance Company Limited (Subsidiary company)
 - b) Nature of contracts/arrangements/transactions: Sub-licensing of trademarks
 - c) Duration of the contracts/arrangements/transactions: 10 years
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any: The contract for sub-licensing of trademarks has been entered into with subsidiary company, pursuant to a Scheme of Demerger approved by Hon'ble High Court of Punjab at Chandigarh, which allows usage of trademarks without any consideration.
 - e) Justification for entering into such contracts or arrangements or transactions: The trademarks have been licensed to the Company for limited usage. Prior to the Scheme of Demerger, Max Life Insurance Company Limited had been using such trademarks. It was contemplated to allow usage of such trademarks by Max Life, without impacting the ownership of such trademarks.
 - f) Date(s) of approval by the Board: August 8, 2016
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: September 27, 2016
2. Details of material contracts or arrangement or transactions at arm's length basis: N.A.
 - a) Name(s) of the related party and nature of relationship:
 - b) Nature of contracts/arrangements/transactions:
 - c) Duration of the contracts/arrangements/transactions:
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - e) Date(s) of approval by the Board, if any:
 - f) Amount paid as advances, if any:

On behalf of the Board of Directors
Max Financial Services Limited
Analjit Singh
 Chairman
 DIN: 00029641

Place: New Delhi
 Date: May 10, 2022





FINANCIAL REVIEW

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To The Members of Max Financial Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Max Financial Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report (including annexures thereto), Business Responsibility Statement and Management Discussion and Analysis (MD&A) (collectively referred to as "other information"), but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of

the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 23 of the forming part of standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 34 of the notes forming part of standalone financial statements.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 35 of the notes forming part of standalone financial statements.
- iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes forming part of standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes forming part of standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the

Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

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

Satpal Singh Arora

Partner
(Membership No. 098564)
(UDIN : 22098564AISBMC3756)

Place: New Delhi

Date: May 10, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **Max Financial Services Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over

financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

Satpal Singh Arora

Partner

(Membership No. 098564)

(UDIN : 22098564AISBMC3756)

Place: New Delhi

Date: May 10, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right-of-use assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment and right-of-use assets at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deeds provided to us, we report that, the title deeds of all the immovable properties, other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company disclosed in the standalone financial statements included in property, plant and equipment and investment property are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- (ii) The Company does not have any inventory and hence reporting under clause (ii)(a) and (b) of the Order is not

applicable.

- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, Cess and other material statutory dues applicable to the Company have been regularly deposited by the Company with the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company and the operations of the Company during the year did not give rise to any liability for duty of Customs.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

 - (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022 on account of disputes are given below:

Name of Statute	Nature of Dues (Refer note 23 of the standalone financial statements)	Amount unpaid (₹ in Lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending
Customs Act, 1962	Customs Duty Demand on non-fulfilment of export obligation	590.65	FY 1994-95	Directorate General of Foreign Trade
Finance Act, 1994 (Service tax)	Service Tax Demand on consultancy services	*201.00	FY 1997-98 To FY 2000-01	Commissioner (Central Excise), Chandigarh
Finance Act, 1994 (Service tax)	Service Tax Demand on Banking and Financial Services	139.58	FY 2011-12 To FY 2015-16	Joint/Additional Commissioner, Service Tax Commissionerate Delhi-II

* Amount net of deposited under protest ₹ 12 Lakhs

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) The Company has not raised funds on short term basis during the year and hence, reporting under clause (ix)(d) of the Order is not applicable.

(e) We report that the Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2022 and the final internal audit

reports where issued after the balance sheet date covering the period April 1, 2021 to March 31, 2022 for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

As indicated in note 36 of standalone financial statements, the Company is of the view supported by legal opinion that the Company is an 'Unregistered Core Investment Company' ('Unregistered CIC') as laid down in the "Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016", as amended and hence registration under section 45-IA of the Reserve Bank of India Act, 1934 is not required. We report as such.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying

the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company does not have turnover of rupees one thousand crore or more or a net profit of rupees five crore or more as computed under section 135 of the Act during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

Satpal Singh Arora

Partner

(Membership No. 098564)

(UDIN: 22098564AISBMC3756)

Place: New Delhi

Date: May 10, 2022

STANDALONE BALANCE SHEET AS AT 31 MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
A. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	38.44	22.34
(b) Bank balances other than (a) above	4	3,061.72	124.22
(c) Trade receivables	5	1,507.56	1,917.75
(d) Investments	6	6,72,317.13	6,61,637.07
(e) Other financial assets	7	78.39	53.64
Total financial assets		6,77,003.24	6,63,755.02
2. Non financial assets			
(a) Current tax assets (Net)	8	195.22	387.85
(b) Deferred tax assets (net)	22	-	884.26
(c) Property, plant and equipment	9A	282.52	2,172.17
(d) Right-of-Use asset	9B	148.53	339.89
(e) Other non-financial assets	10	72.32	115.97
Total non-financial assets		698.59	3,900.14
Total assets		6,77,701.83	6,67,655.16
B. LIABILITIES AND EQUITY			
I LIABILITIES			
1. Financial liabilities			
(a) Trade payables	11		
(i) total outstanding dues of micro enterprises and small enterprises		16.29	7.68
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		804.56	1,016.98
(b) Lease liability	28	154.47	345.95
(c) Other financial liabilities	12	52.90	125.88
Total financial liabilities		1,028.22	1,496.49
2. Non financial liabilities			
(a) Current tax liabilities	13	-	109.41
(b) Provisions	14	1,204.92	1,315.53
(c) Deferred tax liabilities (net)	22	381.82	-
(c) Other non-financial liabilities	15	127.72	187.27
Total non-financial liabilities		1,714.46	1,612.21
Total liabilities		2,742.68	3,108.70
II EQUITY			
(a) Equity share capital	16	6,902.30	6,901.81
(b) Other equity	17	6,68,056.85	6,57,644.65
Total equity		6,74,959.15	6,64,546.46
Total liabilities and equity		6,77,701.83	6,67,655.16

See accompanying notes to the standalone financial statements 1 to 50
In terms of our report attached

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

Satpal Singh Arora
Partner
(Membership No. 98564)

Place : New Delhi
Date : May 10, 2022

Mohit Talwar
(Managing Director)
DIN No:02394694

Amrit Singh
(Chief Financial Officer)

Place : New Delhi
Date : May 10, 2022

Sahil Vachani
(Director)
DIN No:00761695

V Krishnan
(Company Secretary)
M.No. - FCS-6527

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
1. Revenue from operations			
(a) Interest income		1.45	0.89
(b) Dividend income		14,446.12	18,578.09
(c) Rental income		42.00	42.00
(d) Net gain on fair value changes			
- on derivative financial instruments	40	-	9,146.70
- on investments in mutual funds		3,416.56	806.96
(e) Sale of services		2,063.75	2,062.64
2. Total revenue from operations		19,969.88	30,637.28
3. Other income	18	235.70	143.06
4. Total Income (2+3)		20,205.58	30,780.34
5. Expenses			
(a) Finance costs	28	13.61	21.50
(b) Impairment loss on investment in subsidiary	42	-	8,816.05
(c) Loss on sale of investment in subsidiary	42	-	3,289.17
(d) Employee benefits expense	19	2,161.91	2,125.42
(e) Depreciation, amortisation and impairment	20	347.65	379.90
(f) Legal and professional expenses		1,384.78	1,831.62
(g) Other expenses	21	1,589.39	1,370.17
6. Total expenses		5,497.34	17,833.83
7. Profit before tax (5-6)		14,708.24	12,946.51
8. Tax expense			
(a) Current tax	22	3,191.75	3,908.75
(b) Deferred tax charge/(credit)	22	1,254.21	(884.89)
Total tax expense		4,445.96	3,023.86
9. Profit for the year from continuing operations(7-8)		10,262.28	9,922.65
10. Other comprehensive income/(loss)			
Items that will not be reclassified to Profit and Loss			
- Remeasurement of defined benefit obligations		47.18	2.18
Income tax relating to items that will not be reclassified to profit or loss		(11.87)	(0.63)
11. Total other comprehensive income/(loss)		35.31	1.55
12. Total comprehensive income for the year (9+11)		10,297.59	9,924.20
13. Earnings per equity share (EPS)	26		
(Face value of ₹ 2 per share)			
Basic (in ₹)		2.97	3.38
Diluted (in ₹)		2.97	3.38

See accompanying notes to the standalone financial statements
In terms of our report attached

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

Satpal Singh Arora
Partner
(Membership No. 98564)

Place : New Delhi
Date : May 10, 2022

1 to 50

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Amrit Singh
(Chief Financial Officer)

Place : New Delhi
Date : May 10, 2022

Sahil Vachani
(Director)
DIN No:00761695

V Krishnan
(Company Secretary)
M.No. - FCS-6527

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A. Cash flow from operating activities		
Profit before tax	14,708.24	12,946.51
Adjustments for :		
Depreciation, amortisation and impairment	347.65	379.90
Finance cost	13.61	21.50
Net loss/(profit) on sale/disposal of property, plant and equipment	(0.66)	10.82
Loss on sale of investment in subsidiary	-	3,289.17
Impairment loss on investment in subsidiary	-	8,816.05
Net loss/(gain) on fair value changes		
on derivative financial instruments	-	(9,146.70)
on investments in mutual funds	(3,416.56)	(806.96)
Liabilities/provisions no longer required written back	(176.00)	(78.33)
Provision for rates and taxes	2.74	2.74
Expense on employee stock option scheme	17.99	166.46
Operating profit before working capital changes	11,497.01	15,601.16
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	410.19	6.85
Loans	-	1.36
Other financial assets	(24.75)	14.60
Other non-financial assets	219.65	118.93
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	(203.81)	27.94
Other financial liabilities	(72.98)	(162.10)
Provisions	(66.17)	123.62
Other non-financial liabilities	(59.55)	(54.36)
Cash generated from operations	11,699.59	15,678.00
Net income tax (paid)/refunds	(3,108.53)	(15,752.44)
Net cash flow from/(used in) operating activities (A)	8,591.06	(74.44)
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment including capital advances	(6.28)	(152.70)
Proceeds from sale of property, plant and equipment	16.80	26.49
Bank balances not considered as Cash and cash equivalents (placed)/matured	(2,937.50)	40.57
Investments in mutual funds		
- Purchased	(1,40,598.60)	(40,936.79)
- Proceeds from sale	79,577.23	46,647.65
Investments in equity shares of subsidiary company		
- Purchased (including derivative liability settlement)	-	(23,523.56)
- Proceeds from sale	55,481.37	18,138.55
Net cash flow from/(used in) investing activities (B)	(8,466.98)	240.21

MAX FINANCIAL SERVICES LIMITED

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
C. Cash flow from financing activities		
Proceeds from ESOPs exercised (including share premium)	97.11	2.46
Payments of lease liability	(205.09)	(174.63)
Net cash (used in) financing activities (C)	(107.98)	(172.17)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	16.10	(6.40)
Cash and cash equivalents as at the beginning of the year	22.34	28.74
Cash and cash equivalents as at the end of the year (See note 3)*	38.44	22.34
Note: Net cash flow from/(used in) operating activities include interest and dividend received	14,447.57	18,578.98
* Comprises:		
a. Cash on hand	0.48	0.32
b. Balance with scheduled banks		
- in current accounts	37.96	22.02
	38.44	22.34

See accompanying notes to the standalone financial statements 1 to 50
In terms of our report attached

For and on behalf of the Board of Directors

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

Satpal Singh Arora
Partner
(Membership No. 98564)

Place : New Delhi
Date : May 10, 2022

Mohit Talwar
(Managing Director)
DIN No:02394694

Amrit Singh
(Chief Financial Officer)

Place : New Delhi
Date : May 10, 2022

Sahil Vachani
(Director)
DIN No:00761695

V Krishnan
(Company Secretary)
M.No. - FCS-6527

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

a. Equity share capital

(₹ In Lakhs)	
Particulars	Amount
Balance at April 1, 2020	5,390.19
Changes in equity share capital during the year	
Issue of equity shares (See note 16)	1,511.62
Balance at March 31, 2021	6,901.81
Changes in equity share capital during the year	
Issue of equity shares (See note 16)	0.49
Balance at March 31, 2022	6,902.30

b. Other equity

(₹ In Lakhs)					
Particulars	Reserves and Surplus				Total
	Securities premium	General reserve	Equity-settled employee benefits reserve	Retained earnings	
Balance at April 1, 2020	42,483.58	16,418.22	424.05	1,63,316.10	2,22,641.95
Profit for the year	-	-	-	9,922.65	9,922.65
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	1.55	1.55
Total comprehensive income/(loss) for the year	-	-	-	9,924.20	9,924.20
Premium on issue of shares in MSI swap transaction (See note 41)	4,24,912.04	-	-	-	4,24,912.04
Premium on shares issued during the year (See note 17)	509.61	-	(509.61)	-	-
Redemption of share-based payments (See note 17)	-	-	166.46	-	166.46
Balance at March 31, 2021	4,67,905.23	16,418.22	80.90	1,73,240.30	6,57,644.65
Profit/(Loss) for the year	-	-	-	10,262.28	10,262.28
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	35.31	35.31
Total comprehensive income/(loss) for the year	-	-	-	10,297.59	10,297.59
Premium on shares issued during the year (other than above)	139.98	-	(43.36)	-	96.62
Redemption of share-based payments (See note 17)	-	-	17.99	-	17.99
ESOPs write back (See note 17)	-	-	(55.53)	55.53	-
Balance at March 31, 2022	4,68,045.21	16,418.22	-	1,83,593.42	6,68,056.85

See accompanying notes to the standalone financial statements 1 to 50
In terms of our report attached

For and on behalf of the Board of Directors

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

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Satpal Singh Arora
Partner
(Membership No. 98564)

Amrit Singh
(Chief Financial Officer)

V Krishnan
(Company Secretary)
M.No. - FCS-6527

Place : New Delhi
Date : May 10, 2022

Place : New Delhi
Date : May 10, 2022

Notes forming part of the standalone financial statements

Max Financial Services Limited

Notes forming part of the standalone financial statements

1. Corporate information

Max Financial Services Limited ("the Company") is a public limited company domiciled in India and incorporated on 24 February, 1988 under the provisions of the Companies Act, 1956. The shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company is primarily engaged in the business of growing and nurturing business investments and providing management advisory services to group companies in India. The registered address of the Company is Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab – 144533

2A Significant accounting policies

2A.1 Basis of preparation

(i) Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy thereto in use.

(ii) Basis of preparation and presentation

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

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

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

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

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

2A.2 Cash and cash equivalents

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

Notes forming part of the standalone financial statements

cash and which are subject to insignificant risk of changes in value.

2A.3 Cash flow statement

Cash flows are reported using indirect method, whereby Profit/(loss) before tax reported under Statement of Profit and loss is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

2A.4 Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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

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

between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2A.5 Intangible assets

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

Derecognition of intangible assets

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

2A.6 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for

Notes forming part of the standalone financial statements

impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

2A.7 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.

Income from services

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

Interest

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

Dividend

Dividend income is recognised when the Company's

right to receive dividend is established by the reporting date.

2A.8 Share-based payment arrangements

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

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

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

The Company had constituted a Phantom Stock option plan in 2016, to be settled in cash. The Company is required to make provisions for estimated cash requirement for settlement on the basis of Fair Market Value of equity shares of the Company, Max India Limited and Max Ventures and Industries Limited as at end of each financial period/year till the estimated life of phantom stocks. As and when any cash payment is made on account of settlement of phantom stock, the provision is accordingly adjusted.

Notes forming part of the standalone financial statements

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

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

2A.9 Financial instruments

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

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

Investment in subsidiary

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

directly attributable cost.

Financial assets

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

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

Classification of financial assets

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

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

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

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

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising

Notes forming part of the standalone financial statements

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

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

Investments in equity instruments at FVTOCI

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

the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

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

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

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

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

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised

Notes forming part of the standalone financial statements

when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the

sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

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

Foreign exchange gains and losses

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

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

2A.10 Financial liabilities and equity instruments (including derivative contracts)

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual

Notes forming part of the standalone financial statements

arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

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

Financial liabilities

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

a) Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

recognition if:

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

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

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

Notes forming part of the standalone financial statements

- b) Financial liabilities subsequently measured at amortised cost

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

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

- c) Foreign exchange gains and losses

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

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

- d) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt

instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2A.11 Employee benefit costs

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

Retirement benefits costs and termination benefits

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

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

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

Notes forming part of the standalone financial statements

- b. net interest expense or income; and
- c. remeasurement

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

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

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

Short-term and other long-term employee benefits

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

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

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

Contributions from employees to defined benefit plans

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

When the formal terms of the plans specify that there

will be contributions from employees, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

2A.12 Segment information

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

2A.13 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The

Notes forming part of the standalone financial statements

right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

In the comparative period, leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Company as lessor :

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on accrual basis over the term of the relevant lease.

2A.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for employee share options and bonus shares, if any, as appropriate.

2A.15 Taxation

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

Current tax (refer note 22)

The tax currently payable is based on taxable profit

Notes forming part of the standalone financial statements

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

Deferred tax

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

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

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

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

Current and deferred tax for the year

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

2A.16 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

Notes forming part of the standalone financial statements

and the amount of the receivable can be measured reliably.

2A.17 Goods and services tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits. The Company reviews the input tax credit at each balance sheet date to assess the recoverability of these balances.

2A.18 Critical accounting judgements and key sources of estimation uncertainty

Critical accounting judgements

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

Contingent liabilities

Assessment of whether outflow embodying economic benefits is probable, possible or remote. (See note 23)

Key sources of estimation uncertainty

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

2A.19 Operating Cycle

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

2B Critical estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to

make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate change in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

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

a. Income taxes

The recognition of a Deferred Tax Assets (DTA) is based on whether it is probable that sufficient and suitable taxable profits will be available in the future, against which the reversal of temporary differences can be utilised. The Company has recognised DTA on carried forward tax losses, unabsorbed depreciation in the current year to the extent of estimated future profits and timing against which tax deductions represented by the DTAs can be offset.

b. Employee Benefits

Defined employee benefit assets / liabilities determined based on the present value of future obligations using assumptions determined by the Company with advice from an independent qualified actuary.

Notes forming part of the standalone financial statements

c. Property Plant and Equipment and Intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

- b. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

2C Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Balance Sheet:

- a. Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of

Notes forming part of the standalone financial statements

3. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Cash in hand	0.48	0.32
(ii) Balance with banks		
- in current accounts	37.96	22.02
Total	38.44	22.34

4. Bank balances other than cash and cash equivalents

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Balances in earmarked accounts		
- Unpaid dividend accounts (See note 12)	50.52	113.02
- Balances held as margin money against guarantee	11.20	11.20
(i) Balances in fixed deposit accounts (maturity of more than three months)	3,000.00	-
Total	3,061.72	124.22

5. Receivables

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
- Trade receivables	1,507.56	1,917.75
Total	1,507.56	1,917.75

Note:

Trade receivables are related to the amounts recoverable from group companies. The management based on confirmations from the group companies believes that no expected credit allowance is required to be recognised on these trade receivables (refer note 29).

Trade Receivables aging as at 31.03.2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,507.56	-	-	-	-	1,507.56
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	1,507.56	-	-	-	-	1,507.56

Notes forming part of the standalone financial statements

Trade Receivables aging as at 31.03.2021

(₹ in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,917.75	-	-	-	-	1,917.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	1,917.75	-	-	-	-	1,917.75

6. Investments

Particulars	As at		As at	
	Quantity (in number)	31.03.2022 (₹ in lakhs)	Quantity (in number)	31.03.2021 (₹ in lakhs)
A. Unquoted investments in equity shares (all fully paid) of subsidiary company (Carried at cost)				
Max Life Insurance Company Limited (face value of ₹ 10 per share)	1,57,02,30,113	5,84,500.94	1,74,29,61,644	6,48,798.36
Less: Impairment loss on investment in subsidiary (See note 41 and 42)		-		(8,816.05)
Total (A)		5,84,500.94		6,39,982.31
B. Investment in mutual funds (unquoted) Carried at FVTPL				
(a) Kotak Money Market Scheme - (Growth) - Direct - Face value ₹1000 per unit	4,93,923.52	17,883.55	1,14,429.86	3,986.50
(b) Aditya Birla Sun Life Money Manager Fund - Growth - Direct Plan - Face value ₹100 per unit	50,22,077.92	15,011.52	13,93,593.77	4,002.00
(c) ICICI Prudential Money Market Fund Option - Direct Plan - Growth - Face value ₹ 100 per unit	55,53,207.61	17,042.48	13,40,595.52	3,958.49
(d) HDFC Money Market Fund - Direct Plan - Growth Option - Face value ₹1000 per unit	-	-	89,217.09	3,991.50
(e) Axis Money Market Fund - Direct Plan Growth- Face value ₹1000 per unit	-	-	1,60,091.54	1,772.03
(f) Nippon India Money Market Fund - Direct Plan - Growth - Face value ₹ 1000 per unit	-	-	1,22,463.24	3,944.24
(g) Tata Money Market Fund- Direct Plan- Growth Option- Face value ₹1,000 per unit	4,73,001.74	18,093.99	-	-
(h) SBI Liquid Fund - DIRECT PLAN -Growth - Face value ₹1000 per unit	5,07,88,635.29	18,061.15	-	-
Total (B)		86,092.69		21,654.76
Total aggregate unquoted investments (A+B)		6,70,593.63		6,61,637.07
Aggregate carrying value of unquoted investments		6,70,593.63		6,61,637.07

Notes forming part of the standalone financial statements

Particulars	As at		As at	
	Quantity (in number)	31.03.2022 (₹ in lakhs)	Quantity (in number)	31.03.2021 (₹ in lakhs)
C. Other investment				
Investment property (net of accumulated depreciation and impairment)		1,723.50		-
Total investments (A+B+C)		6,72,317.13		6,61,637.07

During the current year, the Company has reclassified immovable property, held by the Company from Property, Plant and Equipment to Investment Property considering the current plans of the Company. The same was given to former employee who was providing consultancy services upto previous year.

Based on the current valuation report, obtained by the Company, the value of property is higher than the carrying value in the books of account and accordingly, the management has concluded that there is no risk of further impairment other than those provided for in previous years.

7. Other financial assets

	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
(i) Security deposits	75.50	52.06
(ii) Interest accrued on deposits	2.89	1.58
	78.39	53.64

8. Current tax assets (net)

	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Advance income tax (net of provision)	195.22	387.85

9A Property, plant and equipment

	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Carrying amounts of :		
a) Buildings	25.07	1,792.62
b) Office equipment	24.38	45.62
c) Computers	11.83	11.45
d) Furniture and fixtures	61.21	89.11
e) Leasehold improvements	77.89	110.09
f) Vehicles	82.14	123.28
	282.52	2,172.17

Notes forming part of the standalone financial statements

	Buildings [See note (i) and (ii) below]	Office equip- ment	Comput- ers	Furni- ture and fixtures	Lease- hold improve- ments	Vehicles	Total
Gross carrying value							
Balance at April 1, 2020	2,640.81	120.02	27.52	259.20	45.99	273.68	3,367.22
Additions	-	8.58	2.00	1.01	118.03	23.08	152.70
Disposals	-	16.04	2.57	94.67	45.99	94.98	254.25
Balance at March 31, 2021	2,640.81	112.56	26.95	165.54	118.03	201.78	3,265.67
Additions	-	0.50	4.30	-	-	1.48	6.28
Disposals	-	19.99	3.05	0.44	-	10.91	34.39
Reclassified to Investment Property (note 6c)	2,611.74						2,611.74
Balance at March 31, 2022	29.07	93.07	28.20	165.10	118.03	192.35	625.82
Accumulated depreciation							
Balance at April 1, 2020	804.14	70.35	14.62	104.93	31.88	127.67	1,153.59
Depreciation expense	44.05	11.07	3.32	35.57	22.05	40.79	156.85
Elimination on disposals of assets	-	14.48	2.44	64.07	45.99	89.96	216.94
Balance at March 31, 2021	848.19	66.94	15.50	76.43	7.94	78.50	1,093.50
Depreciation expense	44.05	10.19	3.59	27.62	32.20	38.64	156.29
Elimination on disposals of assets	-	8.44	2.72	0.16	-	6.93	18.25
Reclassified to Investment Property (note 6c)	888.24	-	-	-	-	-	888.24
Balance at March 31, 2022	4.00	68.69	16.37	103.89	40.14	110.21	343.30
Carrying amount							
Balance at April 1, 2020	1,836.67	49.67	12.90	154.27	14.11	146.01	2,213.63
Additions	-	8.58	2.00	1.01	118.03	23.08	152.70
Disposals	-	1.56	0.13	30.60	-	5.02	37.31
Depreciation expense	44.05	11.07	3.32	35.57	22.05	40.79	156.85
Net carrying value as at March 31, 2021	1,792.62	45.62	11.45	89.11	110.09	123.28	2,172.17
Additions	-	0.50	4.30	-	-	1.48	6.28
Reclassified to Investment Property (note 6c)	1,723.50	-	-	-	-	-	1,723.50
Disposals	-	11.55	0.33	0.28	-	3.98	16.14
Depreciation expense	44.05	10.19	3.59	27.62	32.20	38.64	156.29
Net carrying value as at March 31, 2022	25.07	24.38	11.83	61.21	77.89	82.14	282.52

Note:

The registered conveyance deed, comprising the immovable property of the building which is freehold, is held in the name of the Company as at balance sheet date.

Notes forming part of the standalone financial statements

9B Right-of-use assets

	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Carrying amounts of :		
Right-of-use assets (See note 28)	148.53	339.89
	148.53	339.89
	Right-of-use assets	Total
Gross carrying value		
Balance at April 1, 2020	486.57	486.57
Additions	226.33	226.33
Disposals	-	-
Balance at March 31, 2021	712.90	712.90
Additions	-	-
Disposals	-	-
Balance at March 31, 2022	712.90	712.90
Accumulated depreciation		
Balance at April 1, 2020	149.96	149.96
Depreciation expense	223.05	223.05
Disposals	-	-
Balance at March 31, 2021	373.01	373.01
Depreciation expense	191.36	191.36
Disposals	-	-
Balance at March 31, 2022	564.37	564.37
Net carrying value as at March 31, 2021	339.89	339.89
Net carrying value as at March 31, 2022	148.53	148.53

10. Other non financial assets

	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
(i) Prepaid expenses	56.89	99.02
(ii) Amount deposited under protest (see note 23)	12.00	12.00
(iii) Advances recoverable in cash or kind		
- Unsecured, considered good	2.28	0.58
- Unsecured, considered doubtful	303.00	303.00
	305.28	303.58
Less: Loss allowance for doubtful advances	(303.00)	(303.00)
	2.28	0.58
(iv) Balances with government authorities - input tax credit receivable		
- Unsecured, considered good	1.15	4.37
- Unsecured, considered doubtful	16.98	192.98
	18.13	197.35
Less: Loss allowance for doubtful balances	(16.98)	(192.98)
	1.15	4.37
	72.32	115.97

Notes forming part of the standalone financial statements

11. Trade payables

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Trade payables - Other than acceptances		
- total outstanding dues of micro enterprises and small enterprises (See note 37)	16.29	7.68
- total outstanding dues of creditors other than micro enterprises and small enterprises	804.56	1,016.98
Total	820.85	1,024.66

Trade payables - Ageing as at 31.03.2022

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises (MSME)	1.22	15.07	-	-	-	16.29
(ii) Total outstanding dues of creditors other than MSME	609.11	195.45	-	-	-	804.56
(iii) Disputed dues of MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
Total	610.33	210.52	-	-	-	820.85

Trade payables - Ageing as at 31.03.2021

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of MSME	3.67	4.01	-	-	-	7.68
(ii) Total outstanding dues of creditors other than MSME	588.82	428.16	-	-	-	1,016.98
(iii) Disputed dues of MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
Total	592.49	432.17	-	-	-	1,024.66

Trade payables - Ageing as at 31.03.2021

12. Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Security deposits received	2.30	3.84
(ii) Unclaimed/unpaid dividends (See note 4)	50.52	113.02
(iii) Retention money	0.08	9.02
Total	52.90	125.88

Notes forming part of the standalone financial statements

13. Current tax liabilities

	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
- Provision for income tax (Net of advance tax)	-	109.41
Total	-	109.41

14. Provisions

	(₹ in Lakhs)	
Particulars	As at 31.03.2022	As at 31.03.2021
(i) Provision for compensated absences	64.25	102.51
(ii) Provision for gratuity (See note 25)	224.01	299.10
(iii) Other provisions (See note below)	916.66	913.92
Total	1,204.92	1,315.53
Note:		
Provision for contingencies		
Opening balances	913.92	911.18
Add: Provisions made during the year	2.74	2.74
Closing balance	916.66	913.92

Provision for contingencies - claims with respect to interest and penalties under custom duty and related regulations, which is contested by the Company. The provision will be settled on conclusion of the matter.

15. Other non-financial liabilities

	(₹ in Lakhs)	
Particulars	As at 31.03.2022	As at 31.03.2021
(i) Statutory remittances (Contribution to PF, GST, TDS, withholding taxes)	127.72	145.27
(ii) Rental income received in advance	-	42.00
Total	127.72	187.27

16. Equity share capital

	(₹ in Lakhs)	
Particulars	As at 31.03.2022	As at 31.03.2021
Equity share capital	6,902.30	6,901.81
	6,902.30	6,901.81
Authorised share capital:		
350,000,000 (As at March 31, 2021 : 350,000,000) equity shares of ₹ 2 each with voting rights	7,000.00	7,000.00
Issued and subscribed capital comprises:		
345,114,771 (As at 31 March, 2021, 345,090,302) equity shares of ₹ 2 each fully paid up with voting rights	6,902.30	6,901.81

Notes forming part of the standalone financial statements

Fully paid equity shares:	Number of shares	Share capital (₹ in Lakhs)
Balance as at April 1, 2020	26,95,09,487	5,390.19
Add: Issue of shares (refer note 27 and 41)	7,55,80,815	1,511.62
Balance as at March 31, 2021	34,50,90,302	6,901.81
Add: Issue of shares (refer note 27)	24,469	0.49
Balance as at March 31, 2022	34,51,14,771	6,902.30

Refer notes (i) to (v) below

- (i) The Company has only one class of equity shares having a par value of ₹ 2 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Fully paid equity shares with voting rights:				
- Mitsui Sumitomo Insurance Company Limited	7,54,58,088	21.86%	7,54,58,088	21.87%
- Max Ventures Investment Holdings Private Limited	5,03,80,920	14.60%	5,82,09,137	16.87%
- Mirae Asset Midcap Fund	1,87,75,529	5.44%	1,28,11,533	3.71%

(iii) Shares held by promoters

Promoter name	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	% of total shares	No. of Shares	% of total shares
- Max Ventures Investment Holdings Private Limited	5,03,80,920	14.60%	5,82,09,137	16.87%
- Analjit Singh	1,10,000	0.03%	1,10,000	0.03%
- Neelu Analjit Singh	1,00,000	0.03%	1,00,000	0.03%
- Piya Singh	1,10,333	0.03%	1,10,333	0.03%
- Tara Singh Vachani	1,00,000	0.03%	1,00,000	0.03%

(iv) Change in shares held by promoters during the current year

Promoter name	Increase/ (decrease) in shareholding
- Max Ventures Investment Holdings Private Limited *	-2.27%
- Neelu Analjit Singh	-
- Analjit Singh	-
- Piya Singh	-
- Tara Singh Vachani	-

* During the year Max ventures Investment Holdings Private Limited has sold 7,828,217 equity shares of the Company.

Notes forming part of the standalone financial statements

(v) Shares reserved for issuance

As at March 31, 2022 - Nil (As at March 31, 2021 : 65,865) shares, face value of ₹2 each were reserved for issuance towards outstanding employee stock options granted under Employee Stock Option Plan 2003 (ESOP) of the Company. (See note 27.1).

The Company had issued 2,386,634 equity shares (during the year 31 March, 2021 : 2,648,215) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employee services.

17. Other equity

(₹ in Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
(i) Securities premium	4,68,045.21	4,67,905.23
(ii) Share options outstanding account	-	80.90
(iii) General reserve	16,418.22	16,418.22
(iv) Surplus in Statement of Profit and Loss	1,83,593.42	1,73,240.30
Total	6,68,056.85	6,57,644.65

(₹ in Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
a. Securities premium		
i. Opening balance	4,67,905.23	42,483.58
ii. Add : Premium on issue of shares in MSI swap transaction (See note 41)	-	4,24,912.04
iii. Add : Premium on shares issued during the year (other than above)	139.98	509.61
iv. Closing balance (A)	4,68,045.21	4,67,905.23
b. Share options outstanding account		
i. Employees stock option outstanding (ESOP)	80.90	424.05
ii. Add : ESOP compensation expense	17.99	166.46
iii. Less : ESOPs write back	(55.53)	-
iv. Less : Transferred to securities premium account on exercise	(43.36)	(509.61)
v. Closing balance (B)	-	80.90
c. General reserve		
i. Opening balance	16,418.22	16,418.22
ii. Add : Addition during the year	-	-
iii. Closing balance (C)	16,418.22	16,418.22
d. Surplus in Statement of Profit and Loss		
i. Opening balance	1,73,240.30	1,63,316.10
ii. Add: Profit for the year	10,262.28	9,922.65
iii. Add : ESOPs write back	55.53	-
iv. Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	35.31	1.55
v. Closing balance (D)	1,83,593.42	1,73,240.30
(A+B+C+D)	6,68,056.85	6,57,644.65

Notes forming part of the standalone financial statements

18. Other income

(₹ in Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Interest on income tax refund	55.08	57.02
(b) Interest on loan to employees	0.08	0.02
(c) Interest on security deposit	2.08	4.24
(d) Net profit on sale of property, plant and equipment	0.66	-
(e) Rental income	1.80	3.45
(f) Liabilities/provisions no longer required written back	176.00	78.33
	235.70	143.06

19. Employee benefits expense

(₹ in Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Salaries and wages *	2,055.91	1,846.72
(b) Contribution to provident and other funds (See note 25)	40.89	44.31
(c) Gratuity expense (See note 25)	35.49	35.03
(d) Expense on employee stock option scheme (See note 27)	17.99	187.60
(e) Staff welfare expenses	11.63	11.76
Total	2,161.91	2,125.42
* Includes one - time special incentive paid to senior leadership team of the Company for their valued contribution in consummation of Max Financial – Axis transaction.		
	775.00	-

20. Depreciation, amortisation and impairment

(₹ in Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Depreciation of property, plant and equipment (See note 9A)	156.29	156.85
(b) Depreciation of right-of-use assets (See note 9B)	191.36	223.05
Total	347.65	379.90

21. Other expenses

(₹ in Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Recruitment and training expenses	0.33	0.23
(b) Rent including lease rentals (See note 28)	90.17	149.62
(c) Insurance	45.34	32.25
(d) Rates and taxes	232.74	58.11
(e) Repairs and maintenance - others	196.61	228.47
(f) Power and fuel	23.70	3.93
(g) Printing and stationery	7.87	7.43
(h) Travelling and conveyance	212.26	235.92
(i) Communication	39.95	34.55
(j) Director's sitting fees	68.98	82.67
(k) Commission to directors (See note 29)	220.00	400.00

Notes forming part of the standalone financial statements

(₹ in Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(l) Director's remuneration (See note 29)	300.00	-
(m) Business promotion	25.03	10.27
(n) Advertisement expenses	4.00	6.14
(o) Net loss on sale/disposal of property, plant and equipment	-	10.82
(p) Debit balances written off	2.58	-
(q) Charity and donation	0.11	-
(r) Net loss on foreign currency transactions and translation	-	7.89
(s) Provision for contingencies (See note 14)	2.74	2.74
(t) Miscellaneous expenses	116.98	99.13
Total	1,589.39	1,370.17

22. Income taxes

A Income tax recognised in Statement of Profit and Loss

(₹ in Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Current tax		
In respect of current year [See note (e) below]	3,191.75	3,660.96
Adjustments recognised in the year for current tax of prior periods	-	247.79
	3,191.75	3,908.75
(b) Deferred tax charge/(credit) [See note (e) below and note 22B]		
In respect of current year	1,254.21	(884.89)
Total tax expense charged in Statement of Profit and Loss	4,445.96	3,023.86

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Profit before tax	14,708.24	12,946.51
Applicable tax rate	25.17%	29.12%
Income tax expense calculated	3,701.77	3,770.02
Adjustments recognised in the year for deferred tax of prior periods (See note below)	-	(2,113.35)
Effect of expenses that are not deductible in determining taxable profit	744.19	1,138.33
Effect on account of transfer of employees from group	-	(18.93)
Adjustments recognised in the period for current tax of prior periods (See note 22 d)	-	247.79
Total tax expense charged in Statement of Profit and Loss	4,445.96	3,023.86

Notes forming part of the standalone financial statements

(d) Income tax recognised in Other Comprehensive Income

Deferred tax [See note (e) below and note 22B]

Arising on income and expenses recognised in other comprehensive income

(₹ in Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
- Remeasurement of defined benefit obligation	11.87	0.63
	11.87	0.63

- (e) During the year, the Company has elected to the option permitted under section 115BAA of the Income - tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Company has recognised provision of Income tax and remeasured its deferred tax asset/liabilities basis the rate prescribed in the said section and taken the full effect to Statement of profit and loss in the current year.

B Movement in deferred tax asset/(liability)

(i) Movement of deferred tax asset/(liability) for the year ended March 31, 2022

(₹ In Lakhs)				
Particulars	Opening balance as on April 1, 2021	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance as on March 31, 2022
<u>Tax effect of items constituting deferred tax liabilities</u>				
Fair value of Financial Instruments measured at FVTPL	(43.35)	(676.46)	-	(719.81)
	(43.35)	(676.46)		(719.81)
<u>Tax effect of items constituting deferred tax assets</u>				
Property, plant and equipment	146.68	(63.25)	-	83.43
Provision for employee benefit expenses	130.59	(118.72)	(11.87)	-
Accrued expenses deductible on deduction of TDS	123.49	(123.49)	-	-
MAT credit entitlement	444.27	(444.27)	-	-
Other	82.58	171.98	-	254.56
	927.61	(577.75)	(11.87)	337.99
Deferred tax asset/(liability) (net)	884.26	(1,254.21)	(11.87)	(381.82)

Notes forming part of the standalone financial statements

(ii) Movement of deferred tax asset/(liability) for the year ended March 31, 2021

(₹ In Lakhs)				
Particulars	Opening balance as on April 1, 2020	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance as on March 31, 2021
<u>Tax effect of items constituting deferred tax liabilities</u>				
Fair value of Financial Instruments measured at FVTPL	(65.34)	21.99	-	(43.35)
Property, plant and equipment		-	-	-
	(65.34)	21.99	-	(43.35)
<u>Tax effect of items constituting deferred tax assets</u>				
Property, plant and equipment	65.34	81.34	-	146.68
Provision for employee benefit expenses	-	131.22	(0.63)	130.59
Accrued expenses deductible on deduction of TDS	-	123.49	-	123.49
MAT credit entitlement	-	444.27	-	444.27
Carry forward business loss to be adjusted in future years	-	82.58	-	82.58
	65.34	862.90	(0.63)	927.61
Deferred tax assets/(liabilities) (net)	-	884.89	(0.63)	884.26

Note:

The Company has recognised provision of income tax and remeasured its deferred tax asset /liabilities basis the rate prescribed in the section 115BAA and taken the full effect to Statement of profit and loss in the current year.

23. Commitments and contingent liabilities

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
A. Capital commitments		
(i) Estimated amount of contracts remaining to be executed on property, plant & equipments and not provided for (net of advances)	-	-
B. Contingent liabilities		
Claims against the Company not acknowledged as debts (Refer note 'a' below)		
(i) Demands raised by custom authorities	473.99	462.85
(ii) Demands raised by service tax authorities *	352.58	352.58
* Amount deposited under protest	12.00	12.00

C. Other commitments

- The Company through a call/put option has to acquire the remaining shareholding held by MSI at ₹ 85 for every equity share of ₹ 10 each held by MSI in Max Life ("MSI Put/Call Option") (See note 41).
- Axis Entities have a right to acquire upto 7% (previous year 10.02%) of the equity share capital of Max Life held by the Company, in one or more tranches (See note 42).

* No provision is considered necessary since the Company expects a favourable decisions.

Notes forming part of the standalone financial statements

24. Segment information

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

25. Employee benefit plans

(i) Defined contribution plans

The Company makes National Pension Scheme contributions which is defined contribution plan for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Employers contribution to National Pension Scheme	4.77	5.76

(ii) Defined benefit plans

A Gratuity:

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

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

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

Interest risk

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

Longevity risk

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

Salary risk

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

Notes forming part of the standalone financial statements

No other post-retirement benefits are provided to these employees

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at March 31, 2022 by Manohar Lal Sodhi, Consulting Actuary, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

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

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Discount rate(s)	5.70%	6.40%
Expected return on plan assets	7.50%	7.50%
Salary escalation	8.00%	10.00%
Retirement age	58-65 years	58-65 years
Mortality tables	IALM (2012 - 14)	IALM (2012 - 14)
Attrition (%) - All ages	15% p.a.	5% p.a.
Estimate of amount of contribution in the immediate next year (₹ in Lakhs)	71.80	83.57

The following tables set out the funded status of the defined benefit scheme and amounts recognised in the Company's standalone financial statements as at March 31, 2022:

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

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Service cost		
- Current service cost	16.00	21.38
- Reduction due to difference identified in the plan assets at the beginning of the period	0.33	-
Interest cost (net)	19.16	13.65
Components of defined benefit costs recognised in profit or loss	35.49	35.03
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amounts included in net interest expense)	(0.06)	(0.08)
- Actuarial (gains)/losses arising from changes in demographic assumptions	(4.86)	-
- Actuarial (gains)/losses arising from changes in financial assumptions	(6.74)	1.63
- Actuarial (gains)/losses arising from experience adjustments	(35.52)	(3.73)
Components of defined benefit costs recognised in other comprehensive income/(loss)	(47.18)	(2.18)
Total	(11.69)	32.85

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

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

Notes forming part of the standalone financial statements

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

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Present value of defined benefit obligation	232.59	307.44
Fair value of plan assets	8.58	8.34
Net liability arising from defined benefit obligation	224.01	299.10

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

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Opening defined benefit obligation	307.44	217.75
Current service cost	16.00	21.38
Interest cost	19.67	14.15
Liability transferred from Max India Limited to the enterprise.	-	85.71
Liability transferred from Max Skill First Limited to the enterprise.	-	2.14
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	(4.86)	-
- Actuarial gains and losses arising from changes in financial assumptions	(6.74)	1.63
- Actuarial gains and losses arising from experience adjustments	(35.52)	(3.73)
Benefit paid - Paid by the Enterprise	(63.40)	(31.59)
Closing defined benefit obligation	232.59	307.44

- (e) Movements in the present value of the plan assets are as follows:

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Plan assets at beginning of the year	8.34	7.76
Reduction due to difference identified in the plan assets at the beginning of the period	(0.33)	-
Interest Income	0.51	0.50
Return on plan assets (excluding amounts including in net interest expense)	0.06	0.08
Plan assets at the end of the year	8.58	8.34

- (f) Disaggregation of plan assets into classes:

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Assets Invested in Insurance Scheme with the insurer	100%	100%

- (g) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
- i) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 5.15

Notes forming part of the standalone financial statements

Lakhs (increase by ₹ 5.43 Lakhs) [as at March 31, 2021: decrease by ₹ 15.57 Lakhs (increase by ₹ 17.23 Lakhs)].

- ii) If the expected salary growth increases (decreases) by 1.00%, the defined benefit obligation would increase by ₹ 5.26 Lakhs (decrease by ₹ 5.09 Lakhs) [as at March 31, 2021: increase by ₹ 16.48 Lakhs (decrease by ₹ 15.22 Lakhs)].

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

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

- (h) The average duration of the benefit obligation represents average duration for active members at March 31, 2022: 8.42 years (as at March 31, 2021: 10.80 years).

B Provident Fund:

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

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

The details of fund and plan asset position as per the actuarial valuation of active members are as follows:

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Plan assets at year end at fair value	1,617.59	1,585.70
Present value of defined benefit obligation at year end	1,606.53	1,577.54
Surplus as per actuarial certificate	11.06	8.16
Shortfall recognised in balance sheet	-	-
Active members as at year end (Nos)	10	13

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

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Discount rate	5.66%	5.18%
Yield on existing funds	8.10%	8.50%
Expected guaranteed interest rate	8.10%	8.50%

Notes forming part of the standalone financial statements

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

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Employer's Contribution towards Provident Fund (PF)	40.89	44.31
Total	40.89	44.31

C. Compensated absences

Liability for compensated absence for employees is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Actuarial Assumptions:	31.03.2022	31.03.2021
Discount Rate (per annum)*	5.70%	6.40%
Rate of increase in compensation levels**	8.00%	10.00%

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

** Future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Basic EPS		
Profit attributable to shareholders (₹ in Lakhs)	10,262.28	9,922.65
Weighted average number of equity shares outstanding during the year (Nos.)	34,51,11,540	29,31,50,829
Face value per equity share (₹)	2.00	2.00
Basic Earnings Per Share (₹)	2.97	3.38
Diluted EPS		
Equivalent weighted average number of employee stock options outstanding (Nos)	23,986	1,15,220
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	34,51,35,526	29,32,66,049
Diluted Earnings Per Share (₹)	2.97	3.38

27 Employee Stock Option Plan

27.1 Employee Stock Option Plan – 2003 (“the 2003 Plan”):

The Company had instituted the 2003 Plan, which was approved by the Board of Directors on August 25, 2003 and by the shareholders on September 30, 2003. The 2003 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2003 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to five years and options can be exercised within two years from vesting date. As amended in the 2003 Plan and approved the shareholders in Annual General Meeting held on September 30, 2014, the Option Price will be determined

Notes forming part of the standalone financial statements

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.

Options were priced at fair value on the date of grant by using Black Scholes model, by an approved valuer engaged by the Company. The key assumptions used to estimate fair value of options are as follows:

Particulars	31.03.2022	31.03.2021
Risk- free interest rate	-	5.51% - 6.63%
Expected volatility (standard dev - annual)	-	43.48% - 47.27%
Expected life (years)	-	3.00-5.99
Expected dividend yield	-	0%

* No ESOPs granted during the year ended March 31, 2022

Particulars	31.03.2022		31.03.2021	
	Number of options	Weighted Average exercise price (₹)	Number of options	Weighted Average exercise price (₹)
Option outstanding at the beginning of the year	65,865	393.12	1,54,737	85.25
Granted during the year	-	-	33,855	382.40
Forfeited during the year	(41,396)	393.12	-	-
Exercised during the year	(24,469)	393.12	(1,22,727)	2.00
Outstanding at the end of the year	-	-	65,865	393.12
Exercisable at the end of the year	-	-	8,003	404.45

For the current year, the weighted average share price at the exercise date was ₹ 393.12 (Previous year : ₹ 525.56).

The weighted average exercise price for stock options outstanding as at March 31, 2022 is ₹ 393.12 per share (March 31, 2021: ₹392.09 per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2022 is Nil (March 31, 2021: 2.02 years). The range of exercise prices for options outstanding at the end of the year was Nil (March 31, 2021: 2.00 to 404.45).

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.

28. Leases

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method along with the transition option to recognise Right-of-use assets (ROU) at an amount equal to the lease liabilities. The Company recorded the lease liabilities at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease.

Consequently, the nature of expenses in respect of Operating Leases had changed from lease rent to depreciation cost for the ROU assets and finance cost for the interest accrued on lease liabilities.

The Company has entered into short term lease arrangements for certain facilities and office premises. Rent expense of ₹ 90.17 Lakhs (March 31, 2021: ₹ 149.62 Lakhs) in respect of obligation under cancellable operating leases has been charged to the Statement of Profit and Loss for these short term lease arrangements.

Notes forming part of the standalone financial statements

Company as a Lessee

a. Following are the changes in the carrying value of right of use assets

(₹ in Lakhs)	
Particulars	Category of ROU assets
	Building
Balance as on 1 April, 2020	336.61
Additions	226.33
Depreciation	223.05
Balance as at March 31, 2021	339.89
Additions	-
Depreciation	191.36
Balance as at March 31, 2022	148.53

b. The following is the break-up of current and non-current lease liabilities:

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Current liabilities	125.48	184.45
Non-current liabilities	28.99	161.50
Total	154.47	345.95

c. The following is the movement in lease liabilities during the year:

(₹ in Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Opening balance	345.95	272.75
Additions	-	226.33
Finance cost accrued	13.61	21.50
Repayment of lease liabilities	205.09	174.63
Closing balance	154.47	345.95

d. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	129.32	205.09
One to five years	28.99	158.31
More than five years	-	-
Total	158.31	363.40

Company as a Lessor

The Company has entered into agreements of leasing out the properties. These are in the nature of operating leases and lease arrangements contain provisions for renewal. The total lease income in respect of such lease recognised in Statement of Profit and Loss for the year ended March 31, 2022 is ₹ 43.80 Lakhs (March 31, 2021: ₹ 45.45 Lakhs).

Notes forming part of the standalone financial statements

29. Related party disclosures

A. List of related parties

Subsidiary company	-	Max Life Insurance Company Limited
Names of other related parties with whom transactions have taken place during the year		
Entity/person having significant influence/control upon the Company	-	Max Ventures Investment Holdings Private Limited
	-	Mitsui Sumitomo Insurance Company Limited, Japan (w.e.f. December 8, 2020)
	-	Mr. Analjit Singh (Chairman)
Key Management Personnel (KMP)	-	Mr. Analjit Singh (Chairman & Non-executive Director)
	-	Mr. Mohit Talwar (Managing Director)
	-	Mr. Aman Mehta (Director)
	-	Mr. Dinesh Kumar Mittal (Director)
	-	Mrs. Naina Lal Kidwai (Director)
	-	Mr. Sahil Vachani (Director)
	-	Mr. Jai Arya (Director)
	-	Mr. Charles Richard Vernon Stagg (Director)
	-	Mr. Hideaki Nomura (Director) (w.e.f. December 8, 2020)
	-	Mr. Mitsuru Yasuda (Director) (w.e.f. December 8, 2020)
	-	Mr. K Narasimha Murthy (Director) (w.e.f. March 30, 2021)
	-	Mr. Jatin Khanna (Chief Financial Officer) (till September 30, 2021)
	-	Mr. Mandeep Mehta (Chief Financial Officer)
	-	(w.e.f. October 01, 2021 till April 30, 2022)
	-	Mr. Amrit Singh (Chief Financial Officer) (w.e.f. May 01, 2022)
	-	Mr. V Krishnan (Company Secretary)
Enterprises owned or significantly influenced by key management personnel or their relatives (with whom transactions have taken place during the year)	-	Max India Limited (formerly Advaita Allied Health Services Limited)
	-	Max Ventures and Industries Limited
	-	Antara Purukul Senior Living Limited
	-	Max Skill First Limited
	-	Antara Senior Living Limited
	-	Antara Assisted Care Services Limited
	-	Max Assets Services Limited
	-	Max UK Limited
	-	Delhi Guest House Private Limited
	-	New Delhi House Services Limited
	-	Forum I Aviation Private Limited
	-	SKA Diagnostic Private Limited
	-	Max Healthcare Institute Limited (till May 31, 2020)
	-	Max Financial Services Limited Employees' Provident Fund Trust
Employee benefit funds	-	

Note : The related parties have been identified by the management.

Notes forming part of the standalone financial statements

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

Nature of transaction	Name of related party	(₹ In Lakhs)	
		Year ended 31.03.2022	Year ended 31.03.2021
Sale of services	Max Life Insurance Company Limited	1,600.00	1,500.00
	Max India Limited (formerly Advaita Allied Health Services Limited)	438.75	400.61
	Max Ventures and Industries Limited	25.00	162.03
Rental income	Max India Limited (formerly Advaita Allied Health Services Limited)	1.80	1.80
Reimbursement of expenses (received from)	Max Life Insurance Company Limited	4.56	3.99
	Max Ventures and Industries Limited	3.65	3.19
	Max India Limited (formerly Advaita Allied Health Services Limited)	40.31	115.01
	Max Skill First Limited	-	5.24
	Antara Senior Living Limited	1.82	1.60
	Antara Assisted Care Services Limited	1.82	-
Reimbursement of expenses (paid to)	Max Life Insurance Company Limited	-	8.48
	Max India Limited (formerly Advaita Allied Health Services Limited)	15.68	-
Repairs and maintenance - others	New Delhi House Services Limited	141.47	129.17
	Max Assets Services Limited	-	6.03
	Max India Limited (formerly Advaita Allied Health Services Limited)	26.88	-
Miscellaneous expense	New Delhi House Services Limited	82.21	56.62
	Antara Senior Living Limited	-	10.98
	Antara Purukul Senior Living Limited	0.27	0.13
Contribution to provident fund	Max Financial Services Limited Employees' Provident Fund Trust	40.89	44.31
Insurance expense	Max Life Insurance Company Limited	8.99	5.71
Legal and professional expenses	Max India Limited (formerly Advaita Allied Health Services Limited)	650.00	530.00
	Max UK Limited	80.00	80.00
Lease rental/electricity payments	Delhi Guest House Private Limited	112.58	104.96
	Max India Limited (formerly Advaita Allied Health Services Limited)	87.48	184.40
	SKA Diagnostic Private Limited	93.75	100.00
Travelling and conveyance	Forum I Aviation Private Limited	59.81	62.64
Security deposit paid	Max India Limited (formerly Advaita Allied Health Services Limited)	21.87	-
Transfer (in) of fixed assets	Max India Limited (formerly Advaita Allied Health Services Limited)	1.48	20.55
Purchase of investment in subsidiary	Mitsui Sumitomo Insurance Company Limited (refer note 41)	-	4,26,421.20
Share capital issued	Mitsui Sumitomo Insurance Company Limited (refer note 41)	-	4,26,421.20

Notes forming part of the standalone financial statements

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

(₹ In Lakhs)			
Name of key management personnel	Nature of transaction (Note 1)	Year ended 31.03.2022	Year ended 31.03.2021
Mr. Mohit Talwar	Remuneration	1,147.16	1,956.87
Mr. Jatin Khanna	Remuneration	394.90	117.85
Mr. V Krishnan	Remuneration	227.04	125.68
Mr. Mandeep Mehta	Remuneration	9.00	-
Mr. Analjit Singh	Remuneration (Note 2)	300.00	-
Mr. Analjit Singh	Director sitting fees	6.00	8.00
Mr. Aman Mehta	Director sitting fees	14.00	15.00
Mr. Dinesh Kumar Mittal	Director sitting fees	15.00	16.00
Mrs. Naina Lal Kidwai	Director sitting fees	9.00	15.00
Mr. Sahil Vachani	Director sitting fees	5.00	6.00
Mr. Jai Arya	Director sitting fees	7.00	8.00
Mr. Charles Richard Vernon Stagg	Director sitting fees	5.00	5.00
Mr. K Narasimha Murthy	Director sitting fees	6.00	-
Mr. Analjit Singh	Commission	-	300.00
Mr. Aman Mehta	Commission	-	20.00
Mr. Dinesh Kumar Mittal	Commission	-	20.00
Mrs. Naina Lal Kidwai	Commission	-	20.00
Mr. Jai Arya	Commission	-	20.00
Mr. Charles Richard Vernon Stagg	Commission	-	20.00

Note 1 : As the future liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and, therefore, not included above. The figures do not include accrual recorded for Employee Share Based Payments.

Note 2 : Payments made to Mr. Analjit Singh pursuant to shareholders approval towards remuneration as non-executive chairman.

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

(₹ In Lakhs)			
Particulars	Name of related party	As at March 31, 2022	As at March 31, 2021
Trade receivables	Max Life Insurance Company Limited	1,507.56	1,662.21
	Max Ventures and Industries Limited	-	252.96
Security deposits receivable	Delhi Guest House Private Limited	22.82	22.82
	SKA Diagnostic Private Limited	25.00	25.00
	Max India Limited (formerly Advaita Allied Health Services Limited)	21.87	-
	New Delhi House Services Limited	54.49	21.75
Trade payables	Max India Limited (formerly Advaita Allied Health Services Limited)	-	261.33
	Max UK Limited	80.00	80.00
	Max Assets Services Limited	-	2.86
	Delhi Guest House Private Limited	5.82	-
	Investment in subsidiary	5,84,500.94	6,39,982.31

Notes forming part of the standalone financial statements

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

(₹ In Lakhs)					
Name of the Investee	As at 01.04.2021	Investment made during the year	Investment sold during the year (including loss on sale) (refer note 42)	As at 31.03.2022	Purpose
Investment in equity shares of					
Max Life Insurance Company Limited	6,48,798.36	-	64,297.42	5,84,500.94	Strategic investment

Name of the Investee	As at 01.04.2020	Investment made during the year	Investment sold during the year	As at 31.03.2021	Purpose
Investment in equity shares of					
Max Life Insurance Company Limited	2,20,281.31	4,49,944.76	21,427.71	6,48,798.36	Strategic investment

31. Financial Instruments

(a) Capital management

The capital management objectives of the Company are:

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

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

(b) Financial risk management objective and policies

Financial assets and liabilities:

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

As at March 31, 2022

(₹ in Lakhs)				
Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Cash and cash equivalents	38.44	-	-	38.44
Bank balances other than cash and cash equivalents	3,061.72	-	-	3,061.72
Trade receivables	1,507.56	-	-	1,507.56
Investments	-	-	87,816.19	87,816.19
Other financial assets	78.39	-	-	78.39
	4,686.11	-	87,816.19	92,502.30
Investment in equity shares of subsidiary and other investment carried at cost less impairment				5,84,500.94

Notes forming part of the standalone financial statements

Total financial assets				6,77,003.24
-------------------------------	--	--	--	--------------------

(₹ in Lakhs)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Trade payables	820.85	-	-	820.85
Lease liabilities	154.47	-	-	154.47
Other financial liabilities	52.90	-	-	52.90
	1,028.22	-	-	1,028.22

As at March 31, 2021

(₹ in Lakhs)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Cash and cash equivalents	22.34	-	-	22.34
Bank balances other than (a) above	124.22	-	-	124.22
Trade receivables	1,917.75	-	-	1,917.75
Loans	-	-	-	-
Investments	-	-	21,654.76	21,654.76
Other financial assets	53.64	-	-	53.64
	2,117.95	-	21,654.76	23,772.71
Investment in equity shares of subsidiary carried at cost less impairment				6,39,982.31
Total financial assets				6,63,755.02

(₹ in Lakhs)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Trade payables	1,024.66	-	-	1,024.66
Lease liabilities	345.95	-	-	345.95
Other financial liabilities	125.88	-	-	125.88
	1,496.49	-	-	1,496.49

(c) Risk management framework

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

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

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

(i) Market risk

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

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

Notes forming part of the standalone financial statements

(ii) Liquidity risk

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

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

(₹ in Lakhs)

	As at March 31, 2022				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Trade payables	820.85	-	-	-	820.85
Other financial liabilities	52.90	-	-	-	52.90
Total	873.75	-	-	-	873.75

(₹ in Lakhs)

	As at March 31, 2021				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Trade payables	1,024.66	-	-	-	1,024.66
Other financial liabilities	125.88	-	-	-	125.88
Total	1,150.54	-	-	-	1,150.54

(iii) Foreign currency risk

Foreign exchange risk comprises of risk that may arise to the Company because of fluctuations in foreign currency exchange rates. Fluctuations in foreign currency exchange rates may have an impact on the Statement of Profit and Loss. As at the year end, the Company was exposed to foreign exchange risk arising from foreign currency payables.

(iv) Interest rate risk

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

(v) Other price risk

The Company is exposed to price risks arising from fair valuation of Company's investment in mutual funds. The investments in mutual fund are held for short term purposes.

(vi) Credit risk

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

Notes forming part of the standalone financial statements

32. Fair value measurement

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

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	38.44	38.44	22.34	22.34
Bank balances other than cash and cash equivalents	3,061.72	3,061.72	124.22	124.22
Trade receivables	1,507.56	1,507.56	1,917.75	1,917.75
Investment - Investment in equity shares of subsidiary company	5,84,500.94	5,84,500.94	6,39,982.31	6,39,982.31
Other financial assets	78.39	78.39	53.64	53.64
Financial liabilities				
Trade payables	820.85	820.85	1,024.66	1,024.66
Lease liabilities	154.47	154.47	345.95	345.95
Other financial liabilities	52.90	52.90	125.88	125.88

Note :

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

- ii) Financial assets and liabilities measured at fair value as at March 31, 2022 and March 31, 2021 is as follows:

Particulars	As at 31.03.2022	Fair value measurement at end of the reporting period using			Valuation techniques
		Level 1	Level 2	Level 3	
Financial assets					
Investment in mutual funds	86,092.69	86,092.69	-	-	Based on the NAV report issued by the fund manager
Investment - Other investment	1,723.50	1,723.50	-	-	The fair value was derived using the market comparable approach based on recent market prices carried out by an independent valuer without any significant adjustments being made to the market observable data.
Total	87,816.19	87,816.19	-	-	

Particulars	As at 31.03.2021	Fair value measurement at end of the reporting period using			Valuation techniques
		Level 1	Level 2	Level 3	
Financial assets					
Investment in mutual funds	21,654.76	21,654.76	-	-	Based on the NAV report issued by the fund manager
Investment - Other investment	-	-	-	-	
Total	21,654.76	21,654.76	-	-	

- iii) Valuation inputs and relationships to fair value- investment property/Assets classified as property, plant and equipment (Level 1)

Notes forming part of the standalone financial statements

(₹ in Lakhs)

Particulars	Fair Value as at	
	March 31, 2022	March 31, 2021
Investment property (see note 6(c))	1,723.50	-

33. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in Lakhs)

Particulars	As at 31.03.2022			As at 31.03.2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
A. ASSETS						
1. Financial Assets						
(a) Cash and cash equivalents	38.44	-	38.44	22.34	-	22.34
(b) Bank balance other than (a) above	3,050.52	11.20	3,061.72	113.02	11.20	124.22
(c) Receivables - Trade receivables	1,507.56	-	1,507.56	1,917.75	-	1,917.75
(d) Investments	86,092.69	5,86,224.44	6,72,317.13	21,654.76	6,39,982.31	6,61,637.07
(e) Other financial assets	2.89	75.50	78.39	1.58	52.06	53.64
Total financial assets	90,692.10	5,86,311.14	6,77,003.24	23,709.45	6,40,045.57	6,63,755.02
2. Non financial Assets						
(a) Current tax assets (Net)	-	195.22	195.22	-	387.85	387.85
(b) Deferred tax assets (net)	-	-	-	-	884.26	884.26
(c) Property, plant and equipment	-	282.52	282.52	-	2,172.17	2,172.17
(d) Right-of-Use asset	-	148.53	148.53	-	339.89	339.89
(e) Other non-financial assets	60.32	12.00	72.32	103.97	12.00	115.97
Total non-financial assets	60.32	638.27	698.59	103.97	3,796.17	3,900.14
TOTAL Assets	90,752.42	5,86,949.41	6,77,701.83	23,813.42	6,43,841.74	6,67,655.16
B. LIABILITIES AND EQUITY						
1. Financial liabilities						
(a) Derivative financial instruments	-	-	-	-	-	-
(b) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	16.29	-	16.29	7.68	-	7.68
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	804.56	-	804.56	1,016.98	-	1,016.98
(c) Lease liabilities	125.48	28.99	154.47	184.45	161.50	345.95
(d) Other financial liabilities	52.90	-	52.90	125.88	-	125.88
Total financial liabilities	999.23	28.99	1,028.22	1,334.99	161.50	1,496.49
2. Non-financial liabilities						
(a) Current tax liability (Net)	-	-	-	109.41	-	109.41

Notes forming part of the standalone financial statements

Particulars	As at 31.03.2022			As at 31.03.2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(b) Provisions	288.26	916.66	1,204.92	97.16	1,218.37	1,315.53
(c) Deferred tax liabilities (net)	381.82	-	381.82	-	-	-
(d) Other non-financial liabilities	127.72	-	127.72	187.27	-	187.27
Total non-financial liabilities	797.80	916.66	1,714.46	393.84	1,218.37	1,612.21
Equity						
3. (a) Equity share capital	-	6,902.30	6,902.30	-	6,901.81	6,901.81
(b) Other equity	-	6,68,056.85	6,68,056.85	-	6,57,644.65	6,57,644.65
Total equity	-	6,74,959.15	6,74,959.15	-	6,64,546.46	6,64,546.46
Total liabilities and equity	1,797.03	6,75,904.80	6,77,701.83	1,728.83	6,65,926.33	6,67,655.16

34. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
35. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
36. The Company is primarily engaged in the business of growing and nurturing business investments in its subsidiary. The investments (financial assets) and dividend income (financial income) on the same has resulted in financial income to be in excess of 50% of its total income and its financial assets to be more than 50% of total assets. The management is of the view supported by legal opinion that the Company is an Unregistered Core Investment Company (Unregistered CIC) as laid down in the "Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016", as amended. Hence, registration under Section 45-IA of the Reserve Bank of India Act, 1934 is not required.
37. Payment to auditor (excluding Goods and Services Tax) (included in legal and professional)

Particulars	(₹ in Lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
To statutory auditor:		
For audit (Including limited reviews)	28.00	28.00
For certifications	-	5.00
Reimbursement of expenses	1.38	2.34
Total	29.38	35.34

Notes forming part of the standalone financial statements

38. Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

(₹ in Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
(i) Amounts payable to suppliers under MSME Development Act, 2006 (suppliers) as at year end		
- Principal	16.29	7.68
- Interest due thereon	-	-
(ii) Payments made to suppliers beyond the appointed day during the year		
- Principal	-	-
- Interest paid thereon	-	-
(iii) Amount of Interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSME Development Act, 2006	-	-
(iv) Amount of interest accrued and remaining unpaid as on last day	-	-
(v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

39. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40. Gain/(loss) on fair value changes for the year ended March 31, 2021 on derivative financial instruments represents gain/(loss) arising out of the Option arrangements relating to equity shares of Max Life Insurance Company Limited (Max Life), executed during the year ended March 31, 2016, amongst the Company, Axis Bank Limited and Mitsui Sumitomo Insurance Company Limited (MSI) and accounted for Fair Value Through Profit or Loss account (FVTPL) in standalone financial statements of the Company as per Ind AS 109.

On March 15, 2021, the Company acquired balance 0.74% equity shares of Max Life from Axis Bank Limited at a price of ₹166 per share (being fair value of Max Life determined on the date of transaction). Pursuant to such purchase and termination Letter to the Option Agreement entered among Axis Bank Limited, MSI, Max Life and the Company, balance equity share options of Max Life were cancelled.

41. The Board of Directors of the Company in its meeting held on March 3, 2020, had approved entering into a Put/Call arrangement for acquisition of balance shares held by Mitsui Sumitomo Insurance Company Limited (MSI) in Max Life Insurance Company Limited ('Max Life') and matters incidental thereto at a price of ₹ 85 per share ("MSI Put/Call Option"). The shareholders of the Company approved the said MSI Put/Call Option on May 27, 2020.

In this regard the Company had executed definite agreement, which is subject to receipt of requisite regulatory approvals.

Notes forming part of the standalone financial statements

During the current year, Max Life had filed an application for approval with IRDAI for acquisition of 99,136,573 equity shares constituting 5.17% equity stake in Max Life (balance shares held by MSI) of Max Life by the Company under MSI Put/Call option. Pending receipt of requisite approvals, the said transaction cannot be considered concluded at the current date and hence, no adjustments have been made in the financial year.

- 42.** The Board of Directors of the Company in its meeting held on April 27, 2020 approved entering into definitive agreements with Axis Bank for the sale of equity share capital of Max Life, a subsidiary of the Company, to Axis Bank, subject to receipt of shareholders' approval and other requisite regulatory approvals. The shareholders of the Company approved the transaction on June 16, 2020.

On October 30, 2020, the Company, Max Life, Axis Bank and its subsidiaries (together "Axis Entities"), i.e. Axis Capital Limited and Axis Securities Limited ("Axis Bank subsidiaries") entered into agreements for acquisition of upto 19.002% of the equity share capital of Max Life ("Agreements"). Under the Agreements, Axis Bank will acquire upto 9.002% of the equity share capital of Max Life and Axis Bank subsidiaries will acquire upto 3% of the share capital of Max Life. In addition, Axis Entities will have a right to acquire upto 7% of the equity share capital of Max Life, in one or more tranches.

Pursuant to receipt of all the approvals, the Company had transferred 38,376,257 equity shares of ₹ 10 each of Max Life to Axis Capital Limited and 19,188,128 equity shares of ₹ 10 each of Max Life to Axis Securities Limited on March 26, 2021, fully paid up at a price of ₹ 31.51 per share for consideration aggregating to ₹ 181.39 crores. The weighted average carrying value of such investments was ₹ 37.22 per share and hence, a loss on sale of investments of ₹ 32.89 Crores was recorded during the year ended March 31, 2021.

On April 6, 2021, the Company transferred 172,731,531 equity shares of ₹ 10 each of Max Life to Axis Bank, fully paid up at a price of ₹ 32.12 per share for consideration aggregating to ₹ 554.81 crores. The Company had accounted for an impairment loss of ₹ 88.16 crores in the value of such investments during the year ended March 31, 2021, being the difference between weighted average carrying value of such investments i.e. ₹ 37.22 per share and the transaction price. The transaction price of ₹ 31.51 and ₹ 32.12 per share, for the aforesaid transfer of shares effected on March 26, 2021 and April 6, 2021 respectively were computed based on the valuation of Max Life conducted as per Rule 11 UA read with Rule 11 UAA of the Income-tax Rules, 1962 (herein referred to as 'Transaction Price'). The methodology of computation of transaction price was approved by 99.90% shareholders through postal ballot and also stated in the definitive agreements entered with Axis Entities.

In respect of right of Axis entities to acquire 7% of equity share capital of Max Life, the Company had executed definitive agreement with the parties, which is subject to receipt of requisite regulatory approvals. Pending receipt of requisite approvals, the said transaction cannot be considered concluded at the current date and hence, no adjustments have been made in the financial year.

- 43.** Estimation of uncertainties relating to COVID-19 global health pandemic:

The Company has assessed the impact of COVID-19 on its operations as well as its standalone financial, including carrying amounts of trade receivables, investments and property, plant and equipment, as at March 31, 2022. In assessing the carrying value of these assets, the Company has used internal and external sources of information up to the date of approval of these standalone financial, and based on current estimates, expects the net carrying amount of these assets to be recovered. The Company will continue to closely monitor any material changes to the business and financial due to COVID-19.

Notes forming part of the standalone financial statements

44. The Company does not have any transactions with struck off Companies u/s 248 or 560 of Company Act, 2013.

45. Additional Regulatory Information

Ratio	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	Variance
Current Ratio (In times)	Current assets (Financial assets less Investment in subsidiary and investment property)	Current liabilities	88.29	15.89	456%
Debt – Equity Ratio (In times)	Debt	Shareholder's Equity	NA	NA	NA
Debt Service Coverage Ratio (In times)	Earning before interest and taxes (EBITA)	Debt	NA	NA	NA
Return on Equity (ROE) (In %)	Net Profits after taxes	Average Shareholder's Equity	1.53%	2.22%	-31%
Trade receivables turnover ratio (In times)	Shared service revenue	Average Trade Receivable	1.21	1.07	12%
Trade payables turnover ratio (In times)	Legal & Professional and Other expenses	Average Trade Payables	3.22	3.15	2%
Net capital turnover ratio (In times)	Revenue	Working Capital	0.23	1.38	-84%
Net profit ratio (In %)	Net Profit for year	Revenue	50.96%	32.24%	58%
Return on capital employed (ROCE) (In %)	Earning before interest and taxes (EBITA)	Capital employed	2.18%	1.95%	12%
Return on Investment(ROI) (In %)	Income generated from invested funds	Average invested funds in treasury investments	6.34%	3.35%	89%

Reason for variance:

Current Ratio - higher due to increase in current investments and decrease in trade payables and lease liability

Return on Equity (ROE) - lower due to increase in average shareholder's equity

Net capital turnover ratio - lower due to increase in current investment and decline in revenue

Net profit ratio - higher due to decline in revenue

Return on Investment(ROI) - higher due to increase in treasury investments

46. Pursuant to sections 135(5) of Companies Act, 2013 and rule made thereunder, the Company need to ensure that at least 2% of average net profit of the preceding three financial years is spent on CSR activities. The Company does not have turnover of rupees one thousand crore or more or a net profit of rupees five crore or more as computed under section 135 of the Act during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year.

47. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of the standalone financial statements

- 48.** The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- 49.** The figures for the previous year have been regrouped/reclassified wherever necessary, to make them comparable.
- 50.** The standalone financial statements were approved for issue by the Board of Directors on May 10, 2022.

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Amrit Singh
(Chief Financial Officer)
Place : New Delhi
Date : May 10, 2022

Sahil Vachani
(Director)
DIN No:00761695

V Krishnan
+(Company Secretary)
M.No. - FCS-6527





FINANCIAL REVIEW

**Consolidated
Financial
Statements**

INDEPENDENT AUDITOR'S REPORT

To The Members of Max Financial Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Max Financial Services Limited** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of

the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

"Estimation of uncertainties relating to COVID-19 global health pandemic" of Max Life Insurance Company Limited, subsidiary company – Reported by auditors of subsidiary company

We draw attention to note 62(b) to the consolidated financial statements, which describes that the auditors of Max Life Insurance Company Limited, subsidiary company, in their auditor's report on the financial statements of that company for the year ended March 31, 2022, have reported under the above heading a matter regarding outbreak of COVID-19 pandemic and the assessment made by the management of the subsidiary company on its business and financial statements, including valuation of investments and valuation of policy liabilities as at and for the year ended March 31, 2022. This assessment and the outcome of the pandemic is as made by the management of the subsidiary company and is highly dependent on the circumstances as they evolve in the subsequent periods.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Multiple Information Technology Systems</p> <p>(In respect of the subsidiary company)</p> <p>The subsidiary company is highly dependent on technology due to the significant number of transactions that are processed daily across multiple and discrete Information Technology ("IT") systems. The audit approach relies extensively on automated controls and therefore on the effectiveness of controls over IT systems.</p> <p>IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.</p> <p>Management is in the process of implementing several remediation activities that are expected to contribute to reducing the risk over IT applications in the financial reporting process. These included implementation by subsidiary company wide preventive and detective controls across critical applications and infrastructure. Due to the pervasive nature, in preliminary risk assessment, the auditors of subsidiary company will begin by assessing the risk of a material misstatement arising from technology as significant for the audit.</p>	<p>Principal Audit Procedures performed in respect of subsidiary company:</p> <p>The auditors of subsidiary company performed a range of audit procedures, which included the following:</p> <p>Tested access rights over applications, operating systems and databases relied upon for financial reporting. Specifically, the tests were designed to cover the following:</p> <ul style="list-style-type: none"> - New access requests for joiners are properly reviewed and authorised; - User access rights are removed on a timely basis when an individual has left or moved role; - Periodic monitoring of access rights to applications, operating systems and databases for appropriateness; and - Highly privileged access is restricted to appropriate personnel. Other areas that were assessed included password policies, security configurations, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment. <p><u>Other procedures that were carried out are:</u></p> <ul style="list-style-type: none"> - Where inappropriate access was identified, the nature of the access was understood, and, where possible, obtain additional evidence on the appropriateness of the activities performed; - Obtained a list of users' access permissions and manually compared it to other access lists where segregation of duties was deemed to be of higher risk.

Sr. No.	Key Audit Matter	Auditor's Response
2.	<p>Valuation of Investments</p> <p>Due to the regulatory prescriptions applicable to recognition, measurement and disclosure of Investments and the assumptions used in the valuation of Investments, we have considered this as a key audit matter.</p> <p>The valuation of all investments should be as per the investment policy framed by the Company which in turn should be in line with IRDAI Investment Regulations.</p> <p>The Company has inter alia a policy framework for Valuation and impairment of Investments.</p> <p>The valuation of unquoted investments and thinly traded investments continues to be an area of inherent risk because of market volatility, unavailability of reliable prices and macroeconomic uncertainty.</p> <p>The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision as per the criteria set out in the investment policy. Further, the assessment of impairment involves significant management judgement.</p>	<p>To ensure that the valuation of investments and impairment provision considered in the financial statements is adequate, we have performed the following procedures:</p> <p>Assessed Valuation Methodologies with reference to investment regulations issued by IRDAI and the Company's board approved investment policy.</p> <p>Evaluation of the Company's Internal controls viz a viz the implementation of Investment Risk management System and processes.</p> <p>Tested the management oversight and controls over valuation of investments.</p> <p>Independently test-checked valuation of quoted and unquoted investments.</p> <p>Performed audit procedures over the Fair Value Change Account for specific investments.</p> <p>Substantive testing of transactions relating to Investments, reviewed and assessed the adequacy with respect to management assessment of identification of Non performing investments and impairment charge on such investments outstanding at the year end.</p> <p>Accordingly based on our audit procedures, we noted no reportable matters regarding investments and its valuation.</p>

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report (including annexures thereto), Business Responsibility Statement and Management discussion and analysis (MD&A) (collectively referred to as "other information"), but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other

information and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary company, is traced from their financial statements.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and

fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Parent, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information entities within the Group to express an opinion on the consolidated financial

statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements, of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the joint auditors, such joint auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Other Matters

In respect of Max Life Insurance Company Limited ("MLIC"), a subsidiary company, determination of the following as at year ended March 31, 2022 is the responsibility of the subsidiary's Appointed Actuary.

- i. The Actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2022 in respect of the subsidiary. In the opinion of the Appointed Actuary, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (IRDAI) and the Institute of Actuaries of India in concurrence with the IRDAI. The charge of "Net Change in Insurance and Investment Contract Liabilities" includes charge for actuarial valuation of liabilities for life policies in force and charge for the policies in respect of which premium has been discontinued but liability exists as at March 31, 2022. These charges have been actuarially determined, based on the liabilities duly certified by the subsidiary's Appointed Actuary; and
- ii. Other adjustments for the purpose of preparation of the Statement, as confirmed by the Appointed Actuary of subsidiary are in accordance with Indian Accounting Standard 104 on Insurance Contracts:
 - a. Assessment of contractual liabilities based on classification of contracts into insurance contracts and investment contracts;
 - b. Valuation and Classification of Deferred Acquisition Cost and Deferred Origination Fees on Investment Contracts and Valuation of Embedded Derivatives;
 - c. Grossing up and classification of the Reinsurance Assets; and
 - d. Liability adequacy test as at the reporting dates.
 - e. Disclosures as mentioned in note 42 of the consolidated financial statements.

The joint auditors of Max Life Insurance Company Limited ("MLIC"), subsidiary company have relied on the certificates of the Appointed Actuary in respect of above matters in forming their opinion on the financial information of the said subsidiary.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements

below, is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the auditors of the subsidiary company.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant 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 Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Parent and the report of the auditors of the subsidiary company, none of the directors of the Group companies is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements

of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 35 of consolidated financial statements.
 - ii. The liability for insurance contracts, is determined by the MLIC's Appointed Actuary, and is covered by the Appointed Actuary's certificate, referred to in Other Matters paragraph above, on which the auditors of the subsidiary company have placed reliance. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts - Refer Note 55 of consolidated financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company - Refer Note 56 of consolidated financial statements.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes forming part of standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other

persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes forming part of standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

Satpal Singh Arora

(Partner)

(Membership No. 98564)

(UDIN :22098564AISBW14177)

Place: New Delhi

Date: May 10, 2022

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)****Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Max Financial Services Limited** (hereinafter referred to as “Parent”) and its subsidiary company, which are companies incorporated in India, as of that date.

In respect of Max Life Insurance Company Limited (“MLIC”), a subsidiary company, the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 (the “IRDA Financial Statements Regulations”) and has been relied upon by the auditors of the subsidiary company, as mentioned in “Other Matters” paragraph of our audit report on the consolidated financial statements of the Group as at and for the year ended March 31, 2022. Accordingly, the auditors of the subsidiary company have not audited the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuarial valuation.

Management’s Responsibility for Internal Financial Controls

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

financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the joint auditors of the subsidiary company, which are companies incorporated in India, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance

MAX FINANCIAL SERVICES LIMITED

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

Satpal Singh Arora

Partner

(Membership No. 098564)

(UDIN : 22098564AISBW14177)

Place: New Delhi

Date: May 10, 2022

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
A. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	56,893.67	50,717.27
(b) Bank balance other than (a) above	4	3,061.72	124.22
(c) Trade receivables	5	-	255.54
(d) Investments	6	6,02,093.04	4,06,305.32
(e) Other financial assets	7	20,552.41	4,709.80
(f) Financial assets of Life Insurance Policyholders' Fund	8	1,08,94,788.42	91,44,408.61
Total financial assets		1,15,77,389.26	96,06,520.76
2. Non-financial assets			
(a) Current tax assets (net)	9	1,076.08	595.82
(b) Deferred tax assets (net)	24	129.85	884.26
(c) Investment Property	10A	8,686.76	8,839.08
(d) Property, plant and equipment	10B	282.52	2,172.17
(e) Goodwill	10C	52,525.44	52,525.44
(g) Right of use assets	11A	148.53	339.89
(h) Other non-financial assets	12	4,799.90	4,637.75
(i) Non-financial assets of Life Insurance Policyholders' Fund	13	1,29,816.84	1,30,044.05
Total non-financial assets		1,97,465.92	2,00,038.46
Total Assets		1,17,74,855.18	98,06,559.22
B. LIABILITIES AND EQUITY			
I. LIABILITIES			
1. Financial liabilities			
(a) Trade Payables	14		
(i) Total outstanding dues of micro enterprises and small enterprises		16.29	7.68
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,580.31	3,984.99
(b) Non-Convertible Subordinated Debentures (including interest accrued)	15	52,056.22	-
(c) Lease liability	40	154.47	345.95
(d) Other financial liabilities	16	5,289.70	172.59
(e) Financial liabilities of Life Insurance Policyholders' Fund	17	1,11,80,657.80	93,49,013.18
Total financial liabilities		1,12,41,754.79	93,53,524.39
2. Non-financial liabilities			
(a) Current tax liabilities (net)	18	-	109.41
(b) Provisions	19	1,204.92	1,315.53
(c) Deferred tax liabilities (net)	24	381.82	5,669.73
(d) Other non-financial liabilities	20	221.88	222.11
(e) Non-financial liabilities of Life Insurance Policyholders' Fund	21	82,800.15	85,214.12
Total non-financial liabilities		84,608.77	92,530.90
Total liabilities		1,13,26,363.56	94,46,055.29
II. EQUITY			
(a) Equity share capital	22	6,902.30	6,901.81
(b) Other equity	23	3,86,558.98	3,27,394.38
Equity attributable to owners of the Company		3,93,461.28	3,34,296.19
Non Controlling Interest		55,030.35	26,207.74
Total equity		4,48,491.63	3,60,503.93
Total liabilities and equity		1,17,74,855.18	98,06,559.22

See accompanying notes to the consolidated financial statements 1 to 69

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's registration no. 117366W/W-100018)

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Satpal Singh Arora
(Partner)
Membership No. 98564

Amrit Singh
(Chief Financial Officer)

V Krishnan
(Company Secretary)
M.No. - FCS-6527

Place : New Delhi
Date : May 10, 2022

Place : New Delhi
Date : May 10, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
1. Revenue from operations			
(a) Interest Income	25	22,652.30	21,216.72
(b) Dividend Income	26	269.39	245.67
(c) Rental Income		218.05	55.68
(d) Net gain on fair value changes	27	9,594.45	8,506.45
(e) Policyholders' Income from Life Insurance operations	28	30,84,916.45	30,96,803.13
(f) Sale of services		463.75	562.64
2. Total revenue from operations		31,18,114.39	31,27,390.29
3. Other income	29	643.91	1,410.96
4. Total income (2+3)		31,18,758.30	31,28,801.25
5. Expenses			
(a) Finance costs	30	2,473.56	26.72
(b) Impairment on financial instruments		(173.48)	(5,524.43)
(c) Employee benefits expenses	31	3,677.01	6,079.89
(d) Depreciation, amortisation and impairment	32	499.97	532.22
(e) Legal and professional expenses		1,384.78	1,832.02
(f) Policyholders' Expenses from Life Insurance operations	33	30,68,754.78	30,63,431.14
(g) Other expenses	34	3,275.79	3,134.44
6. Total expenses		30,79,892.41	30,69,512.00
7. Profit before tax (4-6)		38,865.89	59,289.25
8. Tax expense			
Relating to other than revenue account of Life Insurance policyholders			
Current tax	24	6,221.29	2,601.54
Deferred tax	24	804.12	712.68
Relating to revenue account of Life Insurance policyholders			
Current tax		-	-
Total tax expense		7,025.42	3,314.22
9. Profit for the year from continuing operations(7-8)		31,840.47	55,975.03
10. Other Comprehensive Income (OCI)			
Relating to revenue account of Life Insurance Policyholders'			
(i) Items that will not be reclassified to profit or loss in subsequent periods			
- Remeasurement of defined benefit obligations		137.81	237.00
Less: Transferred to Policyholders' Fund in the Balance Sheet		(137.81)	(237.00)
Subtotal (A)		-	-
(ii) Items that will be reclassified to profit or loss in subsequent periods			
- Changes in fair values of FVTOCI debt instruments		1,36,796.06	2,263.73
- Cash flow hedge		(15,486.99)	7,362.30
- Impairment loss (including reversals)		355.93	(0.35)
Less: Transferred to Policyholders' Fund in the Balance Sheet		(1,21,665.00)	(9,625.68)
Subtotal (B)		-	-
Relating to Others			
(i) Items that will not be reclassified to profit or loss in subsequent periods			
- Remeasurement of defined benefit obligations		47.18	2.18
- Income tax relating to items that will not be reclassified to profit or loss		(11.87)	(0.63)
Subtotal (C)		35.31	1.55

(₹ in Lakhs)

Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
(ii) Items that will be reclassified to profit or loss in subsequent periods			
- Changes in fair values of FVTOCI debt instruments		(1,435.96)	(512.82)
- Impairment loss (including reversals)		0.56	(0.18)
- Income tax relating to items that will be reclassified to profit or loss		208.99	74.69
Subtotal (D)		(1,226.41)	(438.31)
11. Other Comprehensive Income for the year (A+B+C+D)		(1,191.10)	(436.76)
12. Total Comprehensive Income (9+11)		30,649.37	55,538.27
Profit for the year attributable to			
Owners of the Company		25,337.00	42,539.40
Non-controlling interests		6,503.47	13,435.63
Other Comprehensive Income attributable to			
Owners of the Company		(970.89)	(558.76)
Non-controlling interests		(220.21)	122.00
Total Comprehensive Income attributable to			
Owners of the Company		24,366.11	41,980.64
Non-controlling interests		6,283.26	13,557.63
Earnings per share (EPS) (₹)	38		
(a) Basic EPS		7.34	14.51
(b) Diluted EPS		7.34	14.51

See accompanying notes to the consolidated financial statements

1 to 69

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's registration no. 117366W/W-100018)

Satpal Singh Arora
(Partner)
Membership No. 98564

Place : New Delhi
Date : May 10, 2022

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Amrit Singh
(Chief Financial Officer)

Place : New Delhi
Date : May 10, 2022

Sahil Vachani
(Director)
DIN No:00761695

V Krishnan
(Company Secretary)
M.No. - FCS-6527

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	38,865.89	59,289.25
Adjustments for:		
Depreciation, amortisation and impairment	18,021.28	16,165.93
Interest Expense	4,390.03	2,156.87
Interest and Dividend income from investments	(5,41,504.05)	(4,65,100.13)
Rent Income	(6,774.09)	(3,511.86)
Net loss/(profit) on sale/disposal of property, plant and equipments	49.84	21.06
Net (gain)/loss on fair value changes	(3,57,461.46)	(9,32,314.52)
Provision for diminution in value of long term investment	(199.76)	(8,273.21)
Liabilities/provisions no longer required written back	(176.00)	(78.33)
Provision for doubtful debts and bad-debts written off	181.30	400.53
Provision for rates and taxes	2.74	2.74
Expense on employee stock option scheme	17.99	166.46
Change in policyholder reserves (including funds for future appropriation)	16,99,756.95	19,39,720.85
Operating Profit before working capital changes	8,55,170.66	6,08,645.64
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	(6,505.54)	21,216.67
Loans	-	1.36
Other financial assets	(21,681.13)	(10,814.07)
Other non financial assets	449.48	1,636.21
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	22,749.27	40,374.52
Other financial liabilities	39,178.29	3,900.82
Provisions	(488.89)	(2,124.48)
Insurance contract liabilities	(30,278.96)	12,532.94
Other non financial liabilities	(1,990.68)	27,617.00
Cash generated from operations	8,56,602.50	7,02,986.61
Net income tax (paid)/refunds	(7,016.75)	(13,762.44)
Net cash from operating activities (A)	8,49,585.75	6,89,224.17
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment including capital advances	(12,799.92)	(8,295.97)
Proceeds from sale of property, plant and equipment	94.28	93.39
Bank balances not considered as Cash and cash equivalents (placed)/matured	(2,938.30)	40.57
Purchase of Investment Properties	-	(30,637.00)
Investments		
- Purchased	(13,40,47,846.55)	(10,02,29,879.55)
- Proceeds from sale	13,25,89,481.23	9,91,31,010.65
Investments in equity shares of subsidiary company		
- Purchased	-	(23,523.56)
- Sale	55,481.37	18,138.55
Proceeds from loan against policies	(13,384.90)	(10,576.96)
Interest, Rent and Dividend Received	5,48,375.17	4,68,476.87

(₹ In Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Net cash used in investing activities (B)	(8,83,537.62)	(6,85,153.01)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from ESOPs exercised (including share premium)	97.11	2.46
Dividend including distribution tax	(3,207.18)	(1,377.56)
Lease payments	(7,501.01)	(7,839.47)
Proceeds from issue of NCD by subsidiary company	49,600.22	-
Transaction cost for issue of NCD by subsidiary company	(191.78)	-
Net cash used in financing activities (C)	38,797.36	(9,214.57)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	4,845.49	(5,143.41)
E Cash and cash equivalents as at the beginning of the year	71,557.33	76,700.74
Cash and cash equivalents as at the end of the year *	76,402.82	71,557.33

(₹ In Lakhs)

	Year ended 31.03.2022	Year ended 31.03.2021
* Components of Cash and Cash Equivalents:		
Cash on hand	6,751.89	6,278.80
Balances with scheduled banks		
- On current accounts	69,650.93	65,128.53
- Deposits with original maturity of upto 3 months	-	150.00
Total cash and cash equivalents (See note 3 and note 9A)	76,402.82	71,557.33

The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7- Statement of Cash Flows.

See accompanying notes to the consolidated financial statements 1 to 69

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's registration no. 117366W/W-100018)

Satpal Singh Arora
(Partner)
Membership No. 98564

Place : New Delhi
Date : May 10, 2022

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Amrit Singh
(Chief Financial Officer)

Place : New Delhi
Date : May 10, 2022

Sahil Vachani
(Director)
DIN No:00761695

V Krishnan
(Company Secretary)
M.No. - FCS-6527

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

a) Equity share capital

(₹ in lakhs)	
Particulars	Amount
Balance at 1 April, 2020	5,390.19
Changes in equity share capital during the year	
Issue of equity shares (See note 22)	1,511.62
Balance at 31 March, 2021	6,901.81
Changes in equity share capital during the year	
Issue of equity shares (See note 22)	0.49
Balance at 31 March, 2022	6,902.30

b) Other equity

Particulars	Reserves and Surplus						Items of OCI FVTOCI Reserve	Attributable to owners of the Company	Attributable to Non controlling interest	Total other equity
	Securities premium	Capital Redemption Reserve	Share option outstanding account	Surplus in the statement of profit and loss	General Re- serve	Debenture Redemption Reserve				
Balance as at 01 April, 2020	42,483.58	2,587.84	424.05	1,46,199.79	15,358.07	-	2,208.47	2,09,261.80	67,233.41	2,76,495.21
Profit for the year	-	-	-	42,539.40	-	-	-	42,539.40	13,435.63	55,975.03
Other comprehensive income/(loss)	-	-	-	1.55	-	-	(560.31)	(558.76)	122.00	(436.76)
Total comprehensive income	-	-	-	42,540.95	-	-	(560.31)	41,980.64	13,557.63	55,538.27
Premium on shares issued during the year (See note 60)	4,24,912.04	-	-	-	-	-	-	4,24,912.04	-	4,24,912.04
Premium on issue of shares under ESOP	509.61	-	(509.61)	-	-	-	-	-	-	-
Interim Dividends	-	-	-	-	-	-	-	-	(1,377.56)	(1,377.56)
Dividend Distribution Tax	-	-	-	(5,140.58)	-	-	-	(5,140.58)	-	(5,140.58)
Share-based payments to employees (See note 23)	-	-	166.46	-	-	-	-	166.46	-	166.46
Transfer to non-controlling interest	-	-	-	-	-	-	-	-	(53,205.74)	(53,205.74)
Change in fair value of gross obligations over written put options issued to the non-controlling interests (See Note 59)	-	-	-	11,290.90	-	-	-	11,290.90	-	11,290.90
Gain/(loss) on stake change in subsidiary without loss of control (See Note 59, 60 and 61)	-	-	-	(3,55,076.88)	-	-	-	(3,55,076.88)	-	(3,55,076.88)
As at 31 March, 2021	4,67,905.23	2,587.84	80.90	(1,60,185.82)	15,358.07	-	1,648.16	3,27,394.38	26,207.74	3,53,602.12
Profit for the year	-	-	-	24,345.00	-	992.00	-	25,337.00	6,503.47	31,840.47
Other comprehensive income/(loss)	-	-	-	35.30	-	-	(1,006.19)	(970.89)	(220.21)	(1,191.10)
Total comprehensive income	-	-	-	24,380.30	-	992.00	(1,006.19)	24,366.11	6,283.26	30,649.37
Premium on issue of shares under ESOP	139.98	-	(43.36)	-	-	-	-	96.62	-	96.62
Interim Dividends	-	-	-	-	-	-	-	-	(3,206.96)	(3,206.96)
Debenture issues expenses adjustment	-	-	-	(191.78)	-	-	-	(191.78)	-	(191.78)
Dividend Distribution Tax	-	-	-	5,140.58	-	-	-	5,140.58	-	5,140.58
Share-based payments to employees (See note 23)	-	-	17.99	-	-	-	-	17.99	-	17.99
Transfer to non-controlling interest	-	-	-	-	-	-	-	-	25,746.31	25,746.31
ESOPs write back (See note 23)	-	-	(55.53)	55.53	-	-	-	-	-	-
Gain/(loss) on stake change in subsidiary without loss of control (See Note 59, 60 and 61)	-	-	-	29,735.08	-	-	-	29,735.08	-	29,735.08
As at 31 March, 2022	4,68,045.21	2,587.84	-	(1,01,066.11)	15,358.07	992.00	641.97	3,86,558.98	55,030.35	4,41,589.33

See accompanying notes to the consolidated financial statements 1 to 69

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's registration no. 117366W/W-100018)

Mohit Talwar
(Managing Director)
DIN No:02394694

Sahil Vachani
(Director)
DIN No:00761695

Satpal Singh Arora
(Partner)
Membership No. 98564

Amrit Singh
(Chief Financial Officer)

V Krishnan
(Company Secretary)
M.No. - FCS-6527

Place : New Delhi
Date : May 10, 2022

Place : New Delhi
Date : May 10, 2022

Notes forming part of the consolidated financial statements

1. Corporate information

Max Financial Services Limited ('the Company'/'the Parent') is a public limited company domiciled in India and incorporated on February 24, 1988 under the provisions of the Companies Act, 1956. The shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company is primarily engaged in the business of growing and nurturing business investments and providing management advisory services to group companies in India. The registered address of the Company is Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab – 144533

Max Life Insurance Company Limited ('the Subsidiary Company') was incorporated on July 11, 2000 as a public limited company under the Companies Act, 1956 to undertake and carry on the business of life insurance and annuity. The Subsidiary Company obtained a license from the Insurance Regulatory and Development Authority of India ('IRDAI') for carrying on life insurance business on November 15, 2000. The Subsidiary Company offers a range of participating, non-participating and linked products covering life insurance, pension and health benefits including riders for individual and group segments. These products are distributed by individual agents, corporate agents, banks, brokers and other channels.

2. Significant accounting policies

2.01 Basis of preparation

(i) Statement of compliance

The consolidated financial statements of the Company and the Subsidiary Company (collectively referred to as the 'Group') have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The Group presents its financial statements to comply with Division III of Schedule III to the Companies Act, 2013 which provides general instructions for the preparation of financial statements of a non-banking financial company (NBFC to comply with Ind AS) and the requirements of Ind AS.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy thereto in use.

(ii) Basis of preparation and presentation

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

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

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement

Notes forming part of the consolidated financial statements

date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets or liability. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

As permitted by Ind AS 104 Insurance Contracts, the Subsidiary Company continues to apply the existing accounting policies that were applied prior to the adoption of Ind AS, with certain modifications allowed by the standard subsequent to adoption for its insurance contracts and investment contracts with a discretionary participation feature (DPF).

The financial statements are presented in INR and all values are rounded to the nearest Lakhs, except when otherwise indicated.

As per the Insurance Act, 1938, (as amended by Insurance Laws (Amendment) Act, 2015) (the "Insurance Act"):

- A life insurer is required to carry all receipts due in respect of such business, into a separate fund to be called the life insurance fund. The assets of the life insurance fund are required to be kept distinct and separate from all other assets of the insurer and the deposit made by the insurer in respect of life insurance business is deemed to be part of the assets of such fund. [Section 10(2)].
- The life insurance fund is absolutely the security of the life policyholders as though it belonged to an insurer carrying on no other business than life insurance business. The life insurance fund would not be liable for any contracts of the insurer for which it would not have been liable had the business of the insurer been only that of life insurance. Also, the life insurance fund is not to be applied directly or indirectly for any

purposes other than those of the life insurance business of the insurer [Section 10(3)].

On account of the above regulatory restrictions on transfer of surplus/funds from the life insurance fund to shareholders, no proportion of the surplus relating to life insurance fund (including in respect of contracts without discretionary participating features) arising out of the adjustments due to application of Ind AS principles can be attributed to shareholders. Under the Previous GAAP fair valuation changes relating to the life insurance fund assets is accumulated within the liability group "Policyholders' Funds" in a line item labelled "Credit/(Debit) Fair Value Change Account" separately from "Policy Liabilities", "Insurance Reserves" and "Provision for Linked Liabilities". Therefore the differences arising from the application of the Ind AS principles to the assets and liabilities of the life insurance fund be retained within the "Life Insurance Policyholders' Fund" liability group as "Fair Valuation Differences of Policyholders' Investments", "Measurement difference of Ind AS 104 Adjustments" and "Measurement difference – Other Adjustments".

Further all assets, liabilities, income and expenses pertaining to the life insurance fund have been grouped under "Assets of life insurance fund", "Liabilities of Life insurance fund", "Income from life insurance operations" and "Expense of the life insurance operations" respectively.

2.02 Principles of Consolidation

The Consolidated financial statements comprise the financial statements of the Company and its subsidiary as at March 31, 2022. The Company has one Subsidiary Company in India, Max Life Insurance Company Limited. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

Notes forming part of the consolidated financial statements

- b. Exposure, or rights, to variable returns from its involvement with the investee, and
- c. The ability to use its power over the investee to affect its returns

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

The financial statements of the Subsidiary Company for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31, 2022.

Consolidation procedures:

- a. The financial statements of the Company and its subsidiary company are consolidated on line-by-line basis adding together the book value of assets, liabilities, equity, income, expenses and cash flows of the parent with its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements as at the acquisition date.
- b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c. Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating

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

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

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

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

Notes forming part of the consolidated financial statements

the related assets or liabilities.

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

2.03 Product classification

Insurance contracts are those contracts when the Group has accepted significant insurance risk from the policyholders by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. The Group determines whether the contract has significant insurance risk, by comparing benefits payable on death is higher by at least 5% of the fund value at any time during the term of the contract for unit linked products or higher by at least 5% of the premium at any time during the term of the contract for other than unit linked products. Investment contracts are those contracts that transfer significant financial risk and which do not carry significant insurance risk.

Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, index of price or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. Investment contracts are further classified as being either with or without discretionary participation features (DPF). DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits that are:

- Likely to be a significant portion of the total contractual benefits,
- The amount or timing of which is contractually at the discretion of the issuer, and
- That are contractually based on the:
 - o performance of a specified pool of contracts or a specified type of contract,

- o realised and/or unrealised investment returns on a specified pool of assets held by the issuer, or
- o the profit or loss of the company, fund or other entity that issues the contract.

For financial options and guarantees which are not closely related to the host insurance contract and/or investment contract with DPF, bifurcation is required to measure these embedded financial derivatives separately at fair value through the income statement. However, bifurcation is not required if the embedded derivative is itself an insurance contract and/or investment contract with DPF, or if the host insurance contract and/or investment contract itself is measured at fair value through the income statement. The Group has considered the probable embedded derivatives in the products offered and have calculated the value for embedded derivative separately for reporting under Ind AS 104 as at March 31, 2022.

2.04 Premium Income

The premium income for insurance contract and investment contract with discretionary participation feature (DPF) is recognised as revenue when due from policyholders. 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.

For investment contract without DPF, deposit accounting in accordance with Ind AS 104 and Ind AS 109 is followed. Consequently only to the extent of charges and fees collected from such investment contract is accounted as income in statement of profit and loss.

2.05 Income From Linked Policies

Income on linked policies including fund management charges, policy administration charges, surrender penalty charges, mortality charges, and other charges, wherever applicable, are recovered from the linked fund and recognised when due in accordance with the terms and conditions mentioned in the policies.

Notes forming part of the consolidated financial statements

2.06 Reinsurance Premium Ceded

Reinsurance premium ceded is accounted for at the time of recognition of premium income in accordance with the treaty or in-principle arrangement with the reinsurer.

2.07 Income from services

Revenue from contracts with customers is recognised when the Company satisfies a performance obligation by transferring promised services to a its customer in accordance with terms of relevant contracts. Revenue is measured based on the consideration specified in a contract with a customer.

For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The Company has assessed that it is primarily responsible for fulfilling the performance obligation and has no agency relationships. Accordingly the revenue has been recognized at the gross amount.

2.08 Acquisition Costs

Acquisition costs include expenses which are incurred to solicit and underwrite insurance contracts such as commission, medical fee, policy printing expenses, etc. These costs are expensed in the year in which they are incurred for insurance contract and investment contract with DPF. In case of investment contact without DPF, the acquisition costs are deferred as per policy mentioned in Note 2.13. Claw back of the commission paid, if any, is accounted for in the year in which it becomes recoverable.

2.09 Benefits and Claims

Gross benefits and claims for life insurance contracts and for investment contracts with DPF include the cost of all claims arising during the period including settlement of claims and policyholder bonuses declared. Death claims and surrenders are recorded on the basis of intimation received. Maturities and annuity payments are recorded when due.

2.10 Reinsurance Claims

Reinsurance claims is accounted for in the same period as the related claim and also in accordance with the treaty or in- principle arrangement with the reinsurer.

2.11 Life Insurance Contract Liability (including investment contract liabilities with DPF)

The actuarial liability for policies in-force as at the valuation date is determined using appropriate methods and assumptions that conform to the regulations issued by the IRDAI and the Actuarial Practice Standards (APS) issued by the Institute of Actuaries of India (IAI). Specifically, the key principles considered for the valuation relate to the IRDA (Assets, Liabilities and Solvency Margin of Life Insurance Business) Regulations, 2016 and the APS 1, APS 2 and APS 7 issued by the IAI.

The liability, valued on a policy by policy basis, is so calculated that together with future premium payments and investment income, the Group is able to meet all future claims (including bonus entitlements to policyholders, if applicable) and expenses, on the basis of actuarial estimates.

A brief description of the methodology used for valuing key categories of products is provided below:

1. The liability for individual non-linked business is valued using gross premium reserving methodology. For participating business, a reference is also made to the asset share of the policies as at the valuation date in order to appropriately allow for policyholders' reasonable expectations. The liability is floored to zero or the surrender value payable under the policies, if any.
2. The liability for individual (and group) unit linked business comprises of a unit reserve. Unit reserve represents the value of units using the net asset value at the valuation date.
3. The liability for group one year renewable term business is calculated using an unearned premium approach where the premium representing the unexpired policy term is held as a liability. For longer term group business, gross premium reserving methodology is used.
4. The liability for riders attached to a non-linked policy is calculated as higher of gross premium reserves and unearned premium reserves.

Notes forming part of the consolidated financial statements

The liabilities above also allow (either explicitly or implicitly) for any cost of guarantees/options inherent in the products.

The regulations also require the insurers to hold certain additional reserves. The key additional reserves cover the following sources of liability:

1. Additional source of liability for policies which are lapsed as at the valuation date but represent a potential source of future liability if they revive within their revival period (generally termed as lapse revival reserves). The reserves are calculated using an assumption of revival probability, based on Group experience.
2. Additional source of liability for policies which may exercise their option of cancelling the policy within the free look period offered (generally termed as free look cancellation reserves). The reserves are calculated using an assumption of free look cancellation, based on Group experience.
3. Liability against policies for which the insured event has already occurred but the claim has not been reported to the Group (generally termed as Incurred but Not Reported reserves).

2.12 Valuation of Investment Contract Liabilities without DPF:

Unitised investment contract fair values are determined by reference to the values of the assets backing the liabilities, which are based on the value of the unit-linked fund.

2.13 Deferred Acquisition Cost (DAC)/Deferment Origination Fees (DOF)

Certain incremental acquisition costs that are directly attributable to securing an investment contract without DPF are deferred and recorded in deferred expenses. These deferred costs are amortised over the period in which the service is provided. The DAC has following components:

- I. Initial (1st, 2nd and 3rd year) commission is higher than the remaining year's commission for these products. The differences between these commissions are spread over the whole term of the policy and the commission for unexpired term of the policy as on Balance sheet date is considered.

- II. First year distribution allowance is spread over the whole term of the policy and the allowance for the unexpired term of the policy as on Balance sheet date is considered.

DAC are derecognised when the related contracts are either settled or disposed off.

Similar to above calculation the Group has also calculated Deferment Origination Fees (DOF) to be taken as liability.

The DOF for the same products has following component:

- I. Initial (1st, 2nd and 3rd year) allocation charges are higher than the remaining year's allocation charges for these products. The difference between these charges are spread over the whole term of the policy and the charges for the unexpired term of the policy as on Balance sheet date is considered.

DOF are derecognised when the related contracts are either settled or disposed off.

2.14 Reinsurance Asset

The reinsurance credit taken, i.e. difference between gross reserves and net reserves, while calculating statutory reserves is held as reinsurance asset.

The Group cedes insurance risk in the normal course of business for all of its businesses.

2.15 Liability Adequacy Test (LAT)

For liability reporting as at 31 March 2022 under Ind AS 104, the gross liability would be same as gross liability used for statutory reporting. These liabilities as calculated on Gross Premium Valuation basis using Margin for Adverse Deviation (MAD) on best estimate assumptions which are equal to or on higher side than prescribed by the regulations/professional guidance hence there is no need to perform Liability Adequacy Test separately as at 31 March 2022.

The Group applies MAD for the following key assumptions in actuarial valuation of liabilities:

- I. Mortality/Morbidity/Longevity
- II. Lapse/Surrender/Paid-up/Partial-Withdrawal
- III. Interest rate
- IV. Expenses

Notes forming part of the consolidated financial statements

1.16 Income from investments

Interest income on investments is recognized on accrual basis. Amortization of discount/premium relating to the debt securities and money market securities is recognized over the remaining maturity period on an Effective Interest Rate (EIR) method. Dividend income is recognized on ex-date and when right to receive payment is established.

The realised profit/loss on debt/money market securities for amortised security is the difference between the net sale consideration and the amortised cost of securities.

Profit or loss on sale/redemption of securities classified as Fair value through other comprehensive income is recognized on trade date basis and includes effects of accumulated fair value changes, previously recognized and credited to other comprehensive income, for investments sold/redeemed during the period.

Profit or loss on sale/redemption of securities classified as Fair value through profit or loss is recognized on trade date basis and includes effects of accumulated fair value changes for investments sold/redeemed during the period.

2.17 Income earned on loans

Interest income on loans is recognised on an accrual basis are per Effective Interest Rate (EIR). Fees and charges also include policy reinstatement fees and loan processing fees which are recognised on receipt basis.

Interest income on policy reinstatement

Income on policy reinstatement is accounted for on receipt basis.

2.18 Income on Investment Property

Lease rentals on investment property is recognised on accrual basis and include only the realisable rent. Costs related to operating and maintenance of investment property are recognised as expense in the Profit and Loss

2.19 Financial Instrument - Investments

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

Initial recognition and measurement

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

Subsequent measurement

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

i. Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. Expected Credit losses (ECL) are recognised in the statement of profit or loss when the investments are impaired.

ii. Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and

Notes forming part of the consolidated financial statements

selling the financial assets, and

- b. The asset's contractual cash flows represent SPPL.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals in the profit or loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to profit or loss. Interest earned on FVTOCI debt instrument is reported as interest income using the EIR method.

iii. **Financial instruments at fair value through profit or loss (FVTPL)**

Items at fair value through profit or loss comprise:

- a. items held for trading;
- b. debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss is initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

De-recognition of Financial Assets

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity/"Non financial liabilities of the life insurance fund" is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial assets.

2.20 Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected

credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost except for government security as no credit exposure is considered for such securities.
- b. Financial assets that are debt instruments and are measured as at FVTOCI except for government security as no credit exposure is considered for such securities.

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

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

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss. This amount is reflected under the head 'Impairment on financial instruments' in the Statement of Profit and Loss.

2.21 Financial liabilities

a. **Gross obligation over written put options issued to the non-controlling interests:**

The Parent Company has issued written put option to non-controlling interests in its subsidiary in accordance with the terms of underlying shareholders agreement. Should the option be exercised, the Parent Company has to settle such liability by payment of cash.

Notes forming part of the consolidated financial statements

Initial recognition:

The amount that may become payable under the option on exercise is recognised as a financial liability at its present value with a corresponding charge directly to the shareholders' equity.

Subsequent measurement:

In the absence of any mandatorily applicable accounting guidance, the Group has elected an accounting policy to recognise changes on subsequent measurement of the liability in shareholders' equity.

b. Other financial liabilities

Initial recognition and measurement

The Group's financial liabilities include investment contracts without DPF and trade and other payables. Financial liabilities are classified at initial recognition, as financial liabilities at FVTPL or payables. All financial liabilities are recognised initially at fair value.

Subsequent measurement - Financial liabilities at FVTPL

Financial liabilities at FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Subsequent measurement - Trade and other payables

After initial recognition, trade and other payables are subsequently measured at amortised cost. Gains and losses are recognised in profit or loss when the liabilities are derecognized.

De-recognition of financial liabilities

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

carrying amounts is recognised in the statement of profit or loss.

2.22 Offsetting of financial instruments

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

2.23 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

Notes forming part of the consolidated financial statements

- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.24 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement includes cash in hand, bank balances, deposits with banks, other short-term highly liquid investments with original maturities of upto three months and which are subject to insignificant risk of change in value.

Receipts and Payments account is prepared and reported using the Indirect method in accordance with Indian Accounting Standard (Ind AS) 7, "Statements of Cash Flow".

2.25 Cash flow statement

Cash flows are reported using indirect method, whereby Profit/(loss) before tax reported under Statement of Profit and loss is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on available information.

2.26 Segment information

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

segments.

The Group allocates geographical revenue on the basis of location of the customers and non-current assets on the basis of the location of the assets.

2.27 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for employee share options and bonus shares, if any, as appropriate.

2.28 Leases

Group as a lessee

'The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. As a result, the comparative information has not been restated.

Notes forming part of the consolidated financial statements

The Group's lease asset classes primarily consist of leases for buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

'The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

In the comparative period, leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under

operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Group as a lessor

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

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

2.29 Property, plant and equipment and Intangible assets:

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Assets individually costing upto rupees five thousand and not as part of a composite contract are fully depreciated in the month of acquisition. Fixed assets at third party locations and not under direct physical control of the Group are fully depreciated over twelve months from the month of purchase.

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

Notes forming part of the consolidated financial statements

Depreciation on Property, plant and equipment has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 in respect of the following categories of assets

Assets	Estimated useful life
Furniture and Fixtures	10 years
Office Equipment	5 years

Depreciation on Property, plant and equipment, in respect of the following categories of assets, has been provided on the straight-line method as per the useful life of the assets which has been assessed taking into account the nature of the asset, the estimated usage of the assets the operating conditions of the asset, past history of replacement, etc.:

The management believes that the useful lives as mentioned below best represent the useful life of these respective assets, however these are different from those prescribed under part C of schedule II of the Companies Act, 2013:

Assets	Estimated useful life
Vehicles	5 years
Handheld devices	1 year
IT equipment including servers and networks	5 years
Laptops	3 - 4 years
Desktops	3 - 5 years

Leasehold land is amortised over the renewable period of respective leases subject to a maximum of 10 years.

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the year in which the expenditure is incurred.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Assets	Estimated useful life
Software (excluding Policy Administration System and Satellite systems)	4 years
Policy Administration System and Satellite systems	6 years

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

Impairment of Assets

The management assesses as at balance sheet date, using external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of depreciable historical cost. Such reversal is reflected in the statement of profit and loss.

2.30 Retirement and other employee benefits:

a. Short Term Employee Benefits

All employees' benefits payable within twelve months including salaries & bonuses, short term compensated absences and other benefits like insurance for employees are accounted on undiscounted basis during the accounting period in which the related services are rendered.

b. Post-Employment Benefits

Defined contribution plans

Employee's State Insurance:

The Group makes contribution to Employee's State Insurance, National Pension Scheme (Company contribution) and Labour Welfare Fund, being defined contribution plans, is charged to the Statement of Profit and Loss in the year the contribution is made. The Group does not have any further obligation beyond the contributions made to the funds.

Defined benefit plans

Provident Fund:

Notes forming part of the consolidated financial statements

The Group contributes to the employee provident trust "Max Financial Services Limited Employees' Provident Fund Trust" which is managed by the holding company and as per guidance on Ind AS-19, Employee Benefits, provident funds set up by employers, which requires interest shortfall to be met by the employer, which is a defined benefit plan. Both the employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Contributions and shortfall, if any, is charged to the Statement of Profit and Loss.

Gratuity:

The Group's liability towards Gratuity, Long Term Incentive Plan and Compensated Absences being defined benefit plans, is accounted for on the basis of independent actuarial valuations carried out as per 'Projected Unit Credit Method' at the balance sheet date. The discount rate used for actuarial valuation is based on the yield of Government Securities. The Company contributes the net ascertained liabilities under the plan to the Max Life Insurance Company Limited Employees Group Gratuity Plan.

The Group recognises the net defined benefit obligation of the gratuity plan, taking into consideration the defined benefit obligation using actuarial valuation and the fair value of plan assets at the Balance Sheet date, in accordance with Indian Accounting Standard (Ind AS) 19, "Employee Benefits". Actuarial gains or losses, if any, due to experience adjustments and the effects of changes in actuarial assumptions are recognized in the other comprehensive income (OCI).

c. Other Long Term Employee Benefits

Other long term employee benefits includes accumulated long term compensated absences and long term incentive plans. Accumulated long term compensated absences are entitled to be carried forward for future encashment or availment, at the option of the employee subject to Group's policies. Accumulated long term compensated absences are accounted for based on actuarial valuation determined using the projected unit credit method.

Long term incentive plans are subject to fulfillment of criteria prescribed by the Group and is accounted for on the basis of independent actuarial valuations at the balance sheet date.

2.31 Share-based payment arrangements

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

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

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

The Group had constituted a Phantom Stock option plan in 2016, to be settled in cash. The Group is required to make provisions for estimated cash requirement for settlement on the basis of Fair Market Value of equity shares of the Parent Company, Max India Limited and Max Ventures and Industries Limited as at end of each financial period/year till the estimated life of phantom stocks. As and when any cash payment is made on account of settlement of phantom stock, the provision is accordingly adjusted.

Notes forming part of the consolidated financial statements

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

2.32 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

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

Contingent liabilities are reviewed at each balance sheet date.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

2.33 Real Estate-Investment Property

The investment property is measured at historical cost. The Group assess at each balance sheet date whether any impairment of the investment property has occurred. Any impairment loss is recognised in the Statement of Profit

and Loss.

Investment property is amortised over their estimated useful life on straight line method as follows:

Assets	Estimated useful life
Buildings	60 years

2.34 Valuation of Derivative Instrument

'Interest rate swaps are contractual agreements between two parties to exchange fixed rate and floating rate interest by means of periodic payments, calculated on a specified notional amount and defined interest rates. Interest payments are netted against each other, with the difference between the fixed and floating rate payments paid by one party.

Forward Rate Agreements (FRA) is an agreement between two parties to pay or receive the difference (called settlement money) between an agreed fixed rate (FRA rate) and the interest rate prevailing on stipulated future date (the fixing date) based on a notional amount for an agreed period (the contract period).

For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect Profit or loss.

At the inception of the transaction, the Group documents the relationship between the hedging instrument and the hedged item, as well as the risk management objective and the strategy for undertaking the hedge transaction. The Group also documents its assessment of whether the hedge is expected to be, and has been, highly effective in offsetting the risk in the hedged item, both at inception and on an ongoing basis.

'Hedge effectiveness is the degree to which changes in cash flows of the hedged item that are attributable to a hedged risk are offset by changes in the cash flows of the hedging instrument. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The portion of fair value gain/loss on the Interest Rate Derivative that is determined to be an effective hedge is recognised in Other Comprehensive Income and the ineffective portion of the change in fair value of such instruments is recognised in the Statement

Notes forming part of the consolidated financial statements

of Profit and Loss in the period in which they arise. If the hedging relationship ceases to be effective or it becomes probable that the expected forecast transaction will no longer occur, hedge accounting is discontinued and accumulated gains or losses that were recognised directly in the Hedge Fluctuation Reserve are reclassified into Statement of Profit and Loss.

All derivatives are initially recognised in the Balance sheet at their fair value, which usually represents their cost. They are subsequently re-measured at their fair value, with the method of recognising movements in this value depending on whether they are designated as hedging instruments and, if so, the nature of the item being hedged. Fair values are computed using quoted market yields. All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

2.35 Taxation

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

Direct Taxes

Income Tax expense comprises of current tax and deferred tax charge or credit, as applicable. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Section 44 of the Income Tax Act, 1961 read with Rules contained in the First Schedule and other relevant provisions of the Income Tax Act, 1961 as applicable to a subsidiary company carrying on life insurance business.

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

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

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

Current and deferred taxes are recognised as income tax benefits or expenses in the income statement except for tax related to the fair value re-measurement of financial assets classified as FVOCI and the net movement on cash flow hedges, which are charged or credited to OCI. These exceptions are subsequently reclassified from OCI to the income statement together with the respective deferred loss or gain. The Group only off-sets its deferred tax assets against liabilities when there is both a legal enforceable right to offset and it is the Group's intention to settle on a net basis.

Indirect Taxes

The Group claims credit of Goods and Service Tax (GST) on input goods and services, which is set off against tax on output services/goods. As a matter of prudence, unutilized credits towards Goods and Service Tax/Service Tax on input services/goods are carried forward under Advances & Other Assets wherever there is reasonable certainty of utilization.

2.36 Loans

Loans against policies are valued at amortised cost i.e. aggregate of book values (net of repayments) plus capitalized interest, subject to provision for impairment, if any.

2.37 Foreign exchange transactions

At the time of Initial recognition, foreign currency transactions are recorded in Indian Rupees at the rate of exchange prevailing on the date of the transaction. Exchange gain & losses are recognised in the period in which they arise in the Profit & Loss Account.

2.38 Significant Accounting Judgment and Estimates

The preparation of the financial statements is in conformity with the Ind AS that requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements, and the reported amounts

Notes forming part of the consolidated financial statements

of revenue and expenses during the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances upto and as of the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

In the process of applying the accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a. **Business model assessment**

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. **Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price)

regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility

c. **Effective Interest Rate (EIR) method**

The Group's EIR methodology recognises interest income/expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given/taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments.

d. **Provisions and other contingent liabilities**

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Group's business.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the outflow of resources embodying economic benefits is not probable and the amount of obligation cannot be measured with sufficient reliability a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage

Notes forming part of the consolidated financial statements

of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

e. Subsequent measurement of gross obligations over written put options issued to the non-controlling interests

The Parent Company has issued written put options to the non-controlling interests of its subsidiary in accordance with the terms of underlying shareholders agreement. In respect of accounting for subsequent measurement of gross obligation on such written put options issued by the Parent Company, the Group has elected an accounting policy choice to recognize changes on subsequent measurement of the liability in shareholders' equity, in the absence of any mandatorily applicable accounting guidance under Ind AS.

f. Lease Accounting

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Notes forming part of the consolidated financial statements

3. Cash and cash equivalents

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash on hand	0.48	0.32
Balances with banks		
- Current accounts	56,893.19	50,566.95
- Deposits with original maturity of less than three months	-	150.00
Total	56,893.67	50,717.27

*Above does not include cash and cash equivalents pertaining to life insurance fund and disclosed in 8A.

4. Bank balances other than cash and cash equivalents

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balances in earmarked accounts		
- Unpaid dividend accounts (see note 16)	50.52	113.02
- Balances held as margin money against guarantee*	11.20	11.20
Balances in fixed deposit accounts (maturity of more than three months)	3,000.00	-
Total	3,061.72	124.22

* Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date

5. Receivables

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Trade receivables	-	255.54
Total	-	255.54

*Above does not include trade receivables pertaining to life insurance fund and disclosed in 8C and for aging schedule kindly refer note 51

6. Investments

(₹ In Lakhs)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Amortised cost	At Fair Value		Total	Amortised cost	At Fair Value		Total
		Through Other Comprehensive Income	Through profit or loss			Through Other Comprehensive Income	Through profit or loss	
Debt Securities:								
Government securities	1,01,293.22	29,137.48	-	1,30,430.70	53,162.91	26,486.53	-	79,649.44
Debt securities	1,90,605.39	91,784.65	-	2,82,390.04	1,55,010.09	60,334.07	-	2,15,344.16
Fixed Deposits	-	5,133.55	-	5,133.55	-	4,977.46	-	4,977.46
Reverse Repo	-	59,304.08	-	59,304.08	-	69,163.91	-	69,163.91
Shares								
Equity instruments	-	-	19,739.50	19,739.50	-	-	17,294.53	17,294.53
Mutual Funds	-	-	1,04,095.00	1,04,095.00	-	-	21,654.76	21,654.76
Others*	-	-	1,723.50	1,723.50	-	-	-	-
Total	2,91,898.61	1,85,359.76	1,25,558.00	6,02,816.37	2,08,173.00	1,60,961.97	38,949.29	4,08,084.26

Notes forming part of the consolidated financial statements

(₹ In Lakhs)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Amortised cost	At Fair Value		Total	Amortised cost	At Fair Value		Total
		Through Other Comprehensive Income	Through profit or loss			Through Other Comprehensive Income	Through profit or loss	
Less: Allowance for impairment	(723.33)	-	-	(723.33)	(1,778.94)	-	-	(1,778.94)
Total	2,91,175.28	1,85,359.76	1,25,558.00	6,02,093.04	2,06,394.06	1,60,961.97	38,949.29	4,06,305.32
Overseas Investments	-	-	-	-	-	-	-	-
Investments in India	2,91,898.61	1,85,359.76	1,25,558.00	6,02,816.37	2,08,173.00	1,60,961.97	38,949.29	4,08,084.26
Sub total	2,91,898.61	1,85,359.76	1,25,558.00	6,02,816.37	2,08,173.00	1,60,961.97	38,949.29	4,08,084.26
Less: Allowance for impairment	(723.33)	-	-	(723.33)	(1,778.94)	-	-	(1,778.94)
Total	2,91,175.28	1,85,359.76	1,25,558.00	6,02,093.04	2,06,394.06	1,60,961.97	38,949.29	4,06,305.32

Above does not include investments pertaining to life insurance fund and disclosed in Note 8E.

* During the current year, the Company has reclassified immovable property, held by the Company from Property, Plant and Equipment to Investment Property considering the current plans of the Company. The same was given to former employee who was providing consultancy services upto previous year.

Based on the current valuation report, obtained by the Company, the value of property is higher than the carrying value in the books of account and accordingly, the management has concluded that there is no risk of further impairment other than those provided for in previous years.

7. Other financial assets

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Security deposits	75.50	51.55
Interest accrued on deposits	2.89	1.58
Outstanding trades investment	-	515.23
Derivative margin money investment	20,470.02	4,141.44
Application money for investments	4.00	-
Total	20,552.41	4,709.80

*Above does not include other financial assets pertaining to life insurance fund and disclosed in 8F.

8. Financial assets of Life Insurance Policyholders' Fund

(₹ In Lakhs)

Particulars		As at 31.03.2022	As at 31.03.2021
Cash and cash equivalents	Note 8A	19,509.15	20,840.06
Derivative financial instruments	Note 8B	2,916.96	6,749.06
Trade receivables	Note 8C	67,715.93	60,801.18
Loans	Note 8D	66,607.16	53,222.46
Investments	Note 8E	1,03,77,322.54	87,70,269.51
Other financial assets	Note 8F	3,60,716.68	2,32,526.34
Total		1,08,94,788.42	91,44,408.61

Notes forming part of the consolidated financial statements

8A. Cash and cash equivalents (Policyholders)

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Cash and cash equivalents		
Cash on hand	6,751.41	6,278.48
Balances with banks - Current accounts	12,757.74	14,561.58
Total	19,509.15	20,840.06

8B. Derivative financial instruments - Assets (Policyholders)

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Carried at fair value through profit or loss		
Forward rate agreements (See note 44)	2,916.96	6,749.06
Total	2,916.96	6,749.06

* Included in above are derivatives held for hedging and risk management purposes as follows:

- Cash flow hedging	2,916.96	6,749.06
---------------------	----------	----------

8C. Trade Receivables (Policyholders)

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Trade receivables		
Unsecured, considered good	67,715.93	60,801.18
Total	67,715.93	60,801.18

*For aging schedule kindly refer note 51

8D. Loans (carried at amortised cost) (policyholders)

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Loans against policies	66,607.16	53,222.46
Total	66,607.16	53,222.46

Notes forming part of the consolidated financial statements

8E: Investments (Policyholders)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Amortised cost	At Fair Value		Total	Amortised cost	At Fair Value		Total
		Through Other Comprehensive Income	Through profit or loss			Through Other Comprehensive Income	Through profit or loss	
Investments of unit linked insurance contracts - Policyholders'								
Debt Securities:								
Government Securities	-	-	7,68,739.21	7,68,739.21	-	-	7,88,623.88	7,88,623.88
Debt Securities	-	-	3,98,824.50	3,98,824.50	-	-	3,02,452.21	3,02,452.21
Fixed Deposits	-	-	-	-	-	-	1,040.79	1,040.79
Reverse Repo	-	-	3,36,571.69	3,36,571.69	-	-	3,37,278.43	3,37,278.43
Shares:								
Equity Instruments	-	-	16,39,349.39	16,39,349.39	-	-	13,44,893.62	13,44,893.62
Mutual funds	-	-	1,60,823.20	1,60,823.20	-	-	1,44,097.20	1,44,097.20
Total (A)	-	-	33,04,307.99	33,04,307.99	-	-	29,18,386.13	29,18,386.13
Investments of other insurance contracts - Policyholders'								
Debt Securities:								
Government Securities	-	46,33,421.10	-	46,33,421.10	38,34,894.64	1,38,328.04	-	39,73,222.68
Debt Securities	-	14,18,631.30	-	14,18,631.30	9,79,511.96	91,818.22	-	10,71,330.18
Reverse Repo	-	1,90,106.87	-	1,90,106.87	1,12,945.27	88,990.40	-	2,01,935.67
Shares:								
Equity Instruments	-	-	7,44,041.81	7,44,041.81	-	-	4,62,893.64	4,62,893.64
Mutual funds	-	-	54,006.09	54,006.09	-	-	1,24,008.78	1,24,008.78
Alternate Investment Fund	-	-	11,631.26	11,631.26	-	-	6,401.96	6,401.96
Infrastructure Investment Trusts	-	-	21,176.12	21,176.12	-	-	12,473.68	12,473.68
Total (B)	-	62,42,159.27	8,30,855.28	70,73,014.55	49,27,351.87	3,19,136.66	6,05,778.06	58,52,266.59
Total (C=A+B)	-	62,42,159.27	41,35,163.27	1,03,77,322.54	49,27,351.87	3,19,136.66	35,24,164.19	87,70,652.72
Less: Allowance for Impairment loss (D)	-	-	-	-	(383.21)	-	-	(383.21)
Total E = (C) - (D)	-	62,42,159.27	41,35,163.27	1,03,77,322.54	49,26,968.66	3,19,136.66	35,24,164.19	87,70,269.51
Overseas Investments	-	-	-	-	-	-	-	-
Investments in India	-	62,42,159.27	41,35,163.27	1,03,77,322.54	49,27,351.87	3,19,136.66	35,24,164.19	87,70,652.72
Total (E)	-	62,42,159.27	41,35,163.27	1,03,77,322.54	49,27,351.87	3,19,136.66	35,24,164.19	87,70,652.72
Less: Allowance for Impairment loss	-	-	-	-	(383.21)	-	-	(383.21)
Total	-	62,42,159.27	41,35,163.27	1,03,77,322.54	49,26,968.66	3,19,136.66	35,24,164.19	87,70,269.51

Notes forming part of the consolidated financial statements

8F. Other financial assets (Policyholders)

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Dividend receivables	166.51	381.12
Lease rent receivables	165.12	48.00
Due from reinsurers	36,965.73	15,588.96
Security deposit	4,105.58	4,152.00
Outstanding trades - Investment	18,307.52	10,284.85
Derivative margin money investment	-	2,252.40
Reinsurance assets	1,76,728.68	97,354.66
Others	1,23,881.83	1,02,212.37
Total (a)	3,60,320.97	2,32,274.36
Due from Insurance agents, Insurance Intermediaries	633.40	667.90
Less: Allowance for impairment	(433.81)	(515.41)
Employee advances	480.80	290.01
Less: Allowance for impairment	(284.68)	(190.52)
Total (b)	395.71	251.98
Total (a+b)	3,60,716.68	2,32,526.34

9. Current tax assets (net)

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Advance income tax (net of provision)	1,076.08	595.82

10A Investment Property

(₹ In Lakhs)		
	Investment Property	Total
Gross carrying value		
As at 01 April, 2020	9,139.13	9,139.13
Additions	-	-
As at 31 March, 2021	9,139.13	9,139.13
Additions	-	-
Disposals	-	-
As at 31 March, 2022	9,139.13	9,139.13
Accumulated Depreciation		
As at 01 April, 2020	147.73	147.73
Depreciation expense	152.32	152.32
As at 31 March, 2021	300.05	300.05
Depreciation expense	152.32	152.32
Disposals	-	-
As at 31 March, 2022	452.37	452.37
Net block		
As at 31 March, 2021	8,839.08	8,839.08
As at 31 March, 2022	8,686.76	8,686.76

*Above does not include Investment property pertaining to life insurance fund and disclosed in Note 13A.

Notes forming part of the consolidated financial statements

10B Property, plant and equipment

(₹ In Lakhs)

	As at 31.03.2022	As at 31.03.2021
Carrying amounts of :		
a) Buildings	25.07	1,792.62
b) Office equipment	24.38	45.62
c) Computers	11.83	11.45
d) Furniture and fixtures	61.21	89.11
e) Leasehold improvements	77.89	110.09
f) Vehicles	82.14	123.28
	282.52	2,172.17

	Buildings [See notes (i) and (ii) below]	Office equipment	Computers	Furniture and fixtures	Leasehold improve- ments	Vehicles	Total
Gross carrying value							
As at 01 April, 2020	2,640.81	120.02	27.52	259.20	45.99	273.68	3,367.22
Additions	-	8.58	2.00	1.01	118.03	23.08	152.70
Disposals	-	16.04	2.57	94.67	45.99	94.98	254.25
As at 31 March, 2021	2,640.81	112.56	26.95	165.54	118.03	201.78	3,265.67
Additions	-	0.50	4.30	-	-	1.48	6.28
Disposals	-	19.99	3.05	0.44	-	10.91	34.39
Reclassification (See note 6)	2,611.74	-	-	-	-	-	2,611.74
As at 31 March, 2022	29.07	93.07	28.20	165.10	118.03	192.35	625.82
Accumulated depreciation							
As at 01 April, 2020	804.14	70.35	14.62	104.93	31.88	127.67	1,153.59
Depreciation expense	44.05	11.07	3.32	35.57	22.05	40.79	156.85
Elimination on disposals of assets	-	14.48	2.44	64.07	45.99	89.96	216.94
As at 31 March, 2021	848.19	66.94	15.50	76.43	7.94	78.50	1,093.50
Depreciation expense	44.05	10.19	3.59	27.62	32.20	38.64	156.29
Elimination on disposals of assets	-	8.44	2.72	0.16	-	6.93	18.25
Reclassification (See note 6 (c))	888.24	-	-	-	-	-	888.24
As at 31 March, 2022	4.00	68.69	16.37	103.89	40.14	110.21	343.30
Carrying amount							
As at 31 March, 2021	1,792.62	45.62	11.45	89.11	110.09	123.28	2,172.17
As at 31 March, 2022	25.07	24.38	11.83	61.21	77.89	82.14	282.52

*Above does not include property, plant and equipment pertaining to life insurance fund and disclosed in Note 13B.

Notes forming part of the consolidated financial statements

10C Goodwill

Particulars	(₹ In Lakhs)	
	Amount	Total
As at 01 April, 2020	52,525.44	52,525.44
Impairment of Goodwill	-	-
As at 31 March, 2021	52,525.44	52,525.44
Impairment of Goodwill	-	-
As at 31 March, 2022	52,525.44	52,525.44

Goodwill represents excess of consideration paid over the net assets acquired of Max Life Insurance Company Limited (MLIC) as on date of acquisition. This is monitored by the management at the level of CGU and is tested manually for impairment. The recoverable amount of cash generating unit was based on its value in use/estimated recoverable value. The carrying value of Goodwill as on 31 March 2022 is ₹ 52,525.44 Lakhs (31 March 2021 is ₹ 52,525.44 Lakhs). Taking into account of current business valuation of the subsidiary Company which significantly exceeds the carrying value of goodwill recorded upon acquisition, there is no impairment.

11A Right of use assets

Particulars	(₹ In Lakhs)	
	Right of use assets	Total
Gross carrying value		
As at April 1, 2020	486.57	486.57
Additions	226.33	226.33
Disposals	-	-
As at March 31, 2021	712.90	712.90
Additions	-	-
Disposals	-	-
As at 31 March, 2022	712.90	712.90
Accumulated depreciation		
As at April 1, 2020	149.96	149.96
Depreciation expense	223.05	223.05
Disposals	-	-
As at March 31, 2021	373.01	373.01
Depreciation expense	191.36	191.36
Disposals	-	-
As at 31 March, 2022	564.37	564.37
Carrying amount		
As at March 31, 2021	339.89	339.89
As at 31 March, 2022	148.53	148.53

*Above does not Right of use assets pertaining to life insurance fund and disclosed in Note 13D.

Notes forming part of the consolidated financial statements

12. Other non-financial assets

	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Prepaid expenses	56.89	99.02
Deposits under protest	12.00	12.00
Advances recoverable in cash or kind		
- Unsecured, considered good	2.28	0.58
- Unsecured, considered Doubtful	303.00	303.00
	305.28	303.58
Less: Impairment allowance for doubtful advances	(303.00)	(303.00)
	2.28	0.58
Balances with government authorities - input tax credit receivable		
- Unsecured, considered good	1.15	4.37
- Unsecured, considered Doubtful	16.98	192.98
	18.13	197.35
Less: Impairment allowance for doubtful balances	(16.98)	(192.98)
	1.15	4.37
Advance tax paid and taxes deducted at source (Net of provision for taxation)	4,727.58	4,521.78
	4,727.58	4,521.78
Total	4,799.90	4,637.75

*Above does not include other non financial assets pertaining to life insurance fund and disclosed in 13E.

13. Non-financial assets of Life Insurance Policyholders' Fund

		(₹ In Lakhs)	
Particulars		As at 31.03.2022	As at 31.03.2021
Investment property	Note 13A	70,466.08	71,774.61
Property, plant and equipment	Note 13B	8,501.70	8,068.82
Capital work in progress	Note 13B	159.24	29.59
Intangible assets	Note 13C	14,406.06	11,805.79
Intangible assets under development	Note 13C	2,972.60	2,227.78
Right of use asset	Note 13D	20,628.84	23,977.38
Other non- financial assets	Note 13E	12,682.32	12,160.08
Total		1,29,816.84	1,30,044.05

Notes forming part of the consolidated financial statements

13A : Investment property (Policyholders - See note 46)

(₹ In Lakhs)

	Investment Property	Total
Gross carrying value		
As at 01 April, 2020	42,975.83	42,975.83
Additions	30,636.51	30,636.51
Disposals	-	-
As at 31 March, 2021	73,612.34	73,612.34
Additions	-	-
Disposals	-	-
As at 31 March, 2022	73,612.34	73,612.34
Accumulated Depreciation		
As at 01 April, 2020	1,020.87	1,020.87
Depreciation expense	816.86	816.86
Disposals	-	-
As at 31 March, 2021	1,837.73	1,837.73
Depreciation expense	1,308.53	1,308.53
Disposals	-	-
As at 31 March, 2022	3,146.26	3,146.26
Net block		
As at 31 March, 2021	71,774.61	71,774.61
As at 31 March, 2022	70,466.08	70,466.08

13B: Property, plant & equipment (Policyholders)

(₹ In Lakhs)

Particulars	Leasehold Improvements	Computers	Office equipments	Furniture & Fixtures	Vehicles	Capital Work in progress	Total
Gross carrying value							
As at 01 April, 2020	5,562.71	6,073.38	2,791.92	1,982.54	193.32	95.88	16,699.75
Additions	503.94	769.10	180.94	85.82	42.03	29.59	1,611.42
Disposals	36.91	1.33	14.73	15.59	7.58	95.88	172.02
As at 31 March, 2021	6,029.74	6,841.15	2,958.13	2,052.77	227.77	29.59	18,139.15
Additions	478.19	2,123.89	334.00	46.38	110.00	129.65	3,222.11
Disposals	50.90	3.22	18.85	55.01	-	-	127.98
As at 31 March, 2022	6,457.03	8,961.82	3,273.28	2,044.14	337.77	159.24	21,233.28
Accumulated Depreciation							
As at 01 April, 2020	1,546.61	3,880.58	1,301.92	807.25	142.64	-	7,679.00
Depreciation expense	780.82	836.16	508.60	218.18	17.98	-	2,361.74
Disposals	-	-	-	-	-	-	-
As at 31 March, 2021	2,327.43	4,716.74	1,810.52	1,025.43	160.62	-	10,040.74
Depreciation expense	826.28	1,106.31	386.51	185.17	27.33	-	2,531.60
Disposals	-	-	-	-	-	-	-
As at 31 March, 2022	3,153.71	5,823.05	2,197.03	1,210.60	187.95	-	12,572.34
Net block							
As at 31 March, 2021	3,702.31	2,124.41	1,147.61	1,027.34	67.15	29.59	8,098.41
As at 31 March, 2022	3,303.32	3,138.77	1,076.25	833.54	149.82	159.24	8,660.94

For Capital work in progress aging schedule kindly refer note 53

Notes forming part of the consolidated financial statements

13C: Intangible assets (Policyholders)

(₹ In Lakhs)

	Software	Intangible assets under development	Total
Gross carrying value			
As at 01 April, 2020	25,545.91	1,102.36	26,648.27
Additions	6,250.92	1,125.42	7,376.34
Disposals	-	-	-
As at 31 March, 2021	31,796.83	2,227.78	34,024.61
Additions	10,460.52	744.82	11,205.34
Disposals	-	-	-
As at 31 March, 2022	42,257.35	2,972.60	45,229.95
Accumulated Amortisation			
As at 01 April, 2020	13,798.69	-	13,798.69
Amortisation expense	6,192.35	-	6,192.35
Disposals	-	-	-
As at 31 March, 2021	19,991.04	-	19,991.04
Amortisation expense	7,860.25	-	7,860.25
Disposals	-	-	-
As at 31 March, 2022	27,851.29	-	27,851.29
Net block			
As at 31 March, 2021	11,805.79	2,227.78	14,033.57
As at 31 March, 2022	14,406.06	2,972.60	17,378.66

For Intangible assets under development aging schedule kindly refer note 53

13D : Right of Use Assets (Policyholders)

(₹ In Lakhs)

	Right of Use Assets	Total
Gross carrying value		
As at 01 April, 2020	34,934.51	34,934.51
Additions	1,373.84	1,373.84
Disposals	-	-
As at 31 March, 2021	36,308.35	36,308.35
Additions	2,473.48	2,473.48
Disposals	-	-
As at 31 March, 2022	38,781.83	38,781.83
Accumulated Depreciation		
As at 01 April, 2020	6,067.85	6,067.85
Depreciation expense	6,263.12	6,263.12
Disposals	-	-
As at 31 March, 2021	12,330.97	12,330.97
Depreciation expense	5,822.03	5,822.03
Disposals	-	-
As at 31 March, 2022	18,153.00	18,153.00
Net block		
As at 31 March, 2021	23,977.38	23,977.38
As at 31 March, 2022	20,628.84	20,628.84

Notes forming part of the consolidated financial statements

13E: Other non-financial assets (Policyholders)

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Prepaid expenses	2,228.67	2,620.72
Stamps in hand	508.21	476.01
Deferred Lease expenses	886.55	868.91
Deferred acquisition cost	48.57	64.50
Service Tax Deposits	467.99	445.27
Receivable from Unit linked Fund	5,022.01	4,269.94
Total (a)	9,162.00	8,745.35
Advance to vendors		
Unsecured, considered good	3,520.32	3,414.73
Unsecured, considered doubtful	508.93	524.42
Less: Loss allowance for doubtful balances	(508.93)	(524.42)
Total (b)	3,520.32	3,414.73
Total (a) + (b)	12,682.32	12,160.08

14. Trade payables

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Trade payables - Other than acceptances		
- Total outstanding dues of Micro Enterprises and Small Enterprises (See note 47)	16.29	7.68
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,579.64	3,984.99
Total	3,595.93	3,992.67

*Above does not include trade payables pertaining to life insurance fund and disclosed in 17B and for aging schedule kindly refer note 52

15. Non-Convertible Subordinated Debentures

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Non-Convertible Subordinated Debentures	52,056.22	-
Total	52,056.22	-
Subordinated Liabilities in India	52,056.22	
Subordinated Liabilities outside India	-	
Total	52,056.22	-

During the year ended March 31, 2022, the subsidiary company has issued unsecured, subordinated, fully-paid, rated, listed, redeemable non-convertible debentures (NCDs) in the nature of 'Subordinated Debt' as per the IRDAI (Other Forms of Capital) Regulations, 2015. The said NCDs were allotted on August 02, 2021 and are redeemable at the end of 10 years from the date of allotment with a call option to the Company to redeem the NCDs post the completion of 5 years from the date of allotment and annually thereafter.

Notes forming part of the consolidated financial statements

a) Terms of Borrowings:

Security name	7.50% Max Life Insurance 2031
Type and Nature	Unsecured, subordinated, fully paid-up, rated, listed, redeemable NCDs
Face Value (per security)	₹ 10 Lakhs
Issue Size	₹ 49600 Lakhs
Date of Allotment	August 2, 2021
Redemption Date/Maturity Date	August 2, 2031
Call option Date 1, 2, 3, 4, 5	August 2, 2026, August 2, 2027, August 2, 2028, August 2, 2029 and August 2, 2030 respectively
Listing	Listed on Wholesale Debt Market (WDM) segment of NSE
Credit Rating	"CRISIL AA+/Stable" by CRISIL and "[ICRA]AA+(Stable)" by ICRA
Coupon Rate	7.50% per annum
Frequency of the Interest Payment	Annual

Interest of ₹ 2456.22 Lakhs (March 31, 2021: NA) on the said NCDs has been charged to the statement of Profit and Loss Account.

b) Maturity pattern from the date of issuance:

Maturity Buckets	Amount
1 to 5 years	-
Above 5 years	₹ 49600 Lakhs

c) The Group has written off the debenture raising expenses of ₹ 191.78 Lakhs (March 31, 2021 – Nil) against the retained earnings.

16. Other financial liabilities

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Security deposit received	135.17	50.55
Payables on purchase of investments	5,103.93	-
Retention money	0.08	9.02
Unclaimed/unpaid dividends (see note 4)	50.52	113.02
Total	5,289.70	172.59
*Above does not include other financial liabilities pertaining to life insurance fund and disclosed in 17C.		

17. Financial liabilities of the Life Insurance Policyholders' Fund

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Contract liabilities for insurance contracts		
Insurance Contract	99,86,905.85	83,39,031.60
Investment Contract	85,631.69	87,694.41
	1,00,72,537.54	84,26,726.01

Notes forming part of the consolidated financial statements

Ind AS 104 Adjustments (impacting contract liabilities of life insurance)

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Measurement adjustments	(47,799.55)	(61,349.66)
Grossing up reinsurance assets	1,76,728.68	97,354.66
	1,28,929.13	36,005.00
Fund for future appropriation	3,23,692.43	2,98,189.74

Restricted life insurance surplus retained in Policyholders' Fund

		(₹ In Lakhs)	
		As at 31.03.2022	As at 31.03.2021
Measurement difference of Ind AS 104 Adjustments		47,784.31	61,330.27
Fair value through profit or loss (FVTPL)		69,098.21	84,659.21
Fair value through other comprehensive income (FVOCI)		1,41,138.73	19,829.65
Measurement difference - Other Ind AS Adjustments		(6,594.95)	(4,754.74)
Realised Hedge Fluctuation Reserves (Policyholders)		13,204.94	12,321.31
Derivative financial instruments	Note 17A	24,902.74	5,470.74
Trade Payables	Note 17B	1,37,872.28	1,12,937.01
Lease Liability (See note 40)		24,590.00	27,493.27
Other financial liabilities	Note 17C	2,03,502.44	2,68,805.71
Total		1,11,80,657.80	93,49,013.18

17A. Derivative financial instruments - Liability (Policyholders)

		(₹ in Lakhs)	
Particulars		As at 31.03.2022	As at 31.03.2021
Carried at fair value through profit or loss			
Forward rate agreements (See note 44)		24,902.74	5,470.74
Total		24,902.74	5,470.74

17B: Trade payables

		(₹ In Lakhs)	
Particulars		As at 31.03.2022	As at 31.03.2021
Total outstanding dues of micro enterprises and small enterprises (See note 47)		44.70	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,37,827.58	1,12,937.01
Total		1,37,872.28	1,12,937.01

For aging schedule kindly refer note 52

Notes forming part of the consolidated financial statements

17C: Other financial liabilities

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Security deposit received	2,117.74	1,499.05
Derivative margin money	-	2,238.30
Payables on purchase of investments	1,10,113.23	2,13,666.29
Claims outstanding	80,750.68	42,017.36
Unclaimed amount of policyholders	5,495.95	5,683.85
Other payables	5,024.84	3,700.86
Total	2,03,502.44	2,68,805.71

18. Current tax liabilities (net)

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Provision for income tax (See note 35)	-	109.41
Total	-	109.41

19. Provisions

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Provision for compensated absences	64.25	102.51
Provision for gratuity (See note 37)	224.01	299.10
Other provisions (See note below)	916.66	913.92
Total	1,204.92	1,315.53

*Above does not include provisions pertaining to life insurance fund and disclosed in 21A.

Note:

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Provision for contingencies (See note below)		
Opening balances	913.92	108.43
Add: Provisions made during the year	2.74	805.49
Closing balance	916.66	913.92

Note: The Company has created a provision for claims received in current and previous years with respect to interest and penalties under custom duty and related regulations. The Company in the process of obtaining additional information into these matters and the provision will be settled on closure of same.

20. Other non-financial liabilities

(₹ In Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
Statutory remittances (Contributions to PF, GST, Withholding Taxes, etc.)	127.72	145.27
Rent Received in Advance	-	42.00
Other payables	94.16	34.84
Total	221.88	222.11

*Above does not include other non financial liabilities pertaining to life insurance fund and disclosed in 21B.

Notes forming part of the consolidated financial statements

21. Non-financial liabilities of Life Insurance Policyholders' Fund

		(₹ In Lakhs)	
Particulars		As at 31.03.2022	As at 31.03.2021
Provisions	Note 21A	3,702.88	4,126.60
Other non-financial liabilities	Note 21B	79,097.27	81,087.52
Total		82,800.15	85,214.12

21A: Provisions (Policyholders)

		(₹ In Lakhs)	
Particulars		As at 31.03.2022	As at 31.03.2021
Provision for employee benefits			
Provision for compensated absences		3,058.03	3,272.44
Provision for gratuity (See note 37)		644.85	854.16
Total		3,702.88	4,126.60

21B: Other non-financial liabilities (Policyholders)

		(₹ In Lakhs)	
Particulars		As at 31.03.2022	As at 31.03.2021
Statutory Dues Payable		13,545.39	12,381.06
Unallocated premium		35,237.47	38,264.57
Accrued Legal Claims		2,464.45	1,857.95
Proposal/Policyholder deposits		24,218.50	25,846.01
Unearned Revenue-Premium received in advance		2,556.77	1,757.37
Deferred operating fee		64.01	83.89
Deferred lease liability		1,010.68	896.67
Total		79,097.27	81,087.52

22. Equity share capital

		(₹ in lakhs)	
		As at 31.03.2022	As at 31.03.2021
Equity share capital		6,902.30	6,901.81
		6,902.30	6,901.81
Authorised share capital:			
350,000,000 (As at March 31, 2021 : 350,000,000) equity shares of ₹ 2 each with voting rights		7,000.00	7,000.00
Issued and subscribed capital comprises:			
345,114,771 (As at 31 March, 2021, 345,090,302) equity shares of ₹ 2 each fully paid up with voting rights			
		6,902.30	6,901.81

Fully paid equity shares:

		(₹ in lakhs)	
		Number of shares	Share capital
Balance as at 1 April, 2020		26,95,09,487	5,390.19
Add: Issue of shares		7,55,80,815	1,511.62
Balance as at 31 March, 2021		34,50,90,302	6,901.81
Add: Issue of shares		24,469	0.49
Balance as at 31 March, 2022		34,51,14,771	6,902.30

Notes forming part of the consolidated financial statements

Refer notes (i) to (iv) below

- (i) The Company has only one class of equity shares having a par value of ₹ 2 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Fully paid equity shares with voting rights:				
- Mitsui Sumitomo Insurance Company Limited	7,54,58,088	21.86%	7,54,58,088	21.86%
- Max Ventures Investment Holdings Private Limited	5,03,80,920	14.60%	5,82,09,137	16.87%
- Mirae Assets Equity Savings fund	1,87,75,529	5.44%	1,28,11,533	3.71%

(iii) Shareholding of Promoters

Promoter name	31.03.2022		31.03.2021	
	No. of Shares	% of total shares	No. of Shares	% of total shares
- Max Ventures Investment Holdings Private Limited	5,03,80,920	14.60%	5,82,09,137	16.87%
- Analjit Singh	1,10,000	0.03%	1,10,000	0.03%
- Neelu Analjit Singh	1,00,000	0.03%	1,00,000	0.03%
- Piya Singh	1,10,333	0.03%	1,10,333	0.03%
- Tara Singh Vachani	1,00,000	0.03%	1,00,000	0.03%

(iv) Change in shares held by promoters during the current year

Promoter name	Increase/ (decrease) in shareholding
- Max Ventures Investment Holdings Private Limited *	-2.27%
- Analjit Singh	-
- Neelu Analjit Singh	-
- Piya Singh	-
- Tara Singh Vachani	-

* During the year Max ventures Investment Holdings Private Limited has sold 7,828,217 shares of the Company.

(v) Shares reserved for issuance

As at March 31, 2022 - Nil (As at March 31, 2021 : 65,865) shares, face value of ₹ 2 each were reserved for issuance towards outstanding employee stock options granted under Employee Stock Option Plan 2003 (ESOP) of the Company. (See note 27.1).

The Company has issued total 2,386,634 shares (As at 31 March, 2021 : 2,648,215) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employee services.

Notes forming part of the consolidated financial statements

23. Other equity

Particulars	(₹ In Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Capital redemption reserve	2,587.84	2,587.84
Securities premium	4,68,045.21	4,67,905.23
Share options outstanding account	-	80.90
General Reserve	15,358.07	15,358.07
Surplus in the statement of profit and loss	(1,01,066.11)	(1,60,185.82)
FVTOCI Reserve	641.97	1,648.16
Debenture Redemption Reserve (DRR)	992.00	-
Total	3,86,558.98	3,27,394.38
Capital redemption reserve		
Opening balance	2,587.84	2,587.84
Add: addition during the year	-	-
Closing Balance	2,587.84	2,587.84
Securities premium		
Opening balance	4,67,905.23	42,483.58
Premium on issue of shares in MSI swap transaction (See note 60)	-	4,24,912.04
Premium on shares issued during the year (other than above)	139.98	509.61
Closing Balance	4,68,045.21	4,67,905.23
Share options outstanding account		
Opening balance	80.90	424.05
Recognition of share based payments	17.99	166.46
Less : ESOPs write back	(55.53)	-
Less : Transferred to securities premium account on exercise	(43.36)	(509.61)
Closing Balance	-	80.90
General Reserve		
Opening balance	15,358.07	15,358.07
Increase/(decrease) during the year	-	-
Closing Balance	15,358.07	15,358.07
Surplus in the statement of profit and loss		
Opening balance	(1,60,185.82)	1,46,199.79
Add: Profit for the year	24,345.00	42,539.40
Add : ESOPs write back	55.53	-
Add : Other comprehensive income/(loss)	35.30	1.55
Less : Debenture issues expenses adjustment	(191.78)	-
Deferred tax on undistributed earnings	5,140.58	(5,140.58)
Change in fair value of gross obligations over written put options issued to the non-controlling interests (See Note 59)	-	11,290.90
Gain/(loss) on stake change in subsidiary without loss of control (See note 59, 60 and 61)	29,735.08	(3,55,076.88)
Closing Balance	(1,01,066.11)	(1,60,185.82)
FVTOCI Reserve		
Opening balance	1,648.16	2,208.47
Other comprehensive income	(1,006.19)	(560.31)
Closing Balance	641.97	1,648.16
Debenture Redemption Reserve (DRR)		
Opening balance	-	-
Add: Reserve created during the year	992.00	-
Closing Balance	992.00	-
Total	3,86,558.98	3,27,394.38

Notes forming part of the consolidated financial statements

24 Income taxes

		(₹ in Lakhs)	
Particulars	Year ended 31.03.2022	Year ended 31.03.2021	
A Income tax recognised in Statement of Profit and Loss			
(a) Current tax			
In respect of current year	6,221.29	7,715.75	
Adjustments recognised for current tax of prior periods of the Company [See note 35B (vii)]	-	247.79	
Adjustments recognised for current tax of prior periods of subsidiary company (See note below)	-	(5,362.00)	
(b) Deferred tax			
In respect of current year	804.12	712.68	
	804.12	712.68	
Total tax expense charged in Statement of Profit and Loss	7,025.42	3,314.22	
(c) The income tax expense for the year can be reconciled to the accounting profit as follows:			
Profit before tax	38,865.89	59,289.25	
Applicable tax rate to the Company	25.17%	29.12%	
Income tax expense calculated	9,781.77	17,265.03	
Adjustments recognised in the year for deferred tax of prior periods	-	(2,113.21)	
Effect of expenses that are not deductible in determining taxable profit	744.19	1,138.33	
Effect on account of transfer of employees from group	-	(18.93)	
Effect of income that is exempt from taxation:			
Dividend Income on Equity Shares u/s 10(34)	(2,570.29)	(2,906.00)	
Pension profits [u/s 10(23AAB)]	(238.71)	(176.00)	
Deduction u/s 80JJAA	(240.06)	(248.00)	
Income taxed at different rates	(4,095.07)	(9,922.73)	
Adjustments on account of reversal of Dividend income received from Subsidiary	3,635.80	5,409.94	
Adjustments recognised for current tax of prior periods of the Company [See note 35B (vii)]	-	247.79	
Adjustments recognised for current tax of prior periods of subsidiary company (See note below)	7.79	(5,362.00)	
Total tax expense charged in Statement of Profit and Loss	7,025.42	3,314.22	

Note:

The subsidiary company had claimed dividend income exemption for the Assessment Years 2015-16, 2016-17 and 2018-19 (Financial year ended March, 31 2015, 2016 and 2018). However, on a conservative basis, the benefit of such exemption claim was not recorded in the books of account. During the previous year, the subsidiary company had received the Income Tax Refund Order amounting to ₹ 8,208.00 Lakhs (due to difference in tax positions while filing the returns), wherein the dividend exemption claim was allowed for the above mentioned Assessment Years. Accordingly, for the year ended March 31, 2021, provision for current tax of ₹ 7,963.54 Lakhs and reversal of provision for tax for earlier periods of ₹ 5,362.00 Lakhs have netted in current tax line item in these consolidated financial statements.

Notes forming part of the consolidated financial statements

B Income tax recognised in other comprehensive income**(a) Deferred tax (See note 24b)**

Arising on income and expenses recognised in other comprehensive income

Particulars	(₹ in Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Remeasurement of defined benefit obligation	(11.87)	(0.63)
Fair value of Financial Instruments measured at FVOCI	208.98	74.67
ECL on Investments measured at FVOCI	0.01	0.02
	197.12	74.06

During the year, the Group has elected to the option permitted under section 115BAA of the Income - tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Group has recognised provision of Income tax and remeasured its deferred tax asset/liabilities basis the rate prescribed in the said section and taken the full effect to Statement of profit and loss in the current year.

C Movement in deferred tax**(i) Movement of deferred tax for the year ended 31 March, 2022**

Particulars	(₹ In Lakhs)				
	Year ended 31.03.2022				Closing balance as on 31 March, 2022
	Opening balance as on 1 April, 2021	Recognised in profit or loss	Recognised in OCI	Recognised in Other equity	
Tax effect of items constituting deferred tax liabilities					
Fair value of Financial Instruments measured at FVTPL	(485.95)	(254.90)	-	-	(740.85)
Fair value of Financial Instruments measured at FVOCI	(282.98)	-	208.98	-	(74.00)
ECL on Investments measured at FVOCI	(0.01)	-	0.01	-	-
Deferred tax on undistributed earnings	(5,140.58)	-	-	5,140.58	-
	(5,909.52)	(254.90)	208.99	5,140.58	(814.85)
Tax effect of items constituting deferred tax assets					
Property, plant and equipment and other intangible assets	146.68	(63.25)	-	-	83.43
Fair value change related to employee Phantom Stock Plan expenses	39.31	14.18	-	-	53.49
Provision for employee benefit expenses	130.59	(118.72)	(11.87)	-	0.00
Accrued expenses deductible on deduction of TDS	123.49	(123.49)	-	-	-
MAT credit entitlement	444.27	(444.27)	-	-	-
ECL on Investments measured at amortised cost	113.42	(7.92)	-	-	105.50
Investment property	43.69	22.17	-	-	65.86
Other items	82.60	171.99	-	-	254.59
	1,124.05	(549.31)	(11.87)	-	562.88

Notes forming part of the consolidated financial statements

(₹ In Lakhs)

Particulars	Year ended 31.03.2022				
	Opening balance as on 1 April, 2021	Recognised in profit or loss	Recognised in OCI	Recognised in Other equity	Closing balance as on 31 March, 2022
Deferred tax assets/(liabilities)	(4,785.47)	(804.21)	197.12	5,140.58	(251.97)
Disclosed as:					
Deferred tax assets	884.26				129.85
Deferred tax liabilities	5,669.73				381.82
Deferred tax assets/(liabilities) (net)	(4,785.47)				(251.97)

(ii) Movement of deferred tax for the year ended 31 March, 2021

(₹ In Lakhs)

Particulars	Year ended 31.03.2021				
	Opening balance as on 1 April, 2020	Recognised in profit or loss	Recognised in OCI	Recognised in Other equity	Closing balance as on 31 March, 2021
Tax effect of items constituting deferred tax liabilities					
Fair value of Financial Instruments measured at FVTPL	302.69	(788.64)	-	-	(485.95)
Fair value of Financial Instruments measured at FVOCI	(357.65)	-	74.67	-	(282.98)
ECL on Investments measured at FVOCI	(0.03)	-	0.02	-	(0.01)
Deferred tax on undistributed earnings	-	-	-	(5,140.58)	(5,140.58)
	(54.99)	(788.64)	74.69	(5,140.58)	(5,909.52)
Tax effect of items constituting deferred tax assets					
Property, plant and equipment and other intangible assets	65.34	81.34	-	-	146.68
Fair value change related to employee Phantom Stock Plan expenses	32.45	6.86	-	-	39.31
Provision for employee benefit expenses	-	131.22	(0.63)	-	130.59
Accrued expenses deductible on deduction of TDS	-	123.49	-	-	123.49
MAT credit entitlement	-	444.27	-	-	444.27
ECL on Investments measured at amortised cost	929.42	(816.00)	-	-	113.42
Investment property	21.51	22.18	-	-	43.69
Other items	-	82.60	-	-	82.60
	1,048.72	75.96	(0.63)	-	1,124.05
Deferred tax assets/(liabilities)	993.73	(712.68)	74.06	(5,140.58)	(4,785.47)
Disclosed as:					
Deferred tax assets	993.74				884.26
Deferred tax liabilities	-				5,669.73
Deferred tax assets/(liabilities) (net)	993.74				(4,785.47)

Notes forming part of the consolidated financial statements

25. Interest income

(₹ In Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Interest income from investments		
On financial assets measured at fair value through OCI	5,135.86	7,158.52
On financial assets measured at Amortised cost	17,516.44	14,058.20
Total	22,652.30	21,216.72

*Above does not include interest income pertaining to life insurance fund and disclosed in Note 28B.

26. Dividend income

(₹ In Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Dividend income on financial assets measured at fair value through profit or loss	269.39	245.67
Total	269.39	245.67

27. Net gain on fair value changes

(₹ In Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio	3,877.09	7,600.63
(ii) On mutual funds	3,416.56	806.96
(B) Realised gain on debt instruments classified at fair value through OCI	1,401.45	98.86
(C) Realised gain on debt instruments classified at amortised cost	899.35	-
Total Net gain on fair value changes (C)	9,594.45	8,506.45
Fair Value changes:		
Realised	12,436.33	2,928.82
Unrealised	(2,841.88)	5,577.63
Total Net gain on fair value changes (D) to tally with (C)	9,594.45	8,506.45

*Above does not include Net gain/(loss) on fair value changes pertaining to life insurance fund and disclosed in Note 28C.

28. Policyholders' Income from Life Insurance operations

(₹ In Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Premium Income (net)	Note 28A	
Interest Income	Note 28B	
Dividend Income		
Rental Income		
Net gain/(loss) on fair value changes – Policyholders' Investments	Note 28C	
Other income	Note 28D	
Sub-Total	30,69,489.69	32,43,273.56
Less/(Add): Restricted life insurance surplus/(deficit) retained in Policyholders' Fund	(15,426.76)	1,46,470.43
Total	30,84,916.45	30,96,803.13

Notes forming part of the consolidated financial statements

28A: Premium Income (Policyholders)

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Life Insurance Premium:		
First year premium	5,29,815.23	4,82,452.19
Renewal premium	14,48,144.27	12,15,697.10
Single premium	2,58,735.31	1,99,279.54
Gross Premium	22,36,694.81	18,97,428.83
Less: Reinsurance ceded	42,719.40	27,886.64
Premium Income (net)	21,93,975.41	18,69,542.19

28B: Interest Income (Policyholders)

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Interest income on:		
Financial assets measured at fair value through OCI	4,04,301.59	18,923.67
Securities classified at FVTPL	87,478.97	71,150.57
Financial assets measured at Amortised cost	-	3,28,778.63
Interest income on loans against policies	4,437.99	3,454.36
Total	4,96,218.55	4,22,307.23

28C: Net gain/(loss) on fair value changes (Policyholders)

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
(A) Net gain/(loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio - Investments	3,49,748.28	9,04,590.84
(ii) Realised gain/(loss) on debt instruments classified at FVTOCI	5,396.98	4,154.33
(iii) Realised gain/(loss) on debt instruments classified at amortised cost	-	19,114.54
(B) Net gain/(loss) on derivative instruments at FVTPL	(7,278.24)	(4,051.64)
Total Net gain/(loss) on fair value changes	3,47,867.02	9,23,808.07
Fair Value changes:		
Realised	4,53,749.53	4,17,816.43
Unrealised	(1,05,882.51)	5,05,991.64
Total Net gain/(loss) on fair value changes	3,47,867.02	9,23,808.07

28D: Other income

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Net profit/(loss) on sale/disposal of property, plant and equipment	(50.50)	(10.24)
Policy reinstatement charges	474.18	465.73
Fee Income from Asset Management	278.71	328.45
Contribution from Shareholders' account towards excess Expenses of Management	1,557.48	1,717.55
Others	212.33	288.70
Total	2,472.20	2,790.19

Notes forming part of the consolidated financial statements

29. Other income

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Interest on:		
Security deposits	2.08	4.24
Loan to employees	0.08	-
Liabilities/provisions no longer required written back	176.00	78.33
Net profit on sale/disposal of fixed assets	0.66	-
Interest on income tax refund	55.08	57.02
Rental income	8.58	5.50
Scrap Sale	1.53	2.51
Miscellaneous income	399.90	1,263.36
Total	643.91	1,410.96

*Above does not include other income pertaining to life insurance fund and disclosed in Note 28D.

30. Finance Costs

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Interest on lease liability (See note 40)	13.61	21.50
Interest on NCDs and Bank charges (See note 15)	2,459.95	5.22
Total	2,473.56	26.72

*Above does not include finance costs pertaining to life insurance fund and disclosed in Note 33F.

31. Employee benefit expenses

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Salaries, wages and bonus	3,571.01	5,801.20
Contribution to provident and other funds (See note 37)	76.38	81.54
Expense on employee stock option scheme (See note 39)	17.99	187.60
Staff welfare expenses	11.63	9.55
Total	3,677.01	6,079.89

*Above does not include employee benefit expenses pertaining to life insurance fund and disclosed in Note 33B.

Note: Salaries and wages for the year ended March 31, 2022 and March 31, 2021 includes includes one - time special incentive of ₹ 1225.00 Lakhs paid to senior leadership team of the Group for their valued contribution in consummation of Axis transaction and severance pay aggregating to ₹ 274.92 Lakhs respectively.

32. Depreciation, amortisation and impairment

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Depreciation of investment property (See note 11A)	152.32	152.32
Depreciation of property, plant and equipment (See note 11B)	156.29	156.85
Depreciation of right-of-use assets (See note 12B)	191.36	223.05
Total	499.97	532.22

*Above does not include depreciation, amortisation and impairment expense pertaining to life insurance fund.

Notes forming part of the consolidated financial statements

33. Policyholders' Expense from Life Insurance operations

		(₹ In Lakhs)	
Particulars		Year ended 31.03.2022	Year ended 31.03.2021
Commission to selling agents	Note 33A	1,40,297.18	1,22,723.09
Employee benefits expenses	Note 33B	1,65,702.99	1,62,374.61
Operating expenses	Note 33C	1,47,174.71	1,11,415.94
Benefits payout (net)	Note 33D	9,09,930.02	6,77,250.90
Net change in insurance contract liabilities	Note 33E	16,88,568.84	19,11,216.22
Net change in investment contract liabilities		11,188.12	28,504.62
Finance cost	Note 33F	4,226.59	4,072.32
Impairment loss (including reversals)	Note 33G	(27.28)	(2,748.78)
Depreciation and amortisation expense		17,522.31	15,634.07
Bad debts written off		184.22	233.17
Allowance for doubtful debts		(2.92)	168.36
Sub-Total		30,84,764.78	30,30,844.52
Less: Restricted life insurance surplus/(deficit) retained in Policyholders' Fund		16,010.00	(32,586.62)
Total		30,68,754.78	30,63,431.14

33A: Commission to selling agents (Policyholders)

		(₹ In Lakhs)	
Particulars		Year ended 31.03.2022	Year ended 31.03.2021
Commission on Life Insurance			
First year premium		95,922.60	84,618.64
Renewal premium		36,342.90	32,599.24
Single premium		4,567.54	2,853.97
Rewards		3,464.14	2,651.24
Total		1,40,297.18	1,22,723.09

33B: Employee benefits expenses (Policyholders)

		(₹ In Lakhs)	
Particulars		Year ended 31.03.2022	Year ended 31.03.2021
Salary, wages and bonus		1,57,551.48	1,55,074.39
Contribution to provident and other funds (See note 37)		5,630.66	5,414.83
Expense on employee stock option scheme (See note 39)		415.79	94.02
Staff welfare expenses		2,105.06	1,791.37
Total		1,65,702.99	1,62,374.61

Notes forming part of the consolidated financial statements

33C: Other operating expenses (Policyholders)

(₹ In Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Travel & conveyance	3,510.06	2,763.83
Training expenses (including Agent advisors)	6,751.17	8,951.58
Rent rates & taxes (See note 40)	394.86	758.61
Repairs & maintenance	3,626.77	3,264.12
Printing and stationery	668.65	685.39
Communication expenses	6,226.23	7,332.88
Legal and professional charges	1,855.51	1,845.15
Medical expenses	5,647.90	3,843.37
Auditor's fees for:		
Audit of the financial statements	97.53	90.30
Taxation matters	3.00	4.00
Other services	62.10	45.00
Reimbursement of expenses	16.05	13.53
Advertisement and publicity	58,834.12	35,346.92
Rates & taxes (excluding taxes on income)	1,634.20	1,168.28
GST/Service tax on linked charges	19,708.01	17,016.80
Information technology maintenance expenses	7,907.64	6,719.47
Board Meeting expenses	108.00	108.61
Recruitment (including Agent advisors)	3,281.87	2,260.20
Energy cost	1,473.19	1,481.62
Insurance	1,182.92	1,000.15
Policy issuance and servicing costs	10,855.42	9,679.52
Net foreign exchange loss	(1.41)	16.08
Acquisition cost for financial instruments classified/designated at FVTPL	13,032.70	6,765.37
Other miscellaneous expenses	298.22	255.16
Total	1,47,174.71	1,11,415.94

33D: Benefits payout (Policyholders)

(₹ In Lakhs)		
Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Life insurance contracts benefits		
Death	3,16,257.37	1,34,357.08
Maturity	93,188.49	84,329.51
Annuities/Pensions	3,091.51	1,853.51
Other benefits		
Surrenders	4,63,748.84	3,52,645.21
Health	6,284.03	2,660.60
Survival Benefit	24,733.15	18,451.38
Bonus to Policyholders	1,18,129.15	1,14,310.68
Other benefits	5,414.66	3,068.93
Interim Bonus paid	377.96	287.63
Total benefits paid	10,31,225.16	7,11,964.53
Less: Reinsurance Recovery	1,21,295.14	34,713.63
Total	9,09,930.02	6,77,250.90

Notes forming part of the consolidated financial statements

33E : Net change in insurance contract liabilities (Policyholders)

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Net change in insurance contract liabilities	16,61,508.67	19,20,931.95
Transfer to/from Fund for future appropriations-participating policies	27,060.17	(9,715.73)
Total	16,88,568.84	19,11,216.22

33F : Finance cost (Policyholders)

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Bank charges	2,183.33	1,851.40
Interest on Lease Liability (See note 40)	1,920.02	2,135.37
Others	123.24	85.55
Total	4,226.59	4,072.32

33G : Impairment loss (including reversals) (Policyholders)

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Impairment on financial assets	(27.28)	(2,748.78)
Total	(27.28)	(2,748.78)

34. Other expenses

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Recruitment and training expenses	0.33	0.23
Rent including lease rentals (See note 40)	90.17	149.62
Insurance	45.34	32.25
Rates and taxes	232.74	58.11
Provision for contingencies (See note 19)	2.74	2.74
Repairs and maintenance - others	196.61	228.47
Power and fuel	23.70	3.93
Printing and stationery	7.87	7.43
Travelling and conveyance	212.26	235.92
Communication	39.95	34.55
Director's sitting fees	68.98	82.67
Commission to directors	220.00	400.00
Directors Remuneration	300.00	-
Business promotion	25.03	10.27
Advertisement and publicity	4.00	6.14
Net loss on sale/disposal of property, plant and equipment	-	10.82
Debit balances written off	2.58	-
Charity and donation	0.11	-
Net loss on foreign currency transactions and translation	-	7.89
Consultancy charges	30.85	52.60
Expenditure on corporate social responsibility (See note 48)	840.38	1,224.00
Miscellaneous expenses	932.15	586.80
Total	3,275.79	3,134.44

*Above does not include other expenses pertaining to life insurance fund as disclosed in Note 33C.

Notes forming part of the consolidated financial statements

35. Commitments, contingent liabilities and contingent assets

Particulars	(₹ in lakhs)	
	As at 31.03.2022	As at 31.03.2021
A. Capital commitments		
(i) Estimated amount of contracts remaining to be executed on property, plant and equipments not provided for (net of advances)	2,424.70	3,362.52
(ii) Commitments made and outstanding for investments and loans	7,915.24	3,862.79
B. Contingent liabilities		
Claims against the Company not acknowledged as debts (See note a)		
(i) Disputed demands raised by custom authorities	473.99	462.85
(ii) Disputed demand raised by tax authorities (See note b)*	352.58	929.07
(iii) Partly paid-up bonds	10,000.00	17,194.75
(iv) Claims, other than against policies, not acknowledged as debts	2,817.03	2,641.73
(v) Others (See note c)	8,926.05	4,976.96

C. Other commitments

- (i) The Company through a call/put option has to acquire the remaining shareholding held by MSI at ₹ 85 for every equity share of ₹ 10 each held by MSI in Max Life ("MSI Put/Call Option") (See note 60).
- (ii) Axis Entities have a right to acquire upto 7% of the equity share capital of Max Life held by the Company, in one or more tranches (See note 61).

D. Contingent assets

Certain insurance claims are in the final stage of recovery for which amounts are not quantifiable and hence not reported.

Notes :

- a. Based on the discussions with the solicitor/ expert opinions taken/status of the case, the management believes that the Group has strong chances of success in above mentioned cases and hence no provision there against is considered necessary at this point in time as the likelihood of liability devolving on the Group is less than probable.
- b. The Company has not made any provision for the demands in service tax cases as the Company believes that they have a good case based on existing judicial pronouncements. Advance paid against the same is ₹ 12.00 lakhs (As at 31 March, 2021 : ₹ 12.00 lakhs).

*Amount inclusive of interest of Nil as at March 31, 2022 (₹ 218.00 lakhs as at March 31, 2021). Pursuant to the AO appeal effect order, the subsidiary company reduced the contingent liability to Nil pertaining to donation deduction u/s 80G in current financial year.

- c. Represents potential liability in respect of repudiated Policyholders' claims ₹ 8,901.05 lakhs (March 31, 2021 ₹ 4,951.96 lakhs) and bank guarantee placed with bank for UIDAI of ₹ 25.00 lakhs (March 31, 2021 ₹ 25.00 lakhs).

Notes forming part of the consolidated financial statements

36. Segment information

36.1 a) Identification of Segments:

The Operating Segments have been identified on the basis of business activities from which the Group earns revenues and incurs expenses and whose operating results are reviewed by the Chief Operating Decision Maker (CODM) of the Group to make decisions about the resources to be allocated and assess performance and for which discrete financial information is available.

b) Operating Segments:

- (i) Business Investments – This segment is represented by treasury investments.
- (ii) Life Insurance – This segment relates to the life insurance business carried out pan India, by the Company's subsidiary.
- c) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".
- d) Segment assets and segment liabilities represent assets and liabilities in respective segments.

36.2. Information about business segments

Particulars	Business Investments		Life Insurance		Total	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
a. Segment Revenue						
Revenue from external customers	3,923.76	1,412.49	31,14,190.63	31,25,977.80	31,18,114.39	31,27,390.29
Inter segment revenue	16,046.12	29,224.79	7.35	5.71	16,053.47	29,230.50
Total Segment Revenue	19,969.88	30,637.28	31,14,197.98	31,25,983.51	31,34,167.86	31,56,620.79
Less: Inter segment elimination (net)	16,046.12	29,224.79	7.35	5.71	16,053.47	29,230.50
Revenue from operations	3,923.76	1,412.49	31,14,190.63	31,25,977.80	31,18,114.39	31,27,390.29
b. Segments Results before taxes	14,486.15	12,824.45	40,655.52	60,700.16	55,141.67	73,524.61
Less: Inter segment elimination (net)					14,446.15	15,619.60
Sub-total					40,695.52	57,905.01
Unallocated Expenses (Net of unallocated income)					(1,829.63)	1,384.24
Profit before tax					38,865.89	59,289.25
Provision for taxation (includes provision for Deferred Tax)					7,025.42	3,314.22
Profit after tax					31,840.47	55,975.03
Less: Profit transferred to non-controlling interest					6,503.47	13,435.63
Profit after tax (after adjusting non-controlling interest)					25,337.00	42,539.40

Notes forming part of the consolidated financial statements

			(₹ in Lakhs)			
Particulars			As at 31.03.2022	As at 31.03.2021		
c.	Segment Assets					
	Business Investments		6,77,701.82	6,67,654.63		
	Life Insurance business		1,16,30,636.44	97,28,023.70		
	Total		1,23,08,338.26	1,03,95,678.33		
	Inter segment elimination (net)		(5,33,483.08)	(5,89,119.11)		
	Total Assets		1,17,74,855.18	98,06,559.22		
d.	Segment Liabilities					
	Business Investments		2,742.68	3,108.70		
	Life Insurance business		1,13,25,128.15	94,39,468.23		
	Total		1,13,27,870.83	94,42,576.93		
	Inter segment elimination (net)		(1,507.27)	3,478.36		
	Total Liabilities		1,13,26,363.56	94,46,055.29		
			(₹ in Lakhs)			
e.	Other segment information	Depreciation and amortisation	Additions to Property, Plant & Equipment, Intangible assets, Right of use assets and Investment property		Impairment loss on property, plant and equipment	
		Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2021
	Business Investments	347.65	379.90	6.28	379.03	-
	Life Insurance business	17,674.63	15,786.39	16,900.93	40,998.11	-
	Total	18,022.28	16,166.29	16,907.21	41,377.14	-

36.3 Geographical information

(₹ in Lakhs)				
Location	Revenue from external customers		Non-current assets*	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
India	31,18,114.39	31,27,390.29	1,85,206.92	2,97,083.18
Outside India	-	-	-	-
Total	31,18,114.39	31,27,390.29	1,85,206.92	2,97,083.18

* Non-current assets exclude financial assets.

37. Employee benefit plans

(i) Defined contribution plans

The Group makes employees state insurance scheme, national pension scheme and Labour Welfare Fund contributions which is defined contribution plan for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.

Notes forming part of the consolidated financial statements

During the year, the Group has recognised the following amounts in the Statement of Profit and Loss:

Particulars	(₹ in Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Employers contribution to Employee State Insurance	466.97	517.05
Employers contribution to National Pension Scheme	110.53	103.61
Employers contribution to Labour Welfare Fund	5.62	30.04

(ii) Defined benefit plans

A. Gratuity:

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

Defined benefit obligation is accounted for on the basis of independent actuarial valuations carried out as per 'Projected Unit Credit Method' at the balance sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

Interest risk

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

Longevity risk

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

Salary risk

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

No other post-retirement benefits are provided to these employees

Notes forming part of the consolidated financial statements

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

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Discount rate(s)	5.70%-6.90%	6.40%-7.20%
Expected return on plan assets*	6.75%-11.00%	7.20%-7.50%
Salary escalation**	7.50%-8.00%	7.50%-10.00%
Retirement age	58-65 years	58-65 years
Mortality tables	IALM (2012 - 14)	IALM (2012 - 14)
Attrition (%) - All ages	15%-52%	5%-25%
Estimate of amount of contribution in the immediate next year (₹ in Lakhs)	908.73	357.57

* Expected rate of return on plan assets is on the basis of average long term rate of return expected on investments of the fund during the estimated term of obligation.

** Future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Service cost		
- Current service cost	921.83	850.48
- Reduction due to difference identified in the plan assets at the beginning of the period	0.33	-
Interest cost	425.03	363.65
Expected return on plan assets	(354.22)	(209.20)
Components of defined benefit costs recognised in profit or loss	992.97	1,004.93
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amounts included in net interest expense)	44.59	(230.90)
- Actuarial (gains)/losses arising from changes in demographic assumptions	(365.40)	-
- Actuarial (gains)/losses arising from changes in financial assumptions	95.55	(57.55)
- Actuarial (gains)/losses arising from experience adjustments	40.27	49.27
Components of defined benefit costs recognised in other comprehensive income/(loss)	(184.99)	(239.18)
Total	807.98	765.75

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

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

Notes forming part of the consolidated financial statements

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

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Present value of funded defined benefit obligation	(6,476.12)	(6,081.41)
Fair value of plan assets	5,607.26	4,928.15
Net liability arising from defined benefit obligation	(868.86)	(1,153.26)

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

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Opening defined benefit obligation	6,081.41	5,273.51
Current service cost	921.83	850.48
Interest cost	425.03	363.65
Liability transferred	-	87.85
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	(365.40)	-
- Actuarial gains and losses arising from changes in financial assumptions	95.55	(57.55)
- Actuarial gains and losses arising from experience adjustments	40.27	49.27
Benefit paid - Paid by the Enterprise	(63.40)	(31.59)
Benefit paid - Payment made out of the Fund	(659.17)	(454.21)
Closing defined benefit obligation	6,476.12	6,081.41

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

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Plan assets at beginning of the year	4,928.15	1,420.26
Reduction due to difference identified in the plan assets at the beginning of the period	(0.33)	-
Expected return on plan assets	354.22	209.20
Actual group contributions	1,028.98	3,522.00
Actuarial gain/(loss) on plan assets	(44.59)	230.90
Benefits paid	(659.17)	(454.21)
Plan assets at the end of the year	5,607.26	4,928.15

Notes forming part of the consolidated financial statements

- (f) Disaggregation of plan assets into classes:

Particulars	As at 31.03.2022	As at 31.03.2021
The plan assets are invested in insurer managed funds	100.00%	100.00%
Asset allocation:		
Government securities	42.00%	50.43%
Corporate Debt	20.00%	24.85%
Equity shares	19.00%	10.02%
Net Current Assets including Money Market Items	3.00%	1.26%
Reverse/Repo	16.00%	13.44%
Total	100.00%	100.00%

- (g) The following are expected defined benefit payments in future years:

Particulars	As at 31.03.2022	As at 31.03.2021
Within the next 12 months (next annual reporting period)	852.62	289.23
Between 2 and 5 years	4,147.55	2,041.63
Beyond 5 years	5,516.47	5,280.26
Total expected payments	10,516.64	7,611.12

(₹ in Lakhs)

The weighted average duration of the defined benefit plan as at 31 March 2022 is 6.11 years. (31 March 2021: 10.99 years)

- (h) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 12,155.73 Lakhs (increase by ₹ 12,849.03 Lakhs) [as at 31 March, 2021: decrease by ₹ 10,998.24 Lakhs (increase by ₹ 12,175.01 Lakhs)].
 - If the expected salary growth increases (decreases) by 100 basis points, the defined benefit obligation would increase by ₹ 12,815.38 Lakhs (decrease by ₹ 12,184.33 Lakhs) [as at 31 March, 2021: increase by ₹ 12,140.40 Lakhs (decrease by ₹ 11,022.51 Lakhs)].
 - If the expected withdrawal rate increases (decreases) by 100 basis points, the defined benefit obligation would decrease by ₹ 6,220.15 Lakhs (increase by ₹ 6,269.05 Lakhs) [as at 31 March, 2021: decrease by ₹ 5,748.00 Lakhs (increase by ₹ 5,801.00 Lakhs)].

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

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

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

Notes forming part of the consolidated financial statements

B. Provident Fund:

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

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

The details of fund and plan asset position as at March 31, 2022 as per the actuarial valuation of active members are as follows:

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Plan assets at year end at fair value	53,390.69	44,520.70
Present value of defined benefit obligation at year end	53,025.66	44,291.62
Surplus as per actuarial certificate	365.03	229.08
Shortfall recognised in balance sheet	-	-

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

Particulars	March 31, 2022	March 31, 2021
Discount rate	5.66%	5.45%
Yield on existing funds	8.10%	8.50%
Expected guaranteed interest rate	8.10%	8.50%

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

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Employer's Contribution towards Provident Fund (PF)	4,649.82	4,344.45
	4,649.82	4,344.45

C. Compensated absences

Liability for compensated absence for employees is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Actuarial Assumptions:	31.03.2022	31.03.2021
Discount Rate (per annum)*	5.70 - 6.90%	6.40 - 7.20%
Rate of increase in compensation levels**	7.50 - 8.00%	7.50 - 10.00%

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

** Future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes forming part of the consolidated financial statements

D. Long term incentive plans

Liability for the scheme is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Actuarial Assumptions:	31.03.2022	31.03.2021
Discount Rate (per annum)	6.90%	7.20%

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

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Basic EPS		
Profit attributable to shareholders of the Company (₹ in Lakhs)	25,337.00	42,539.40
Weighted average number of equity shares outstanding during the year (Numbers)	34,51,11,540	29,31,50,829
Face value per equity share (₹)	2.00	2.00
Basic Earnings Per Share (₹)	7.34	14.51
Diluted EPS		
Equivalent weighted average number of employee stock options outstanding (Numbers)	23,986	1,15,220
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Numbers)	34,51,35,526	29,32,66,049
Diluted Earnings Per Share (₹)	7.34	14.51

39. Employee Stock Option Plan

39.1 Employee Stock Option Plan – 2003 (“the 2003 Plan”):

The Company had instituted the 2003 Plan, which was approved by the Board of Directors on 25 August, 2003 and by the shareholders on 30 September, 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 30 September, 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.

Options were priced at fair value on the date of grant by using Black Scholes model, by an approved valuer engaged by the Company. The key assumptions used to estimate fair value of options are as follows:

Particulars	31.03.2022	31.03.2021
Risk- free interest rate	-	5.51% - 6.63%
Expected volatility (standard dev - annual)	-	43.48% - 47.27%
Expected life (years)	-	3.00-5.99
Expected dividend yield	-	0% - 0%

* No ESOPs granted during the year ended March 31, 2022

The following table illustrates the number and movements in, share options during the year:

Notes forming part of the consolidated financial statements

Particulars	31.03.2022		31.03.2021	
	Number of options	Weighted Average exercise price (₹)	Number of options	Weighted Average exercise price (₹)
Option outstanding at the beginning of the year	65,865	393.12	1,54,737	85.25
Granted during the year	-	-	33,855	380.40
Forfeited during the year	(41,396)	393.12	-	-
Exercised during the year	(24,469)	393.12	(1,22,727)	2.00
Outstanding at the end of the year	-	-	65,865	393.12
Exercisable at the end of the year	-	-	8,003	404.45

For the current year, the weighted average share price at the exercise date was ₹ 393.12 (Previous year : ₹ 525.56).

The weighted average exercise price for stock options outstanding as at March 31, 2022 was ₹ 393.12 per share (March 31, 2021: ₹ 392.09 per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2022 is Nil (March 31, 2021: 2.02 years). The range of exercise prices for options outstanding at the end of the year was Nil (March 31, 2021: 2.00 to 404.45).

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.

39.2 Max Life Insurance Company Limited

Employee Phantom Stock Plan (Cash settled):

During the year ended March 31, 2016, the Company issued Employee Phantom Stock Plan ("EPSP") w.e.f. March 01, 2016. Further, during the year ended March 31, 2019, the Company issued EPSP w.e.f. May 24, 2018. Further during the year ended March 31, 2020, the Company issued EPSP w.e.f. May 22, 2019. Further during the year ended March 31, 2021, the Company issued EPSP w.e.f. May 20, 2020. Further during the year ended March 31, 2022, the Company issued EPSP w.e.f. May 07, 2021 and November 09, 2021. Accordingly, ₹ 513 (March 31, 2021: ₹ 141) has been accrued as expense in the Statement of Profit and Loss due to fair value change. The details of the scheme are as under:

Type of arrangement	EPSP 2014	EPSP 2018	EPSP 2018	EPSP 2018	EPSP 2018	EPSP 2018
Date of Grant	1-Mar-16	24-May-18	22-May-19	20-May-20	7-May-21	9-Nov-21
No. of options outstanding	-	23,87,000	63,41,000	1,01,85,000	50,66,000	1,47,000
Exercise Price (₹)	53.64	96.4	83.9	82.4	168.33	192.85
Graded Vesting Period						
1st Year	-	25%	25%	25%	25%	25%
2nd Year	20%	25%	25%	25%	25%	25%
3rd Year	30%	25%	25%	25%	25%	25%
4th Year	50%	25%	25%	25%	25%	25%
Mode of Settlement	Cash	Cash	Cash	Cash	Cash	Cash

Notes forming part of the consolidated financial statements

Options were priced at fair value on the date of grant by using Black Scholes model, by an approved valuer engaged by the Company. The key assumptions used to estimate fair value of options are as follows:

Particulars	31.03.2022	31.03.2021
Risk- free interest rate	5.22%-6.2%	4.34%-6.2%
Expected volatility (standard dev - annual)	2.1-5.0 Years	2.14-5.0 Years
Expected life (years)	49.6%-42.79%	51.96%-43.86%
Expected dividend yield	1.16%	0.83%

The following table illustrates the number and movements in, share options during the year:

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number of options	Weighted Average exercise price (₹)	Number of options	Weighted Average exercise price (₹)
Outstanding at the beginning of the year	2,38,39,000	79.02	1,66,62,000	75.83
Granted during the Year	52,55,900	169.02	1,15,63,000	82.40
Forfeited during the year	(4,85,450)	79.02	(6,56,000)	75.83
Exercised during the year	(44,84,450)	79.02	(37,30,000)	75.83
Outstanding at the end of the year	2,41,25,000	98.62	2,38,39,000	79.02
Exercisable at the end of the year	-	-	-	-

The range of exercise prices for options outstanding at the end of the year was ₹ 82.40 to ₹ 192.85 (31 March 2021: ₹ 82.40 to ₹ 96.40)

40. Leases

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. The Group recorded the lease liabilities at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease.

The Group has entered into short term lease arrangements for certain facilities and office premises. Rent expense of ₹ 625.17 Lakhs (March 31, 2021: ₹ 396.62 Lakhs) in respect of obligation under cancellable operating leases has been charged to the Statement of Profit and Loss for these short term lease arrangements.

40.1 Group as a Lessee:

- a. Following are the changes in the carrying value of right of use assets for the year ended ended March 31, 2022:

Particulars	(₹ in Lakhs)	
	Building	
	Year ended 31.03.2022	Year ended 31.03.2021
Opening balance (at the beginning of the year)	24,317.27	29,203.27
Addition	2,473.49	1,600.17
Depreciation expense	(6,013.39)	(6,486.17)
Closing balance at year end	20,777.37	24,317.27

Notes forming part of the consolidated financial statements

- b. The following is the break-up of current and non-current lease liabilities as of March 31, 2022:

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Current Liabilities	5,206.45	5,243.15
Non-Current Liabilities	19,538.02	22,596.07
Total	24,744.47	27,839.22

- c. The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	(₹ in Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Opening balance (at the beginning of the year)	27,839.22	31,921.65
Addition	2,472.48	1,600.17
Finance cost accrued during the period	1,933.63	2,156.87
Payment of Lease liabilities	(7,500.86)	(7,839.47)
Closing balance at year end	24,744.47	27,839.22

- d. The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2022 on an undiscounted basis:

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Less than one year	6,904.70	7,184.86
One to five years	18,242.51	21,170.85
More than five years	4,903.43	6,085.14
Total	30,050.64	34,440.85

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

40.2 Group as a lessor

The Group has entered into an agreement of leasing out the investment property and property, plant and equipment. This is in the nature of operating lease and lease arrangement contains provisions for renewal. The total lease income in respect of such lease recognised in Statement of Profit and Loss for the year ended March 31, 2022 is ₹ 6,810.80 Lakhs (March 31, 2021, ₹ 3,449.98 Lakhs).

Notes forming part of the consolidated financial statements

41. Related party disclosures

A. List of related parties

Names of related parties with whom transactions have taken place during the year

Entity/person having significant influence/ control upon the Company	-	Max Ventures Investment Holdings Private Limited
	-	Mitsui Sumitomo Insurance Company Limited, Japan (w.e.f. December 8, 2020)
	-	Mr. Analjit Singh
Key Management Personnel (KMP)	-	Mr. Analjit Singh (Chairman & Non-executive Director)
	-	Mr. Mohit Talwar (Managing Director)
	-	Mr. Aman Mehta (Director)
	-	Mr. Dinesh Kumar Mittal (Director)
	-	Mrs. Naina Lal Kidwai (Director)
	-	Mr. Sahil Vachani (Director)
	-	Mr. Jai Arya (Director)
	-	Mr. Charles Richard Vernon Stagg (Director)
	-	Mr. Hideaki Nomura (Director) (w.e.f. December 8, 2020)
	-	Mr. Mitsuru Yasuda (Director) (w.e.f. December 8, 2020)
	-	Mr. K Narasimha Murthy (Director) (w.e.f. March 30, 2021)
	-	Mr. Jatin Khanna (Chief Financial Officer) (till September 30, 2021)
	-	Mr. V Krishnan (Company Secretary)
Enterprises owned or significantly influenced by key management personnel or their relatives	-	Mr. Mandeep Mehta (Chief Financial Officer) (w.e.f. October 01, 2021 till April 30, 2022)
	-	Mr. Amrit Singh (Chief Financial Officer) (w.e.f. May 01, 2022)
	-	Max India Foundation
	-	Max India Limited (formerly Advaita Allied Health Services Limited)
	-	Max Ventures & Industries Limited
	-	Antara Purukul Senior Living Limited
	-	Max Skill First Limited
	-	Antara Senior Living Limited
	-	Antara Assisted Care Services Limited
	-	Max Asset Services Limited
	-	Max UK Limited
	-	Delhi Guest House Private Limited
	-	New Delhi House Services Limited
	-	Forum I Aviation Private Limited
	-	SKA Diagnostic Private Limited
	-	Max Healthcare Institute Limited (till May 31, 2020)
	-	Max Towers Private Limited (Formerly known as Wise Zone Builders Pvt. Ltd.)
	-	Max Speciality Films Limited
	-	Max Ventures Private Limited
	-	Max Estates Limited
Employee benefit funds	-	Max Financial Services Limited Employees' Provident Fund Trust

Note : The related parties have been identified by the management.

Notes forming part of the consolidated financial statements

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

		(₹ In Lakhs)	
Related party transactions	Parties	Year ended 31.03.2022	Year ended 31.03.2021
Sale of services	Max India Limited	438.75	400.61
	Max Ventures and Industries Limited	25.00	162.03
Rental Income	Max Skill First Limited	12.82	137.18
	Max Ventures and Industries Limited	335.77	335.77
	Max Towers Private Limited	256.10	377.57
	Max India Limited	1.80	-
Premium Income	Max Skill First Limited	1.00	10.51
	Max Ventures and Industries Limited	1.12	1.07
	Max Ventures Private Limited	3.78	1.80
	Max India Limited	6.62	5.02
	Antara Senior Living Limited	7.14	4.00
	Antara Purukul Senior Living Limited	3.01	1.00
	Antara Assisted Care Services Limited	6.88	-
	Max Estates Limited	2.04	2.00
	New Delhi House Services Limited	5.83	4.00
	Max Speciality Films Limited	32.64	16.00
Miscellaneous income	Max Skill First Limited	-	30.54
	Max Towers Private Limited	-	40.88
Retiral benefits received (on transfer of employees)	Max Skill First Limited	266.58	-
Training expense	Max Skill First Limited	271.00	4,059.97
Repairs and maintenance - others	New Delhi House Services Limited	141.47	129.17
	Max Asset Services Limited	81.37	186.03
	Max India Limited	26.88	-
Miscellaneous expenses	New Delhi House Services Limited	126.23	87.62
	Antara Purukul Senior Living Limited	0.27	0.13
	Antara Senior Living Limited	-	10.98
	Max Towers Private Limited	5.92	-
Employer contribution to provident fund	Max Financial Services Limited Employees' Provident Fund Trust	4,649.85	4,344.45
Legal and professional expenses	Max India Limited	650.00	530.00
	Max UK Limited	80.00	80.00
Rent including lease rentals	Delhi Guest House Pvt Limited	112.58	104.96
	Max India Limited	87.48	184.40
	SKA Diagnostic Private Limited	93.75	100.00
CSR and voluntary donations	Max India Foundation	640.38	850.00
Travelling and conveyance	Forum I Aviation Private Limited	112.29	134.64
Reimbursement of expenses (Received from)	Max Ventures and Industries Limited	3.65	3.19
	Max India Limited	40.31	116.81
	Antara Senior Living Limited	1.82	1.60
	Antara Assisted Care Services Limited	1.82	-
	Max Healthcare Institute Limited	-	0.90
Reimbursement of expenses (paid to)	Max India Limited	15.68	-
Transfer (in) of fixed assets	Max India Limited	1.48	20.55
Security Deposit paid	Max India Limited	21.87	-
Interim dividend paid by subsidiary company	Mitsui Sumitomo Insurance Company Limited	912.06	979.00
Share capital issued (including securities premium)	Mitsui Sumitomo Insurance Company Limited	-	4,26,421.20

Notes forming part of the consolidated financial statements

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

(₹ In Lakhs)			
Name of key management personnel	Nature of transaction	Year ended 31.03.2022	Year ended 31.03.2021
Mr. Mohit Talwar (Note 1)	Remuneration	1,147.16	1,956.87
Mr. Jatin Khanna (Note 1)	Remuneration	394.90	117.85
Mr. V Krishnan (Note 1)	Remuneration	227.04	125.68
Mr. Mandeep Mehta	Remuneration	9.00	-
Mr. Analjit Singh	Remuneration (Note 2)	300.00	-
Mr. Analjit Singh	Director sitting fee	6.00	8.00
Mr. K Narasimha Murthy	Director sitting fee	6.00	-
Mr. Aman Mehta	Director sitting fee	14.00	15.00
Mr. Dinesh Kumar Mittal	Director sitting fee	15.00	16.00
Mrs. Naina Lal Kidwai	Director sitting fee	9.00	15.00
Mr. Sahil Vachani	Director sitting fee	5.00	6.00
Mr. Jai Arya	Director sitting fee	7.00	8.00
Mr. Charles Richard Vernon Stagg	Director sitting fee	5.00	5.00
Mr. Analjit Singh (Note 2)	Commission	-	300.00
Mr. Aman Mehta	Commission	-	20.00
Mr. Dinesh Kumar Mittal	Commission	-	20.00
Mrs. Naina Lal Kidwai	Commission	-	20.00
Mr. Jai Arya	Commission	-	20.00
Mr. Charles Richad Vernon Stagg	Commission	-	20.00

Note 1 : The remuneration paid to aforesaid KMP's includes one - time special incentive of ₹ 7.75 crores paid for their valued contribution in consummation of Max Financial – Axis transaction. This includes payment of ₹ 5 crores made to Mr. Mohit Talwar, MD of the company with the approval of shareholders. Mr. Jatin Khanna, CFO of the company resigned from the services of the company effective close of business hours on September 30, 2021, the remuneration paid to him includes F&F payment.

Note 2 : Payments made to Mr. Analjit Singh pursuant to shareholders approval towards remuneration as non executive chairman.

Notes forming part of the consolidated financial statements

D The following table provides the year end balances with related parties for the relevant year:

(₹ In Lakhs)			
Nature of transaction	Name of related party	As at 31.03.2022	As at 31.03.2021
Trade Receivables	Max Ventures and Industries Limited	-	252.96
Other Receivables	Max India Limited	-	27.02
	Max Towers Private Limited	88.57	5.04
Security Deposit Receivable	Delhi Guest House Private Limited	22.82	22.82
	SKA Diagnostic Private Limited	25.00	25.00
	Max India Limited	21.87	-
Advances paid	Max Skill First Limited	1.00	299.10
	Max India Foundation	205.98	270.00
Security Deposit Payable	Max Ventures and Industries Limited	168.25	-
Trade Payables	New Delhi House Services Limited	54.49	28.75
	Max India Limited	21.03	261.33
	Max UK Limited	80.00	80.00
	Max Asset Services Limited	-	2.86
	Delhi Guest House Private Limited	5.82	-
	Max Ventures and Industries Limited	0.68	-
	Max Speciality Films Limited	3.94	-
	Antara Assisted Care Services Limited	1.00	-
	Antara Purukul Senior Living Limited	0.57	-
	Max Ventures Private Limited	0.36	-

E. Terms and conditions of transactions with related parties

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

42. Financial Instruments

(a) Capital Management

Group has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- To maintain the required level of stability of the Group thereby providing a degree of security to policyholders
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders
- To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value

Management assesses the capital requirements of the Group in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Group have met all of these requirements throughout the financial year. In reporting, financial strength, capital and

Notes forming part of the consolidated financial statements

solvency are measured using the rules prescribed by the Insurance Regulatory Authority of India (IRDAI). These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written.

The Group has a Board approved Risk Appetite Statement which defines the minimum level of capital that the Group needs to maintain in over and above the regulatory requirement in order to ensure that the core objective of being able to honor the contractual obligations made to its policyholders is met even in adverse scenario. Further, the Group's Dividend Policy restricts the pay-out of any dividend to the shareholders in case there is an expected breach of the defined risk appetite level due to the dividend distribution.

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Insurance Business is satisfactorily managing affairs for their benefits. At the same time, regulators are also interested in ensuring that the Group maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the Group are subject to regulatory requirements within the jurisdictions in which it operates.

(b) Risk management framework

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

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

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

The Group's overall approach to managing risk is based on the 'three lines of defence' model with a clear segregation of roles and responsibilities for all the lines. Business Managers are part of the first line of defence and have the responsibility to evaluate their risk environment and put in place appropriate controls to mitigate such risks or avoid them. The Risk Management Function, along with the Compliance Function, form the second line of defence. The Internal Audit Function guided by the Audit Committee is the third line of defence and provides an independent assurance to the Board. The Statutory Auditors and regulatory oversight aided by the Appointed Actuary in his/her fiduciary capacity is also construed to provide an additional third line of defence. The Group has in place a robust and comprehensive internal control mechanism across all the major processes as a part of the internal financial controls (IFC Framework) adequacy of which is tested periodically by the internal audit function and an opinion on its efficacy is provided by the statutory auditors.

Risk management activities are supervised on behalf of the Board by the Risk, Ethics and Asset Liability Management Committee, whose responsibilities includes those in conformity with those prescribed by the IRDAI for insurance businesses. The Group for its life insurance business has Management Risk Committee chaired by the Managing Director & Chief Executive Officer and supported by the Operational Risk Group, and Asset Liability Management Group, Information Security & Business Continuity Management Committee and the Outsourcing Committee, assist the Board Committee in overseeing the risk management activities across the life insurance business.

The Group in respect of its life insurance arm, Max Life Insurance has an independent Risk Management Function in place, headed by a Chief Risk Officer. The function is responsible for the supervision of all risk management activities, including developing the risk appetite, maintaining an aggregated risk view, monitoring the residual risks to ensure that they remain within tolerance levels. It also reviews the appropriateness and adequacy of the risk management strategy and develops recommendations to the REALM Committee as necessary. The Risk Management function also ensures that,

Notes forming part of the consolidated financial statements

through various management submissions, the Board is adequately informed on key emerging risk related issues and if necessary, provides supplementary advice to the Board through REALM Committee.

The Group has in place a Risk Management Policy which lays down the broad contours of management system in place which is used to identify, assess, monitor, review, control, report risks and controls within the Group. The Group has a risk management system It also requires the Group that enables it to identify risks, set tolerance levels, develop and implement strategies, policies, procedures and controls to manage different types of risks within the overall risk appetite., A Risk Appetite Statement is in place which identifies and addresses each material risk to which the Group is exposed and establishes the degree of risk that the Group is willing to accept in pursuit of its strategic objectives, business plans giving consideration to the interests of its stakeholders and the interest of the policyholders. These material risks have been categorised in the areas of Strategic, Insurance, Investment and Operational Risks. The Risk Management Strategy has been developed which defines the Group's approach to manage the identified material risks through acceptance, avoidance, transfer and/or mitigation. The degree and intensity of the management action is guided by comparing the risk appetite with the potential impact of the risk, likelihood of its occurrence and the costs of implementing the controls. This is supplemented by various policies and procedures in respective operating areas which help to identify, mitigate and monitor risks. A risk dashboard is also in place which rates each material risk on the basis of identified key risk indicators and respective tolerance levels. This is also monitored both at the management level as well as the Board Committee level. The framework and its effectiveness are subject to both internal and external assurance reviews

As an insurer, the Group is in the business of accepting certain kinds of risks. It is Group's policy that risks should be managed systematically with the process of risk management being well defined and with its various elements properly integrated. The risk management framework also ensures that the level of risk accepted is within the Group's risk capacity and the level of capital adequacy is in excess of the level prescribed in the regulations. The degree and intensity of the management action is guided by comparing the risk appetite with the potential impact of the risk, likelihood of its occurrence and the costs of implementing the controls.

The entire implementation is monitored both at the management level as well as the Board Committee levels and the overall risk management framework and its effectiveness are subject to both internal and external assurance reviews.

The key risk exposures are summarised below along with a brief approach adopted by the Group to manage those risks.

(i) Market risk

The Group is exposed to financial and capital market risks – the risk that the fair value or future cash flows of an insurance contract or financial instrument will fluctuate because of changes or volatility in market prices. Market risk includes equity market and interest rate risks.

Market risk governance practices are in place, including independent monitoring and review and reporting to senior management and the Investment Committee and also to Risk Committee. Investment Policy and Investment SOP along with Risk Appetite Statement define the level of market risks that the Group can take. Investment team along with Enterprise Risk team provide the required monitoring and reporting to respective management and Board level committees.

Notes forming part of the consolidated financial statements

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments exposes the company to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

Further, any interest rate movements have an inherent implication on the valuation of liabilities also due to the long term nature of product designs and liability profiles.

The Duration gap between assets and liabilities is actively managed to ensure minimum sensitivity to interest rates.

The Group also uses interest rate derivatives to lock-in a fixed rate, and to protect the guaranteed liability portfolio from falling interest rates by reducing the reinvestment risk on new money.

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity. The correlation of variables will have significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are linearly related. The method used for deriving sensitivity information and significant variables have not changed from the previous period.

(₹ in Lakhs)					
Market indices	Change in Interest rate	As at 31 March, 2022		As at 31 March, 2021	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	25 Basis Point down	-	477.00	-	760.00
	50 Basis Point down	-	954.00	-	1,519.00
	25 Basis Point Up	-	(477.00)	-	(760.00)
	50 Basis Point Up	-	(954.00)	-	(1,519.00)

Equity Risk

Equity market risk is the potential for financial loss arising from declines or volatility in equity market prices. The Group is exposed to equity risk from a number of sources. The level of equity risk to be taken in defined in Investment Policy, fund mandates of Unit Linked funds, Risk Appetite Statement and Strategic Asset Allocation of various key funds

The analysis below is performed for reasonably possible movements in market indices with all other variables held constant, showing the impact on profit before tax (due to changes in fair value of financial assets and liabilities whose fair values are recorded in the statement of profit or loss) and equity (that reflects changes in fair value of financial assets). The correlation of variables will have a significant effect in determining the ultimate impact on price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

(₹ in Lakhs)					
Market indices	Change in Variables	Year ended 31.03.2022		Year ended 31.03.2021	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Equity price	10% rise	1,971.00	-	1,727.00	-
	10% fall	(1,971.00)	-	(1,727.00)	-

Notes forming part of the consolidated financial statements

Operational Risk

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. Given the nature and scale of operations, the Group accepts high level of intrinsic risk in the operating model but has low tolerance for outages, specifically either at point of sale or in the subsequent delivery of policyholder obligations. The Group therefore makes resources available to control operational risks to acceptable levels however, recognizes that it is not possible to eliminate some of the risks inherent in its activities given the economic benefits of eliminating the same are far lower than the costs incurred in the process. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Group's strategic planning and budgeting process.

The Group is exposed to various areas of operational risks, including mis-selling, technology, business continuance, information security, fraud, business processes, outsourcing, and compliance. These are mitigated by regular review and monitoring of operating, reporting processes and procedures. A range of policies and procedures to manage these risks is in place including Business Continuity Management, Information Security, Outsourcing, Anti-Fraud, Anti-Corruption and Anti-Bribery, and Anti-Money Laundering Policies together with a Business Code of Conduct. The first line of defence, through the departmental self-assessments, identifies all potential areas of inherent as well as residual risks along with the mitigation actions. The progress against these is monitored closely by respective functions, and is followed up by monitoring and reviews by the second and the third lines of defence.

Information Security risks are governed through Information Security Management System aligned and certified against ISO 27001 which is a global benchmark. The Group has a comprehensive Information Security policy designed to comply with ISO 27001, privacy and/or data protection legislations as specified in Indian Information Technology Act 2008 and Notification dated 11th April 2011 on protection of sensitive personal information and it provides direction to Information Security staff, Management and employees regarding their roles and responsibilities towards Information Security.

The subsidiary of the Company, Max Life Insurance also has a Business Continuity Management System which is aligned and certified against ISO 22301 which is also a global benchmark and has a planned response in the event of any contingency ensuring recovery of critical activities at agreed levels within agreed timeframe thereby complying with various regulatory requirements and minimising the potential business impact to Max Life. Additionally, it creates a system that fosters continuous improvement of business continuity management.

The Operational Risk Group and the Management Risk Committee monitor the residual risks in these areas and ensure that control actions are triggered at appropriate times to ensure that these risk exposures remain within the Group's risk appetite. Process risks in respect of technical areas like Product Development, Information Security are monitored through specialised forums like a Product Steering Committee (which governs a defined process and structure for development of products), Information Security & Business Continuity Management Committee (for all Information Security, Cyber Security and continuity related matters).

(ii) Liquidity risk

An asset-liability mismatch occurs when the financial terms of a Group's assets and liabilities do not correspond. These can lead to non-payment/deferment of claims, expenses, etc. Through effective cash management and capital planning, the Group ensures that, it is properly funded and maintain adequate liquidity to meet obligations. Elaborate mechanism is in place to match duration as well as cash flows through detailed ALM methodology which takes into account re-investment risk as well. Based on the Group's historical cash flows and liquidity management processes, the cash flows from the operating activities will continue to provide sufficient liquidity for us to satisfy debt service obligations and to pay other expenses as they fall due.

Notes forming part of the consolidated financial statements

Liquidity risk is the possibility that the Group will not be able to fund all cash outflow commitments as they fall due. Group's primary funding obligations arise in connection with the payment of policyholder benefits. Sources of available cash flow include general fund premiums and investment related inflows (such as maturities, principal repayments, investment income and proceeds of asset sales).

A governance structure, in form of the ALM Committee, and well defined Asset Liability Management Policy require periodic monitoring of the Asset-Liability position of the Group. The ALM policy defines the constraints on Investment policy arising from the nature of the liabilities that invested assets support. The Investment Policy defines in appropriate detail the specific limits on various forms of investment arising from Regulations, the ALM Policy and MLI's specific investment related risk appetites on various forms of investment. Periodic monitoring of interest rate sensitivity, dollar duration gap, cash flow matching, liquidity ratios, is undertaken at Management as well as Board Level Committees.

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

(iii) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to other party by failing to discharge an obligation. The Group is subject to credit risk in connection with issuers of securities held in our investment portfolio, reinsurers. Losses may occur when a counterparty fails to make timely payments pursuant to the terms of the underlying contractual arrangement or when the counterparty's credit rating or risk profile otherwise deteriorates. Credit risk can occur at multiple levels, as a result of broad economic conditions, challenges within specific sectors of the economy, or from issues affecting individual companies. Events that result in defaults, impairments or downgrades of the securities in our investment portfolio would cause the Company to record realised or unrealised losses and increase our provisions for asset default, adversely impacting earnings.

Governance structure, in form of the Investment Committee, and well defined investment policies & processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. Stringent investment norms and approval structure ensures healthy portfolio while delivering the expected performance. All Regulatory and Internal norms are built in the Investment system, which monitors the Investment limits and exposure norms on real-time basis.

The policyholders' funds are invested in accordance with regulatory norms, Investment policy, fund objective of unit linked funds and risk profile of the respective fund in fixed income segment, majority of the investment is made in the government securities having sovereign rating & debt securities issued by reputed corporate having appropriate rating as per Investment Committee.

Credit risk is significantly mitigated in Controlled Fund (CF) through investments in government securities (at least 50% as per regulations) and is managed by investing in bonds with minimum rating of AA+ in accordance with Investment Policy. Currently, over 90% of the rated debt portfolio (including government securities) of the Controlled Fund is invested in AAA rated bonds. However, the risk of downgrade in rating always remains which exposes Max Life to credit risk to a certain extent.

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet and is mitigated by maintaining cash collaterals against the fair values beyond a threshold.

Notes forming part of the consolidated financial statements

Industry Analysis

As on March 31, 2022

Particulars	Manufacturing	Government	Financial and Insurance	Infrastructure	IT Services	Others	(₹ in Lakhs)
							Total
FVOCI financial assets							
Debt	1,67,451.13	25,116.97	1,61,864.54	11,50,812.57	-	5,170.74	15,10,415.95
Government Securities	-	46,62,558.59	-	-	-	-	46,62,558.59
Others*	-	2,49,410.95	5,133.55	-	-	-	2,54,544.50
Financial Assets At FVTPL							
Alternate Investment Funds	-	-	11,631.26	-	-	-	11,631.26
Debt Securities	16,833.71	22,519.00	1,71,785.07	1,77,216.85	-	10,469.87	3,98,824.50
Equity Instruments	8,63,393.16	-	8,00,416.71	2,12,250.27	3,54,258.46	1,56,067.88	23,86,386.48
Fixed Deposits	-	-	-	-	-	-	-
Government Securities	-	7,68,739.21	-	-	-	-	7,68,739.21
Infrastructure Investment Trusts	-	-	-	16,276.12	-	4,900.00	21,176.12
Mutual funds	-	-	-	-	-	1,58,101.09	1,58,101.09
Exchange traded Fund (MF)	-	-	-	-	-	1,60,823.20	1,60,823.20
Real Estate Investment Trust	-	-	-	-	-	16,744.22	16,744.22
Others	-	3,36,571.69	-	-	-	1,723.50	3,38,295.19
Financial Assets At Amortised Cost							
Debt	-	12,020.22	1,08,541.23	69,320.61	-	-	1,89,882.06
Government Securities	-	1,01,293.22	-	-	-	-	1,01,293.22
Others	-	-	-	-	-	-	-
Total Credit Risk Exposure	10,47,678.00	61,78,229.85	12,59,372.36	16,25,876.42	3,54,258.46	5,14,000.50	1,09,79,415.59

As on March 31, 2021

Particulars	Manufacturing	Government	Financial and Insurance	Infrastructure	IT Services	Others	(₹ in Lakhs)
							Grand Total
FVOCI Financial Assets							
Debt	11,280.00	4,663.00	28,279.00	1,07,930.29	-	-	1,52,152.29
Government Securities	-	1,64,814.57	-	-	-	-	1,64,814.57
Others	-	1,58,154.31	4,977.46	-	-	-	1,63,131.77
Financial Assets At FVTPL							
Alternate Investment Funds	-	-	6,401.96	-	-	-	6,401.96
Debt Securities	36,323.00	563.00	99,361.00	1,62,452.00	-	3,753.00	3,02,452.00
Equity Instruments	8,52,765.00	-	3,72,289.00	1,35,054.00	3,66,419.00	88,629.55	18,15,156.55
Government Securities	-	7,88,623.88	-	-	-	-	7,88,623.88
Infrastructure Investment Trusts	-	-	-	12,473.68	-	-	12,473.68
Mutual funds	-	-	-	-	-	1,63,664.87	1,63,664.87
Exchange traded Fund (MF)	-	-	-	-	-	1,26,095.87	1,26,095.87
Real Estate Investment Trust	-	-	-	-	-	9,923.17	9,923.17
Others	-	3,37,278.43	1,040.79	-	-	-	3,38,319.22
Financial Assets At Amortised Cost							
Debt	29,318.00	2,625.00	1,93,108.00	9,07,309.00	-	-	11,32,360.00
Government Securities	-	38,88,060.00	-	-	-	-	38,88,060.00
Others	-	1,12,945.00	-	-	-	-	1,12,945.00
Total Credit Risk Exposure	9,29,686.00	54,57,727.19	7,05,457.21	13,25,218.97	3,66,419.00	3,92,066.46	91,76,574.83

Notes forming part of the consolidated financial statements

Credit Exposure by Credit Rating

As on March 31, 2022

(₹ in Lakhs)							
Particulars	AAA or Equivalent	AA+ or AA'	AA- or lower upto A+ or Equivalent	A or lower than A or Equivalent	SOVEREIGN	UNR	Total
FVOCI Financial Assets							
Debt	14,54,383.12	9,435.61	-	46,597.22			15,10,415.95
Government Securities					46,62,558.59		46,62,558.59
Others					2,49,410.95	5,133.55	2,54,544.50
Financial Assets At FVTPL							
Alternate Investment Funds					-	11,631.26	11,631.26
Debt Securities	3,13,998.81	36,649.66	-	48,176.03	-	-	3,98,824.50
Equity Instruments		3,190.10			-	23,83,196.38	23,86,386.48
Exchange traded Fund (MF)						1,60,823.20	1,60,823.20
Government Securities					7,68,739.21	-	7,68,739.21
Infrastructure Investment Trusts	21,176.12				-	-	21,176.12
Mutual funds	1,58,101.09				-	-	1,58,101.09
Real Estate Investment Trust	16,744.22				-	-	16,744.22
Others*					3,36,571.69	1,723.50	3,38,295.19
Financial Assets At Amortised Cost							
Debt	84,497.69	129.59	-	1,05,254.78			1,89,882.06
Government Securities					1,01,293.22		1,01,293.22
Others					-	-	-
Total Credit Risk Exposure	20,48,901.05	49,404.96	-	2,00,028.03	61,18,573.66	25,62,507.89	1,09,79,415.59

As on March 31, 2021

(₹ in Lakhs)							
Particulars	AAA or Equivalent	AA+ or AA'	AA- or lower upto A+ or Equivalent	A or lower than A or Equivalent	SOVEREIGN	UNR	Total
FVOCI Financial Assets							
Debt	1,51,339.58	812.71	-	-	-	-	1,52,152.29
Government Securities	-	-	-	-	1,64,814.57	-	1,64,814.57
Others	-	-	-	-	1,58,154.31	4,977.46	1,63,131.77
Financial Assets At FVTPL							
Alternate Investment Funds	-	-	-	-	-	6,401.96	6,401.96
Debt Securities	2,24,773.61	26,272.57	1,042.45	50,363.58	-	-	3,02,452.21
Equity Instruments	-	17,626.19	-	-	-	17,97,532.43	18,15,158.62
Exchange traded Fund (MF)	-	-	-	-	-	1,26,095.87	1,26,095.87
Government Securities	-	-	-	-	7,88,623.88	-	7,88,623.88
Infrastructure Investment Trusts	12,473.68	-	-	-	-	-	12,473.68
Mutual funds	1,63,664.87	-	-	-	-	-	1,63,664.87
Real Estate Investment Trust	9,923.17	-	-	-	-	-	9,923.17
Others*	-	-	-	-	3,37,278.42	1,040.80	3,38,319.22
Financial Assets At Amortised Cost							
Debt	9,69,988.22	5,588.46	-	1,56,783.22	-	-	11,32,359.90
Government Securities	-	-	-	-	38,88,057.55	-	38,88,057.55
Others	-	-	-	-	1,12,945.27	-	1,12,945.27
Total Credit Risk Exposure	15,32,163.13	50,299.93	1,042.45	2,07,146.80	54,49,874.00	19,36,048.52	91,76,574.83

It is the Group's policy to maintain accurate and consistent risk ratings across its credit portfolio. This enables management to focus on the applicable risks and the comparison of credit exposures across all lines of business and products. The rating system is supported by a variety of financial analytics combined with processed market information to provide the

Notes forming part of the consolidated financial statements

main inputs for the measurement of counterparty risk. All internal risk ratings are derived in accordance with the Group's rating policy. The attributable risk ratings are assessed and updated regularly.

The Group actively monitors its investments exposures to ensure that there is no significant concentration of credit risk.

Expected credit loss

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

- a) Financial assets that are measured at amortised cost and
- b) Financial assets (debt) that are measured as at FVTOCI

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

For the purpose of 12-month credit risk, Group has applied probability of default (PD) and loss given default (LGD) based on the credit rating of each securities. These PD and LGD for various ratings have been obtained from CRISIL and RBI respectively.

ECL allowance (or reversal) for the year is recognised as expense/income in the statement of profit or loss.

ECL allowance computed, basis above, during the period under consideration is as follows:

	(₹ In Lakhs)
Movement of Allowances	Financial Asset
As at 01 April, 2020	10,810.56
Provided during the year	(8,273.21)
Reversals of provision	-
As at 31 March, 2021	2,537.35
Amounts written off	(1,000.00)
Reversals of provision	(199.76)
As at 31 March, 2022	1,337.59

Insurance and Financial Risk of Insurance Business

- (iv) The principal risk the company faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

Life insurance contracts and investment contracts with and without discretionary participation feature (DPF)

Ind AS 104 requires products offered by the Insurance Company to classify them in Insurance Contract and Investment Contract. Each contract needs to be classified in insurance contract and investment contract based on the risk they carry.

A contract would be an insurance contract and investment contracts with DPF if the benefit payable on death is higher by:

Notes forming part of the consolidated financial statements

at least 5% of the fund value at any time during the life on the contract for unit linked products, or at least 5% of the premium at any time during the life of the contract for other than unit linked products

All other contract are categorised as Investment contracts.

For contracts with DPF, the participating nature of these contracts results in a significant portion of the insurance risk being shared with the insured party.

The main risks that the Group is exposed to are as follows:

- a) Persistency risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected
- b) Mortality risk – risk of loss arising due to policyholder death experience being different than expected
- c) Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
- d) Longevity risk – risk of loss arising due to the annuitant living longer than expected
- e) Investment return risk – risk of loss arising from actual returns being different than expected
- f) Expense risk – risk of loss arising from expense experience being different than expected
- g) Product and pricing risk – risk of loss due to incorrect pricing or not adhering to the product regulations or higher payouts due to ambiguity in terms and conditions
- h) Reinsurance risk – The Group enters into reinsurance agreements in order to mitigate insurance risk. However, this leads to default risk from the reinsurer at the time of claim payment or also concentration risk if all the risk is insured to one reinsurer.
- i) Concentration risk – The Group faces concentration risk by selling business to specific geography or by writing only single line business etc.
- j) Liquidity risk – The Group does not have sufficient financial resources available to meet its obligations as they fall due, or can secure them only at excessive cost.

Control Measures

The actuarial department has set up systems to continuously monitor the Group's experience with regard to parameters like policy lapses, premium persistency, maintenance expenses and investment returns. The underwriting team, with actuarial guidance, has set in place processes and procedures to review proposals. Some products offered by the company also have an investment guarantee. The Group has set aside adequate reserves to cover this risk.

Further, the possible financial effect of adverse mortality and morbidity experience has been reduced by entering into reinsurance agreements with multiple reinsurers. The Group has entered into a separate agreement with reinsurers to cover the catastrophic risks under individual and group business.

A further element of managing risk is to limit the exposure to individual segments of the population. In essence, being over-represented in any population segment will increase the variance of the company's experience, and so there are advantages to diversifying across all relevant population segments, at least until data is available to confirm which segments can be expected to have relatively favourable experience. At the present stage in the Group's development, the focus is on building new distribution and so geographical diversification is actively taking place.

Notes forming part of the consolidated financial statements

Insurance Contracts Liabilities

Change in liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
Liability at the beginning of the year	44,49,363.89	27,80,636.08	11,09,030.80	83,39,030.77	37,00,910.06	18,70,911.00	8,15,112.00	63,86,933.06
Add/(Less)								
Premium	6,71,948.28	4,97,003.11	3,83,852.10	15,52,803.49	6,79,638.73	4,83,509.47	2,38,962.21	14,02,110.41
Unwinding of the discount/Interest credited	2,40,996.75	1,27,240.93	71,358.00	4,39,595.68	2,01,541.10	83,702.51	54,684.23	3,39,927.84
Claim Liability released	(3,72,505.00)	(3,56,103.15)	(1,12,783.00)	(8,41,391.15)	(2,81,570.23)	(1,85,598.67)	(83,986.66)	(5,51,155.56)
New Business	96,405.89	2,03,226.00	2,17,905.00	5,17,536.89	15,536.64	1,76,832.76	1,69,035.85	3,61,405.25
Others	54,926.84	32,421.33	(1,08,018.00)	(20,669.83)	1,33,307.59	3,51,279.01	(84,776.83)	3,99,809.77
Liability at the end of the year	51,41,136.65	32,84,424.30	15,61,344.90	99,86,905.85	44,49,363.89	27,80,636.08	11,09,030.80	83,39,030.77

Investment Contracts Liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
At the beginning of the year	7.00	87,687.00	-	87,694.00	6.00	77,551.50	-	77,557.50
Additions								
Premium	-	4,715.05	-	4,715.05	-	4,355.37	-	4,355.37
Interest and Bonus credited to policyholders	1.00	11,283.02	-	11,284.02	0.53	28,942.21	-	28,942.74
Withdrawals/ Claims	8.00	17,794.32	-	17,802.32	-	22,858.86	-	22,858.86
Fee Income and Other Expenses	-	259.06	-	259.06	0.06	302.28	-	302.34
At the end of the year	-	85,631.69	-	85,631.69	6.47	87,687.94	-	87,694.41

Reinsurance Assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
At the beginning of the year	97,354.66	1,42,348.45
Add/(Less)		
Impact of new business	(4,950.00)	16,573.94
Others	84,324.02	(61,567.73)
At the end of the year	1,76,728.68	97,354.66

Deferred Acquisition Cost

(₹ in Lakhs)

Particulars	Amount
As at 01 April, 2020	86.59
Expenses deferred	-
Amortisation	(22.09)
As at 31 March, 2021	64.50
Expenses deferred	-
Amortisation	(15.93)
As at 31 March, 2022	48.57

Notes forming part of the consolidated financial statements

Key assumptions

The assumptions play vital role in calculating Insurance liabilities for the Group. Material judgement is required in determining the liabilities and in the choice of assumptions. Best estimate assumptions in use are based on historical and current experience, internal data, some judgement and as per guidance notes/actuarial practice standards. However for the purpose of valuation an additional level of prudence has been kept on all the best estimate assumptions known as MfAD (margin for adverse deviation). The Company keeps adequate MAD, as prescribed in APS 7 issued by the Institute of Actuaries of India (IAI), in all assumptions over best estimate value.

Best Estimate Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations.

Assumptions can vary by type of product, duration, gender, distribution channel etc if the experience of any category is significantly different and data is credible for the respective category.

The key assumptions to which the estimation of liabilities is particularly sensitive are, as follows:

i) Mortality and morbidity rates

Assumptions are based on historical experience and for new products based on industry/reinsurers data. Assumptions may vary by type of product, distribution channel, gender etc.

An increase in mortality/morbidity rates will usually lead to a larger number/amount of claims (and claims could occur sooner than anticipated), which will increase the liability and reduce profits for the shareholders.

ii) Longevity

Assumptions are based on standard industry tables, adjusted when appropriate to reflect the company's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. An increase in longevity rates will lead to an increase in the number of annuity payments to be made, which will increase the liability and reduce profits for the shareholders.

iii) Investment return and Discount Rate

The rate of return is derived based on the investment portfolio that is assumed to back liabilities, consistent with the long-term asset allocation strategy. These estimates are based on current portfolio returns as well as expectations about future economic developments. An increase in investment return would lead to an increase in profits for the shareholders.

Life insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expenses directly related to the contract, less the discounted value of the expected theoretical premiums that would be required to meet these future cash outflows.

A decrease in the discount rate will increase the value of the insurance liability and therefore reduce profits for the shareholder.

iv) Expenses and inflation

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

Notes forming part of the consolidated financial statements

An increase in the level of expenses would result in an increase in expenditure, thereby reducing profits for the shareholders.

v) Lapse, surrender and partial withdrawal rates

Lapses relate to the termination of policies due to non-payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the company's experience and usually vary by product type, policy duration and distribution channel.

An increase in lapse/surrender rates generally tends to reduce the value of insurance liability and therefore increase profits for shareholders. However, the direction of impact may vary depending upon the policy duration at which the lapse/surrender occurs.

The assumptions (post the margins for adverse deviations) that have the greatest effect on the statement of financial position and statement of profit or loss of the Group are listed below:

Assumptions for key categories of business impacting net liabilities	Mortality rates		Investment return		Lapse and surrender rates	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Insurance						
Participating Life products - Endowment (closed to new business) - Life Gain Plus	38% to 163% of IALM 12-14	38% to 163% of IALM 12-14	5.45% to 6.15%	5.45%	2% to 19%	2% to 19%
Participating Life products - Whole Life (closed to new business) - Whole Life	38% to 163% of IALM 12-14	38% to 163% of IALM 12-14	5.45% to 6.15%	5.45%	2% to 19%	2% to 19%
Participating Life products - Endowment (open to new business) - Monthly Income Advantage Plan	57% to 75% of IALM 12-14	57% to 75% of IALM 12-14	5.45% to 6.15%	5.45%	2% to 11%	2% to 11%
Participating Life products - Endowment (open to new business) - Life Gain Premier	63% to 97% of IALM 12-14	63% to 97% of IALM 12-14	5.45% to 6.15%	5.45%	3% to 15%	3% to 15%
Key Individual Linked product - Fast Track Super	44% to 94% of IALM 12-14	44% to 94% of IALM 12-14	5.80% to 6.50%	5.75%	5% to 21%	5% to 21%
Individual Non-Participating Life products - Savings - Gteed. Monthly Income Plan	60% to 72% of IALM 12-14	60% to 72% of IALM 12-14	5.80% to 6.50%	5.75%	0.8% to 11%	0.8% to 11%
Individual Non-Participating Life products - Savings - Gteed. Income Plan	52% to 83% of IALM 12-14	52% to 83% of IALM 12-14	5.80% to 6.50%	5.75%	3% to 12%	3% to 12%
Individual Non-Participating Life products - Savings - Smart Wealth Plan	60% to 94% of IALM 12-14	60% to 94% of IALM 12-14	5.80% to 6.50%	5.75%	1% to 14%	1% to 14%
Individual Non-Participating Life products - Protection - Online Term Plan	33% to 50% of IALM 12-14	23% to 50% of IALM 12-14	5.80% to 6.50%	5.75%	2% to 8%	2% to 8%
Individual Non-Participating Life products - Protection - Smart Term Plan	33% to 50% of IALM 12-14	23% to 50% of IALM 12-14	5.80% to 6.50%	5.75%	1% to 12%	1% to 12%
Group Credit Life - Credit Life Secure	33% to 66% of IALM 12-14	33% to 66% of IALM 12-14	5.80% to 6.50%	5.75%	1% to 4%	1% to 4%

* Mortality and lapse/surrender assumptions are provided for the top two distribution channels.

Notes forming part of the consolidated financial statements

Portfolio assumptions by type of business impacting net liabilities	Partial Withdrawal		Renewal Per Policy Expense Assumptions		Inflation	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Insurance						
With DPF	NA	NA	880.00	770.00	5.65% p.a.	5.45% p.a.
Linked Business	2.50%	2.50%	1210.00	1100.00	5.65% p.a.	5.45% p.a.
Others	NA	NA	715.00	594.00	5.65% p.a.	5.45% p.a.

*Commission scales have been allowed in accordance with the Group practice.

Sensitivity to Insurance Risk**Embedded Value (EV) and Value of New Business (VNB) Analysis:****Sensitivity analysis as at 31 March, 2022**

Sensitivity	EV		VNB	
	(₹ Cr)	% Change	(₹ Cr)	% Change
Base Case	14,174.00	--	1,528.00	--
Lapses/Surrender - 10% increase	14,045.00	-1%	1,502.00	-2%
Lapses/Surrender - 10% decrease	14,300.00	1%	1,553.00	2%
Mortality - 10% increase	13,932.00	-2%	1,465.00	-4%
Mortality - 10% decrease	14,418.00	2%	1,592.00	4%
Expenses - 10% increase	14,043.00	-1%	1,439.00	-6%
Expenses - 10% decrease	14,305.00	1%	1,618.00	6%
Risk free rates - 100 bps increase	13,945.00	-2%	1,592.00	4%
Risk free rates - 100 bps reduction	14,350.00	1%	1,449.00	-5%
Equity values - 10% immediate rise	14,310.00	1%	1,528.00	-
Equity values - 10% immediate fall	14,039.00	-1%	1,528.00	-

Sensitivity analysis as at 31 March, 2021

Sensitivity	EV		VNB	
	(₹ Cr)	% Change	(₹ Cr)	% Change
Base Case	12,010.00	--	1,249.00	--
Lapses/Surrender - 10% increase	11,886.00	-1%	1,232.00	-1%
Lapses/Surrender - 10% decrease	12,135.00	1%	1,263.00	1%
Mortality - 10% increase	11,812.00	-2%	1,197.00	-4%
Mortality - 10% decrease	12,210.00	2%	1,300.00	4%
Expenses - 10% increase	11,896.00	-1%	1,165.00	-7%
Expenses - 10% decrease	12,124.00	1%	1,332.00	7%
Risk free rates - 100 bps increase	11,800.00	-2%	1,309.00	5%
Risk free rates - 100 bps reduction	12,175.00	1%	1,158.00	-7%
Equity values - 10% immediate rise	12,112.00	1%	1,249.00	Negligible
Equity values - 10% immediate fall	11,908.00	-1%	1,249.00	Negligible

Market consistent methodology

The EV and VNB have been determined using a market consistent methodology which differs from the traditional EV approach in respect of the way in which allowance for the risks in the business is made.

For the market consistent methodology, an explicit allowance for the risks is made through the estimation of the Time Value of Financial Options and Guarantees (TVFOG), Cost of Residual Non-Hedgeable Risks (CRNHR) and Frictional Cost (FC) whereas for the traditional EV approach, the allowance for the risk is made through the Risk Discount Rate (RDR)

Notes forming part of the consolidated financial statements

Components of EV

The EV is calculated to be the sum of:

- Net Asset value (NAV) or Net Worth: It represents the market value of assets attributable to shareholders and is calculated as the adjusted net worth of the company (being the net shareholders' funds as shown in the audited financial statements adjusted to allow for all shareholder assets on a market value basis, net of tax).
- Value of In-force (VIF): This component represents the Present Value of Future expected post-tax Profits (PVFP) attributable to shareholders from the in-force business as at the valuation date, after deducting allowances for TVFOG, CRNHR and FC. Thus, $VIF = PVFP - TVFOG - CRNHR - FC$

Assumptions used in EV analysis:

A) Economic assumptions-

- The EV is calculated using risk free (government bond) spot rate yield curve taken from FIMMDA1 as at 31 March 2021.
- The spot rates beyond the longest available term of 40 years are assumed to remain at 40 year term spot rate level. The VNB is calculated using the beginning of respective quarter's risk free yield.
- No allowance has been made for liquidity premium because of lack of credible information on liquidity spreads in the Indian market.

B) Demographic assumptions

The lapse and mortality assumptions are approved by a Board committee and are set by product line and distribution channel on best estimate basis, based on the following principles:

- The Company's recent experience gets examined on quarterly basis and reflected in the best estimate assumptions for annual reporting. However, being amidst COVID19 pandemic, last few quarter's experience is not a good measure for basing the long term assumptions.
- Hence, to avoid arbitrary movement in assumptions due to one-off impact of COVID19 pandemic, the current demographic assumptions are kept same as previous year.

43. Fair value measurement

A Valuation principles and governance

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by various functions of the Company including the risk and finance functions. The responsibility of ongoing measurement resides with the business and product line divisions.

Notes forming part of the consolidated financial statements

B Financial instruments by fair value hierarchy

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

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

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

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs:

As at 31 March, 2022

	(₹ In Lakhs)			
Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value:				
Derivative financial instrument				
Forward rate agreements	-	2,916.96	-	2,916.96
FVOCI Assets:				
Government Securities	-	46,62,558.58	-	46,62,558.58
Debt Securities	-	15,10,415.95	-	15,10,415.95
Other Investments*	-	2,54,544.50	-	2,54,544.50
FVTPL Assets:				
Government Securities	-	7,68,739.21	-	7,68,739.21
Debt Securities	-	3,98,824.50	-	3,98,824.50
Equity Instruments	24,03,130.70	-	-	24,03,130.70
Mutual Funds	3,18,924.29	-	-	3,18,924.29
Alternate Investment Fund	-	11,631.26	-	11,631.26
Infrastructure Investment Trusts	21,176.12	-	-	21,176.12
Other Investments*	-	3,38,295.19	-	3,38,295.19
	27,43,231.11	79,47,926.15	-	1,06,91,157.26
Liabilities measured at fair value				
Derivative financial instrument				
Forward rate agreements	-	24,902.74	-	24,902.74
	-	24,902.74	-	24,902.74

* other investment includes fixed deposits and reverse repo.

There have been no transfer between Level 1, 2 and 3 during the year.

Notes forming part of the consolidated financial statements

As at 31 March, 2021

(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value:				
Interest rate swap	-	6,749.06	-	6,749.06
FVOCI Assets:				
Government Securities	-	1,64,814.57	-	1,64,814.57
Debt Securities	-	1,52,152.29	-	1,52,152.29
Other Investments*	-	1,63,131.77	-	1,63,131.77
FVTPL Assets:				
Government Securities	-	7,88,623.88	-	7,88,623.88
Debt Securities	-	3,02,452.21	-	3,02,452.21
Equity Instruments	18,25,081.79	-	-	18,25,081.79
Mutual Funds	2,89,760.74	-	-	2,89,760.74
Alternate Investment Fund	-	6,401.96	-	6,401.96
Infrastructure Investment Trusts	12,473.68	-	-	12,473.68
Other Investments*	-	3,38,319.22	-	3,38,319.22
	21,27,316.21	19,22,644.96	-	40,49,961.17

Liabilities measured at fair value

(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
Derivative financial instrument				
Forward rate agreements	-	5,470.74	-	5,470.74
	-	5,470.74	-	5,470.74

* other investment includes fixed deposits and reverse repo.

There have been no transfer between Level 1, 2 and 3 during the year.

C Valuation techniques

Asset Classification	Valuation
Equity instruments	Listed equity shares are valued at fair value, being the last quoted closing price on NSE and in case the same is not available, then on BSE.
Preference shares	Listed preference shares to be valued at fair value, being the last quoted closing price on NSE and in case the same is not available, then on BSE.
Government Securities	The Government Securities and Special Bond/Oil Bond issued by Government of India are valued at prices (Gilt Values) obtained from CRISIL
State Government Bonds	State Government securities are valued at prices (SDL Values) obtained from CRISIL
Reverse Repo	Valued at cost plus interest accrued on reverse repo rate
Discounted Securities (Treasury Bills, Commercial Papers, Certificates of Deposit)	Valued at accreted cost on Straight line till the beginning of the day plus the difference between the redemption value and the cost spread uniformly (straight line method) over the remaining maturity period of the instruments. The income shall be recognised as discount accrued.
Fixed Deposits	Valued at cost plus interest accrued on agreed coupon rate
Infrastructure Investment Trusts (INVIT) and Real estate Investment Trusts (REIT)	Valued at Market Value (last Quoted price should not be later than 30 days). Where Market Quote is not available for the last 30 days, the Units shall be valued as per the latest NAV (not more than 6 months old) of the Units published by the trust
Additional Tier-1 bonds	Valued on the basis of values generated by bond valuer based on matrix released by Credit Rating Information Services of India Limited (CRISIL) on daily basis
Exchange Traded Fund	Listed Exchange Traded Fund units are valued at fair value, being the last quoted closing price on NSE and in case the same is not available, then on BSE
Mutual Fund	Valued at the previous day's Net Asset Value (NAV)
Alternate Investment Funds	Valued at Net Asset Value (NAV) if available or historical Cost less diminution in value of investments.

Notes forming part of the consolidated financial statements

Asset Classification	Valuation
Debt Securities (Non-Convertible Debentures)	<p>Maturity >182 days: Valued on YTM basis by using spread over benchmark rates (matrix released by CRISIL on daily basis) to arrive at the yield for pricing the security. The benchmark spreads are incorporated in the CRISIL Bond Valuer on daily basis and accordingly the instruments are valued on yield to maturity basis depending upon its maturity buckets & corresponding ratings</p> <p>Maturity <182 days: Securities purchased with residual maturity of up to 182 days are to be valued at cost plus the difference between the redemption value and cost spread uniformly over the remaining maturity period of the instrument. In case of securities with maturity >182 days at the time of purchase, the last available valuation price should be used. Depending upon the premium or discount at the time of purchase, the price will be subject to amortisation/accretion</p> <p>Call option: The securities with call option shall be valued (by CRISIL Bond Valuer) at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option. In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is to be taken as the value of the instrument</p> <p>Put option: The securities with put option shall be valued (by CRISIL Bond Valuer) at the higher of the value as obtained by valuing the security to final maturity, and valuing the security to put option. In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is to be taken as the value of the instruments</p> <p>Put & call option on the same day: The securities with both Put and Call option on the same day would be deemed to mature on the Put/Call day and would be valued accordingly (by CRISIL Bond Valuer)</p> <p>Annually compounding coupon: Securities having annual compounding coupons shall be valued on YTM basis by using spread over benchmark rates (matrix released by CRISIL Bond Valuer on daily basis) to arrive at the yield for pricing the security. The gross/dirty price so arrived shall be reduced by the coupon calculated from last interest payment date or allotment date whichever is earlier to arrive at the clean price. Such reduction shall take into account the compounding coupon calculations wherever applicable</p> <p>Coupon reset Paper: 6 monthly benchmark coupon reset paper/Floater are to be valued at cost plus the difference between the redemption value and cost spread uniformly over the remaining maturity period of the instrument. Depending upon the premium or discount at the time of purchase, the price will be amortised/accreted. On the date of reset such accretion/amortisation shall also be reset for pricing</p> <p>NSE MIBOR Paper: NSE MIBOR instruments including those with daily put call options shall be valued at cost till the date of maturity</p>

Notes forming part of the consolidated financial statements

D Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities:

As at 31 March, 2022

(₹ In Lakhs)					
Particulars	Notional amount	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	76,402.82	76,402.82	-	-	76,402.82
Bank balances other than cash and cash equivalents	3,061.72	3,061.72	-	-	3,061.72
Trade and other receivables	67,715.93	-	67,715.93	-	67,715.93
Loans and Advances					
Loan against policy	66,607.16	-	66,607.16	-	66,607.16
Security Deposit	4,105.58	-	4,181.08	-	4,105.58
Investment Securities	2,91,175.29	-	2,91,175.29	-	2,91,175.29
-Measured at amortised cost					
Other assets	3,77,163.51	-	3,77,088.01	-	3,77,163.51
Total Financial Assets	8,86,232.01	79,464.54	8,06,767.47	-	8,86,232.01
Financial liabilities					
Trade payables	1,41,468.21	-	1,41,468.21	-	1,41,468.21
Non-convertible subordinated debentures	52,056.22	-	52,056.22	-	52,056.22
Lease liability	24,744.47	-	24,744.47	-	24,744.47
Contract liabilities of life insurance	1,07,89,790.34	-	1,07,89,790.34	-	1,07,89,790.34
Other financial liability	2,08,792.14	-	2,08,792.14	-	2,08,792.14
Total Financial Liabilities	1,12,16,851.38	-	1,12,16,851.38	-	1,12,16,851.38

As at 31 March, 2021

(₹ In Lakhs)					
Particulars	Notional amount	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	71,557.33	71,557.33	-	-	71,557.33
Bank balances other than cash and cash equivalents	124.22	124.22	-	-	124.22
Trade and other receivables	61,056.72	-	61,056.72	-	61,056.72
Loans and Advances					
Loan against policy	53,222.46	-	53,222.46	-	53,222.46
Security Deposit	4,203.55	-	4,203.55	-	4,203.55
Investment Securities	51,33,362.72	-	51,33,365.00	-	51,33,365.00
-Measured at amortised cost					
Other assets	2,33,032.59	-	2,33,032.59	-	2,33,032.59
Total Financial Assets	55,56,559.59	71,681.55	54,84,880.32	-	55,56,561.87
Financial liabilities					
Trade payables	1,16,929.68	-	1,16,929.68	-	1,16,929.68
Lease liability	27,839.22	-	27,839.22	-	27,839.22
Contract liabilities of life insurance	89,34,306.45	-	89,34,306.45	-	89,34,306.45
Other financial liability	2,68,978.30	-	2,68,978.30	-	2,68,978.30
Total Financial Liabilities	93,48,053.65	-	93,48,053.65	-	93,48,053.65

Notes forming part of the consolidated financial statements

Valuation methodologies of financial instruments not measured at fair value

Short-term financial assets and liabilities:

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Trade receivables, balances other than cash and cash equivalents, Security deposit, Policy loans, trade payables, Contract liabilities of life insurance and other financial liabilities. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Financial asset at amortised cost

The fair values financial of held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk

44. Derivative financial instruments

The Company has guaranteed products where the returns to the policy holders are fixed and the Company is exposed to interest rate risk on account of investment from receipt of subsequent premiums and sum of interest and maturity from investment made out of premiums received.

In accordance with the Regulations, the Company has executed International Swaps and Derivatives Association (ISDA) master agreements and two way Credit Support Annexure (CSA) with the banks. The Company uses Value at Risk (VAR) to measure and monitor risk of its derivatives portfolio. Derivatives are undertaken by the Company solely for the purpose of hedging interest rate risks on account of following:

- a. Reinvestment of maturity proceeds of existing fixed income investments;
- b. Investment of interest income receivable; and
- c. Expected policy premium income receivable on insurance contracts which are already underwritten in Life and Pension & General Annuity business.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

As per Ind AS 109 "Financial Instruments", If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

The amount under Realised Hedge Reserves shall be recycled to Statement of Profit and Loss basis the forecasted transaction impacts the Statement of Profit and Loss. Till such time, the amount reflected as part of Realised Hedge Reserves will not be available for payment of dividends to Shareholders.

Notes forming part of the consolidated financial statements

A) Amount outstanding and Mark to Market values

(₹ In Lakhs)		
Particulars	At March 31, 2022 Interest rate derivatives	At March 31, 2021 Interest rate derivatives
Cash Flow Derivatives		
1 Derivatives (Outstanding Notional Amount)	13,64,831.04	10,04,666.55
2 Derivatives(Average Notional Amount)	12,00,605.21	4,45,400.00
3 Marked to market positions		
a) Asset (+)	2,916.95	6,749.00
b) Liability (-)	24,902.73	(5,471.00)
4 Credit exposure		
Current Credit Exposure	2,916.95	6,749.00
Potential Future Credit Exposure	43,876.16	38,354.00

B) Benchmark wise derivative position

For the year ended March 31, 2022

S.No.	Nature of the Derivative Contract	Benchmark	No of Deals	Notional amount of Derivative Contract o/s at the beginning of the Year	Fresh derivative contracts/ position taken during the Year	Derivative contracts/ positions terminated/ matured/ expired during the Year #	Notional amount of Derivative Contract o/s at the end of the Year
1	Forward Rate Agreements (FRA)	MIBOR/OIS/INBMK	292	10,04,667.17	5,53,859.89	1,93,695.39	13,64,830.67
2	Interest Rate Swaps (IRS)	MIOIS/MIBOR	-	-	-	-	-
3	Interest Rate Futures (IRF)	GOI	-	-	-	-	-

For the year ended March 31, 2021

S.No.	Nature of the Derivative Contract	Benchmark	No of Deals	Notional amount of Derivative Contract o/s at the beginning of the Year	Fresh derivative contracts/ position taken during the Year	Derivative contracts/ positions terminated/ matured/ expired during the Year #	Notional amount of Derivative Contract o/s at the end of the Year
1	Forward Rate Agreements (FRA)	MIBOR/OIS/INBMK	281	4,45,437.00	6,66,973.00	1,07,743.00	10,04,667.00
2	Interest Rate Swaps (IRS)	MIOIS/MIBOR	-	-	-	-	-
3	Interest Rate Futures (IRF)	GOI	-	-	-	-	-

Notes forming part of the consolidated financial statements

C) Counterparty Wise derivative position

S. No.	Counterparty	At March 31, 2022			At March 31, 2021		
		Notional of Derivative Contract o/s	Current Credit Exposure	Potential Future Credit Exposure	Notional amount of Derivative Contract o/s	Current Credit Exposure	Potential Future Credit Exposure
1	JP Morgan Chase	2,52,726.27	534.69	7,562.65	2,83,512.65	1,572.56	3,667.92
2	Standard Chartered Bank	2,23,717.26	587.38	5,608.40	2,35,428.11	2,215.32	2,477.14
3	HSBC Bank	1,15,074.73	71.99	3,101.48	17,563.80	198.20	167.15
4	DBS Bank	2,33,163.29	222.67	6,341.46	1,18,952.18	768.71	1,299.42
5	Credit Suisse	97,250.48	18.16	3,064.17	2,30,972.81	1,612.77	3,947.38
6	CITI Bank	2,32,476.20	1,155.48	11,246.92	63,253.07	82.07	795.56
7	BNPP Paribas	1,25,051.73	199.18	3,068.97	54,983.93	299.42	545.42
8	ICICI Bank	48,811.75	-	2,385.71	-	-	-
9	HDFC Bank	15,417.95	127.40	858.42	-	-	-
10	ANZ Bank	21,141.36	-	637.47	-	-	-

D) Derivative designated as hedging instruments

a) The impact of the hedging instruments on the balance sheet is, as follows

As at 31 March, 2022

Derivative financial instruments	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
Forward Rate Agreements	13,64,831.04	(21,986.25)	Derivative Financial Asset/Liability	(23,264.25)

As at 31 March, 2021

Derivative financial instruments	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
Forward Rate Agreements	10,04,666.55	1,278.32	Derivative Financial Asset/Liability	1,762.94

b) The impact of hedged items on the balance sheet is, as follows:

As at 31 March, 2022

Derivative financial instruments	Change in fair value used for measuring ineffectiveness	Cash flow hedge reserve	Cost of hedging
Forward Rate Agreements	11,468.00	5,411.77	-
Interest Rate Swap	-	4,006.26	-

Notes forming part of the consolidated financial statements

As at 31 March, 2021

Derivative financial instruments	Change in fair value used for measuring ineffectiveness	Cash flow hedge reserve	Cost of hedging
Forward Rate Agreements	(11,254.00)	18,546.85	-
Interest Rate Swap	-	5,474.54	-

- c) The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

As at 31 March, 2022

Derivative financial instruments	Total hedging gain/(loss) recognised in OCI	Ineffectiveness recognised in profit/(loss)	Line item in the statement of profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Cost of hedge reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Forward Rate Agreements	(12,523.25)	(9,358.00)	N/A	-	611.83	-	N/A
Interest Rate Swap	-	-	-	-	1,469.00	-	-

As at 31 March, 2021

Derivative financial instruments	Total hedging gain/(loss) recognised in OCI	Ineffective-ness recognised in profit/(loss)	Line item in the statement of profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Cost of hedge reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Forward Rate Agreements	14,411.84	(5,612.00)	NA	-	203.99	-	NA
Interest Rate Swap	-	-	-	-	1,357.00	-	-

E) Movement in Hedge Reserve

Forward Rate Agreements:

Hedge Reserve Account	As at March 31, 2022			As at March 31, 2021		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	6,845.77	11,701.08	18,546.85	-	4,339.00	4,339.00
Add: Changes during the year	2,963.74	(15,486.99)	(12,523.25)	7,049.76	7,362.08	14,411.84
Less: Amounts reclassified to The Statement of Profit & Loss Account	611.83	-	611.83	203.99	-	203.99
Balance at the end of the year	9,197.68	(3,785.91)	5,411.77	6,845.77	11,701.08	18,546.85

Interest Rate Swaps:

Hedge Reserve Account	As at March 31, 2022			As at March 31, 2021		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	5,474.54	-	5,474.54	6,832.00	-	6,832.00
Add: Changes during the year	-	-	-	-	-	-
Less: Amounts reclassified to The Statement of Profit & Loss Account	1,469.00	-	1,497.65	1,356.67	-	1,356.67
Balance at the end of the year	4,006.26	-	4,007.26	5,474.54	-	5,474.54

Notes forming part of the consolidated financial statements

45. Maturity profile

The following table summarises the maturity profile of the assets and liabilities of the company based on remaining contractual obligations, including interest payable and receivable.

The company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow.

The table below summarises the expected utilisation or settlement of assets and liabilities. Maturity analysis on expected maturity bases:

Particulars	At March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and Cash Equivalents	76,402.82	-	76,402.82	71,557.33	-	71,557.33
Bank balances other than cash and cash equivalents	3,050.52	11.20	3,061.72	113.02	11.20	124.22
Derivative financial instruments	2,916.96	-	2,916.96	6,749.06	-	6,749.06
Trade Receivables	67,715.93	-	67,715.93	61,056.72	-	61,056.72
Investments						
at amortised Cost	981.09	2,90,194.19	2,91,175.28	1,44,774.00	49,88,588.72	51,33,362.72
at Fair Value through Other Comprehensive Income	5,64,616.86	58,62,902.17	64,27,519.03	2,57,343.00	2,22,755.63	4,80,098.63
at Fair Value through Profit and Loss	9,84,731.92	32,75,989.35	42,60,721.28	8,03,989.76	27,59,123.72	35,63,113.48
Other Financial Assets	2,05,488.01	2,42,388.24	4,47,876.25	2,35,245.58	55,213.02	2,90,458.60
Total financial assets	19,05,904.11	96,71,485.15	1,15,77,389.26	15,80,828.47	80,25,692.29	96,06,520.76
Non Financial Assets						
Current tax assets (net)	880.86	195.22	1,076.08	207.97	387.85	595.82
Deferred tax assets (net)	-	129.85	129.85	-	884.26	884.26
Investment Property	-	79,152.92	79,152.92	-	80,613.69	80,613.69
Property, plant and equipment	-	8,784.23	8,784.23	-	10,240.99	10,240.99
Capital work-in progress	-	159.24	159.24	-	29.59	29.59
Goodwill	-	52,525.44	52,525.44	-	52,525.44	52,525.44
Intangible assets	-	17,378.64	17,378.64	-	14,033.57	14,033.57
Right of use asset	-	20,777.38	20,777.38	-	24,317.27	24,317.27
Other non-financial assets	11,378.14	6,104.00	17,482.14	103.97	16,693.86	16,797.83
Total non-financial assets	12,259.00	1,85,206.92	1,97,465.92	311.94	1,99,726.52	2,00,038.46
Total assets	19,18,163.11	98,56,692.06	1,17,74,855.18	15,81,140.41	82,25,418.81	98,06,559.22
Financial Liabilities						
Trade Payables	1,41,468.21	-	1,41,468.21	1,16,886.68	43.00	1,16,929.68
Derivative financial instruments	24,902.74	-	24,902.74	5,470.74	-	5,470.74
Lease Liability	5,206.48	19,537.99	24,744.47	5,202.45	22,636.77	27,839.22
Contract liabilities of life insurance	3,43,645.44	1,04,46,144.90	1,07,89,790.34	3,02,644.00	86,31,662.45	89,34,306.45
Other Financial Liabilities	2,58,597.74	2,250.62	2,60,848.36	2,67,511.30	1,467.00	2,68,978.30
Total financial liabilities	7,73,820.61	1,04,67,933.51	1,12,41,754.12	6,97,715.17	86,55,809.22	93,53,524.39
Non financial liabilities						
Current tax liabilities (net)	-	-	-	109.41	-	109.41
Provisions	1,227.75	3,680.72	4,908.47	660.16	4,781.97	5,442.13
Deferred tax liabilities (net)	381.82	-	381.82	-	5,669.58	5,669.58

Notes forming part of the consolidated financial statements

(₹ In Lakhs)

Particulars	At March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Other Non-financial Liabilities	75,880.14	3,439.01	79,319.15	78,569.78	2,740.00	81,309.78
Total non-financial liabilities	77,489.71	7,119.73	84,609.44	79,339.35	13,191.55	92,530.90
Total liabilities	8,51,310.32	1,04,75,053.24	1,13,26,363.56	7,77,054.52	86,69,000.77	94,46,055.29
Equity						
Equity share capital	-	6,902.30	6,902.30	-	6,901.81	6,901.81
Other equity	-	3,86,558.98	3,86,558.98	-	3,27,394.38	3,27,394.38
Equity attributable to owners of the Company	-	3,93,461.28	3,93,461.28	-	3,34,296.19	3,34,296.19
Non Controlling Interest	-	55,030.35	55,030.35	-	26,207.74	26,207.74
Total equity	-	4,48,491.63	4,48,491.63	-	3,60,503.93	3,60,503.93
Total liabilities and equity	8,51,310.32	1,09,23,544.86	1,17,74,855.18	7,77,054.52	90,29,504.70	98,06,559.22

46. Investment Property

Information regarding income and expenditure of Investment property

(₹ In Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Rental income derived from investment properties	6,767.00	3,405.00
Direct operating expenses (including repairs and maintenance) generating rental income	(340.32)	(327.78)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	(92.32)
Profit arising from investment properties before depreciation and indirect expenses	6,426.68	2,984.90
Less – Depreciation expense	1,460.77	969.18
Profit arising from investment properties before indirect expenses	4,965.91	2,015.72

As at March 31, 2022 and March 31, 2021, the fair values of the properties are ₹ 87,095.35 Lakhs and ₹ 83,493.35 Lakhs respectively. Valuation with respect to property bought in earlier year is based on valuations performed by an independent professional valuer. Fair value estimates for Investment property is classified as level 3.

Reconciliation of fair value:

(₹ In Lakhs)

Particulars	Commercial properties
Opening balance as at 01 April, 2020	54,604.00
Fair value difference	(1,747.15)
Purchases	30,636.50
Closing balance as at 31 March, 2021	83,493.35
Fair value difference	3,602.00
Purchases	-
Closing balance as at 31 March, 2022	87,095.35

Notes forming part of the consolidated financial statements

Description of valuation techniques used and key inputs to valuation on investment properties:

S. No.	Investment properties	Significant unobservable Inputs	Range (weighted average) March 31, 2022	Range (weighted average) March 31, 2021
1	Office property (Bangalore)	Estimated rental value per sq. ft. per month	₹ 50 - ₹ 55	₹ 50 - ₹ 55
		Interest on deposit	5.50%	6.00%
		Property tax, insurance and others	₹ 0.924 Mn p.a.	₹ 1.136 Mn p.a.
		Yield rate	7.00%	6.75%
2	Office property (Bangalore)	Estimated rental value per sq. ft. per month	₹ 50 - ₹ 55	-
		Interest on deposit	5.50%	-
		Property tax, insurance and others	₹ 6.38 Mn p.a.	-
		Yield rate	7.25%	-
3	Office property (Pune)	Estimated rental value per sq. ft. per month	₹ 70 - ₹ 80	₹ 75 - ₹ 85
		Interest on deposit	5.50%	6.00%
		Property tax and insurance	₹ 7.31 mn p.a and ₹ 0.92 Mn p.a	₹ 7.18 mn p.a and ₹ 0.92 Mn p.a
		Yield rate	8.00%	8.25%
4	Office property (Noida)	Estimated rental value per sq. ft. per month	₹ 90 - ₹ 110	₹ 90 - ₹ 110
		Property tax and insurance	0.6% of rental income	0.6% of rental income
		Yield rate	8.25%	8.25%
5	Office property (Navi Mumbai)	Estimated rental value per sq. ft. per month	₹ 95 - ₹ 100	-
		Interest on deposit	5.50%	-
		Property tax and insurance	₹ 2.73 psf p.m. on leasable area	-
		Yield rate	8.00%	-

Income Capitalisation Method involves capitalising a normalised single - year net income estimate by an appropriate yield. This approach is best utilised with stable revenue producing assets, whereby there is little volatility in the net income.

The Discounted Cash Flow Methodology is based upon an estimation of future results. The methodology begins with a set of assumptions as to the projected income and expenses of the property. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions.

The Group has no restriction on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Notes forming part of the consolidated financial statements

47. Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	(₹ In Lakhs)	
	As at 31 March, 2022	As at 31 March, 2021
(i) Amounts payable to suppliers under MSME Development Act, 2006 (suppliers) as at year end		
- Principal	16.29	7.68
- Interest due thereon	-	-
(ii) Payments made to suppliers beyond the appointed day during the year		
- Principal	-	-
- Interest paid thereon	-	-
(iii) Amount of Interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSME Development Act, 2006	-	-
(iv) Amount of interest accrued and remaining unpaid as on last day	-	-
(v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. The Group has made an assessment of interest payable under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and has concluded that it is in compliance with the MSMED Act and rules thereto and accordingly, concluded that there is no interest liability dues as at the year end.

48. Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Group has provided for & spent ₹ 840.30 Lakhs (31 March, 2021: 1,224.00 Lakhs) on various CSR initiatives, during the year, which are as given below*:

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
(a) amount required to be spent by the company during the year,	840.38	1224.00
(b) amount of expenditure incurred*,	840.38	1224.00
(c) shortfall at the end of the year,	-	-
(d) total of previous years shortfall,	-	-
(e) reason for shortfall,	-	-
(f) nature of CSR activities,	Education, Health & Environment	Education, Health & Environment
(g) details of related party transactions - contribution paid to Max India Foundation (CSR trust)	640.00	850.00
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

*Group has contributed to Max India Foundation required CSR spend during the last FY 2020-21 and amount of ₹ 108.96 Lakhs which remained unapplied at the end of the Financial Year 2020-21 and has been applied in current financial year.

Notes forming part of the consolidated financial statements

49. Additional information pursuant to Schedule III of Companies Act, 2013 for Consolidated financial statement for the year ended March 31, 2022

Name of the entity	Net Assets		Share in Profit and Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount (₹ In Lakhs)	% of Consolidated Profit and Loss after tax	Amount (₹ In Lakhs)	% of Consolidated OCI	Amount (₹ In Lakhs)	% of Consolidated Total Comprehensive Income	Amount (₹ In Lakhs)
Parent								
Max Financial Services Limited	150.50%	6,74,959.14	32.23%	10,262.29	(2.96%)	35.30	33.60%	10,297.59
Subsidiary								
Max Life Insurance Company Limited	68.12%	3,05,508.29	113.14%	36,024.32	102.96%	(1,226.40)	113.54%	34,797.92
Eliminations/ Consolidation Adjustments	(118.61%)	(5,31,975.81)	(45.37%)	(14,446.14)	-	-	(47.13%)	(14,446.14)
Total	100.00%	4,48,491.63	100.00%	31,840.47	100.00%	(1,191.10)	100.00%	30,649.37

Additional information pursuant to Schedule III of Companies Act, 2013 for Consolidated financial statement for the year ended March 31, 2021

Name of the entity	Net Assets		Share in Profit and Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount (₹ In Lakhs)	% of Consolidated Profit and Loss after tax	Amount (₹ In Lakhs)	% of Consolidated OCI	Amount (₹ In Lakhs)	% of Consolidated Total Comprehensive Income	Amount (₹ In Lakhs)
Parent								
Max Financial Services Limited	184.34%	6,64,545.92	17.73%	9,922.14	(0.35%)	1.55	17.87%	9,923.69
Subsidiary								
Max Life Insurance Company Limited	80.04%	2,88,555.74	110.18%	61,672.46	100.35%	(438.31)	110.26%	61,234.15
Eliminations/ Consolidation Adjustments	-164.38%	(5,92,597.73)	(27.90%)	(15,619.57)	-	-	(28.12%)	(15,619.57)
Total	100.00%	3,60,503.93	100.00%	55,975.03	100.00%	(436.76)	100.00%	55,538.27

50. Material partly-owned subsidiary

Financial information of subsidiary that have material non-controlling interests is provided below:

Name of the entity	Principal Place of Business	Proportion of Ownership Interest	
		As at 31.03.2022	As at 31.03.2021
Max Life Insurance Company Limited (refer note 59, 60 and 61)	India	81.83%	90.84%

Notes forming part of the consolidated financial statements

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Proportion of interest held by non-controlling interest	18.17%	9.16%
Accumulated balances of material non-controlling interest	55,030.35	26,207.74
Summarised financial information for material non-controlling interest		
Financial Assets	20,86,685.48	8,70,054.05
Non-Financial Assets	26,203.82	22,083.86
Financial Liabilities	20,42,329.82	8,57,831.79
Non-Financial Liabilities	15,059.06	7,861.21

(₹ In Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Profit/(loss) allocated to material non-controlling interest:		
Revenue from Operations	5,65,743.38	2,86,483.38
Profit for the period	6,544.39	13,435.63
Other comprehensive income	(222.80)	122.00
Total comprehensive income	6,321.59	13,557.63
Cash flow allocated to material non-controlling interest:		
Cash flow from/(used in) operating activities	1,55,404.55	80,718.52
Cash flow from/(used in) investing activities	(1,58,970.44)	(78,659.20)
Cash flow from/(used in) financing activities	4,443.40	(2,530.13)
Net increase/(decrease) in cash and cash equivalents	877.51	(470.81)

51. Trade Receivables aging schedule

As at 31.03.2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	67,715.93	-	-	-	-	67,715.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	-	67,715.93	-	-	-	-	67,715.93

Notes forming part of the consolidated financial statements

As at 31.03.2021

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	61,056.72	-	-	-	-	61,056.72
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	-	61,056.72	-	-	-	-	61,056.72

52. Trade Payables aging schedule

As at 31.03.2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	1.22	-	59.77	-	-	-	60.99
Others	1,24,146.41	-	17,230.60	13.26	12.64	3.31	1,41,406.22
Disputed MSME	-	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-	-
Total	1,24,147.63	-	17,290.37	13.26	12.64	3.31	1,41,468.21

As at 31.03.2021

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	3.67	-	4.01	-	-	-	7.68
Others	1,02,277.98	-	14,600.15	14.33	20.37	9.17	1,16,922.00
Disputed MSME	-	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-	-
Total	1,02,281.65	-	14,604.16	14.33	20.37	9.17	1,16,929.68

Notes forming part of the consolidated financial statements

53. Capital Work-in Progress (CWIP) aging schedule

As at 31.03.2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	159.24	-	-	-	159.24

As at 31.03.2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	29.59	-	-	-	29.59

Intangible assets under development aging schedule

As at 31.03.2022

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
IT projects in progress	2,789.60	-	183.00	-	2,972.60

As at 31.03.2021

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
IT projects in progress	2,044.78	183.00	-	-	2,227.78

Note:

As on year ended March 31, 2022 and March 31, 2021, there are no capital work-in-progress, intangible assets under development projects whose completion is overdue or has exceeded its cost compared to its original plan.

54. Relationship with Struck off Companies

Transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Details are as below:

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company, if any, to be disclosed	Balance outstanding as at current period FY 2021-22 Receivable / (Payable)	Balance outstanding as at previous period FY 2020-21 Receivable / (Payable)
Xoriant Solutions Private Limited	Premium received	Customer	(1.42)	(5.35)

*Above disclosure not covered struck off companies where transactions done during the year and no balance outstanding as on reporting date.

Notes forming part of the consolidated financial statements

- 55.** The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 56.** There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 57.** The Company is primarily engaged in the business of growing and nurturing business investments in its subsidiary. The investments (financial assets) and dividend income (financial income) on the same has resulted in financial income to be in excess of 50% of its total income and its financial assets to be more than 50% of total assets. The management is of the view supported by legal opinion that the Company is an Unregistered Core Investment Company (Unregistered CIC) as laid down in the "Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016", as amended. Hence, registration under Section 45-IA of the Reserve Bank of India Act, 1934 is not required.
- 58.** The subsidiary company post receiving the requisite approvals from Pension Fund Regulatory and Development Authority ("PFRDA") and Insurance Regulatory and Development Authority of India ("IRDAI"), has incorporated Max Life Pension Fund Management Limited a public limited pension fund company in India as its wholly owned subsidiary company on February 28, 2022. The company has been incorporated under the provisions of the Companies Act, 2013, with initial paid up capital of INR 55 crores to manage pension fund business. Initial paid up capital of INR 55 crores has been infused in the month of April 2022.
- 59.** The Company had entered into a option arrangement relating to equity shares of Max Life Insurance Company Limited ('Max Life') executed during the year ended March 31, 2016, amongst the Company, Axis Bank Limited and Mitsui Sumitomo Insurance Company Limited. As per the arrangement, the Company had to settle such liability by payment of cash upon exercise of option. As required under Ind AS, put option granted to non-controlling interest was initially recognised in the consolidated financial statements by the Group as a financial liability at the fair value of the amount that may become payable upon exercise of option and is adjusted against the shareholders' equity. In the absence of any mandatorily applicable accounting guidance, the Company elected an accounting policy to recognise changes on subsequent measurement of the liability / termination in shareholders' equity.

On March 15, 2021, the Company had acquired 0.74% equity shares of Max Life from Axis Bank Limited at a price of ₹ 166 per share (being fair value of Max Life determined on the date of transaction). Pursuant to such purchase and termination Letter to the Option Agreement entered among Axis Bank Limited, MSI, Max Life and the Company, balance equity share options of Max Life had been cancelled and accordingly, the gross obligations under put arrangement stands cancelled.

- 60.** The Board of Directors of the Company in its meeting held on March 3, 2020, had approved entering into a Put/Call arrangement for acquisition of balance shares held by Mitsui Sumitomo Insurance Company Limited (MSI) in Max Life Insurance Company Limited ('Max Life') and matters incidental thereto at a price of ₹ 85 per share ("MSI Put/Call Option"). The shareholders of the Company approved the said MSI Put/Call Option on May 27, 2020.

In this regard the Company had executed definitive agreement with the parties, which is subject to receipt of requisite regulatory approvals. During the current year, Max Life had filed an application for approval with IRDAI for acquisition of 99,136,573 equity shares constituting 5.17% equity stake in Max Life (balance shares held by MSI) of Max Life by the Company under MSI Put/Call option. Pending receipt of requisite approvals, the said transaction cannot be considered concluded at the current date and hence, no adjustments have been made in the consolidated financials.

- 61.** The Board of Directors of the Company in its meeting held on April 27, 2020 approved entering into definitive agreements with Axis Bank for the sale of equity share capital of Max Life, a subsidiary of the Company, to Axis Bank, subject to receipt of shareholders' approval and other requisite regulatory approvals. The shareholders of the Company approved the transaction on June 16, 2020.

Notes forming part of the consolidated financial statements

On October 30, 2020, the Company, Max Life, Axis Bank and its subsidiaries (together "Axis Entities"), i.e. Axis Capital Limited and Axis Securities Limited ("Axis Bank subsidiaries") entered into agreements for acquisition of upto 19.002% of the equity share capital of Max Life ("Agreements"). Under the Agreements, Axis Bank will acquire upto 9.002% of the equity share capital of Max Life and Axis Bank subsidiaries will acquire upto 3% of the share capital of Max Life. In addition, Axis Entities will have a right to acquire upto 7% of the equity share capital of Max Life, in one or more tranches.

Pursuant to receipt of all the approvals, the Company had transferred 38,376,257 equity shares of ₹ 10 each of Max Life to Axis Capital Limited and 19,188,128 equity shares of ₹ 10 each of Max Life to Axis Securities Limited on March 26, 2021, fully paid up at a price of ₹ 31.51 per share for consideration aggregating to ₹ 181.39 crores. The weighted average carrying value of such investments was ₹ 37.22 per share and hence, a loss on sale of investments of ₹ 32.89 Crores was recorded during the year ended March 31, 2021.

On April 6, 2021, the Company has transferred 172,731,531 equity shares of ₹ 10 each of Max Life to Axis Bank, fully paid up at a price of ₹ 32.12 per share for consideration aggregating to ₹ 554.81 crores. The difference in consideration received and the amount by which non-controlling interests are adjusted is recognised in equity reserves of the Group. The transaction price of ₹ 31.51 and ₹ 32.12 per share is computed based on the valuation of Max Life conducted as per Rule 11 UA read with Rule 11 UAA of the Income-tax Rules, 1962 (herein referred to as 'Transaction Price'). The methodology of computation of transaction price was approved by 99.90% shareholders through postal ballot and also stated in the definitive agreements entered with Axis Entities.

In respect of right of Axis entities to acquire 7% of equity share capital of Max Life, the Company had executed definitive agreement with the parties, which is subject to receipt of requisite regulatory approvals. Pending receipt of requisite approvals, the said transaction cannot be considered concluded at the current date and hence, no adjustments have been made in the consolidated financials.

62. Estimation of uncertainties relating to COVID-19 global health pandemic:

The Group has considered the impact of COVID-19 on its operations as well as its consolidated financial statements:

a) In respect of the Company:

The Company has assessed the impact of COVID-19 on its operations as well as its financial statements, including carrying amounts of trade receivables, investments and property, plant and equipment, as at March 31, 2022. In assessing the Carrying value of these assets, the Company has used internal and external sources of information up to the date of approval of these audited financial statements, and based on current estimates, expects the net carrying amount of these assets to be recovered. The Company will continue to closely monitor any material changes to the business and financial statements due to COVID-19.

Notes forming part of the consolidated financial statements

- b) In respect of the subsidiary Company, Max Life Insurance Company Limited: The subsidiary company has assessed the impact of COVID-19 pandemic (COVID-19) on its operations as well as its financial statements, including but not limited to the areas of investments, valuation of policy liabilities and solvency, for the year ended March 31, 2022. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these financial statements and the subsidiary company will continue to closely monitor any material changes to future economic condition.

63. Change in Business model:

The subsidiary company has changed the business model and reclassified business model for debts under Non linked policyholders' fund from amortized cost (AC) measurement model to fair value through other comprehensive (FVOCI) measurement model. The subsidiary company changed its business model in the quarter ended 31 March 2021, accordingly the reclassification date was 1 April 2021. The reclassification was applied prospectively from the reclassification date. The subsidiary company intends to change its business model for classification and measurement of its debts under Non linked policyholders' fund to manage its ALM and interest rate risk. There were regulatory restrictions and it was permissible to reclassify the financial assets from amortized cost to fair value through other comprehensive income in order to meet the business objectives as per Ind AS 109.

Impact of reclassification:

- On reclassification date, all the financial assets of debts under non linked policyholders fund at amortized cost of ₹49,26,975 Lakhs as at 1 April 2021 was measured at fair value of ₹52,58,466 Lakhs;
- Gain of ₹3,31,491 Lakhs arising on reclassification was recognized in Other Comprehensive Income and transfer to Policyholders' Fund as restricted life insurance surplus;
- Recognition of interest revenue not changed and subsidiary Company will continue to use the same effective interest rate;
- ECL amount recognized till 1 April 2021 was not changed however, the loss allowance is derecognized (and will no longer be recognized as an adjustment to gross carrying amount) but the same amount was recognized as an accumulated impairment amount in Other Comprehensive Income on 1 April 2021.

64. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
65. Employee benefits expenses for the year ended March 31, 2022 includes one - time special incentive of ₹1225.00 Lakhs paid to senior leadership team of the Group for their valued contribution in consummation of Max Financial – Axis transaction. Further, employee benefit expenses also includes change in value of Employee Phantom Stock Plans (EPSP) pertaining to the subsidiary company.
66. The Code on Social Security, 2020 ('Code') related to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules have not yet been issued. The Group is in process of evaluating the financial impact, if any.

Notes forming part of the consolidated financial statements

- 67.** During the year ended March 31, 2022, the subsidiary company has reassessed the useful lives of certain business application. Management believes that the revised useful lives of the assets reflect the period over which these assets are expected to be used based on the technical inputs, environmental scan and capability analysis. As a result of the change, the charge in the Statement of Profit and Loss on account of depreciation for the year ended March 31, 2022, has reduced by ₹461 Lakhs.
- 68.** The figures for the previous year have been regrouped/reclassified wherever necessary, to make them comparable.
- 69.** The Consolidated financial statements were approved for issue by the Board of Directors on May 10, 2022.

For and on behalf of the Board of Directors

Mohit Talwar
(Managing Director)
DIN No:02394694

Amrit Singh
(Chief Financial Officer)

Sahil Vachani
(Director)
DIN No:00761695

V Krishnan
(Company Secretary)
M.No. - FCS-6527

Place : New Delhi
Date : May 10, 2022





MANAGEMENT REPORT

MANAGEMENT REPORT

With respect to the operations of Max Life Insurance Company Limited ('the Company') for the financial year April 1, 2021 to March 31, 2022 and results thereof, the Management of the company confirms, certifies and declares:

1. The certificate of Registration granted by the Insurance Regulatory and Development Authority of India (IRDAI) on November 15, 2000 to enable the Company to transact life insurance business was valid as on March 31, 2022 and is in force as on date of this report.
2. We certify that the Company has duly paid all dues payable to the statutory authorities, other than those which are being contested with the statutory authorities or disclosed under contingent liabilities in the notes to accounts forming part of the financial statements.
3. During the year there has been a change in the shareholding pattern of the Company and the same is in conformity with the necessary statutory and regulatory requirements. Axis Bank Ltd. has acquired ~ 9% of equity during current year and consequently became a co-promoter of the Company.

Detail of the shareholding pattern is as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares of Rs 10 each fully paid up	% of Holding	Number of Shares of Rs 10 each fully paid up	% of Holding
Promoters - Indian	1,819,675,783	94.83%	1,800,526,029	93.83%
Foreign Shareholders	99,136,573	5.17%	99,136,573	5.17%
Others	500	0.00%	19,150,254	1.00%
Total	1,918,812,856	100%	1,918,812,856	100%

4. The funds of the holders of policies issued in India were neither directly nor indirectly invested outside India by the Company.
5. The Company has maintained adequate assets to cover both its liabilities and the minimum solvency margin as stipulated in Section 64VA of the Insurance Act, 1938 (as amended by the Insurance Laws (Amendment) Act, 2015) and IRDAI (Assets, Liabilities and Solvency Margins of life Insurance Business) Regulations 2016.

The actual solvency ratios as compared to required minimum solvency ratio of 150% are as below:

Particulars	As at March 31, 2022	As at March 31, 2021
Actual Solvency Ratio	201%	202%

6. We certify that all assets of the Company have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief, the assets set forth in the Balance Sheet as at March 31, 2022 have been shown in the aggregate at amounts not exceeding their realizable or market value under the several headings – "Loans", "Investments", "Agents balances", "Outstanding premiums", "Interest, Dividend and rents outstanding", "Interest, Dividends and rents accruing but not due", "Amounts due from other persons or bodies carrying on insurance business", "Sundry debtors", "Bills Receivable", "Cash" and items specified under "Other accounts" except in case of fixed income investments made in the controlled funds (shareholder's funds and policyholder's non linked funds), which have been valued and shown at amortized cost as per IRDAI regulations. The carrying amount is lower than their market value by Rs. 135,153 in aggregate as at March 31, 2022.
7. We certify that the life insurance funds have been invested in line with the provisions of the Insurance Act, 1938 (as amended by the Insurance Laws (Amendment) Act, 2015), IRDAI (Investment) Regulations, 2016 and various other circulars/notifications issued by the regulator in relation to the application and investment of the life insurance funds.
8. **Risk Management**

"Risk" within Company is the possibility for future outcomes or situations to be not as we would like. These include adverse deviations from Risk Appetite Statement or an adverse deviation from an approved plan but may also include missed opportunities where the plan itself is poorly conceived. Other situations may not be objectively measurable but they could be inconsistent with our values, such as to comply with both the spirit and the letter of the law, or to behave ethically, even in situations where immediate reputational damage is unlikely or action by the authorities improbable.

The Company's overall approach to managing risk is based on the generally accepted 'three lines of defence' model with a clear segregation of roles and responsibilities for all the lines. Business Managers are part of the first line of defence and have the responsibility to evaluate their risk environment and put in place appropriate controls to mitigate such risks or avoid them. The Risk Management Function, together with the Compliance Function, form the second line of defence. The Internal Audit Function guided by the Audit Committee is the third line of defence and provides an independent assurance to the Board. The Statutory Auditors as well as regulatory oversight aided by the Appointed Actuary in his fiduciary capacity is also construed to provide an additional third line of defence. The Company has in place a robust and comprehensive internal control mechanism across all the major processes as a part of the internal financial controls (IFC Framework) adequacy of which is tested periodically by the internal audit function and an opinion on its efficacy is provided by the statutory auditors.

The Company has an independent enterprise risk management (ERM) function headed by a Chief Risk Officer who has a regular and unfettered access to the Board and the Board Risk Management Committee. This function is resourced with staffs with appropriate experience and qualifications who have clearly defined roles and responsibilities which include assisting the Board, Board committees and senior management to develop and maintain the Company's Risk Management System. The Company has in place a Risk Management Policy which lays down the broad contours of management system in place which is used to identify, assess, monitor, review, control, report risks and controls within the Company. It also requires the Company to identify risks, set tolerance levels, develop and implement strategies, policies, procedures and controls to manage different types of risks within the overall risk appetite. A Risk Appetite Statement is in place which identifies and addresses each material risk to which the Company is exposed and establishes the degree of risk that the Company is willing to accept in pursuit of its strategic objectives, business plans giving consideration to the interests of its stakeholders. These material risks have been categorized in the areas of Strategic, Insurance, Investment, Operational and Information Security Risks. The Risk Management Strategy has been developed which defines the Company's approach to manage the identified material risks through acceptance, avoidance, transfer and/or mitigation. The degree and intensity of the management action is guided by comparing the risk appetite with the potential impact of the risk, likelihood of its occurrence and the costs of implementing the controls. A risk dashboard is also in place which rates each material risk on the basis of identified key risk indicators and respective tolerance levels. This is also monitored both at the management level as well as the Board Committee level. The CRO also shares a forward looking assessment in the Risk dashboard to provide the Risk Committee an early warning signal.

The Compliance Function is headed by Chief Compliance Officer and it has deployed a fully automated Compliance Monitoring System where senior leaders provide certifications for respective processes being compliant to various Regulatory requirements and review the submissions made therein. The Company relies on high level of compliance awareness enshrined in its culture and adopts a zero tolerance policy to any instances of non-compliance. Cross functional teams meet regularly to take this compliance agenda forward to ensure the evolving regulatory needs are embedded into day to day activities and processes.

As an insurer, the Company is in the business of accepting certain kinds of risks. The risk management framework ensures that the level of risk accepted is within the Company's risk appetite and the level of capital adequacy is in excess of the level prescribed in the public interest via legislation. It is also Company's policy that risks should be managed systematically with the process of risk management being well defined and with its various elements properly integrated. The key risk exposures are summarized below along with a brief approach adopted by the Company to manage those risks.

i. Strategic Risks

The Company accepts these risks inherent with the key business decisions and plans in areas of product strategies, distribution models, regulatory and legislative changes. The Company's planning process includes forward looking scenario analysis and stress testing to assess the potential impact of the strategic choices being made including impact on policyholder security. The Company initiates full scale strategic reviews whenever it perceives that prevailing strategies may become misaligned with the operating environment and a recalibration with the changing environment is required. The impact of strategic risk on policyholder security is assessed as an integral part of the strategic planning exercise as well as subsequent business performance reviews. These assessments also disclose shareholder implications. But whereas fundamental policyholder outcomes can never be compromised by strategic choice, the acceptability of shareholder outcomes, including the risk that desirable outcomes might not be delivered, would involve a range of trade-offs, the significance of which varies over time.

ii. Insurance Risks

The Company accepts various insurance risks as a core reason for its existence, including mortality and discontinuity. Insurance is based on the principle of full disclosure by the life to be insured of relevant facts at the time of application. The Company manages mortality risks by use of sound underwriting norms defined in the Underwriting Policy & manuals and leverages technology to deploy business intelligence in decision making. The Company transfers mortality risks above certain threshold to reinsurers based on

its annual Reinsurance Program.

Discontinuances typically would result in adverse outcomes for the discontinuing policyholders as well as for the Company as it is not in the long term interest of the company and its policyholders. The Company has in place appropriate controls in the sales process and practices to encourage need based selling and product suitability for its customers.

The Company also accepts risks inherent in pricing of insurance products with long term financial obligations. The Company follows a 'Treat Customer Fairly' policy and principles, considerations of which are tested at the time of pricing of products. Products are also assessed for fairness against predetermined benchmarks and the Policyholder Protection Committee reviews borderline cases.

The Company also accepts a significant level of initial or acquisition related expenses to secure new sales. However, the Company manages its expense risk by various cost control measures for improving efficiencies and ensures that the overall expenses continue within regulatory limits set out.

iii. Investment Risks

The Company manages a substantial level of assets in support of its obligations to policyholders and shareholders and is exposed to inherent investment risks of Credit, Market, Interest Rates, and Liquidity. In addition, the make-up of investment portfolios may not conform with the characteristics of the liabilities such investments are intended to support, leading to ALM risks.

The Company has maintained strong asset quality in its investment portfolio and manages credit risks by restricting level of exposure to lower rated securities. The Company ensures a comfortable liquidity profile through a well-diversified portfolio of high quality liquid assets. Interest rates risks in case of guaranteed products are managed through use of derivatives for hedging purposes.

Further, for effective management of all such risks, a structured approach is in place comprising of active oversight by Investment Committee and Risk, Ethics and Asset Liability Management Committee at the Board level followed by a thorough review at management level through the Management Risk Committee which is supported by the Management Investment Review Group and the ALM Group. As required by the IRDAI, the entire investment process is subject to regular checks by the concurrent auditor. This is complemented by thematic external reviews to ensure that the Company's processes are aligned to contemporary best practices.

The ALM Policy requires that there is at least an annual review of strategic asset allocation which sets the broad level boundaries for various asset classes and sets the constraints on Investment Policy, arising from the nature of the liabilities

that invested assets support. The Investment Policy defines in appropriate detail, the specific limits on various forms of investment arising from Regulations, the ALM Policy and the Company's specific investment related risk appetites on various forms of investment. The Company has a well-defined disclosure policy in accordance with which it discloses details of portfolios of both non-linked and linked business on its website at monthly and quarterly intervals.

iv. Operational Risks

With its size and scale of operations, the Company is inherently exposed to various areas of operational risks, including mis-selling, technology, business continuance, fraud, business processes, outsourcing, and compliance. These are mitigated by regular review and monitoring of operating, reporting processes and procedures. A range of policies and procedures to manage these risks is in place including Business Continuity Management, Outsourcing, Anti-Fraud, Anti-Corruption and Anti-Bribery, and Anti-Money Laundering Policies together with a Business Code of Conduct. The first line of defence, through the departmental self-assessments, identifies all potential areas of inherent as well as residual risks along with the mitigation actions and discloses them to the second line of defence. The progress against these is monitored closely by respective functions, and is followed up by monitoring and reviews by the second and the third lines of defence.

The Management Risk Committee supported by the Operational Risk Group monitor the residual risks in these areas and ensure that control actions are triggered at appropriate times to ensure that these risk exposures remain within the Company's risk appetite. Process risks in respect of technical areas like product development is monitored through a specialized forum called Product Steering Committee (which governs a defined process and structure for development of products).

v. Information Security Risks

The Company may be exposed to risk caused due on account of disruption caused to the confidentiality or integrity of Company's technology systems if they are compromised. As part of its day to day operations, the company collects and shares a large amount of customer information exposing it to the risk of leakage or loss of confidential information from any external factor such as cyberattack on systems, weak/ineffective controls at third party sites, or from any internal factors. The Company has low tolerance for ongoing operations to be constrained or compromised by failing to implement or monitor information security controls.

Information Security risks are monitored by the Management Risk Committee which is supported by Information Security & Business Continuity Management Committee.

vi. Other Emerging Risks

Operating models continue to evolve based on contemporary technologies, changing stakeholder preferences as well as regulatory requirements. The pace of these changes, together with the impact of innovative business models and emerging technologies, create additional risk exposures for the Company. The Company is also conscious of potential risks driven by changes in the geopolitical environment and other external & macro-economic impacts like pandemic and war. The Company scans its operating environment continuously and its risk capabilities and controls are augmented accordingly. The emerging risks are monitored and reported to the Risk, Ethics and ALM Committee on a quarterly basis along with the potential implication and management's

identified action plan to manage these risks early. All these emerging risks are considered as an input into the strategic planning process to ensure that the Company's business strategy stays relevant and addresses these risks.

vii. The Company has not sold any policies outside India during the year. The Company is operating in India only and has no exposure to any other country risk.

viii. Average claim settlement time (from the day all necessary documents are submitted to the Company till cheque / NEFT payment is initiated) for the current year and preceding five years along with ageing of outstanding claims as at balance sheet date is disclosed below:

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Average Claim Settlement time (in days)	7	5	6	6	6	5

Ageing of Claims registered and not settled is detailed below:

Linked business:

(Rs. in Lakhs)

Period	Up to 30 days		Greater than 30 days and up to 6 months		Greater than 6 months and up to 1 year		Greater than 1 year and up to 5 years		Greater than 5 years	
	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount
FY 2021-22	-	-	-	-	-	-	-	-	-	-
FY 2020-21	-	-	-	-	-	-	-	-	-	-
FY 2019-20	-	-	-	-	-	-	-	-	-	-
FY 2018-19	1	9	-	-	-	-	-	-	-	-
FY 2017-18	-	-	-	-	-	-	-	-	-	-
FY 2016-17	-	-	-	-	-	-	-	-	-	-

Non Linked business:

(Rs. in Lakhs)

Period	Up to 30 days		Greater than 30 days and up to 6 months		Greater than 6 months and up to 1 year		Greater than 1 year and up to 5 years		Greater than 5 years	
	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount	No. of claims	Amount
FY 2021-22	-	-	4	815	-	-	-	-	-	-
FY 2020-21	-	-	1	50	-	-	-	-	-	-
FY 2019-20	3	57	-	-	-	-	-	-	-	-
FY 2018-19	3	165	1	25	-	-	-	-	-	-
FY 2017-18	2	101	-	-	-	-	-	-	-	-
FY 2016-17	3	1,469	-	-	-	-	-	-	-	-

ix. We certify that the value of investments as shown in Balance Sheet have been arrived as follows:

Investments are made in accordance with the provision of the Insurance Act, 1938 and the Insurance Regulatory & Development Authority (Investment) Regulations, 2016 as amended and 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 Account/ Profit and Loss Account as applicable.

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.

Valuation - Shareholder's Investments and Non-linked Policyholder's Investments

Debt securities, which include government securities and redeemable preference shares are considered as 'held to maturity' and measured at historical cost subject to amortisation. The premium/discount, if any, on purchase of debt securities including money market instruments is recognised and amortised in the Revenue Account/Profit and Loss Account, as applicable, over the remaining period to maturity on the basis of their intrinsic yield.

Reverse repos are valued at cost. Fixed deposits are valued at cost till the date of maturity.

Listed shares, as at balance sheet date, are valued at fair value, being the last quoted closing price on National Stock Exchange Ltd (NSE) and in case the same is not available, then on the BSE (formally known as Bombay Stock Exchange Ltd). Unlisted equity shares (including awaiting listing) are stated at historical cost subject to diminution, if any, determined separately for each individual investment. Exchange Traded Funds (ETFs) are valued at closing price available at National Stock Exchange Ltd (NSE). Investments in Mutual fund units are valued at previous day's net asset value of the respective funds.

Alternate Investment Funds are valued at Net Asset Value (NAV) if applicable or Historical Cost less diminution in value of Investments.

Additional Tier-1 bonds are valued on the basis of values generated by bond valuer based on matrix released by Credit Rating Information Services of India Limited (CRISIL) on daily basis.

Infrastructure Investment Trusts and Real Estate Investment Trusts are valued at Market Value or latest NAV published by trust, in case the market value is not available for last 30 days.

Money market instruments like Commercial Papers, Certificate of Deposit, Treasury Bills (T-Bills) and Triparty Repo (TREPS) (Formerly known as Collateralised Borrowing and Lending Obligation) are valued at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a Yield to Maturity.

Land or building or part of a building or both held to earn rental income or capital appreciation or for both, if any, rather than for use in services or for administrative purposes is classified as real estate investment property and is valued at historical cost (including cost of improvements and

other incidental costs) subject to revaluation once in three years. The change in the carrying amount of the investment property shall be taken to Revaluation Reserve.

Rights are valued at fair value, being last quoted closing price on NSE and in case the same is not available, then on 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 recognised as investments on the 'ex- bonus date'.

Valuation - Linked Investments

Government securities are valued at the prices obtained from 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 on daily basis.

Listed shares are valued at fair value, being the last quoted closing price on NSE and in case the same is not available, then on the BSE. Unlisted equity shares (including awaiting listing) are stated at historical cost subject to diminution, if any, determined separately for each individual investment. Exchange Traded Funds (ETFs) are valued at closing price available at National Stock Exchange Ltd (NSE). Mutual fund units are taken at the previous day's net asset values.

Compulsory Convertible Debentures (CCD's) are valued at fair value, being the last quoted closing price on NSE and in case the same is not available, then on the BSE.

Securities with call options are valued at the lower of the values as obtained by valuing the security to the final maturity date or to the call option date by using the benchmark rate based on the matrix released by CRISIL on daily basis. Securities with put options are valued at the higher of the value as obtained by valuing the security to the final maturity date or to the put option date by using the benchmark rate based on the matrix released by CRISIL on daily basis.

Reverse repos are valued at cost. Fixed deposits are valued at cost till the date of maturity.

Money market and debt securities with a residual maturity upto 182 days are valued at amortised cost being the difference between the redemption value and historical cost/ last valuation price, spread uniformly over the remaining maturity period of the instrument

Rights are valued at fair value, last quoted closing price on NSE and in case the same is not available, then on 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 recognised as investments on the 'ex- bonus date'.

- x. The Company invests its funds in Government Securities, bonds & debentures, equity shares, money market instruments, fixed deposits, etc. in accordance with the Investment guidelines prescribed by IRDAI from time to time. The assets held are Rs 10,750,958 as on March 31, 2022 and is having the following bifurcation:

Asset Type	Shareholders' Fund		Policyholders' Fund				Grand Total	
			Non Unit Linked Funds		Unit Linked Funds			
	Amount	%	Amount	%	Amount	%	Amount	%
Government Securities (including State Development Loans)	126,466	24.6%	4,453,753	64.6%	643,783	19.3%	5,224,002	48.6%
Government Securities	59,966	11.6%	3,825,324	55.5%	432,041	12.9%	4,317,330	40.2%
State Development Loans	66,500	12.9%	628,429	9.1%	211,742	6.3%	906,672	8.4%
Bonds	205,405	39.9%	1,173,799	17.0%	299,283	8.9%	1,678,487	15.6%
Equity	19,708	3.8%	727,135	10.6%	1,800,173	53.8%	2,547,016	23.7%
Money Market Instruments	154,052	29.9%	411,397	6.0%	601,079	18.0%	1,166,527	10.9%
Real Estate	9,139	1.8%	125,787	1.8%	-	0.0%	134,926	1.3%
Investment Property	9,139	1.8%	76,236	1.1%	-	0.0%	85,375	0.8%
Alternate Investment Fund	-	0.0%	11,631	0.2%	-	0.0%	11,631	0.1%
Infrastructure Investment Trust	-	0.0%	21,176	0.3%	-	0.0%	21,176	0.2%
Real Estate Investment Trust	-	0.0%	16,744	0.2%	-	0.0%	16,744	0.2%
Total	514,770	100.0%	6,891,871	100.0%	3,344,318	100.0%	10,750,958	100.0%

The Company has invested the controlled fund in accordance with the IRDAI guidelines. Investments in corporate papers are made selectively in only highly rated papers with thorough research on the issuer. All investments in Controlled fund (with the exception of Equities, Alternate Investment Funds, Additional Tier 1, Investment Property, Infrastructure Investment Trusts and Mutual Fund Units) are largely made with intention of holding them till maturity and accordingly, the management is confident of the quality of investments.

Fund performance of unit linked funds over a one, three and five year period is as follows:

LOB	Fund Name	As at March 31, 2022						
		AUM (refer note 1)	Rolling 1 year		Rolling 3 Years (refer note 2)		Rolling 5 Years (refer note 2)	
			Fund Returns	Benchmark Returns	Fund Returns	Benchmark Returns	Fund Returns	Benchmark Returns
Life Funds	Life Growth Fund	873,141	9.70%	11.79%	10.63%	12.01%	9.73%	11.25%
	Growth Super Fund	1,052,870	13.55%	18.88%	14.02%	14.52%	13.81%	13.73%
	Life Balanced Fund	339,229	7.02%	8.89%	9.27%	10.64%	8.35%	9.80%
	Life Secured Fund	94,725	5.11%	4.48%	6.82%	8.21%	6.27%	7.61%
	Secure Plus Fund-Pr Driven	54,076	4.74%	4.48%	7.64%	8.21%	6.85%	7.63%
	High Growth Fund	164,046	23.86%	25.32%	23.78%	17.58%	17.31%	10.03%
	Life Conservative Fund	25,750	5.69%	5.95%	7.60%	9.07%	6.76%	8.40%
	Diversified Equity	80,502	14.82%	20.01%	NA	NA	NA	NA
	Dynamic Bond	1,700	5.12%	4.48%	NA	NA	NA	NA
	Money Market II	1,014	2.43%	3.68%	NA	NA	NA	NA
	Discontinuance Fund Life	379,421	4.52%	4.00%	4.55%	4.00%	5.13%	4.00%
	Dynamic Opportunities	58,168	9.00%	11.79%	10.26%	12.01%	9.47%	11.13%
	Money Market Fund	911	2.39%	NA	3.05%	NA	3.95%	NA
	Guaranteed Fund- Dynamic	390	6.01%	6.69%	7.68%	9.48%	6.64%	8.77%
	Guaranteed Fund-Income	136	4.66%	5.21%	6.69%	8.65%	5.79%	8.08%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

LOB	Fund Name	As at March 31, 2022						
		AUM (refer note 1)	Rolling 1 year		Rolling 3 Years (refer note 2)		Rolling 5 Years (refer note 2)	
			Fund Returns	Benchmark Returns	Fund Returns	Benchmark Returns	Fund Returns	Benchmark Returns
Pension Funds	Pension Maximiser	75,797	8.93%	11.79%	11.16%	12.01%	9.19%	10.91%
	Pension Preserver	26,107	5.30%	6.69%	8.08%	9.48%	6.79%	8.57%
	Pension Growth	35,272	11.29%	11.79%	11.51%	12.01%	9.62%	11.25%
	Pension Growth Super	27,961	20.24%	18.88%	15.98%	14.52%	14.09%	13.73%
	Discontinuance Fund Pension	24,547	4.55%	4.00%	4.60%	4.00%	5.16%	4.00%
	Pension Balanced	8,228	9.43%	8.89%	10.26%	10.64%	8.91%	9.80%
	Pension Secured	3,734	5.45%	4.48%	6.12%	8.21%	5.80%	7.61%
	Pension Conservative	801	5.54%	5.95%	7.62%	9.07%	6.96%	8.40%
Group Funds	Group Gratuity Balanced	5,582	8.29%	8.16%	9.82%	10.26%	8.24%	9.46%
	Group Gratuity Conservative	5,422	4.91%	4.48%	7.45%	8.21%	6.58%	7.64%
	Group Gratuity Growth	3,260	10.70%	11.79%	12.20%	12.01%	9.90%	11.13%
	Group Gratuity Bond Fund	1,365	5.43%	4.48%	6.31%	8.21%	5.78%	7.39%
	Superannuation Conservative Fund	163	5.29%	4.48%	5.99%	8.21%	5.57%	7.62%
NA	Unclaimed PH Account	5,496	3.22%	NA	3.95%	NA	4.85%	NA

Note 1: AUM at March 31, 2022.

Note 2: Returns more than one year are CAGR

Performance of investment of Conventional portfolios over 1 year is given below:

Particular	AUM		Return on Assets (Refer note 3)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Policyholders' fund	6,891,871	5,818,465	9.00%	9.71%
Participating	5,342,554	4,659,788	9.46%	10.17%
Non-Participating	1,549,317	1,158,677	7.37%	7.73%
Shareholders' fund	514,770	384,837	8.38%	6.90%

Note 3: Returns are based on amortised cost i.e. without considering the unrealised gains and losses

- xi. The financial statements of the Company and all information in this annual report are the responsibility of the management and have been reviewed by the Audit Committee and approved by the Board of Directors.
 - a. The financial statements have been prepared in accordance with applicable accounting standards, regulations stipulated by the IRDAI and the provisions of Insurance Act, 1938 (as amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, ('the Financial Statements Regulations'), the Master Circular on Preparation of Financial Statements and Filing of Returns of Life Insurance Business Ref No. IRDA/F&A/Cir/232/12/2013 dated December 11, 2013, ('the Master Circular'), the regulations framed there under and various orders/directions/circulars issued by the IRDAI and the Companies Act, 2013 and disclosures have been made, wherever the same is required. There is no material departure from the said standards, principles and policies.
 - b. The financial statements have been prepared in accordance with the accounting policies adopted by the management and stated therein and the same have been followed consistently. These financial statements contain some items which reflect the best estimates and judgment of the management. When alternative accounting methods exist, the management has chosen those it deems most appropriate in the circumstances to ensure the financial statements are presented fairly, in all material respects. The choice of estimates and judgment have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and the operating profit or loss of the Company for the year.
 - c. The Management of the Company has taken proper and sufficient care for the maintenance of adequate

accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (as amended by the Insurance Laws (Amendment) Act, 2015) and Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d. The management has prepared the financial statements on a going concern basis.
- e. The Company has assessed the impact of COVID-19 on its operations as well as its financial statements, including valuation of investments, valuation of policy liabilities and solvency, for the year ended March 31, 2022. To the best of information available, Company has maintained

sufficient amount in policyholders reserve on account of COVID related contingencies over and above the policy level liabilities calculated based on prescribed IRDAI Regulations. The Company will continue to closely monitor any material changes to the business and financial statements due to COVID-19.

- f. The Company has set up an internal audit system commensurate with the size and nature of the business and the same is operating effectively.
- xii. Schedule of payments made, which have been made to the individuals, firms, companies and organizations in which Directors are interested.

Entity in which Director is interested	Name of the Director	Interested as	Amount of Payment During the Year 2021-22#	Amount of Payment During the Year 2020-21#
Max Financial Services Limited (erstwhile Max India Limited)	Analjit Singh	Chairman & Non-executive director	16,050	20,072
	Sahil Vachani	Director		
	Mohit Talwar	Managing Director		
	K. Narasimha Murthy	Independent Director		
	Mitsuru Yasuda	Director		
Max Skill First Limited*	Sahil Vachani	Chairman	(8)	3,882
	V. Viswanand	Director		
	Rajit Mehta	Director		
	Marielle Theron	Director		

Amounts are net of recoveries.

* ceased to be related party w.e.f. July 09, 2021

For and on behalf of the Board of Directors of Max Life Insurance Company Limited

Analjit Singh

Chairman
DIN: 00029641

Prashant Tripathy

Managing Director & CEO
and Principal Officer

Jose John

Appointed Actuary
PAN: ASXPS1781R

Amrit Singh

Chief Financial Officer
DIN: 08260516

Prashant Tripathy

Director
DIN: 08260516

V. Viswanand

Director
DIN: 08260553

Anurag Chauhan

Company Secretary
Membership No: F9899

Place: New Delhi

Date: May 10, 2022





BOARD'S REPORT

BOARD'S REPORT

Your directors are pleased to present its Twenty Second Annual Report of your Company with the audited accounts for the Financial Year ended March 31, 2022.

(INR crore)

Particulars	Financial Year 2022 (April 2021 – March 2022)	Financial Year 2021 (April 2020 – March 2021)	Growth %
Financial Performance			
New Business Premium (First Year Premium and Single Premium)	7,905	6,826	16%
Adjusted Individual First Year Premium*	5,442	4,870	12%
Renewal Premium	14,509	12,192	19%
Commission Expenses**	1,403	1,227	14%
Operating Expenses (Policyholders)	3,019	2,701	12%
Shareholders Profit / (Loss) After Tax	387	523	-26%
Key Business Parameters			
Solvency Ratio	201%	202%	-100 bps
Share Capital (including Reserves and Surplus)	3,195	2,978	7%
Assets Under Management	107,510	90,407	19%
No. of Policies In-Force (individual) ('000s)	4,774	4,586	4%
Sum Assured In-Force	1,174,515	1,087,987	19%
No. of Employees	15,224	14,975	2%
No. of Offices	269	277	-3%

*Adjusted First Year Premium=Individual Regular First Year Premium plus 10% of Single Premium

**Incl. of rewards

Net of dividend distribution tax in FY'20. From FY'21, the same has been abolished.

BUSINESS HIGHLIGHTS

Highlights for the Financial Year (FY) ended March 31, 2022 are as under:

THE STATE OF INDIAN ECONOMY

The last two years were marked by difficulties for the Indian economy due to the COVID-19 pandemic. Repeated waves of COVID-19 with high infection rates, supply-chain disruptions, and, more recently, inflation have created particularly challenging times for policy-making.

The Indian government, faced with these uphill challenges, responded with safety nets to cushion the impact on vulnerable sections of society and the business sector. Its focus on increasing capital expenditure and the implementation of supply-side measures prepared the economy for a sustained long-term expansion.

Despite COVID-19 impacts, strong industrial output and rapid vaccination coverage provided strong momentum to India's

economy, with estimated GDP growth of 9.2 percent for FY22.¹

The government's emphasis on capital spending and exports is likely to boost production capacity and aggregate demand in the future. This would also entice private capital and help boost investment activity buoyed by a favourable financial environment. According to the Reserve Bank of India's (RBI) surveys, capacity utilization is increasing, which will in turn encourage investment and consumption demand.

Today, multiple parameters like enhanced GST collections, growing adoption of UPI-based transactions, positive growth in the Index of Industrial Production (IIP), and growing private consumption point towards an encouraging economic recovery.

While various macroeconomic parameters signal sustained growth, possible new waves of COVID-19 and recent geopolitical tensions like the Russia-Ukraine conflict did have

¹ <https://home.kpmg/in/en/home/insights/2021/04/indian-economy-insights.html>

spill-over effects, causing a surge in inflation led by increasing oil prices, rising input costs, and supply chain disruptions.

As we move into a new fiscal, India remains at the cusp of unlocking growth, with recovery expected in the agriculture, manufacturing, and service sectors.

The Monetary Policy Committee (MPC) of the Reserve Bank of India has maintained an accommodating stance to achieve economic growth while keeping inflation under control. While there are several factors including climate-related challenges, new COVID-19 variants, and ongoing unemployment and infrastructure healthcare challenges, however, India's robust economic foundations provide the necessary cushion to sustain the growth momentum.

The RBI's monetary policies and government initiatives like Product Linked Incentives (PLI), the National Monetisation Plan (NMP), and PM Gati Shakti - National Master Plan are expected to boost future growth and signal a resurgence of the economy.

LIFE INSURANCE INDUSTRY OVERVIEW

The insurance industry in India has witnessed an impressive growth rate over the last two decades that has been driven by greater private sector participation and an improvement in distribution capabilities, along with substantial improvements in operational efficiencies. According to the Insurance Regulatory and Development Authority of India (IRDAI), the life insurance industry's combined new business premium growth rate was 13 percent year over year in FY22.²

The industry saw strong growth in the protection business during the year, as awareness and risk perception among consumers grew owing to the pandemic and the growing impact of variants. Guaranteed and annuity products also have witnessed significant demand from consumers.

Though it had its share of challenges owing to the pandemic and lingering uncertainty, increased awareness and the need for protection helped the industry turn headwinds into tailwinds.

The pandemic strengthened the growing customer confidence toward insurance as a safe financial instrument, especially in times of uncertainty. This mind-shift, perceiving life insurance as one of the best safeguards against risk and not merely a savings instrument, will continue in 2022.

Today the Indian life insurance industry stands at a pivotal

² <https://www.moneycontrol.com/news/business/life-insurance-companies-record-37-rise-in-new-business-premium-in-march-8382231.html>

moment. The low product penetration in the country will continue to provide significant headroom for the sector to grow. Given these trends, the demand for suitable life insurance offerings will remain strong in 2022, and the long-term opportunities for growth will remain as compelling as ever.

Value-based personalised purchasing, digital adoption, and increased awareness will further shape customer behaviours in 2022. Such trends will be a game-changer for the life insurance industry and provide avenues to innovate and offer granular, value-based integrated products to meet customer needs.

MAX LIFE OVERVIEW

In FY22, Max Life secured a 9.9% market share amongst the private players in terms of individual adjusted first year premium, maintaining its fourth rank despite losing 90 bps from FY21. In the fiscal, Max Life secured a 6.8% market share overall in terms of total new sales, losing 41 bps.

During the year, the total new business premium (individual + group) of Max Life increased by 16% to INR 7,905 crore. In terms of individual adjusted first year premium, your Company recorded a 12% growth to INR 5,442 crore. Further, the renewal premium income (including group) grew by 19% to INR 14,509 crore, taking gross written premium to INR 22,414 crore, an increase of 18% over the previous financial year.

Your Company generated a post-tax shareholders' profit of INR 387 crore in FY22, as compared to INR 523 crore in the previous financial year, recording a decline of ~26%. Lower profit in the current year includes the impact of INR 100 crore towards pandemic reserves flown through the revenue account.

THE STATE OF YOUR COMPANY'S AFFAIRS

STRATEGISING FOR CONSISTENT AND PROFITABLE GROWTH

Max Life creates a three-year strategy and reviews it periodically. With Axis Bank becoming a co-promoter of Max Life in FY22, the Company's management team decided to chart a new growth trajectory by combining the forces of the third largest private bank in India with the fourth largest private life insurer. The management team undertook a detailed review of the market landscape and opportunities to redefine our growth ambitions and sharpen our strategic framework to drive consistent and profitable growth.

The redefined comprehensive strategic framework comprises six pillars to drive sales, profitability, and customer and

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

employee outcomes.

1. Consistent market outperformance by focus on priority areas

- a. **Leadership in e-commerce:** The online life insurance market is poised to grow rapidly in India given the lower digital penetration vs Asian/western economies. Your Company will continue to maintain leadership in term and scale-up savings business through innovative product introductions, building conversion efficiencies, and expanding ecosystem partnerships.
- b. **Building fastest growing profitable proprietary distribution:** A robust proprietary channel is necessary for sustained growth of the life insurance sector. Your Company will continue to drive improvements in the agency business across agent and leader retention, repeat activation, top agent growth, and variable growth.
- c. **Leadership in Protection & Health:** India has one of the highest mortality protection gaps in the Asia-Pacific region. Despite accelerated protection growth over the last few years, there still remains a large addressable population. Further, COVID-19 has provided an impetus to the demand for protection and health. Your Company will continue to improve individual protection penetration by accessing new segments, simplifying onboarding, and strengthening distribution execution.
- d. **Building Retirement Business:** India's pension market is highly under-penetrated and has a huge growth potential. Changes in demographics, the emergence of nuclear families, and the advancement of healthcare facilities are leading to a pronounced need for pension products. Your Company incorporated and registered Max Life Pension Fund Management entity to further the retirement agenda, and will continue to improve annuity penetration.

2. **Leverage synergies with Axis Bank:** Axis Bank is the third-largest private sector bank in India and offers the entire spectrum of financial services to customer segments covering large & mid-corporates, MSME, agriculture, and retail businesses. Your Company will leverage the strategic partnership with Axis Bank to drive synergies across all its distribution channels and gain access to new customer

pools through Axis Bank and other subsidiaries.

Your Company will continue to strengthen the Axis Bank partnership by augmenting deployed manpower and improving productivity through focused onboarding, training rhythms, and sales management practices.

3. **Inorganic expansion (M&A) & Business Development:** Your Company will continue exploring opportunities to further augment Banca partnerships, along with building proprietary fintech capabilities for accelerated growth.
4. **Digitization for efficiency and intelligence:** We are in a world where information travels in real-time and is accessible to all. Digitization is no more just an enabler but has become an integral part of every function. Your Company aims to continue with its digitization agenda, build artificial intelligence, offer best in class customer/distributor service experience, and reduce back-office costs.

Your Company has launched various digital assets over time, adopted a "Cloud-First Approach" for all new workloads, and has embedded intelligence to drive efficiency. Your Company was the first life insurance partner to go live on the Axis Bank marketplace to ensure seamless customer onboarding.

5. **People Capability:** Employees are the backbone of any organization and are its greatest asset. Your Company believes in engaging and retaining top talent, enable key cultural shifts to drive superior employee outcomes, and building organizational capabilities to prepare for the future.
6. **Creating a sustainable business (ESG):** Your Company has always believed in long-term value creation through sustainable growth and will continue to progress on the Environmental, Social & Governance (ESG) agenda through identified imperatives around work, people & community, green operations, and financial responsibility.

Overall, your Company is happy to report a strong performance across various operational areas.

STRENGTHENING DISTRIBUTION CHANNELS

The pandemic has increased the need for life insurance protection plans, and stock market volatility has increased the demand for guaranteed savings plans. Your Company has invested in and nurtured a diverse multi-channel distribution architecture that reaches people across the length and breadth

of the country to offer these product solutions. With our proprietary channel at the core, the distribution architecture has grown through a strong Agency channel, direct Customer Advisory Team, new-age e-commerce online channel, and efficient partnership distribution relationships that have helped your Company reach its target audience with the best-in-class products and services.

PROPRIETARY DISTRIBUTION CHANNELS

At Max Life, proprietary distribution channels have been the core of consistent growth. This congregation of Agency Distribution, Customer Advisory Team (CAT), and e-commerce have combined to enable a stronger growth momentum for your Company and have ensured exemplary performance in terms of the business quality. This focus has enabled Max Life to become a leader in new distribution models such as Insurance Marketing Firms (IMF), Agency Partner Channels, Rakshak (focused Defence Channel), etc. The proprietary channels recorded a growth of 13% during the year and closed the year with a 28% share in adjusted individual first-year premium in FY22.

Max Life aspires to build profitable proprietary distribution franchise during FY22 where your organisation has launched a multi-year project called 'Mission Uday' focused on growing proprietary channels and creating new business categories for the organisation, the outcomes will be visible from FY23 onwards across all the proprietary channels.

Agency Distribution – Being the oldest and most mature channel, propelling Max Life's growth over the years, Agency distribution weathered two lock-downs and came out stronger with 8% YoY growth, hence enabling your Company to build a high-growth proprietary distribution by improving the efficiency and productivity of agency distribution. To enhance the scope of business and increase the share of proprietary channels overall, the focus will be on growing top-performing advisors base exponentially along with activation and retention of agent advisors by building a strong performance culture with growth & entrepreneurial mind-set.

Within the agency distribution, your Company has carved out the Agency Partners Channel driven by a variable agency model and leverages recruitment through a higher variable construct. This Agency Partners Channel recruited more than 1411 agency leaders and 4959 agent advisors during FY22. This model has shown promise with strong growth in its third full year of functioning.

As Army and Paramilitary personnel of the country remain at the forefront to protect the country, to bring additional focus to this segment, your Company had created a specialist team within Agency distribution to provide relevant life insurance solutions to them and has rapidly acquired ~26% market share in FY22. These new initiatives have provided further impetus to the growth momentum of the Agency distribution. Variable business share in Agency distribution stood at 36% in FY22, your Company will continue to focus on building the variable Agency distribution model in future.

Customer Advisory Team – At Max Life, no customer is unaided as we have created a Customer Advisory Team (CAT) to meet the needs of customers whose agent advisors are no longer part of the Max Life system. The service-to-sales model for this direct-to-customer channel worked well during FY22, including an expansion of its team to record high growth. The channel started to incubate new business models to grow exponentially in the coming years by serving the customers who were acquired via online sales channels and it continues to lead the 13th-month persistency across your Company's multiple channels and record high margins due to productivity enhancement and adroit product-mix management.

Online Channel – The Indian consumer behaviour has started to evolve over years. In the past, the consumer used to research online and buy offline. However, today customers are getting increasingly comfortable buying online. The pandemic has resulted in greater awareness and action around the need for pure protection products, especially in the online channel. In FY22, this channel registered a superlative 47% growth. Your Company has been maintaining a leadership position in term plans purchased through life insurers' websites, leading web aggregators, and digital brokers in India. Going forward, the online channel aspires to replicate this success in the savings business by scaling it up while maintaining the leadership in the protection business through innovative product introductions, building conversion efficiencies through smarter journeys, and expanding ecosystem partnerships in FY23.

PARTNERSHIP DISTRIBUTION

- **Axis Bank** – The vision of the Max Life and Axis Bank distribution relationship is to be the most admired bancassurance partnership in India. The partnership is one of the fastest-growing bancassurance relationships in the Indian life insurance industry, with both partners are committed to providing superior value to their customers. Despite the implementation of open architecture at the bank, Max Life continued to dominate

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

the life insurance counter in the bank in both individual and group business.

- **YES Bank** – The YES Bank and Max Life bancassurance relationship has completed 16 years of successful partnership in FY22. Despite an open architecture set up in the Bank, both the partners are committed to growing the business multi-fold in FY23.
- **Other bancassurance partnerships** – Our Urban Cooperative Banks' partnership business grew despite being impacted due to the pandemic with geographic concentration of these bank branch networks in Maharashtra.
- **Group Business** – Group business that has focused largely on Credit Life's business set a new sales record by registering robust 54% growth despite multiple challenges during the pandemic period. Group business also continued to add new clients in Group Term Life business despite the impact of COVID-19 Wave II.

CONTINUOUS FOCUS ON OPERATIONAL EFFICIENCY FOR ENHANCING CUSTOMER EXPERIENCE

Prompt settlement of death claims is the most important promise a life insurer makes while selling a life insurance policy. Timely & hassle-free claim settlement is the most important moment of truth for the life insured and life insurer relationship. We endeavour to keep promises and keep dreams alive at the time of the customer's utmost need by paying death claims within one day for eligible policies.

During FY22, there was a significant increase in the inflow of claims, driven by the deaths due to the COVID- 19 pandemic. Your Company's prudential risk management of holding reserves for tail risk events (such as this pandemic) helped absorb a large part of the financial strain caused by the excess claims, resulting in minimal impact on the Company's financials (shareholders' profits).

Max life has paid in-total 30,830 death claims worth INR 2,009 crore during FY22. Since its inception, Max Life Insurance has paid INR 6,133 crores towards death claims on 1,63,698 policies.

With the InstaClaim™ initiative for our vintage policyholders (i.e. policies that have been in force for at least 3 continuous years with us), your Company endeavours to provide death claim payment within one day. Currently, 30% claims are settled in a day.

Long-term customer retention is of critical importance in

creating a win-win for customers, distributors, and your Company. Ongoing improvements in our structural solutions and services to improve the persistency is one of the key focus areas for your Company. In FY22, the 13th-month persistency of Max Life Insurance was at 86.1%, and the 61st-month persistency stood at 52.9% (Cumulative).

In FY22, your Company also tracked performance on customer engagement and satisfaction through Net Promoter Score (NPS) across key customer touchpoints and at the overall Company relationship level, reflecting the difference between promoters and detractors of a Company. By doing so, your Company has generated greater insights into what delights or detracts customers and recommend our solutions and further implemented corrective actions to ensure that we meet our customers' expectations. During FY22, your Company witnessed an improvement of 5 points (11%) in the NPS scores to 49.

PRODUCT INTERVENTIONS TO ENABLE PLANNED PRODUCT MIX

Your Company has a balanced product portfolio with an optimal mix of traditional savings, retirement, unit- linked plans, and pure protection plans.

During FY22, your Company added new products to its portfolio in the individual as well as the group space. For the individual business, your Company has launched a blockbuster Smart Wealth Income Plan (with an early income option) and a protection plan (Smart Secure Plus Plan) with Industry-First features as well as competitive rates.

In the Group retirement space, we made a foray into the NPS market as well as targeting the Superannuation proceeds with the launch of an annuity plan - Smart Guaranteed Pension Plan.

Protection and Retirement continued to be key focus areas in FY22. One in 3.5 individual policies underwritten by Max Life was a Protection policy. Of the new business premium, including individual and group business, protection share decreased marginally from 14.2% in FY21 to 13.5% in FY22. This also resulted in 8% increase in Sum Assured of in-force policies to INR 11,74,515 crore.

REINSURANCE ACTIVITY

Reinsurance is an arrangement whereby one party (the reinsurer), in consideration for a premium, agrees to indemnify another party (the cedant) against part or all of the liability assumed by the cedant under one or more insurance policies

or under one or more reinsurance contracts. Max Life is a purchaser of reinsurance and operates only on outward reinsurance.

Max Life uses reinsurance as one of the risk management mechanisms to transfer risks (insurance risks including both mortality and morbidity risk) from our balance sheet onto that of the reinsurer in a way that it reduces the volatility and uncertainty of our future results. Additionally, because of the global presence of the reinsurers, they have access to large volumes of data from different markets basis which they provide their expertise and technical assistance to Max Life on certain product lines.

To appropriately control the reinsurance credit risk, Max Life selects reinsurers with credit rating thresholds (as prescribed by the insurance regulator) to ensure that reinsurers are financially strong and are of high creditworthiness. Max Life also monitors the credit ratings and financials of its reinsurers regularly. To control the concentration risk from reinsurance arrangements, it is ensured that the reinsurer business is well-diversified across a minimum of three large reinsurers subject to the prescribed regulatory requirements.

Max Life has appropriate reinsurance arrangements in place that cover risks pertaining to individual businesses as well as group businesses. Additionally, Max Life is also adequately covered for a certain type of catastrophe risks. The extent of risk retained by us for each of these arrangements depends on our evaluation of that specific risk and is subject to regulatory requirements, wherever applicable.

COST MANAGEMENT

The operating expenses (policyholders) to net premium ratio reduced from 14.4% in FY21 to 13.7% in FY22 due to effective cost management efforts and higher business growth. The cost (Commission plus total operating expenses) to net premium reduced to 20.1% in FY22 from 21.0% in FY21.

DIGITISATION AND INFORMATION TECHNOLOGY-LEVERAGING TECHNOLOGY FOR BUSINESS TRANSFORMATION

During FY22, many initiatives were taken to move towards becoming a truly digital organization and delivering many industry-first digital processes.

- 1) **Onboarding:** A state-of-the-art cloud Native issuance and underwriting system – Dolphin was scaled up to ~99% to optimize the issuance & Underwriting TAT's & increase the

straight through processing of transactions (~74 % retail business was human-less underwriting in March FY22).

Max Life also scaled up the common customer on-boarding platform to all products (Term, ULIP & Traditional) which was built on digital first cloud native platform using open-source technologies; this has helped achieve industry leading page load performance – (<3 seconds as verified by Google) and has helped increase the session to quote funnel by over 10%. This has also helped in reducing the time to market for new products by 25%.

We have re-architected our core system to enable policy issuance in 6 minutes for all eligible straight pass cases.

As part of our commitment for seamless integrations with Bank partners, Axis Bank Marketplace was launched for top 3 selling products. 150 Cr+ business was logged in via Axis marketplace. This has opened gates for MLI via mobile banking app & net banking.

NIS: New Insurance System (Easy Nsure) – Yes Bank Market Place was launched where the current penetration is more than 25% of the business. Alongside, CRM Integration with YBL is also completed. This has resulted in ~1000 leads logged per day.

- 2) **Digital Distribution:** Governance and Activity Management tool - mSmart was launched for Agency channel. This will help in increasing sales productivity through Sales FOD, Agent performance reports, Agent & ADM PRP, ADM Monthly planning.

We also moved to virtual training from physical training through implementation of Smartclass. It was rolled out in 105 offices and enabled sharing of trainers across offices leading to effectiveness of training and sales productivity.

- 3) **Customer Services:** In-house BOT platform was scaled up for servicing & escalation desks to drive automation in customer service Process. Over 20% of the customer emails are answered by the BOTS automatically. This gives an instantaneous response to the customer queries and optimizes the customer service team's effort. The accuracy of response improved to 80% from 60%.

- a) **New age centralized communication engine – CCMS** was launched which acts as a single platform to manage and maintain all trigger logics, templates, reporting for all customer communication bringing "One View of All Customer Communication". In Phase

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

1, 200+ renewal documents moved to CCMS.

- b) **Customer service Portal (AGRIM)** was given a major revamp to ensure seamless customer experience and best in class customer load. This has resulted in 10 points uplift in website NPS.

- 4) **Enterprise Digitization:** As part of improving employee experience, a new HRMS system (SAP Success factor) was launched. It is a one-stop shop to support recruitment, onboarding, training, performance management, succession planning, leave, attendance, payroll and many other services.

New Investment Management system – SAP treasury (Project Maximus) was launched enabling future ready & scalability system to support a 5X current AUM. This system has enabled enhanced controls and resilience in our investment management operations – near real-time DR, superior performance on cloud.

New-age AML sanction screening process was implemented for New Business, claims, DSDO, POS, HR & Banca Partners. This has enabled “Pre-onboarding” screening for both customers & sellers rather than “Post facto”.

- 5) **Technology Modernization:** We have continued to bring agility, cost-efficiency and scalability of our IT infrastructure through transformation to cloud native apps and services. We have modernized our legacy systems by moving to cloud. 3 very complex platforms - BRMS, MyFlow and CRM application were migrated to cloud, which has resulted in ~45% of infrastructure now on Cloud.

ENVIRONMENT, SUSTAINABILITY AND GOVERNANCE AT MAX LIFE

Max Life continues playing a leading role in creating a more sustainable tomorrow and making the world a better place to live. Our transformational, long term ESG Strategy is reflective of our purpose, our values, and our position as one of the leaders in the life insurance industry in India.

The four pillars of our ESG Framework are:

- Working Ethically and Sustainably
- Care for People and Community
- Financial Responsibility
- Green Operations

WORKING ETHICALLY & SUSTAINABLY

Your Company have recently formed an ESG Management Committee comprising the CEO as the Chair along with the CFO, CIO, and CPO as the other members of the said committee. We have also identified a leader to drive the ESG agenda for Max Life.

Max Life's Governing committees and governing policies guide the organization and the employees in their roles and responsibilities. Max Life has a robust mechanism for grievance addressing for employees, consisting of a listening platform, ethics hotline, and disciplinary action policies.

Max Life has a robust cyber security framework in line with regulatory requirements by IRDAI and Indian IT Act. Max Life is certified on international standards ISO 27001 and ISO 22301 for information security and business continuity respectively.

Max Life follows robust security practices to protect Personal Information in accordance with the information security and data privacy policy approved by the management. Our privacy policy is available on our website and compliant with the regulatory requirements.

CARE FOR PEOPLE AND COMMUNITY

Max Life's overall compensation philosophy rests upon the pillars of 3P's.

- **Position:** Competitive pay based on the market benchmarks and position
- **Person:** The value that the person brings to the Company in terms of knowledge, skills, and competencies
- **Performance:** Compensation increase and promotions are directly co-related

Our robust Performance Management System (PMS) backs this transparent and fair approach to rewards, simplifies the entire goal-setting process and enhances the interplay of performance & values to drive business objectives & create a high-performance culture.

In line with our commitment to invest, grow, and strengthen leadership pipeline, we have a focussed Future Leaders Program that involves hiring Management Trainees from premier Business Schools in India. Our annual engagement survey administered through Willis Towers Watson is a useful tool to understand employee engagement and perceptions. Organization Talent Review (OTR) is an annual process with

close involvement of all CXOs and leaders to identify Best Bets within Max Life.

Employees' emotional and mental well-being has been of paramount importance, it took centre stage particularly during Covid-19, and thus led to the introduction and enhancement of various initiatives like counselling sessions, mental wellbeing sessions, etc.

We have a robust D&I framework at the Company level. In pursuit of this commitment, we have launched a differential employee referral incentive for People with Disabilities (PWD) hiring.

Max Life runs a robust CSR program where we have partnered with NGOs like Teach for India, Simple Education, Kshamtalya Foundation and Saajha – to spread value education and to conduct sessions on Financial Literacy.

FINANCIAL RESPONSIBILITY

Max Life has a fiduciary responsibility towards policyholders and strives to achieve the best practices in investment and governance practices. We have started to monitor our investment framework with an objective to incorporate Environmental, Social, and Governance (ESG) risks as part of our decision-making process.

We have four key focus areas in our quest to integrate ESG in our Investments Framework:

- A. We are integrating a section on ESG risks and opportunities in the investment note of every investee Company which is considered while making a decision to invest in a company
- B. We are constantly tracking to ensure 75% ESG compliance in our equity portfolio at all times
- C. We are ensuring 100% ESG compliance in 100% of Shareholders' funds' equity portfolio
- D. We are also on track to launch an ESG Index fund in Q1 2022

We have implemented a comprehensive stewardship policy and disclose a detailed summary of our voting actions quarterly. This stewardship code describes our approach to the stewardship responsibilities as set out under each principle and how its Code and procedures meet the requirements of the Guidelines. This Code is also available on our Company's website.

There is a dedicated Board Committee called the Products and Actuarial Committee (PAC), that has the mandate to review product development and performance. The PAC is chaired by a Non-Executive Director. Further, the PAC, as per the assessment, may also refer some matters to the Policyholder Protection Committee (PPC) to ensure that all relevant aspects related to responsible product offering are considered.

GREEN OPERATIONS

We are currently assessing Max Life's Carbon Footprint (Scope 1 and Scope 2) and building a roadmap to achieve the carbon neutrality target by FY2028.

We aim to completely ban single use plastic usage in our offices in the next few years. Our current emphasis is on recycling plastic at tuck shops and pantries at the Head Office. We have used 10,000 kg of plastic in FY22 (3,000kg is single-use plastic usage and 7,000 kg is recycled plastic usage). We plan to reduce plastic consumption by 100kg in FY23. We also intend to replace plastic water jars with RO water. We have already reduced 537 tons of CO2 emission by eliminating 81,378 kg of plastic by FY22. All of our discharged water in our head office is recycled with the help of STP: We are continuously recycling 30-kilo liters per day and will continue to do so in our Head office. Reduction in water consumption by the use of tap sensors and water aerators: 100% tap sensors and water aerators in place in Ho. With the help of these, ~70% of water consumption is reduced. Our goal is to replace all CFLs in offices with LED lights Pan-India to reduce energy consumption. In the last three years, the replacement has been undertaken across 30% offices that has helped achieve ~3% energy reduction.

We are planning to implement and maintain a ratio of 1 green plant/employee in our head-office.

ENHANCED ENGAGEMENT WITH EMPLOYEES

Inspiring leadership, improving the employee experience and contemporizing people practices are key drivers of your Company's high-performance culture. Some key highlights are:

- Max Life has been ranked 18th amongst 'India's Best Companies to Work For' in 2021. The Company has been bestowed upon this honour for the tenth time in the most comprehensive employee survey of workplace culture conducted by the Great Place to Work Institute. Max Life has also been recognized amongst the top 30 Best Workplaces in BFSI; and retains its position amongst Top 50 Best Workplaces for the fifth consecutive year of

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

participation, as per the Great Place to Work Institutes (GPTW) 2021 study.

- In the FY22 annual employee engagement survey, over 94% of employees shared their feedback, with 95% favorable scores.
- At our Founders' Day in FY22, 323 employees were recognized with long service awards for completing 10, 15, and 20 years of service with Max Life.

VALUES FRAMEWORK

At Max Life, all employees are guided by the following values:

- **CARING:** Respect people, Act with compassion
- **COLLABORATION:** Stronger together
- **CUSTOMER OBSESSION:** Customer at the core
- **GROWTH MINDSET:** Curious to learn, Hungry to win

With INTEGRITY at its core

DIVERSITY AND INCLUSION (D&I)

Diversity is a fact in an organization and its definition binds itself as a mix of people, ethnicities, gender, and social aspects, but mostly, the richness of diversity comes from the variety of thoughts that are beyond the obvious definitions. Additionally, the essence of inclusion stems from creating a safe space for everyone to express their thoughts without inhibitions.

With an unprecedented pandemic facing us, the focus on inclusion commitment at Max Life has become much more imperative today. Our D&I commitment is no longer just a social or even a human rights issue but has become a business imperative critical to the long-term success of our organization. The latest trends in Environment and Social Governance (ESG) count D&I to be a critical component. There is heightened importance of gender and cultural diversity and social inclusion to mitigate the risks faced by the organization and improve employee productivity that has significantly contributed to improving the Company's profitability and correspondingly, its financial performance.

In line with the purpose of making Max life an inclusive and diverse great place to work, your Company continues to work through regional diversity and inclusion councils to integrate D&I into the culture of Max Life Insurance, building organizational capability, enhancing diversity footprint and enhanced rigour for the spirit of D&I to cascade to every individual in the organization to make each employee an ally.

Diversity & Inclusion is at the heart of our business strategy, and not just a component of the people strategy. Because of this, we won some accolades for our efforts in the year.

- Max Life featured in the Top 100 Great Place to Work for Women in the Large Companies category
- Max Life Insurance was awarded "Excellence in Gender Diversity" at the 4th Annual D&I Summit & Awards by Transformance Forums

We have devised the C.O.R.E. framework to guide our D&I journey:

C – Culture

O – Organization Capability

R – Recruitment & Retention

E – Engagement & Connect

CULTURE

- Diversity & Inclusion Founder's Day Awards given out for the first time to 3 D&I Champions
- Progressive policies were introduced like Sabbatical Policy, enhancement of Paternity Leave, and Inclusion of mental health in the scope of Sick leave
- D&I Toolkit devised for all Supervisors to understand the behaviour & actions of an inclusive leader

ORGANIZATION CAPABILITY

- Capability building programs for women at all levels of their career journey
- Mentorship & Coaching assistance for women leaders
- To cover all employees at scale we also developed 2 e-modules on D&I

RECRUITMENT & RETENTION

- Overall gender diversity at Max Life stands at 25% compared to 23% in FY'21
- Increase in the hiring of people with disability and enhancing this footprint by 3 times
- 84% of Max Life Insurance consists of Millennial or Gen Z population. This pegs us as an organization poised for growth with high energy

ENGAGEMENT & CONNECT

- Celebration of the “Diversity & Inclusion Week” for the third year from March 7th – 12th 2022. The week was enriched by several activities from panel discussions, and expert speakers to gratitude campaigns.
- Celebration of D&I spotlight per channel to drive employee participation and recognize the stars.
- Utilization of social media platforms to communicate our belief in thoughts and actions around the theme of Diversity & Inclusion

As an organization committed to this purpose, through our continued efforts, your Company is trying to cultivate environments that allow each of us, regardless of age, gender, ability, etc to contribute our best selves – and this is what leads to a highly productive and innovative workplace.

INVESTMENT PERFORMANCE

Your Company's assets under management (AUM) were INR 1,07,510 crore as on 31st March 2022. This is a growth of 19% over the previous year. Your Company ensures that its investment assets are managed in accordance with its asset-liability management guidelines for Traditional policies and a market-oriented approach for its unit-linked (ULIP) policies. The performance of both traditional and unit-linked funds is commensurate with the risks assumed in the respective funds.

With an endeavour to deliver optimal returns to policyholders, Max Life's investment team follows a disciplined approach. For the Traditional policies, funds were invested keeping in mind safety of capital and stability of returns over the long-term. The debt portfolio of your Company continues to be of high quality with 96% of the portfolio carrying highest credit rating of AAA (Long-term) and A1+ (Short-term). Most of the equity portfolios for Traditional funds and ULIP funds are large-cap oriented.

Indian equity markets rallied by 17% in FY22, outperforming many markets globally. The rally in the market was however interspersed with phases of high volatility. The mid and small cap indices rallied ahead of large-caps and were up 23% and 26%, respectively. Negatives developments such as Covid waves, unstable geopolitical outlook, rising yields, and disruptions in global supply chains were offset by an increase in the pace of vaccinations and ‘opening up’ of the global economy. Our equity markets saw record foreign investor outflows as these investors reallocated to other geographies,

dominated by commodity producers. However, domestic flows into the equity markets, remained supported by domestic institutional and retail investors. Therefore, equity market performance was not impacted due to such large outflows by the foreign investors.

FY22 marked the return of growth and inflation after the Covid-related lockdowns. Despite a severe second Covid wave, activity levels resumed swiftly as compared to the first wave. Higher Government capital spending and pent-up consumption demand supported growth. Government continues to provide support to economy with keeping higher fiscal deficit targets leading to higher Government securities issuance. Economy geared towards bottoming of interest rate cycle with higher growth, higher inflation, higher fiscal deficit and tightening by global central banks.

Fixed income markets witnessed rising yields. Reserve bank of India and Monetary Policy Committee (MPC) continued with accommodative policies to support economic growth over inflation. RBI took steps in the form of open market operations, Government Securities Acquisition Plan (G-SAP) to manage high borrowing programme in a non-disruptive manner. Systemic liquidity remained in huge surplus.

For our Traditional funds, we increased our investments in long-term bonds in line with liability requirements. We continue to invest in other growth assets like high-quality commercial real estate with long-term lease commitments, Alternative investment funds, Infrastructure and Real Estate Investment Trusts (InvITs, REITs). We continue to use innovative interest rate hedging tools that enable us to provide long-term guarantees to our policy holders.

Long-term performance of our ULIP funds remained strong with above-benchmark returns overall. Yield on our traditional funds was income in line with long-term objectives of various plans.

Your Company reviewed the Stewardship Code as prescribed by the IRDAI and stepped-up voting actions across investee companies in the best interests of the policy holders.

AWARDS AND RECOGNITION

Being in the business of building ‘Customer Delight’, Max Life has always strived to bring the best of experiences to its stakeholders. It is in this regard, that our business performance and practices have earned sectoral admiration and have won us multiple awards and recognition. In this fiscal, your Company has won more than 30 awards and recognitions amongst industry forums, including but not limited to the following:

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000



Awarded Gold in Life insurance provider of the year at Outlook Money Awards 2020



Gold in Best Use of Internal Communications at Fulcrum Awards 2021



Awarded Excellence in Digital Transformation, Excellence in Customer Experience, Excellence in Brand Management, Excellence in Consumer Insights/Market research at the ACEF Asian Leaders Awards for Branding, Marketing & CSR 2021



Awarded Gold in 'Best Internal Communications' at Afaqs Digies awards 2021



Excellence in Digital Sales and Process Enablement at FICCI Insurance Industry Awards 2021

A ROBUST RISK MANAGEMENT FRAMEWORK TO ADDRESS ENTERPRISE-WIDE RISKS

Max Life has a Risk Management Framework (RMF) that enables it to appropriately develop and implement strategies, policies, procedures, and controls to manage different types of material risks. The RMF is Max Life's totality of systems, structures, policies, processes, and people that identify, measure, monitor, report, and control or mitigate all internal and external sources of material risk. This framework provides reasonable assurance to the management that each material risk is being prudently and soundly managed in regard to the size, business mix, and complexity of Max Life's operations.

The RMF is maintained by the independent risk management function, headed by the Chief Risk Officer who reports directly to the Chief Executive Officer (CEO) of the Company. He also has direct access to the Board and the Risk Committee of the Company to share his independent view of key risks affecting the Company.

Under RMF, the risk function is responsible for the supervision of all risk management activities in the Company, including:

1. Review of the Risk Appetite Statement (RAS) which states the material risk and the degree of risk that Max Life is prepared to accept.
2. Appropriateness and adequacy of the Risk Management Strategy (RMS) that states Max Life's strategy to address the material risks and the policies and procedures supporting the management of the material risks in Max Life.
3. Internal Capital Adequacy Assessment Process.
4. Ensuring through various management submissions that the Board is adequately informed on top risks and key emerging risk-related issues and, if necessary, provides supplementary advice to the Board through the Risk Committee.

Max Life's Risk Management Policy sets the broad contours of the management system, which is used to identify, assess, monitor, review, control, and report risks and controls within the Company. It is also the Company's policy that risks should be managed systematically with the process of risk management is well defined and with its various elements properly integrated. The implementation of the RAS is a continuous cycle of improvement over the Company's existing risk management elements.

Max Life continues to progress well on its vision of a mature state of risk culture where every individual takes responsibility for risks and has a thorough understanding of all risk tolerances.

The Company's overall approach to managing risks is based on the 'Three Lines of Defence' model with clear segregation of roles and responsibilities for all the lines. Business managers are part of the first line of defence and have the responsibility to evaluate the risk environment and put in place appropriate controls to mitigate such risks or avoid them. The risk management function, along with the compliance function, forms the second line of defence. The internal audit function guided by the Audit Committee is the third line of defence and provides independent assurance to the Board.

The Statutory Auditors and regulatory oversight aided by the Appointed Actuary in his fiduciary capacity is also construed to provide an additional third line of defence. The entire implementation is monitored both at the management level as well as the Board level committees, and the overall risk management framework and its effectiveness are subject to periodic assurance reviews.

As the pandemic Covid-19 is still to end, the business continuity team under the risk management function continues to work proactively to ensure business continuity while giving primacy to the safety and security of our people.

NUMBER OF CASES FILED AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to providing a safe working environment for all and, in particular, eliminating sexual harassment against women in the workplace. Your Company is very sensitive toward any complaints related to sexual harassment and has a well-defined policy on the prevention of sexual harassment against women in the workplace.

During FY22, your Company received 17 complaints under

the sexual harassment category. All these complaints were investigated and 11 complaints were closed. The investigation of the balance 6 complaints is in progress, and the same would be closed within the prescribed timelines. Your Company is compliant with respect to making requisite filings to the competent authority in this regard.

Further, your Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In addition, 13,750 employees were certified on the prevention of sexual harassment by an e-learning module and 42 training sessions conducted through various interventions like new employee induction, refresher training, and through digital platforms (Zoom and Disha), etc.

NAME OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS THEREOF

No Company has become or ceased to be a subsidiary, joint venture or associate Company to your Company during the year.

MAX LIFE PENSION FUND MANAGEMENT LIMITED

In FY22, your Company has promoted and enabled the incorporation of a wholly-owned subsidiary by the name of "Max Life Pension Fund Management Limited". The main objective of this subsidiary is to carry on the business of fund management in general, and pension fund management in particular, in any part of India or outside of India, and to manage pension, provident, annuity or retirement funds or benefits or schemes.

Your Company is the promoter and sponsor of the said Max Life PFM company.

GENERATING INSURANCE AWARENESS AMONGST CUSTOMERS

Max Life believes that it is important that Indian consumers should be aware of the true purpose of life insurance. Various surveys by leading research agencies have indicated that, while majority of Indians are aware of life insurance plans, ownership of term insurance is low, and consumers are not aware of the role life insurance can play in building a financially secure nation. During FY22, Max Life led the industry initiative on insurance awareness. This was supported by digital and

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

social media initiatives and PR campaigns. Max Life supported this industry initiative through its continued work towards increasing life insurance awareness amongst its existing customers and prospective life insurance customers.

Your Company worked on four specific themes:

- **Campaign on the benefits of life insurance**

Max Life is working diligently to drive life insurance awareness amongst people through varied media that include mass media campaigns, social media, public relations, knowledge articles on online portals and Max Life's website.

In FY22, the Company conducted 3 mass media campaigns spread over 8 weeks to educate prospective customers about the importance of Claims Paid Ratio and planning for a protected future. Social media has become an integral part of the life of a large part of Indian population. Being online, connected and updated with information has become the need of the hour.

To leverage this digital revolution, Max Life Insurance has engaged with people at large through our own social media assets to educate them about the importance of life insurance as a financial solution for protection and meeting life stage needs. On social media through 52 static posts and 67 video based posts on Youtube, Facebook, LinkedIn and Instagram we reached out to 7,99,40,650 people. In addition, many knowledge articles related to life insurance were posted on leading portals reaching 60,09,861 readers. The Company also utilised the reach of print and digital media through participation in life insurance related stories and 38 authored articles.

Max Life in partnership with Kantar, conducted the fourth edition of its consumer survey, India Protection Quotient (IPQ) across cities to check India's financial protection status. Conducted entirely online, the India Protection Quotient 4.0 surveyed 5,729 respondents across 25 Indian cities [between 10 December 2021 to 14 January 2022], making this one of the most comprehensive financial studies carried out during the recent wave of Covid-19.

With increasing immunization coverage and a growing positive outlook beyond COVID-19, the 'Protection Quotient' of urban India has moved 3 points to 50, witnessing a gradual rise from previous IPQ editions. The trend line reflects steady growth in the country's overall financial protection that has led to prioritizing financial security overall aspects.

The survey indicates a marginal increase in urban India's knowledge index from 68 to 69, while the security index increased by 5 points to 56%. Metros, Tier 1 and Tier 2 cities also witnessed an increase in the protection index, while Tier 2 saw a significant rise in life insurance awareness from 61 to 68. This indicates a strong potential in Tier 2 markets for life insurance adoption. The findings of the survey were published in multiple print and online publications and major news channels in the country, thus creating a lot of buzz around the need for protection.

- **Campaign focusing on protection of consumers**

Fraudulent activities and spurious calling to defraud life insurance consumers are a reality that the life insurance industry is tackling through individual and joint efforts. During FY22, messages related to protecting oneself from such activities were shared with your Company's existing policyholders by incorporating such messages in most customer communication. Similar information was also shared through SMS and articles with policyholders.

- **Campaign for customers**

Max Life offers a variety of plans and policies that can help meet the financial requirements of our large customer base. Your Company regularly shares relevant details about life insurance through direct mails to our existing customer base that are contactable through email. Keeping customer awareness and engagement as the prime focus, we celebrate super customer week every month. These sessions have helped our customers understand more about life insurance benefits by connecting with customers every month digitally through various emails and SMSs. During these week-long sessions every month, multiple activities were carried out digitally through which customers were educated about the need for protection, benefits of various life insurance plans, and tax savings through life insurance.

CORPORATE SOCIAL RESPONSIBILITY

Your Company and its directors firmly believe that the ultimate objective of Max Life is to contribute to the well-being of the society it operates. While your Company is focused on education, healthcare, environment protection, financial literacy & insurance awareness, our employees volunteering initiatives saw great impetus driving various CSR activities across the country.

During FY22, Max Life supported 8 leading NGOs towards

Social, Emotional, and Ethical Learning benefitting 38,366 children directly, and additionally 54 lakh children of Tamil Nadu and Tripura were reached indirectly through NGO partner - The Education Alliance. Through these NGOs, support was also provided for the training of 40 fellows, 1,393 teachers, and 515 community members.

Intending to participate and contribute to diverse community service initiatives, Max Life Insurance CSR; Pehal, continued with significant momentum in FY22. Overall, through various initiatives under Pehal, the Company was able to positively impact approximately 1.5 Lakh beneficiaries across the country.

Financial Literacy & Insurance Awareness

Max Life partnered with Haqdarshak, a social enterprise that conducts financial literacy & insurance awareness camps in Haridwar (Uttarakhand) & Purbi Singhbhum (Jharkhand). The project trained 30 women from the local community to enrol eligible citizens into government welfare & insurance schemes, thus creating sustainable livelihood for them and positively impacting nearly 15,000 beneficiaries.

Covid19 support initiatives

Contribution of around 60,000 safety kits across 350+ locations to Police and Defence officials, healthcare workers, frontline workers in state administration and education sector, leading to recognition of Max Life as a responsible corporate citizen.

Environment Conservation

Metro greening project with Gurugram Metropolitan Development Authority (GMDA): The greening and maintenance work of the central verge of the 4.5 km stretch from IFFCO Chowk, Gurugram to the Delhi border was completed as per plan. A total of 43,200 saplings were planted during this period, that led to 21 metric tons of carbon sequestering. Maintenance work involved watering, weeding, pruning, and pest control. We also installed dustbins and benches along the left and right verge of the stretch.

Water Conservation Project: 75 RWA's in & around Delhi NCR were contacted, and camps were held raising awareness of residents on the importance of water conservation. Approximately 65,000 water nozzles were distributed along with fitment assistance. These water nozzles result in a 70% reduction in water consumption in a household.

Healthcare – curbing malnutrition: Max Life distributed "Happiness Kits" to 2,500 impoverished families in the Haridwar district in collaboration with NGO Akshaya Patra. The kits had

supplies of dry rations for families particularly impacted by the pandemic and stationary for children to support the right to education of socio- economically disadvantaged children.

Joy of Giving – Office activities: Employees continued the volunteering momentum in Covid times. Teams volunteered to provide necessary materials and rations to marginalized sections of the society across the country. Volunteers provided infrastructural support like computers to differently-abled children in schools. They also contributed uniforms, sweaters, and books to underprivileged school children felicitated the Kargil war veterans and undertook a plantation drive. 400 volunteers contributed to the betterment of 21,000 beneficiaries.

Engagement with NGOs supported through Max India Foundation – virtual volunteering: Max Life engaged senior leaders for 9 virtual volunteering sessions. We partnered with various NGOs on virtual sessions on topics like Financial Literacy, Career Counselling, and Health & Hygiene.

In line with the requirements under section 135 of the Companies Act, 2013, your Company contributed INR 9.49 crore towards these CSR activities during FY22 through its execution partner, Max India Foundation, and through the Company directly. The detailed Annual Report on the CSR activities undertaken by your Company is placed in **Annexure-II**.

CORPORATE GOVERNANCE

Your Company has an optimum combination of executive, non-executive, and independent directors on its Board which comprises 2 executive directors, 8 non-executive (non-independent) directors (including 1 (one) woman director) and 4 independent directors. Your Company believes that well informed and Independent Board is essential to ensure the high standards of Corporate Governance. Your Company has had a woman Director on its Board even before this became a mandatory requirement and continues to benefit from a diversified Board composition.

Max Life's corporate governance philosophy stems from its belief that corporate governance is an integral element in managing the Company's operations and growth as well as enhancing investors' confidence. The Company's Corporate Governance philosophy is set out as follows:

"As a good corporate citizen, the Company is committed to sound corporate practices based on compliance, openness, fairness, professionalism, and accountability in building the confidence of its various stakeholders including policyholders, distributors,

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

shareholders, regulators and employees, thereby paving the way for its long-term sustainable success."

The Company's corporate governance philosophy is based on the following principles:

- Satisfying the spirit and not just the letter of the law.
- Going beyond the law in upholding corporate governance standards.
- Driving the business based on of the belief and 'when in doubt, disclose'.
- Maintaining transparency and a high degree of disclosure.
- Making a clear distinction between personal convenience and corporate resources.
- Communicating externally in a truthful manner about the Company's financial results and operational practices.
- Having a simple and transparent corporate structure driven by business needs.
- Embracing a trusteeship model in which the Management is the trustee of the Shareholders' and Policyholders' funds.

Your Company believes in sustainable corporate growth that emanates from the top leadership down through the organization to the various stakeholders reflected in its sound financial system, enhanced market reputation, and improved efficiency. Our corporate structure, business, operations, and disclosure practices are strictly aligned with our Corporate Governance Philosophy. Transparency, accountability, fair treatment of policyholders, and open communication with all our stakeholders are integral to our functioning.

For Max Life, adherence to corporate governance stems not only from the letter of law, but also from our inherent belief in doing business the right way. Corporate governance encompasses practically every sphere of management of your Company, from action plans and internal controls to performance measurement and corporate disclosures.

Your Company remains committed to excellence in its corporate governance and recognizes that it is the result of value-driven leadership and high standards of accountability, transparency, and ethics across your Company.

Further, your Company confirms that we are compliant with the

applicable provisions of the Companies Act, 2013, Insurance Act, 1938, and Secretarial Standards issued by ICSI.

In line with the requirements under the IRDAI Corporate Governance Guidelines ("**Guidelines**") issued by IRDAI dated May 18, 2016, and subsequent amendments to date the disclosures under Guidelines are made in **Annexure I**.

Your Company's commitment to corporate governance is also reflected in the composition and structure of its board of directors, as enumerated in **Annexure I**.

Your Company believes in implementing the highest standards of governance and transparency across all spheres of its operations, be it in the area of disclosure, compliances, dealing with stakeholders including its customers, vendors, employees, and paying back to the society through CSR initiatives. Your Company gives utmost importance to regulatory and statutory compliances and in this pursuit, your Company has implemented an automated Compliance Management System (COMS) across all of its corporate functions and in all the offices across India, thereby establishing accountability, ownership, and strengthening the compliance culture across the organization.

BOARD OF DIRECTORS AND COMMITTEES

There were conscious efforts to continue to strengthen the board of directors, in terms of its diversity, effectiveness and corporate governance. The following changes were made in the board composition of your Company:

1. Appointment of Mr. Mitsuru Yasuda, Mr. Rajesh Kumar Dahiya, Mr. Rajiv Anand and Mr. Subrat Mohanty was regularized as Non-Executive Directors of the Company by the members at their 21st Annual General Meeting held on May 7, 2021.
2. Appointment of Mr. Girish Srikrishna Paranjpe and Mr. Rajesh Khanna was regularized as the Independent Directors of the Company by the members at their 21st Annual General Meeting held on May 7, 2021.

In the opinion of the Board, the said independent directors are eminent personalities with integrity and have significant expertise and experience and proficiency that has strengthen the overall composition of the Board. With regard to their proficiency, it shall be noted that Mr. Girish Srikrishna Paranjpe has successfully passed the online proficiency self-assessment test as required under the provisions of Rule 6(4) of the Companies (Appointment and Qualifications of Directors)

Rules, 2014 and Mr. Rajesh Khanna is exempted from passing the said test in terms of the exemption provided in the aforesaid rule.

In accordance with the provisions of the Companies Act, 2013, Mr. V. Viswanand, Mr. Mohit Talwar and Ms. Marielle Theron shall retire by rotation, and being eligible, have offered themselves for reappointment in the ensuing annual general meeting.

A resolution seeking reappointment of Mr. V. Viswanand, Mr. Mohit Talwar and Ms. Marielle Theron has been included in the notice convening the forthcoming annual general meeting of your Company.

The details regarding number of meetings of the Board and its Committees as required under section 134(3)(b) of the Companies Act, 2013 also forms a part of **Annexure I**.

KEY MANAGERIAL PERSONNEL ("KMP") U/S SECTION 203 OF THE COMPANIES ACT, 2013

During the financial year 2021-22, the Key Managerial Personnel of your Company were:

- a) Mr. Prashant Tripathy as Managing Director & CEO;
- b) Mr. V. Viswanand as Deputy Managing Director (Whole-time director);
- c) Mr. Amrit Pal Singh as Chief Financial Officer;
- d) *Mr. Mandeep Mehta as Chief Financial Officer (Internal Designation of Deputy CFO) w.e.f. September 9, 2021
- e) Mr. Anurag Chauhan as Company Secretary.

** Mr. Mandeep Mehta ceased to be associated with the Company with effect from May 1, 2022.*

CHARTER OF BOARD AND VARIOUS COMMITTEES AS A MEASURE OF INTERNAL GOVERNANCE

With a view to follow sound corporate practices based on compliance, openness, fairness, professionalism and accountability in building confidence of its various stakeholders, your Company has adopted the charter of the Board which defines the respective roles, responsibilities and authorities of the Board of Directors (both individually and collectively) and of the Management in setting the direction, management and control of the Company.

Further, each committee of the Board operates within its defined charter which sets out the specific roles and responsibilities of each committee. The committees are constituted for

discharging their statutory duties and responsibilities as required under various applicable laws as may be amended from time to time. Each committee has a Board approved charter, to ensure oversight of important policy issues outside the main Board meetings.

The charter of the Board and the Committees are reviewed at periodic intervals.

ANNUAL EVALUATION

For FY22, the annual evaluation of the performance of the board, the committees, individual directors including independent directors and the chairman has been carried out in line with requirements under the Companies Act, 2013. This was carried out by obtaining feedback from all directors through an online survey mechanism/ hard copy questionnaires. The outcome of the said performance evaluation was placed before the nomination and remuneration committee of your Company and the Board on May 9th and 10th, 2022 respectively.

In addition, the independent directors met separately without the attendance of non-independent directors and members of management, wherein they discussed and reviewed the performance of non-independent directors, the Board as a whole and also the performance of the chairman of the Company. They further assessed the quality, quantity and timeliness in respect of flow of information between the Company's management and the Board. Overall, the independent directors expressed their satisfaction on the performance and effectiveness of the Board, individual non-independent board members, and the chairman, as also on the quality, quantity and timeliness of flow of information between the Company management and the Board.

A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (7) OF SECTION 149 THE COMPANIES ACT, 2013

Your Company has received declarations from the independent directors of the Company confirming that:

- i) They meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.
- ii) They have duly complied with the provisions of sub-rule (1) & (2) of Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014 i.e. inclusion of their names in the databank for independent directors.

DECLARATION BY THE DIRECTORS REGARDING FIT & PROPER CRITERIA AS PRESCRIBED UNDER IRDAI

REGULATIONS

All the directors of the Company have confirmed that they satisfy the "Fit & Proper" criteria as prescribed under regulation 5.3 of the IRDAI Corporate Governance Guidelines.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY U/S 188(1) OF THE COMPANIES ACT, 2013

All the related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. The requisite disclosure of the related party transactions has been made in the notes to accounts of your Company's financial statements for FY22. In addition, the particulars of contracts or arrangements as entered with related parties of your Company are enclosed herewith in the prescribed format i.e. Form AOC-2, as **Annexure III**.

ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92 OF THE COMPANIES ACT, 2013

In line with the Companies Act, 2013, a copy of the annual return for FY22 is placed on the website of the Company, which can be viewed on weblink:

https://www.maxlifeinsurance.com/content/dam/corporate/public-disclosures/2021-22/Q4-FY-21-22/annual-return_FY2021-22.pdf

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178 OF THE COMPANIES ACT, 2013 AND IRDAI GUIDELINES ON REMUNERATION OF NON-EXECUTIVE DIRECTORS AND MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER/ WHOLE-TIME DIRECTORS OF INSURERS DATED AUGUST 05, 2016

Your Company has a relevant framework and a nomination & remuneration policy as required under section 178 of the Companies Act, 2013, Insurance Act, 1938, IRDAI Corporate Governance guidelines, guidelines issued by IRDAI on remuneration of non-executive directors, managing director, chief executive officer and whole-time directors dated 5th August 2016 ("Remuneration Guidelines"). Any shareholder, interested in obtaining a copy of the policy may obtain the same from the official website of the Company. The Nomination & Remuneration Policy is enclosed herewith as **Annexure IV**.

a. Information relating to the design and structure of**remuneration processes and the key features and objective of remuneration policy**

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully. The interests of CEO/ MD/ WTD are aligned with the business strategy, risk tolerance and adjusted for risk parameters as mentioned in Nomination & Remuneration Policy. The remuneration of Managing Director and CEO/ Dy. Managing Director is inclusive of fixed pay, perquisites, bonus, allowances, short term/long-term incentives, retirals (superannuation or any other pension plan, gratuity, provident fund), Employee Phantom Stock Option, severance package (by whatever name called) and other components. Your Company's remuneration structure does not have guaranteed bonus of any kind as part of the remuneration plan of CEO/ MD/ WTD except sign on/joining bonus, if required.

b. Description of the ways in which current and future risks are taken into account in the remuneration processes

Remuneration of Managing Director and CEO/ Dy. Managing Director will be linked to performance parameters such that it is adjusted for all types of risks like persistency, solvency, grievance redressal, expenses of management, claim settlement, claim repudiations, overall compliance status and overall financial position such as net-worth position, asset under management (AUM) etc. Remuneration outcomes are symmetrical with risk outcomes. The payouts are sensitive to the time horizon of the risk. Pay mix should be consistent with risk alignment. Total payout of variable pay will be directly proportional to the financial performance of the Company and the risk parameters mentioned above. In case there is deterioration in the same, the variable payout will contract in accordance with adjustment for these parameters.

c. Description of the ways in which the insurer seeks to link performance during a performance measurement period with levels of remuneration

Relationship of remuneration to performance is clear, meeting appropriate performance benchmarks and consistent with the "pay-for-performance" principle. Remuneration to Directors and Key Managerial Personnel involves a balance between fixed and incentive pay reflecting short and long- term performance objectives,

appropriate to the working of the Company and its goals. Nomination and Remuneration Committee (NRC)/ Board tracks the performance of the risk parameters of the relevant line of business every year. In case of negative performance, NRC/ Board will review the same and, based on appropriate facts, may consider appropriate measures for clawback. For further details, please refer to the Nomination & Remuneration Policy.

SECRETARIAL AUDIT REPORT

Your Company, in a meeting held on August 10, 2021, appointed M/s Chandrasekaran Associates, Company Secretaries, Delhi, to conduct a secretarial audit for FY22 as per the requirement under Section 204 of the Companies Act, 2013. M/s Chandrasekaran Associates has shared its report for FY22 in the prescribed format i.e. form no. MR-3, which is enclosed herewith as **Annexure V** for your reference.

DIRECTORS' COMMENTS ON QUALIFICATION, RESERVATION, DISCLAIMERS AND ADVERSE REMARKS

(a) Statutory Audit

Joint Statutory Auditors i.e. M/s Fraser and Ross, Chartered Accountants and M/s. B. K. Khare & Co., Chartered Accountants, have no qualification, reservation, disclaimers and adverse remarks in their joint auditors' report for FY22.

(b) Secretarial Audit

M/s. Chandrasekaran Associates, Company Secretaries, Delhi, Secretarial Auditors of the Company have no qualification, reservation, disclaimers and adverse remarks in the Secretarial Audit Report for FY22.

DEMATERIALIZATION OF SECURITIES:

The status of dematerialization of shares of the Company as on March 31, 2022, is given below:

Mode of holding	% to paid-up capital
Electronic	100% (approx.)
Physical	0.00% (approx.)
Total	100.00 (approx.)

Further, the non-convertible debentures issued by the Company on August 2, 2021 are in dematerialized form.

The Company confirms that the entire holding of securities of its promoters, directors and key managerial personnel is in dematerialized form and the same is in line with Rule 9A of

the Companies (Prospectus and Allotment of Securities) Rules, 2014.

SHAREHOLDERS DIVIDEND

During FY 22, the Board of Directors of your Company in its meeting held on May 7, 2021, announced a final dividend of 9.20% of the face value of each share i.e. INR 0.92 per share for its shareholders amounting to INR 176.53 crores, for the financial year ended on 31st March, 2021.

ISSUE AND LISTING OF NON-CONVERTIBLE DEBENTURES

In August 2021, your Company has issued the 4960 numbers of Non-convertible debentures of INR 10,00,000 each @ 7.50% annual interest and raised INR 496.00 crores. The said debentures are listed on National Stock Exchange of India Limited.

PARTICULARS OF DEPOSITS

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE 2013 ACT

In accordance with section 186(11) (a) of the Companies Act, 2013 read with clarification issued by Ministry of Corporate Affairs on February 13, 2015, Section 186 does not apply to an Insurance Company. Accordingly, your Company does not have any loan given, investment made or guarantee given or security provided as required under Section 186 of the Companies Act, 2013.

CHANGE IN THE NATURE OF BUSINESS, DURING THE FINANCIAL YEAR

There was no change in the nature of business during the financial year.

MATERIAL CHANGES AND COMMITMENT

During the year, there were no material changes and/or commitments that have an effect on the financial position of the Company except as mentioned elsewhere in this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

status and Company's operations during the year as well as in the future.

AUDITORS

The joint statutory auditors of the Company viz; M/s B.K. Khare & Co., Chartered Accountants, shall retire at the conclusion of the ensuing annual general meeting. M/s. B. K. Khare, Chartered Accountants have expressed their willingness to be re-appointed respectively at the forthcoming annual general meeting.

Further, M/s Fraser and Ross, Chartered Accountants, have been appointed for five years in the 18th annual general meeting of the Company held on May 18, 2018, till the conclusion of 23rd annual general meeting of the Company.

Your Company proposes to reappoint M/s B.K. Khare & Co., Chartered Accountants from the conclusion of the ensuing annual general meeting till the conclusion of the 23rd annual general meeting.

Your Company has received certificates from the respective Statutory Auditors that their re-appointment and continuation as Statutory Auditors, if made, shall be in accordance with the conditions laid down in the Companies (Audit and Auditors) Rules, 2014 and Annexure-7 of Corporate Governance Guidelines issued by IRDAI and satisfies the criteria provided in Section 141 and Section 144 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The board of directors of your Company confirms that:

- In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 your Company at the end of the financial year and of the profit and loss of the Company for that period;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013,

for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

- The Directors had prepared the annual accounts on a going concern basis; and
- 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.
- 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.

REPORTING OF FRAUD BY AUDITORS OF THE COMPANY UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

No frauds have been reported by the auditors of your Company to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

MAINTENANCE OF COST RECORDS

The maintenance of cost records, for the services rendered by the Company, as specified by the Central Government under section 148 of the Companies Act, 2013, is not required.

DETAILS OF THE DEBENTURE TRUSTEE

Name of the Debenture Trustee: IDBI Trusteeship Services Limited

Contact details of IDBI Trusteeship Services Limited as notified to the Company as on date:

Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001
Phone: 022 40807000
Contact Person: Mr. Aditya Kapil
e-mail: itsl@idbitrustee.com

ADDITIONAL INFORMATION

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended March 31, 2022, is as follows:

A.	Conservation of energy	NA
B.	Technology absorption	As below
C.	Foreign Exchange Earnings/Inflow and Outgo	Year ended 31.03.2022 (INR crore)
	Earnings/ Inflow (including equity infusion)	25.57 Crore
	Outgo	99.65 Crore
	Activities relating to exports, initiatives taken to increase exports, develop new export markets, export plan, etc.	NA

REPORTING OF FRAUD BY AUDITORS OF THE COMPANY UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

No frauds have been reported by the auditors of your Company to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

MAINTENANCE OF COST RECORDS

The maintenance of cost records, for the services rendered by the Company, as specified by the Central Government under section 148 of the Companies Act, 2013, is not required.

ACKNOWLEDGMENTS

Your directors take this opportunity to express their sincere thanks to valued customers for their continued patronage.

Further, the board of directors wish to place on record their deep appreciation for the hard work, dedicated efforts, teamwork and professionalism shown by its employees and agent advisors, its corporate agents and other intermediaries and channel partners and vendors which have enabled your Company to establish itself amongst the leading private life insurance companies in India.

Your directors also express gratitude to the Insurance Regulatory and Development Authority of India, the Reserve Bank of India, Central and State Governments and the co-promoters, Max Financial Services Limited, Axis Bank Limited, Axis Capital Limited and Axis Securities Limited and the foreign investor Mitsui Sumitomo Insurance Co. Ltd. for their continued cooperation, support and assistance.

Date: May 10, 2022

Place: New Delhi

For and on behalf of the Board of Directors

Sd/-

Prashant Tripathy

Managing Director & CEO

DIN: 08260516

Sd/-

V. Viswanand

Deputy Managing Director

DIN: 08260553

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Certification for compliance of the Corporate Governance Guidelines

I, Anurag Chauhan, hereby certify that Max Life Insurance Company Limited has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Sd/-

Anurag Chauhan

Company Secretary

(Membership No. F9899)

Place: New Delhi

Date: May 10, 2022

List of Annexures

S. No.	Particulars	Relevant Rules	Relevant Form	Annexure No.
1.	Disclosures for Financial Year 2021-2022	IRDAI Corporate Governance Guidelines	-	I
2.	Corporate Social Responsibility Report	Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Report) Rules, 2014	Prescribed format as per Annexure to the Companies (Corporate Social Responsibility Report) Rules, 2014	II
3.	Contracts and arrangements with Related Parties	Section 188(1) read with Section 134(3)(h) of the Companies Act, 2013	Form AOC-2	III
4.	Nomination & Remuneration Policy	Section 178(4) of the Companies Act, 2013 read with Section 134(3)(e)	NR Policy	IV
5.	Secretarial Audit Report	Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014	Form MR-3	V

Disclosures as per the Corporate Governance Guidelines

Following are the disclosures as mandated by the Corporate Governance Guidelines:

- a. **Board of Directors:** The Board of Directors (individually and collectively) is responsible to act in the best interest of the Company, its Policyholders and Shareholders. In discharging their duties, the Directors comply with the Code of Conduct as adopted by the Board. The Directors attend and actively participate in Board meetings and Committee meetings in which they are members.

The Board of Directors primarily reviews the Company's strategic direction and annual financial plan, monitors Company's performance, counsels management on business related matters, monitors and manages potential conflict of interests between management, Board and shareholders, approving frameworks and policies and monitors their implementation, monitors the effectiveness of Company's governance practices, provide oversight of the integrity of financial information and that of legal & compliance related matters.

During FY 22, the Board of Directors met six times as follows and the time gap between two successive Board meetings did not exceed 120 days:

- April 6, 2021
- May 7, 2021
- August 10, 2021
- September 8, 2021
- November 9, 2021
- January 28, 2022

Number of Board meetings held and attended by the Directors during FY ended March 31, 2022 and the attendance of directors at the Annual General Meeting (AGM) held during said FY:

Name of the Director	Designation	No. of Board Meetings held	No. of Board Meetings attended	21 st Annual General Meeting held on May 7, 2021 Attended: Yes/No
Mr. Analjit Singh	Chairman, Non-executive Director	6	6	No
Mr. Prashant Tripathy	Managing Director & CEO	6	6	Yes
Mr. V. Viswanand	Deputy Managing Director	6	6	Yes
Mr. Girish Srikrishna Paranjpe	Independent, Non-executive Director	6	6	Yes
Mr. K. Narasimha Murthy	Independent, Non-executive Director	6	6	Yes
Ms. Marielle Theron	Non-executive Director	6	6	Yes
Mr. Mitsuru Yasuda	Non-executive Director	6	6	Yes
Mr. Mohit Talwar	Non-executive Director	6	6	Yes
Mr. Pradeep Pant	Independent, Non-executive Director	6	6	Yes
Mr. Rajesh Khanna	Independent, Non-executive Director	6	6	Yes
Mr. Rajesh Kumar Dahiya	Non-executive Director	6	6	Yes
Mr. Rajiv Anand	Non-executive Director	6	5	Yes
Mr. Sahil Vachani	Non-executive Director	6	4	Yes
Mr. Subrat Mohanty	Non-executive Director	6	6	Yes

- b. **Audit Committee:** This Committee assists the Company by providing oversight on all matters relating to financial management and controls, financial accounting, internal & external audit and reporting & disclosure requirements pertaining to the Audit Committee under applicable laws.

All the members of the Committee are financially literate and/ or have accounting or financial management expertise/ background. Mr. K. Narasimha Murthy, Chairman of the Committee is a fellow member of the Institute of Chartered Accountants of India (ICAI) and a fellow member of Institute of Cost & Works Accountants of India (ICWAI) with expertise in financial management and analysis.

During FY22, the Audit Committee met 4 times as follows:

- May 6, 2021
- August 9, 2021
- November 8, 2021
- January 27, 2022 (adjourned and reconvened on January 28, 2022)

Constitution of the Audit Committee, number of meetings held and attended by the Members during FY ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. K. Narasimha Murthy	Chairperson, Independent Non-executive Director	4	4
Mr. Girish Srikrishna Paranjpe	Member, Independent Non-executive Director	4	4
Ms. Marielle Theron	Member, Non-executive Director	4	4
Mr. Mitsuru Yasuda	Member, Non-executive Director	4	4
Mr. Pradeep Pant	Member, Independent Non-Executive Director	4	4
Mr. Rajesh Khanna	Member, Independent Non-Executive Director	4	4
Mr. Rajiv Anand	Member, Non-executive Director	4	3

During FY2022, there was no such incident when your Company's Board of Directors did not accept any recommendation of the Audit Committee.

- c. **Investment Committee:** This Committee assists the Company by providing oversight on matters relating to the investment of assets, including the implementation and review of the Investment Policy and the Standard Operating Procedure (SOP), investment risks and reporting & disclosure requirements pertaining to the Investment Committee under applicable laws.

During FY22, the Investment Committee met 4 times as follows:

- May 6, 2021
- August 9, 2021
- November 8, 2021
- January 27, 2022

Constitution of the Investment Committee, number of meetings held and attended by the Members during FY ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Ms. Marielle Theron	Chairperson, Non-executive Director	4	4
Mr. Amrit Singh	Member, Chief Financial Officer	4	3
Mr. Jose John	Member, Appointed Actuary	4	4
Mr. Mihir Vora	Member, Chief Investment Officer	4	4
Mr. Mitsuru Yasuda	Member, Non- executive Director	4	4
Mr. Mohit Talwar	Member, Non- executive Director	4	4
Mr. Prashant Tripathy	Member, MD & CEO	4	4
Mr. Rajesh Khanna	Member, Independent Non-executive Director	4	4
Mr. Rajiv Anand	Member, Non- executive Director	4	3
Mr. Sachin Saxena	Member, Chief Risk Officer	4	4
Mr. Sahil Vachani	Member, Non-executive Director	4	4

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

- d. **Policyholder Protection Committee:** This Committee assists the Company by providing oversight on matters relating to Treating Customer Fairly (TCF), multiple performance customer indicators, Policyholder Service Delivery, Market Conduct, Legal, Regulatory & Compliance matters involving policyholders' interest and reporting & disclosure requirements pertaining to Policyholder Protection Committee under applicable laws.

During FY22, the Policyholder Protection Committee met 4 times as follows:

- May 6, 2021
- August 9, 2021
- November 8, 2021
- January 27, 2022

Constitution of the Policyholder Protection Committee, number of meetings held and attended by the Members during FY ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Ms. Marielle Theron	Chairperson, Non-executive Director	4	4
Mr. Jose John	Member, Appointed Actuary	4	4
Mr. Mitsuru Yasuda	Member, Non- executive Director	4	4
Mr. Prashant Tripathy	Member, MD & CEO	4	4
Mr. Rajesh Khanna	Member, Independent Non-executive Director	4	4
Mr. Subrat Mohanty	Member, Non- executive Director	4	4
Mr. V. Viswanand	Member, Deputy MD	4	4

Further, Mr. Kapil Mehta, External Customer Expert, attended all the meetings (4 out of 4) of the Policyholder Protection Committee held during the FY 22.

- e. **Risk, Ethics and Asset Liability Management Committee:** This Committee assists the Company by providing oversight on matters relating to the identification of plans and strategies to mitigate risks on short term as well as long term basis, Company's risk management framework, assessment & evaluation of capital, finance and other operating decisions, fraud monitoring strategy, monitoring of Company's risk profile in respect of compliance with applicable laws, Asset Liability Management ("ALM") matters and reporting & disclosure requirements pertaining to the Risk, Ethics & ALM Committee under applicable laws.

During FY22, Risk, Ethics and ALM Committee met 4 times as follows:

- May 6, 2021
- August 9, 2021
- November 8, 2021
- January 27, 2022

Constitution of the Risk, Ethics and ALM Committee, number of meetings held and attended by the Members during FY ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. K. Narasimha Murthy	Chairperson, Independent Non-executive Director	4	4
Mr. Jose John	Member, Appointed Actuary	4	4
Ms. Marielle Theron	Member, Non- executive Director	4	4
Mr. Mitsuru Yasuda	Member, Non- executive Director	4	4
Mr. Prashant Tripathy	Member, MD & CEO	4	4
Mr. Sahil Vachani	Member, Non- executive Director	4	1
Mr. Subrat Mohanty	Member, Non- executive Director	4	4
Mr. V. Viswanand	Member, Deputy MD	4	4

Further, Mr. Sachin Saxena, Chief Risk Officer of the Company attended all the meetings (4 out of 4) of the Risk, Ethics and ALM Committee held during the FY 22.

- f. **Product & Actuarial Committee:** This Committee assists the Company by providing oversight on matters relating to Products' design and pricing, Policyholder's annual bonus declaration, Actuarial Practice Standards, Product & Fund Performance, Product Operational Readiness, actuarial updates and reporting & disclosure requirements pertaining to the Product & Actuarial Committee under applicable laws.

During FY22, the Product & Actuarial Committee met 2 times as follows:

- May 6, 2021
- November 9, 2021

Constitution of the Product & Actuarial Committee, number of meetings held and attended by the Members during financial year ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Ms. Marielle Theron	Chairperson, Non-executive Director	2	2
Mr. Jose John	Member, Appointed Actuary	2	2
Mr. Mitsuru Yasuda	Member, Non-executive Director	2	2
Mr. Prashant Tripathy	Member, MD & CEO	2	2
Mr. Subrat Mohanty	Member, Non- executive Director	2	2
Mr. V. Viswanand	Member, Deputy MD	2	2

- g. **Nomination & Remuneration Committee:** This Committee assists the Board in the discharge of its responsibilities and oversight matters relating to the appointment, remuneration and performance of the Key Management Persons, senior executives and Directors of the Company, implementation & review of Nomination & Remuneration Policy and reporting & disclosure requirements pertaining to the Nomination & Remuneration Committee under applicable laws. The Committee also ensures that the Board has the appropriate balance of skills, experience, independence and knowledge to enable it to effectively discharge its duties and responsibilities.

During FY22, the Nomination and Remuneration Committee met 5 times as follows:

- May 7, 2021
- August 10, 2021
- November 9, 2021
- November 22, 2021
- January 28, 2022

Constitution of the Nomination and Remuneration Committee, number of meetings held and attended by the Members during financial year ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. Pradeep Pant	Chairperson, Independent Non-executive Director	5	5
Mr. K. Narasimha Murthy	Member, Independent Non-executive Director	5	5
Mr. Mitsuru Yasuda	Member, Non-executive Director	5	5
Mr. Mohit Talwar	Member, Non- executive Director	5	5
Mr. Rajesh Khanna	Member, Independent Non-executive Director	5	5
Mr. Rajesh Kumar Dahiya	Member, Non- executive Director	5	5

- h. **With Profits Committee:** This Committee assists the Company by providing oversight on matters relating to the determination of the share of assets attributable to the policyholders, the investment income attributable to the participating

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

fund of policyholders, the expenses allocated to policyholders, analysis of internal rate of return and reporting & disclosure requirements pertaining to With Profits Committee under applicable laws.

During FY22, With Profits Committee met 2 time as follows:

- May 7, 2021
- January 28, 2022

Constitution of the With Profit Committee, number of meetings held and attended by the Members during FY ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. K. Narasimha Murthy	Chairperson, Independent Non-executive Director	2	2
Mr. Amrit Singh	Member, Chief Financial Officer	2	1
Mr. Jose John	Member, Appointed Actuary	2	2
Mr. Prashant Tripathy	Member, MD & CEO	2	2
Mr. Sai Srinivas Dhulipala	Member, Independent Actuary	2	2

- i. **Corporate Social Responsibility Committee:** This Committee assists the Company by providing oversight on matters relating to the implementation of Corporate Social Responsibility ("CSR") Policy, CSR Annual budget & annual action plan, activities to be undertaken for CSR and reporting & disclosure requirements pertaining to CSR Committee under applicable laws.

During FY22, the Corporate Social Responsibility Committee met 2 times as follows:

- May 7, 2021
- November 8, 2021

Constitution of the Corporate Social Responsibility Committee, number of meetings held and attended by the Members during FY ended March 31, 2022:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. Pradeep Pant	Chairperson, Non-executive Independent Director	2	2
Ms. Marielle Theron	Member, Non- executive Director	2	2
Mr. Mitsuru Yasuda	Member, Non- executive Director	2	2
Mr. Rajesh Kumar Dahiya	Member, Non- executive Director	2	2
Mr. V. Viswanand	Member, Deputy MD	2	2

- j. During FY22, the Independent Directors met on May 7, 2021, attendance by members is as follows:

Name of the Member	No. of Meetings held	No. of Meetings attended
Mr. K. Narasimha Murthy (Chairman)	1	1
Mr. Girish Srikrishna Paranjpe	1	1
Mr. Pradeep Pant	1	1
Mr. Rajesh Khanna	1	1

- k. Details of Board of Directors and other Committee Members, designation, qualification, field of specialization, status of directorship held for FY22 as on March 31, 2022:

Name	DIN	Designation	Qualifications and Field of Specialization	#Status of Directorship held in other companies
Mr. Analjit Singh	00029641	Non-executive Chairman	Graduate from Shri Ram College of Commerce, University of Delhi, MBA from Graduate School of Management, Boston University, USA. Awarded with the Degree of Honorary Doctorate by Amity University. Field of Specialization - Business Leader and Industrialist	12
Mr. Prashant Tripathy	08260516	Managing Director & Chief Executive Officer	BTECH (chemical engineering) - IIT Kharagpur, PGDBM – IIM Bangalore Field of Specialization - Finance, Strategy, Business Development, Risk Management, Business Leadership	1
Mr. V. Viswanand	08260553	Deputy Managing Director	Master of Management Studies - BITS Pilani Field of Specialization - Industry veteran in financial services sector	Nil
Mr. Girish Srikrishna Paranjpe	02172725	Independent, Non-executive Director	B. Com, Associate Member of the Institute of Chartered Accountants of India and Associate of the Institute of Cost and Works Accountants of India Field of Specialization - Finance and Technology	4
Mr. K. Narasimha Murthy	00023046	Independent, Non-executive Director	B.Sc., Fellow member of the Institute of Chartered Accountants of India (ICAI), Fellow member of Institute of Cost & Works Accountants of India (ICWAI). Field of Specialization - Chartered Accountant and Cost & Management Accountancy	9
Ms. Marielle Theron	02667356	Non-executive Director	Fellow of Society of Actuaries, USA and B.Sc. majored in Actuarial Science, Laval University, Canada. Field of Specialization - Actuarial and Financial services	Nil
Mr. Mitsuru Yasuda	08785791	Non-executive Director	BA in Social Science from Waseda University, Tokyo Field of Specialization – Accounting and Finance	1

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Name	DIN	Designation	Qualifications and Field of Specialization	#Status of Directorship held in other companies
Mr. Mohit Talwar	02394694	Non-executive Director	Postgraduate from St. Stephen's College and completed his Management Studies in Hospitality from the Oberoi School Field of Specialization - Corporate Finance, Investment Banking, M&A and Strategic Planning for large businesses	2
Mr. Pradeep Pant	00677064	Independent, Non-executive Director	Masters degree in Management Studies (MMS) from Jamnalal Bajaj Institute of Management Studies, Bombay University and Bachelor's Degree with Hons in Economics from Shri Ram College, Delhi University. Field of Specialization - Consumer facing business with expertise in General Management, Marketing and Sales	3
Mr. Rajesh Khanna	00032562	Independent, Non-executive Director	PGDM from the Indian Institute of Management, Ahmedabad and a Chartered Accountant Field of Specialization - Investments	1
Mr. Rajesh Kumar Dahiya	07508488	Non-executive Director	Bachelor of Engineering (Civil), Masters in Human Resources Management Field of Specialization - Corporate Governance, Sustainability, Regulatory requirements, Human Resource	1
Mr. Rajiv Anand	02541753	Non-Executive Director	Chartered Accountant and a commerce graduate Field of Specialization - Accounting	4
Mr. Sahil Vachani	00761695	Non-Executive Director	Bachelor's degree in Management Sciences from the University of Warwick, U.K. backed up by an Executive Management Programme on Disruptive Innovation from the Harvard Business School Field of Specialization - Business Leader, Strategy	19
Mr. Subrat Mohanty	08679444	Non-Executive Director	BE (Hons), MBA (IIM Calcutta) Field of Specialization - Insurance, Strategy, Operations	1
Mr. Amrit Singh	NA	Chief Financial Officer	Bachelor of Engineering from Pune University in Computers, 2002, Post Graduate Programme in Management at ISB Hyderabad in Analytical Finance and Strategic Marketing, 2006 Field of Specialization - Strategy, Finance	Nil

Name	DIN	Designation	Qualifications and Field of Specialization	#Status of Directorship held in other companies
Mr. Jose John	NA	Appointed Actuary	B. TECH, MBA (Finance), Cardiff Business School, Fellow member of the Institute and Faculty of Actuaries, UK (FIA), Fellow of the Institute of Actuaries, India (FIAI) Field of Specialization - Actuarial	Nil
Mr. Mihir Vora	NA	Chief Investment Officer	B.E., Mechanical - Maharaja Sayajirao University, Baroda, 1991; Post Graduate Diploma in Management - IIM, Lucknow, 1994; and Chartered Financial Analyst - Association for Investment Management and Research (AIMR), USA, 2004 Field of Specialization - Investments	Nil
Mr. Sachin Saxena	NA	Chief Risk Officer	B. Tech (Mechanical Engineering), IIT – Varanasi (earlier IT- BHU), Year 2002, Fellow of Institute of Actuaries of India, Year 2009, Fellow of Institute and Faculty of Actuaries, UK, Year 2009, LL.B., Chaudhary Charan Singh University, Meerut, Year 2018 Field of Specialization - Risk Management, Products and Pricing	Nil
Mr. Sai Srinivas Dhulipala	NA	Independent Actuary	Fellow of Institute of Actuaries of India, B.Sc. (Andhra University) Field of Specialization – Consulting Actuary	1

No. of other directorship includes directorships in public limited Companies, private Companies and Companies incorporated under Section 8 of the Companies Act, 2013 excluding Max Life Insurance Company Limited.

- l. Brief profile of the Directors of your Company as on date may be read on <https://www.maxlifeinsurance.com/about-us/board-of-directors>

- m. All pecuniary relationships or transactions of the Non-executive Directors.

The Non-Executive Directors and Independent Directors of the Company do not have any relationship or transactions with your Company other than:

- insurance policies, if any, taken by any of them in the ordinary course of business.
- shares held by certain Non-executive Directors as a nominee of Max Financial Services Limited, and sitting fees for attending Board and Committee meetings and commission on profits paid to Independent Directors.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

During FY22, your Company paid profit-based commission to the independent directors for FY21, not exceeding 1% of net profits the Company, amounting as follows:

Independent Director	Commission paid in FY22 for FY21 (in INR)
Mr. K. Narasimha Murthy	: 10 lacs
Mr. D.K. Mittal	: 10 lacs
Mr. Deepak Bhattasali	: 10 lacs
Mr. Pradeep Pant	: 10 lacs

In addition to the above, your Company paid sitting fees to its Independent Directors for attending the Board and Committees meetings of your Company held during FY22. Details of which are hereunder:

Independent Director	Total Meetings attended in FY 22	Total amount paid in INR
Mr. Girish Srikrishna Paranjpe	11	11,00,000
Mr. K. Narasimha Murthy	22	22,00,000
Mr. Pradeep Pant	18	18,00,000
Mr. Rajesh Khanna	24	24,00,000

- n. Elements of remuneration package (including incentives) as per clause 9 of the IRDAI Corporate Governance guidelines:

(In INR)

Total Fixed Pay	14,76,29,613/-
Includes Basic, Retirals (PF, Gratuity), Flexible Benefits Plan (including expenses on account of Car, Medical Reimbursement, Communication, LTA etc)	
Total Bonus	10,18,72,950/-
Variable Plan contingent on Company and Individual Performance @108.5% Bonus pool in FY 2020-21, Deferred Bonus, LTIP	
PSP amount	19,39,20,140/-

Note:

- This includes the remuneration details of KMPs except Managing Director, Deputy Managing Director, CFO/ Dy. CFO, Company Secretary and other Directors, the details for which are provided elsewhere in the Directors' Report.
- Key Management Persons as defined under IRDAI Corporate Governance guidelines includes members of the core management team of an insurer including all whole-time directors/ Managing Directors/ CEO and the functional heads one level below the MD/CEO, including the CFO, Appointed Actuary, Chief Investment Officer, Chief Risk Officer, Chief Compliance Officer and the Company Secretary.

- o. Details in respect of remuneration paid to the Executive Directors:

- Details of fixed component and performance linked incentives along with the performance criteria;

The performance of the Managing Director and Dy. Managing Director is linked to the achievement vis-à-vis, the Measure of Success ("MOS") for the respective year, duly approved in advance by the Nomination & Remuneration Committee each year. The payout of incentive / bonus is subject to approval of Insurance Regulatory Development Authority of India (IRDAI).

- Service contracts, key terms;

1. Mr. Prashant Tripathy

Mr. Prashant Tripathy has been appointed as the Managing Director & Chief Executive Officer of the Company w.e.f. January 01, 2019 for a period of 5 years till December 31, 2023.

2. Mr. V. Viswanand

Mr. V. Viswanand has been appointed as Deputy Managing Director of the Company w.e.f. January 01, 2019 for a period of 5 years till December 31, 2023.

p. Disclosure in respect of remuneration or commission, if any, received by Managing or whole-time director of your Company from the holding company or subsidiary company, who is also in receipt of commission from the Company:

- i. Mr. Prashant Tripathy, Managing Director & Chief Executive Officer of the Company did not receive any commission or remuneration from the holding company or the subsidiary company of the Company during the FY 2022.
- ii. Mr. V. Viswanand, Deputy Managing Director of the Company did not receive any commission or remuneration from the holding company or the subsidiary company of the Company during the FY 2022.

Details of remuneration paid to Managing Director detailing elements of remuneration package (including incentives) are provided in detail elsewhere in the Directors' Report.

Date: May 10, 2022

Place: New Delhi

For and on behalf of the Board of Directors

Sd/-

Prashant Tripathy

Managing Director & CEO

DIN: 08260516

Sd/-

V. Viswanand

Deputy Managing Director

DIN: 08260553

Annual Report on Corporate Social Responsibility Activities

1. A brief outline of the company's Corporate Social Responsibility (CSR) policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

Your Company's Corporate Social Responsibility (CSR) Policy was presented in the 18th CSR Committee Meeting held on 7th May 2021 through video conferencing and was approved by the Committee. As per the CSR Policy, your Company identified Education, Healthcare, Environment, Financial Literacy & Insurance Awareness, NGOs support to these causes and Disaster support as the key areas for CSR initiative.

As per the CSR Policy, your Company decided to execute and undertake Education as a key focus area which includes support to NGOs in the field of educating children and also training teachers.

Through its volunteering programme, Pehal, your Company decided to undertake multiple activities in key areas of financial literacy, insurance awareness, healthcare, environment preservation, supporting Covid-19 front-line workers and other volunteering activities under its *Joy of Giving* initiative.

Key highlights of the various CSR initiatives may be noted as under:

- a. Education** - Max Life has been providing support to multiple NGOs in the field of education for many years and with an enhanced focus on education decided to continue with these relationships. The NGOs were selected to support CSR interventions in education through the year as approved by the CSR Committee.

In FY '22, Max Life supported 8 leading NGOs working in the field of education. These NGOs have been long-standing partners with the Company. The list of NGO partners includes Teach for India, Network for Quality Education Foundation, Shally Education Foundation, Foster & Forge Foundation, iPartner India, Simple Education Foundation, Kshamtalaya Foundation and Raphael Ryder Cheshire International Centre.

Through these NGOs, Max Life Insurance supported education of 45,552 children and also provided support for 1927 teachers and 41 fellows. In partnership with the Tamil Nadu and Tripura government, the Company reached approximately 54 lakh students of local government schools through the initiative of The Education Alliance.

During FY 2022, the company provided financial support of INR ~749.35 lakh to 8 NGOs benefitting children, teachers and fellows.

- b. Employee Initiatives under Pehal** – With an objective to participate and contribute towards diverse community service initiatives, Pehal gained significant momentum in its fifth year in FY '22. The contributions have been truly significant considering the unforeseen situation of the Covid-19 pandemic through the year. Overall, through various initiatives under Pehal, the company was able to positively impact approximately 1.5 Lakh beneficiaries across the country.

During the Financial Year 2021-22, Pehal covered the following activities through various employee initiatives:

Fighting the Covid-19 pandemic – During this difficult time of coronavirus, your company and its employees helped fight the pandemic by supporting the frontline workers and the affected communities in the country. We contributed 50,000 safety kits across 350+ locations to Police and Defence officials, healthcare workers, frontline workers in state administration and education sector leading to active engagement. These safety kits comprised of face masks, face shield and sanitizer. In the event of the unexpected 3rd wave of the pandemic, your company contributed 8,500 safety kits to Police officials on their request, leading to recognition of Max Life as a responsible corporate citizen. These safety kits comprised of ten N95 masks and hand sanitizer per kit.

INR 42.5 lacs were booked as expenses under this head in FY '22.

Environment protection – Max Life signed a public-private-partnership agreement with the Gurugram Metropolitan Development Authority (GMDA). The organization has adopted nearly 4.5 kms of high traffic road stretch for tree plantation, maintenance and sustainable solutions to preserve the environment. The stretch has been developed with plantation of more than 42,000 saplings, creation of a green park with iron benches and outdoor gym equipment, and installation of dustbins.

Under the Water Conservation drive, 65,000 numbers of the low cost water nozzles were distributed to residents of condominiums in & around Delhi NCR in FY'22.

Healthcare – Max Life distributed immunity, hygiene and educational supplies under the 'Happiness Kits' initiative in partnership with Akshaya Patra to 2500 impoverished families in Haridwar district. The kits had supplies of dry ration for families particularly impacted by the pandemic and stationary for children to support right to education of socio-economically disadvantaged children of Haridwar under the Aspirational Districts Program set out by the Government of India. Max Life agent advisors from the local offices actively volunteered for the distribution drives.

Financial Literacy & Insurance Awareness – Max Life partnered with Haqdarshak a social enterprise to conduct financial literacy & insurance awareness camps in Haridwar (Uttarakhand) & Purbi Singhbhum (Jharkhand). On conducting on-ground need assessment survey we found that insurance awareness and awareness of welfare schemes was negligible. Often, citizens were disappointed and frustrated with middle-men and difficult enrolment procedures. The project trained 30 women from the local community to enroll eligible citizens into government welfare & insurance schemes and hand hold them till the benefit was received by the citizen. 15000 beneficiaries have been positively impacted by the project.

Volunteering & Joy of Giving – At the heart of all our interventions, lies employee volunteering and engagement. Employees continued the volunteering momentum in Covid times. Teams volunteered to provide necessary materials and ration to marginalised sections of the society across the country. Volunteers provided infrastructural support like computers to differently abled children in schools, contributed uniforms, sweaters and books to underprivileged school children, felicitated the Kargil war veterans and undertook plantation drives. 400 volunteers contributed for the betterment of 21,000 beneficiaries.

Engagement with NGOs supported through Max India Foundation – virtual volunteering: Max Life engaged senior leaders for 9 virtual volunteering sessions. We partnered with various NGO's on virtual sessions on topics like Financial Literacy, Covid awareness, Career Counselling and Health & Hygiene.

A total of INR 200 lacs were booked as expenses under all the above Pehal projects in FY'22.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Pradeep Pant	Chairperson, Non- executive Independent Director	2	2
2.	Ms. Marielle Theron	Member, Non- executive Director	2	2
3.	Mr. Mitsuru Yasuda	Member, Non- executive Director	2	2
4.	Mr. Rajesh Kumar Dahiya	Member, Non-executive Director	2	2
5.	Mr. V. Viswanand	Member, Deputy MD	2	2

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee:

www.maxlifeinsurance.com/content/dam/corporate/csr-and-media-centre-policies/csr-policies/FY-2022-23/Composition_of_CSR_Committee_Max_Life.pdf

CSR Policy including CSR Projects approved by the Board:

https://www.maxlifeinsurance.com/content/dam/corporate/csr-and-media-centre-policies/csr-policies/FY-2022-23/CSR_Policy_including_CSR_Projects.pdf

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
NIL	NIL	NIL	NIL

6. **Average net profit of the company for last three financial years as per Section 135(5) and prescribed CSR Expenditure:**

During the Financial Year 2021-22, your Company decided to spend INR 840.40 lacs, which is above the minimum calculation of 2% of the average Profit Before Tax of your Company in the last three years, on CSR initiatives (including the amount of INR 108.96 lacs which was carried forward from FY 2021). The calculation of the CSR expenditure for the Financial Year 2021-22 is as follows:

Annual CSR Expenditure FY22 – Max Life Insurance Company Limited (INR in Rupees)

*Profit Before Tax FY 19	466.59 Crs
*Profit Before Tax FY 20	427.17 Crs
*Profit Before Tax FY 21	301.37 Crs
Average Profit Before Tax	398.38 Crs
2% of Average PBT	796.76 Lacs
Discretionary contribution	43.64 Lacs
CSR Budget FY'22	840.40 Lacs

*Dividend income adjusted in terms of Rule 2(1)(h) of the Companies (CSR Policy) Rules, 2014

7. (a) **Two percent of average net profit of the company as per section 135(5)**

As provided above in point no. (6), 2% of the average net profits of the Company as per Sec. 135(5) for FY 2021 - 22 is INR 796.76 lacs plus the discretionary amount of INR 43.64 lacs

- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years**

Nil

- (c) **Amount required to be set off for the financial year, if any**

Nil

- (d) **Total CSR obligation for the financial year (7a+7b-7c)**

INR 840.40 lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
INR 840.40 lacs	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		*Amount spent for the project (in Rs. lacs)	Mode of implem - entation Direct (Yes/ No).	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Education-through NGOs support	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	All over India		640.40	No	Max India Foundation	CSR00004734
2.	Healthcare including Covid-19 support	(i) promoting health care including preventive health care and disaster management, including relief, rehabilitation and reconstruction activities (Covid-relief efforts to help front line workers)	Yes	All over India		42.5	Yes	Not Applicable	
3.		(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	No	Uttarakhand	Haridwar	30.0	No	Akshaya Patra	CSR00000286
4.		(i) promoting health care including preventive health care (Supporting life- saving surgeries of children)	Yes	Haryana	Palwal	10.5	No	Sri Sathya Sai Health & Education Trust	CSR00001048
5.	Financial Literacy & Insurance Awareness	(ii) promoting education, including special education (Financial Literacy in Districts adopted as per IRDAI guidelines)	No	Uttarakhand	Haridwar	28.5	Yes	Not Applicable	
			Jharkhand	Purbi Singhbhum					
6.	Environment	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (Green Gurugram Project with GMDA, Water conservation project)	Yes	Delhi NCR		68.0	Yes	Not Applicable	
7.	Employee volunteering	(i) Eradicating hunger, poverty and malnutrition; (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; (iv) ensuring environmental sustainability; and (vi) measures for the benefit of armed forces veterans, war widows and their dependents	Yes	All over India		20.5	Yes	Not Applicable	
	Total					840.40			

*Amount includes administrative overheads

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(d) Amount spent in Administrative Overheads

INR 26.75 lacs

(e) Amount spent on Impact Assessment, if applicable

Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

INR 840.40 lacs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	796.76 lacs
(ii)	Total amount spent for the Financial Year	840.40 lacs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	43.64 lacs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Not Applicable (NA)

(a) Date of creation or acquisition of the capital asset(s) - NA

(b) Amount of CSR spent for creation or acquisition of capital asset – NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

Sd/-

Prashant Tripathy
Managing Director & CEO
DIN: 08260516

Sd/-

Pradeep Pant
Chairman, CSR Committee
DIN: 00677064

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto

A Details of contracts or arrangements or transactions not on arm's length basis for FY 21 - 22

Related Party Transactions

S. No.	Name of the related party	Nature of Relationship	Nature of Contract	Amount spent / received in Transaction Period (2021-22)	Duration of the Contract	Salient Terms of contract or arrangements or transactions including the value	Dates of approval by the Board, if any	Amount Paid as advance if any
1	Max Financial Services Limited	Holding Company	Sub-licencing agreement	Nil	Continuing	Sub-licencing to Max Life for using the trademark owned by Max India Limited	04.08.2016	Nil

B Details of contracts or arrangements or transactions at arm's length basis for FY21 - 22

Related Party Transactions

S.No.	Name of the related party	Nature of Relationship	Nature of Contract	Amount spent / received in Transaction Period (2021-22)	Duration of the Contract	Salient Terms of contract or arrangements or transactions including the value	Dates of approval by the Board if any	Amount Paid as advance if any
1	Max Financial Services Limited	Holding Company	Expenses - Functional support services	16,00,00,000	01-04-2021 to 31-03-2022	Allocated Cost of Group Expenses	Not Applicable as per the Companies Act	Nil
2	Max Financial Services Limited	Holding Company	Expenses - D&O Insurance Policy	3,90,000	01-09-2021 to 31-08-2022	Payment towards cost allocation of D&O Policy	Not Applicable as per the Companies Act	Nil
3	Max Financial Services Limited	Holding Company	Final Dividend paid	1,44,46,11,704	Not Applicable	Final Dividend	Not Applicable as per the Companies Act	Nil
4	Max Skill First Limited	Any body corporate whose BODs, MD or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager	Recovery of expense - Rent of office space	-11,43,162	01-04-2021 to 09-07-2021	Rental Income	Not Applicable as per the Companies Act	Nil

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

S.No.	Name of the related party	Nature of Relationship	Nature of Contract	Amount spent / received in Transaction Period (2021-22)	Duration of the Contract	Salient Terms of contract or arrangements or transactions including the value	Dates of approval by the Board if any	Amount Paid as advance if any
5	Max Skill First Limited	Any body corporate whose BODs, MD or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager	Recovery of expense - IT support	-44,670	01-04-2021 to 09-07-2021	IT support Income	Not Applicable as per the Companies Act	Nil
6	Max Skill First Limited	Any body corporate whose BODs, MD or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager	Recovery of expense - Gratuity / Bonus & others	-2,66,70,243	01-04-2021 to 09-07-2021	One Time Gratuity / Bonus & Other payments	Not Applicable as per the Companies Act	Nil
7	Max Skill First Limited	Any body corporate whose BODs, MD or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager	Expenses - Training services	2,70,99,928	01-04-2021 to 09-07-2021	Training Services	Not Applicable as per the Companies Act	Nil
8	Max Ventures and Industries Limited	A public company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid-up share Capital	Income - Insurance Premium	-1,12,257	01-04-2021 to 31-03-2022	Group Term life insurance	Not Applicable as per the Companies Act	Nil
9	Max Ventures and Industries Limited	A public company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid-up share Capital	Income - Rental of office space	-3,35,77,364	01-04-2021 to 31-03-2022	Rental Income	Not Applicable as per the Companies Act	Nil
10	Max Towers Pvt Ltd (erstwhile Wise Zone Builders Pvt. Ltd)	A private company in which a director or his relative is a member or director	Expenses - Vaccination Charges	5,91,600	Not Applicable	Vaccination Charges	Not Applicable as per the Companies Act	Nil
11	Max Towers Pvt Ltd (erstwhile Wise Zone Builders Pvt. Ltd)	A private company in which a director or his relative is a member or director	Income - Rental of office space	-2,56,09,665	01-04-2021 to 31-03-2022	Rental Income	Not Applicable as per the Companies Act	Nil

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

S.No.	Name of the related party	Nature of Relationship	Nature of Contract	Amount spent / received in Transaction Period (2021-22)	Duration of the Contract	Salient Terms of contract or arrangements or transactions including the value	Dates of approval by the Board if any	Amount Paid as advance if any
12	Axis Bank Limited	An investing company or the venturer of the Company	Income - Insurance Premium	-4,86,70,53,778	06-04-2021 to 31-03-2022	Group Term life insurance	Not Applicable as per the Companies Act	Nil
13	Axis Bank Limited	An investing company or the venturer of the Company	Payment - Purchase of non equity instruments	2,19,49,50,143	Not Applicable	Purchase of non equity instruments	Not Applicable as per the Companies Act	Nil
14	Axis Bank Limited	An investing company or the venturer of the Company	Income - Income on Investments	-39,70,13,051	06-04-2021 to 31-03-2022	Income on Investments	Not Applicable as per the Companies Act	Nil
15	Axis Bank Limited	An investing company or the venturer of the Company	Expenses - Commission	9,18,10,51,657	06-04-2021 to 31-03-2022	Commission on Insurance business	Not Applicable as per the Companies Act	Nil
16	Axis Bank Limited	An investing company or the venturer of the Company	Expenses - Bank Charges	9,23,61,843	06-04-2021 to 31-03-2022	Bank Charges paid	Not Applicable as per the Companies Act	Nil
17	Axis Bank Limited	An investing company or the venturer of the Company	Final Dividend paid	17,65,30,782	Not Applicable	Final Dividend	Not Applicable as per the Companies Act	Nil
18	Axis Bank Limited	An investing company or the venturer of the Company	Receipt - Maturity/Sale of Non Equity Instruments	-44,00,00,000	Not Applicable	Maturity/Sale of Non Equity Instruments	Not Applicable as per the Companies Act	Nil
19	Max Ventures Private Limited	A private company in which a director or his relative is a member or director	Income - Insurance Premium	-3,78,326	01-04-2021 to 31-03-2022	Group Term life insurance	Not Applicable as per the Companies Act	Nil
20	Max India Limited	A public company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid up share Capital	Income - Insurance Premium	-6,61,942	01-04-2021 to 31-03-2022	Group Term life insurance	Not Applicable as per the Companies Act	Nil

Note: We are reporting Max Asset Services Limited in NTA, however we are not reporting the same in Form AOC-2 since it is a group entity.

For and on behalf of Board of Directors of Max Life Insurance Company Limited

Sd/-

Prashant Tripathy
Managing Director & CEO
DIN: 08260516

Sd/-

V. Viswanand
Deputy Managing Director
DIN: 08260553

Date: May 10, 2022

Place: New Delhi

NOMINATION AND REMUNERATION POLICY

Max Life Insurance Company Limited

I. PREAMBLE

- 1.1 Max Life Insurance Company Limited ("**Company**") has in place a Nomination and Remuneration Committee ("**Committee**") which shall at all times comprise 3 (Three) or more non-executive Directors, of which at least half shall be Independent Directors, as required under section 178 of the Companies Act, 2013 as amended from time to time ("**Companies Act**").
- 1.2 This Nomination and Remuneration Policy ("**Policy**") has been prepared in compliance with Section 178 of the Companies Act read along with Guidelines for Corporate Governance for Insurers in India dated 18th May 2016 ("**Corporate Governance Guidelines**"), Insurance Regulatory and Development Authority of India (Remuneration of Non-executive Directors of Private Sector Insurers) Guidelines, 2016 and Insurance Regulatory and Development Authority of India (Remuneration of Chief Executive Officer / Whole-time Director/ Managing Director of Insurers) Guidelines, 2016, both dated 5th August 2016 (collectively the "**Remuneration Guidelines**") issued by Insurance Regulatory and Development Authority of India ("**IRDAI**") as amended from time to time. The Remuneration Guidelines are effective from October 1, 2016 or from the date of appointment/ reappointment of MD/ CEO/ WTD and non-executive Directors, whichever is later.
- 1.3 The Policy will be reviewed annually or as may be required to ensure alignment with statutory and regulatory requirements.

II. DEFINITIONS

"**Board**" means Board of Directors of the Company. "**Company**" means Max Life Insurance Company Limited.

"**Director**" means a director appointed to the Board of the Company. "**Manager**" means a manager as defined under the Companies Act.

"**Employee Phantom Stock Plan**" means the Employee Phantom Stock Plan 2014 or Employee Phantom Stock Plan 2012, as amended from time to time and any other plan that Company may introduce in future.

"**Independent Director**" means a director referred to in Section 149(6) of the Companies Act as amended from time to time.

"**Key Management Personnel**" or "**KMP**" means a member of the core management team of the Company including all:

- (a) Managing Directors ("**MD**"),
- (b) Chief Executive Officer ("**CEO**"),
- (c) Whole-time directors ("**WTD**"),
- (d) Manager,
- (e) Functional heads one level below the MD/CEO, including the Chief Financial Officer, Chief Investment Officer, Appointed Actuary, Chief Risk Officer, Chief Compliance Officer and Company Secretary; and shall also include Key Managerial Personnel as defined under Companies Act."

"**NRC**" or "**Committee**" means the Nomination and Remuneration Committee constituted by the Board of Directors of the Company, in accordance with the provisions of Section 178 of the Companies Act.

"**Other employees**" means all full time employees of the Company excluding MD/ CEO/ WTD/ Managers and KMPs.

"**Policy**" means this Nomination and Remuneration Policy.

"**Remuneration**" means any money or its equivalent/ benefit/ amenity/ perquisite given or passed to any person for services rendered by him/ her and includes perquisites as defined under the Income-tax Act, 1961.

III. GUIDING PRINCIPLES/ OBJECTIVES

The objective of the Policy is to provide an overall framework for the Remuneration of the Directors, KMPs and other employees of the Company. In this regard, the Policy seeks to ensure that:

- (a) there is effective governance of Remuneration by active Board oversight;
- (b) there is effective alignment of Remuneration to prudent risk taking and that the Remuneration does not induce excessive or inappropriate risk taking that could be detrimental to the interests of the policyholders and / or business;
- (c) the level and composition of Remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs and other employees having the quality required to run the Company successfully;
- (d) The interests of MD/CEO/WTD/Manager are aligned with the business strategy, risk tolerance and adjusted for risk parameters (as mentioned in Section 10.1.3), objectives, values, culture and long term interests of the Company;
- (e) Relationship of Remuneration to performance is clear, meeting appropriate performance benchmarks and consistent with the “pay-for-performance” principle;
- (f) Remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals.

IV. ROLE OF THE COMMITTEE

The role of the Committee shall be to ensure compliance to the relevant provisions of the Companies Act, Corporate Governance Guidelines, Remuneration Guidelines and various other obligations as mentioned in the charter of the Committee as approved by the Board from time to time.

The Committee should recognize the potential conflicts inherent in recommendations from Company's management dealing with Remuneration and ensure that recommendations from management are supplemented with external advice when appropriate.

V. APPOINTMENT AND REMOVAL OF DIRECTOR/ MD/ CEO/ WTD/ MANAGER AND KMPs

- 5.1 Any appointment, reappointment, termination of a MD/ CEO/ WTD/ Manager (by whatever name called) or any amendment thereto will be done and will have effect only after prior approval of IRDAI.
- 5.2 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person being appointed as Director or KMP and recommend his/ her appointment to the Board.
- 5.3 A Director or KMP should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment as Director or KMP. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- 5.4 The Committee shall ensure that a requisite framework exists for appointments and qualification requirements for the human resources and which ensures that the incentive structure does not encourage imprudent behavior.

VI. TERM AND TENURE

- 6.1 MD/ WTD/ Manager:

The Company shall appoint or reappoint any person as its MD/ WTD/ Manager for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

6.2 Independent Director:

- (a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- (b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible again for appointment, after expiry of three years from date of ceasing to be an Independent Director.
- (c) For the purpose of determining the term of Independent Directors, the existing term of the Independent Directors as on April 1, 2014 shall not be counted as a term for the above clauses.

VII. EVALUATION

The Committee shall carry out evaluation of performance of every Director at a yearly interval, in accordance with Section 178 of the Companies Act, 2013 as amended from time to time and present a report thereon to the Board.

VIII. REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board for reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of such Act, rules and regulations.

IX. RETIREMENT

The Director or KMP shall retire as per the applicable provisions of the Companies Act and the prevailing policy of the Company. The Board will have the discretion to retain the Directors/ KMPs in the same position / Remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to passing a special resolution, as applicable.

X. PROVISIONS RELATING TO REMUNERATION

10.1 Remuneration of MD/CEO/WTG/Manager

10.1.1 Applicable Laws, Guidelines and Required Approvals

- (a) The Remuneration of MD/CEO/WTG/Manager will be determined by the Committee and recommended to the Board for approval and will require prior approval of IRDAI.
- (b) The NRC/ Board shall always maintain a fine balance between reasonableness and fairness, while making Remuneration-related decisions including clawback of any unpaid deferred Remuneration.
- (c) The Remuneration and commission to be paid to MD/CEO/WTG/Manager shall be as per the applicable provisions of the Companies Act read with the Insurance Act, 1938 ("**Insurance Act**") and rules, regulations and guidelines made thereunder including the Remuneration Guidelines.
- (d) However, where the annual Remuneration of a MD/ CEO/ WTGs/Manager exceeds Rs. One Crore Fifty Lacs (including all perquisites, bonuses, etc., by whatsoever name called), such excess shall be debited to the shareholders' account.

10.1.2 Components of Remuneration

The Remuneration of MD/CEO/WTG/Manager is inclusive of fixed pay, perquisites, variable pay, guaranteed pay, allowances, short term/long-term incentives, retiral benefits (superannuation or any other pension plan, gratuity, provident fund), stock options, Employee Phantom Stock Plan, severance package (by whatever name called) and other components.

10.1.3 Risk and Reward

- (a) Remuneration of MD/CEO/CTD/Manager shall be linked to performance parameters such that:
 - It is adjusted for all types of risks (as mentioned in Section 10.1.3.b),
 - Remuneration outcomes are symmetrical with risk outcomes,
 - The payouts are sensitive to the time horizon of the risk, and
 - Pay mix is consistent with risk alignment.
- (b) Risk parameters that will be considered by NRC and Board for assessing performance and suitable risk adjustment will cover aspects related to:
 - Persistency
 - Solvency
 - Grievance redressal
 - Expenses of Management
 - Claim settlement
 - Claim repudiations
 - Overall compliance status
 - Overall financial position such as net worth position, assets under management, etc.

The above parameters are indicative. NRC and Board may formulate and review such parameters from time to time, in line with the business needs of the Company.

In matters related to risk and reward, the NRC shall consider advice from members of the Risk Committee of the Company, the Appointed Actuary or the Chief Risk Officer as appropriate before making its final determinations and recommendations to the Board.

10.1.4 Pay Mix

The total Remuneration paid to MD/CEO/CTD/Manager shall have a fixed component and a variable component linked to individual and organizational performance. Proper balance between fixed and variable components will be ensured by the NRC/ Board and in accordance with the Remuneration Guidelines.

- (a) **Fixed pay** may comprise basic salary, house rent allowance, other allowances and retiral benefits like provident fund, gratuity and superannuation. The amount of fixed pay shall be reasonable taking into account the Company's overall business performance and industry remuneration scales.
- (b) **Variable pay** may be paid in the form of cash, equity/ stock linked instruments or both. It is clarified that employee stock option plans would not be considered as part of variable pay. In case the variable pay constitutes 60% or more of the total Remuneration (i.e. fixed pay + variable pay), it shall be considered as 'substantial' as per Remuneration Guidelines and 40% of the variable pay shall be deferred over a period of 3 years and be paid in three equal installments.

Any future grant (by whatever name called) that is given, if construed as variable pay, should have a proper balance of pay mix in line with Section 10.1.4.

Variable pay is dependent on the Company's overall results as captured in the Company's measures of success outcomes and the parameters defined in section 10.1.3. In case there is deterioration in the same, the variable pay will contract in accordance with adjustment of these parameters.

In the event of termination of employment contract without cause, the variable pay and any other payout which has been awarded but deferred shall be paid at the time of cessation of contract, subject to the final approval of the

NRC, Board and IRDAI. However, in the event of termination of employment contract owing to proven misconduct, no variable pay, notice pay, severance payment and any other payout which has been awarded but deferred shall be paid.

In the event of termination of employment contract owing to a resignation, any payout which has been awarded but deferred shall be paid, subject to the final approval of the NRC, Board and IRDAI.

10.1.5 **Stock Options**

The NRC/ Board may consider granting of stock options, including Employee Phantom Stock Plan. Issue of stock options and sweat equity shares shall be governed by the provisions of Remuneration Guidelines, the Companies Act, the Companies (Share Capital and Debenture) Rules, 2014, SEBI (Issue of Sweat Equity) Regulations, 2002 and SEBI (Share based Employee Benefits), 2014 as amended from time to time. Details of stock options to Directors shall be disclosed in line with disclosure requirements stipulated for the financial statements of the Company.

10.1.6 **Clawback of deferred pay**

- (a) In case of unvested or unpaid portion of the deferred variable pay, appropriate mechanism will be put into place with respect to clawback of such portion, which shall be appropriately linked to risk parameters as provided in Section 10.1.3.
- (b) NRC and the Board shall track performance on the basis of parameters provided in Section 10.1.3. In case of negative trends in Company's performance, the Committee and the Board shall review the same and based on facts and due assessment of what is directly attributable to the MD/CEO/MTD/Manager's actions, the Committee and the Board may take appropriate measures for clawback of unvested or unpaid deferred pay. The Committee and Board's decision shall be final with regard to clawback.

10.1.7 **Guaranteed Bonus**

The Company shall not encourage guaranteed bonus of any kind as part of the Remuneration plan of MD/CEO/MTD/Manager, except sign-on/joining bonus if required. The sign-on / joining bonus may be granted only to new staff and will be limited to first year, however, the payout may be deferred beyond the year of joining. The NRC/Board shall approve such a grant.

10.1.8 **Severance Payments**

Any severance payments, for involuntary separation without cause or due to change of control, to MD/CEO/MTD/Manager shall be made in accordance with contractual obligations and with prior approval of the NRC, Board and IRDAI. Severance payment for this purpose shall not include accrued benefits including gratuity, pension, provident fund, notice period pay, etc.

10.2 **Remuneration to KMPs (other than MD/CEO/MTD/Manager) and other employees**

Remuneration to KMPs and other employees will include elements of fixed pay, allowances, short term / long term incentives, retires, perquisites, stock options and other components with the mix of elements varying with seniority and benchmarked externally. A key unifying element shall be the funds available to support short and long term incentives each year. These are driven by the measures of success determined by the Board as part of the business planning cycle. The measures of success should be clearly defined and capable of objective measurement. The Board will, however, retain a measure of discretion to exercise judgment in determining final outcomes, for instance, where overall outcomes are result of external events completely outside the management's control or generally in respect of factors not susceptible to direct incorporation into the measures of success.

10.3 Remuneration to Non-Executive Directors

Subject to the approval of Board and shareholders in accordance with the statutory provisions of the Companies Act and the rules made thereunder, the non-executive Directors may be paid profit linked commission from time to time, provided that the Company is making profit. Any such Remuneration shall not exceed amounts as may be specified by IRDAI for each of such non-executive Director.

Subject to the overall limit in this regard, the Board may, with mutual agreement with such Director, determine and pay different commission, to each non-executive Director.

10.4 Stock Options

- (a) An Independent Director shall not be entitled to any stock option of the Company.
- (b) The Company may, in line with applicable provisions of Companies Act read with Insurance Act and amendments and rules thereunder, wherever applicable, grant units under Employee Phantom Stock Plan or any other stock option of the Company to any non-executive Director.

10.5 Engagement for Professional Services

The Company may, in line with applicable provisions of Companies Act, read with Insurance Act and amendments and rules there under, wherever applicable, engage any non – executive Director to provide professional services from time to time. Any such engagement for professional services shall be made if NRC of the Company is of the opinion that such Director possesses the requisite qualification for providing such services.

10.6 Sitting Fees

A non-executive director may receive Remuneration by way of fees for attending meetings of Board or Committee as may be decided by the Board. Provided, however, that the amount of such fees shall not exceed the maximum amount per meeting as may be prescribed in the Companies Act, Insurance Act or by the Central Government from time to time. The non-executive Directors and Independent Directors shall, in addition to the sitting fees, be entitled for reimbursement of their expenses for participating in the Board and Committee meetings, as may be decided by the Board.

XI. DISCLOSURE

All above Remuneration, including qualitative and quantitative disclosures as mentioned in the Remuneration Guidelines and fees for all Directors will be disclosed annually in Company's annual report.

XII. DEVIATIONS FROM THIS POLICY

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary, in the interests of the Company, will be made if there are specific reasons to do so in individual cases.

XIII. OWNER OF THE POLICY

The Policy is owned by the Committee and shall be administered by the Chief People Officer.

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

Max Life Insurance Company Limited

419, Bhai Mohan Singh Nagar, Railmajra,

Tehsil Balachaur Nawan Shehar,

Punjab – 144533

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Max Life Insurance Company 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, 2022 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, 2022 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; Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; applicable only to the extent of dematerialization of equity shares and Non-Convertible Debentures of the Company;
- (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; Not Applicable
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 prior to its repealment; Not Applicable

- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 prior to its repealment to the extent 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable
 - (i) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
1. Insurance Regulatory and Development Authority of India Act, 1999,
 2. Insurance Act, 1938 and various Rules, Regulations & Guidelines issued thereunder, including circulars issued from time to time

Insurance Regulatory and Development Authority of India (IRDAI) vide its order dated 27th April, 2021 levied a penalty of Rs. 3 lacs on Max Life, with respect to (i) Rs. 2 lacs for non-reporting under outsourcing and (ii) Rs. 1 lac for non-reporting of outsourcing agreement with a related party.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Non-Convertible Securities.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as 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, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), 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 or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees 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 following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

1. Transfer of 172,731,531 equity shares bearing face value of Rs. 10/- each of the Company held by Max Financial Services Limited to Axis Bank Limited on April 6, 2021.
2. Allotment of 7.50% 4960 unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures of face value of ₹ 10 Lacs each aggregating to Rs. 496.00 crores (Rupees four hundred ninety six crores only) on private placement basis.
3. The company has listed its securities i.e. Non-Convertible Debentures on the National Stock Exchange of India Limited (NSE) w.e.f August 3, 2021.
4. The Company has incorporated a wholly owned subsidiary as per the provisions of the Companies Act, 2013 and the rules made there namely "Max Life Pension Fund Management Limited" on 28th February, 2022.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.:1428/2021

Sd/-

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302D000286088

Date: 07.05.2022

Place: Delhi

Note:

- (i) 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.
- (ii) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.

The Members

Max Life Insurance Company Limited

419, Bhai Mohan Singh Nagar, Railmajra,

Tehsil Balachaur Nawan Shehar,

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.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.:1428/2021

Sd/-

Rupesh Agarwal

Managing Partner

Membership No. A16302

Certificate of Practice No. 5673

UDIN: A016302D000286088

Date: 07.05.2022

Place: Delhi





FINANCIAL REVIEW

INDEPENDENT AUDITORS' REPORT

To the Members of

Max Life Insurance Company Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Max Life Insurance Company Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the related Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") to the extent applicable in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") to the extent applicable and other accounting principles generally accepted in India, including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations") and circulars / orders / directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"):
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at March, 31 2022;
 - ii. in the case of the Revenue Account, of the net surplus for the year ended March 31, 2022;

iii. in the case of the Profit and Loss Account, of the profit for the year ended March 31, 2022; and

iv. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended March 31, 2022.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to Note II (47) in Schedule 16 to the financial statements in which the Company describes the uncertainties arising from the COVID-19 pandemic.

Our Opinion is not modified on the above matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditors' Response
1	<p>Information Technology Systems</p> <p>The Company is highly dependent on technology due to the significant number of transactions that are processed daily across multiple and discrete Information Technology ("IT") systems. The audit approach relies extensively on automated controls and therefore on the effectiveness of controls over IT systems.</p> <p>IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. Management is in the process of implementing several remediation activities that are expected to contribute to reducing the risk over IT applications in the financial reporting process. These included implementation of Company wide preventive and detective controls across critical applications and infrastructure. Due to the pervasive nature, in our preliminary risk assessment we will begin by assessing the risk of a material misstatement arising from technology as significant for the audit.</p>	<p>We performed a range of audit procedures, which included the following:</p> <p>Tested access rights over applications, operating systems and databases relied upon for financial reporting. Specifically, the tests were designed to cover the following:</p> <p>New access requests for joiners are properly reviewed and authorised;</p> <p>User access rights are removed on a timely basis when an individual has left or moved role;</p> <p>Periodic monitoring of access rights to applications for appropriateness; and</p> <p>Highly privileged access is restricted to appropriate personnel.</p> <p>Other areas that were assessed included password policies, controls over changes to applications & databases and the business users, developers and production support do not have access to migrate change to production environment.</p>
2	<p>Valuation of Investments</p> <p>Due to the regulatory prescriptions applicable to recognition, measurement and disclosure of Investments and the assumptions used in the valuation of Investments, (Schedule 8, 8A and 8B to the financial statements) we have considered this as a key audit matter.</p> <p>The valuation of all investments should be as per the investment policy framed by the Company which in turn should be in line with IRDAI Investment Regulations.</p> <p>The Company has inter alia a policy framework for Valuation and impairment of Investments</p> <p>The valuation of unquoted investments and thinly traded investments continues to be an area of inherent risk because of market volatility, unavailability of reliable prices and macroeconomic uncertainty.</p> <p>The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision as per the criteria set out in the investment policy. Further, the assessment of impairment involves significant management judgement.</p>	<p>To ensure that the valuation of investments and impairment provision considered in the financial statements is adequate, we have performed the following procedures:</p> <p>Assessed Valuation Methodologies with reference to investment regulations issued by IRDAI and the Company's board approved investment policy</p> <p>Evaluation of the Company's Internal controls viz a viz the implementation of Investment Risk management System and processes.</p> <p>Tested the management oversight and controls over valuation of investments.</p> <p>Independently test-checked valuation of quoted and unquoted investments.</p> <p>Performed audit procedures over the Fair Value Change Account for specific investments.</p> <p>Substantive testing of transactions relating to Investments, reviewed and assessed the adequacy with respect to management assessment of identification of Non performing investments and impairment charge on such investments outstanding at the year end. Accordingly based on our audit procedures, we noted no reportable matters regarding investments and its valuation.</p>

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

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report and such other disclosures related information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the Accounting Standards to the extent applicable and other accounting principles generally accepted in India, including the provisions of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and circulars/orders/directions issued by the IRDAI in this regard.

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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether

the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matter

10. The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2022 is the responsibility of the Company's Appointed Actuary (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, 2022 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 issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in financial statements of the Company.

Report on Other Legal and Regulatory Requirements

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated May 10, 2022 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. As required by IRDA Financial Statements Regulations, read with Section 143(3) of the Act based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books.
- c) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account.
- d) As the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches of the Company.
- e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations, the Insurance Act, the IRDA Act and orders / directions / circulars issued by the IRDAI in this regard.
- f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations and / or orders / directions / circulars issued by IRDAI in this regard.
- g) In our opinion, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under section 133 of the Act and with the accounting principles prescribed in IRDA Financial Statements Regulations and orders / directions / circulars issued by the IRDAI in this regard.
- h) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act read with Section 34A of the Insurance Act.
- k) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note II (46) in Schedule 16 to the financial statements
 - ii. The liability for insurance contracts, is determined by the Company's Appointed Actuary as per Note II (19) and (50) in Schedule 16 to the financial statements, and is covered by the Appointed Actuary's certificate, referred to in Other Matter paragraph 10 above, on which we have placed reliance; and 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable. The Company has not proposed final dividend for the year.

For **Fraser & Ross**

Chartered Accountants

ICAI Firm's Registration No: 000829S

Satpal Singh Arora

Partner

Membership No: 098564

Place: New Delhi

Date: May 10, 2022

For **B. K. Khare & Co.**

Chartered Accountants

ICAI Firm's Registration No: 105102W

Padmini Khare Kaicker

Partner

Membership No: 044784

Place: Mumbai

Date: May 10, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of Max Life Insurance Company Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

The actuarial valuation of liabilities for life policies in force and policies where premium is discontinued but liability exists as at March 31, 2022 is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations") and has been relied upon by us, as mentioned in "Other Matter" para of our audit report on the financial statements of the Company as at and for the year ended March 31, 2022. Accordingly, we have not audited the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuarial valuation.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act") including the provisions of the Insurance Act, 1938 (the "Insurance Act") as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations and orders / directions / circulars issued by the

Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit of the Company. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Fraser & Ross**

Chartered Accountants

ICAI Firm's Registration No: 000829S

Satpal Singh Arora

Partner

Membership No: 098564

Place: New Delhi

Date: May 10, 2022

For **B. K. Khare & Co.**

Chartered Accountants

ICAI Firm's Registration No: 105102W

Padmini Khare Kaicker

Partner

Membership No: 044784

Place: Mumbai

Date: May 10, 2022

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDEPENDENT AUDITORS' CERTIFICATE

To
The Board of Directors
Max Life Insurance Company Limited
11th Floor, DLF Square Building,
Jacaranda Marg,
DLF City Phase II,
Gurugram – 122 002.

Dear Sirs,

Ref: Independent Auditors' Certificate as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' forming part of the Independent Auditors' Report dated May 10, 2022

1. This certificate is issued to **Max Life Insurance Company Limited** (the "Company") in accordance with the terms of engagement letter dated July 07, 2021
2. This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "IRDA Financial Statements Regulations") read with Regulation 3 of the IRDA Financial Statements Regulations.

Management's Responsibility

3. The Company's Management is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders / directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes (i) preparation of management report consistent with the financial statements; (ii) compliance with the terms and conditions of the registration stipulated by the Authority; (iii) maintenance and custody of cash balances and securities relating to the insurer's loans and maintenance of investments with custody and depository; and (iv) ensuring that no part of the assets of the policyholders' funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds. This includes collecting, collating and validating data and designing, implementing and

monitoring of internal controls suitable for ensuring compliance as aforesaid and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Independent Auditors' Responsibility

4. Our responsibility for the purpose of this certificate, is to provide reasonable assurance on the matters contained in paragraphs 3 and 4 of Schedule C of the of the IRDA Financial Statements Regulations read with Regulation 3 of the IRDA Financial Statements Regulations.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Standards on Auditing issued by the Institute of Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this Certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In accordance with the information and explanations and representations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company as at and for the year ended March 31, 2022, we certify that:
 - a) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2022, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
 - b) Based on the Management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, we certify that the Company has complied with the terms and conditions of registration stipulated by IRDAI;
 - c) We have verified the cash balances including

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

cheques-on-hand from the management certificates / confirmations received from the Branches / subsequent deposits thereof in the Banks for selected samples. The Company's securities relating to loans and investments were verified on the basis of certificates / confirmations received from the Custodian / and / or Depository Participants, appointed by the Company, as the case may be as at March 31, 2022, the Company does not have reversions and life interests;

- d) Based on the management representation the Company is not a trustee of any trust; and
- e) No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds.

For **Fraser & Ross**
Chartered Accountants
ICAI Firm's Registration No: 000829S

Satpal Singh Arora
Partner
Membership No: 098564

Place: New Delhi
Date: May 10, 2022

For **B. K. Khare & Co.**
Chartered Accountants
ICAI Firm's Registration No: 105102W

Padmini Khare Kaicker
Partner
Membership No: 044784

Place: Mumbai
Date: May 10, 2022

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

FORM A-BS

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED

IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

BALANCE SHEET AS AT MARCH 31, 2022

(All Amounts in Thousands of Indian Rupees)

Particulars	Schedule	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS:			
Share Capital	5	19,188,129	19,188,129
		19,188,129	19,188,129
RESERVES AND SURPLUS	6	12,759,521	10,589,085
CREDIT/(DEBIT) FAIR VALUE CHANGE ACCOUNT		10,986	301,337
Sub-Total		31,958,636	30,078,551
BORROWINGS [Refer to Note II (41) on Schedule 16]	7	4,960,000	-
POLICYHOLDERS' FUNDS:			
CREDIT/ (DEBIT) FAIR VALUE CHANGE ACCOUNT		6,531,230	9,636,029
REVALUATION RESERVE - INVESTMENT PROPERTY		262,306	22,248
POLICY LIABILITIES		672,821,997	558,936,346
[Refer to Note II (2), (18), (19) on Schedule 16]			
INSURANCE RESERVES		-	-
PROVISION FOR LINKED LIABILITIES		294,034,918	254,703,178
[Refer to Note II (2), (18), (19) on Schedule 16]			
FUND FOR DISCONTINUED POLICIES [Refer to Note II (2), (18), (19), (33) on Schedule 16]			
- Discontinued On Account Of Non-Payment Of Premium		40,396,839	29,032,994
- Others		-	-
Sub-Total		1,019,007,290	852,330,795
FUNDS FOR FUTURE APPROPRIATIONS [Refer to Note II (34) on Schedule 16]			
- Non Linked		32,369,244	29,818,973
TOTAL		1,083,335,170	912,228,319
APPLICATION OF FUNDS:			
INVESTMENTS			
Shareholders' Investments [Refer to Note II (7) on Schedule 16]	8	51,476,972	38,483,728
Policyholders' Investments [Refer to Note II (7) on Schedule 16]	8A	689,187,097	581,846,549
Assets Held To Cover Linked Liabilities [Refer to Note II (7) on Schedule 16]	8B	334,431,757	283,736,172
LOANS	9	6,660,716	5,322,246
FIXED ASSETS [Refer to Note II (38) on Schedule 16]	10	2,603,979	2,213,216
CURRENT ASSETS:			
Cash and Bank Balances	11	6,616,859	57,92,342
Advances and Other Assets	12	29,572,221	23,687,381
Sub-Total (A)		36,189,080	29,479,723

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(All Amounts in Thousands of Indian Rupees)

Particulars	Schedule	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
CURRENT LIABILITIES	13	36,844,111	28,427,434
PROVISIONS	14	370,320	425,881
Sub-Total (B)		37,214,431	28,853,315
NET CURRENT ASSETS (C) = (A) – (B)		(1,025,351)	626,408
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15	-	-
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT (SHAREHOLDERS' ACCOUNT)		-	-
Total		1,083,335,170	912,228,319
Significant Accounting Policies and Notes	16		
Contingent Liability (Refer Note II (1) on Schedule 16)		2,174,308	2,538,993

The Schedules referred to above form an integral part of the Balance Sheet.

In terms of our report attached

For Fraser & Ross
Chartered Accountants
ICAI Firm Registration
No. 000829S

For BK Khare & Co
Chartered Accountants
ICAI Firm Registration
No. 105102W

For and on behalf of the Board of Directors of Max Life Insurance Company Limited

Analjit Singh
Chairman
DIN: 00029641

Prashant Tripathy
Managing Director & CEO
and Principal Officer
DIN: 08260516

Jose John
Appointed Actuary

Satpal Singh Arora
Partner
Membership No. 098564

Padmini Khare Kaicker
Partner
Membership No:044784

Amrit Singh
Chief Financial Officer
PAN: ASXPS1781R

V.Viswanand
Director
DIN: 08260553

Anurag Chauhan
Company Secretary
Membership No: F9899

Place: New Delhi
Date: May 10, 2022

Place: New Delhi
Date: May 10, 2022

Place: New Delhi
Date: May 10, 2022

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

FORM A-PL

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED

IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

Shareholders' Account (Non-technical Account)

(All Amounts in Thousands of Indian Rupees Except Per Share Data)

Particulars	Schedule	FOR THE YEAR ENDED MARCH 31, 2022	FOR THE YEAR ENDED MARCH 31, 2021
Transfer from the Policyholders' Account [Refer to Note II (16) on Schedule 16]		2,780,165	3,861,713
Income from Investments			
(a) Interest, Dividends & Rent - Gross		2,309,649	2,147,525
(b) Profit on sale/redemption of investments		949,777	227,812
(c) (Loss) on sale/ redemption of investments		(47,804)	(15,627)
Other income			
- Miscellaneous income		40,151	126,461
Total (A)		6,031,938	6,347,884
Remuneration of MD/CEOs/WTDS over specified limits [Refer Note II (8), (9) & (25) on Schedule 16]		141,775	390,734
Expenses other than those directly related to the insurance business [Refer Note II (10) on Schedule 16]		409,216	176,342
Bad debts written off		-	-
Contribution to the Policyholders' Account [Refer to Note II (16) on Schedule 16]		1,167,526	501,871
Contribution to Policyholders' Account towards excess EOM* [Refer to Note II (16) on Schedule 16]		155,748	171,755
Provisions (Other than taxation)		-	-
(a) For diminution in the value of investments (Net) [Refer to Note II (44) on Schedule 16]		(11,839)	8,000
(b) Provision for doubtful debts		-	-
(c) Others		-	-
Total (B)		1,862,426	1,248,702
Profit before tax (C)=(A)-(B)		4,169,512	5,099,182
Provision for Taxation		302,954	(130,721)
Profit after tax (E)=(C)-(D)		3,866,558	5,229,903
Appropriations:			
(a) Balance at the beginning of the year		8,417,257	5,182,919
(b) Interim dividend paid during the year		-	1,995,565
(c) Final dividend paid		1,765,308	-
(d) Transfer to Debenture Redemption Reserve		99,200	-
Profit carried forward to the Balance Sheet		10,419,307	8,417,257
* EOM:- Expenses of Management			
Significant Accounting Policies and Notes	16		
Earnings per Share- Basic (Nominal Value Rs 10)		2.02	2.73
Earnings per Share- Diluted (Nominal Value Rs 10)		2.02	2.73
[Refer to Note II (24) on Schedule 16]			

The Schedules referred to above form an integral part of the Profit & Loss Account.

In terms of our report attached

For Fraser & Ross

Chartered Accountants
ICAI Firm Registration
No. 0008295

For BK Khare & Co

Chartered Accountants
ICAI Firm Registration
No. 105102W

For and on behalf of the Board of Directors of Max Life Insurance Company Limited

Analjit Singh
Chairman
DIN: 00029641

Prashant Tripathy
Managing Director & CEO
and Principal Officer
DIN: 08260516

Jose John
Appointed Actuary

Satpal Singh Arora
Partner
Membership No. 098564

Padmini Khare Kaicker
Partner
Membership No:044784

Amrit Singh
Chief Financial Officer
PAN: ASXPS1781R

V.Viswanand
Director
DIN: 08260553

Anurag Chauhan
Company Secretary
Membership No: F9899

Place: New Delhi
Date: May 10, 2022

Place: New Delhi
Date: May 10, 2022

Place: New Delhi
Date: May 10, 2022

FORM A-RA

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED

IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

Policyholders' Account (Technical Account)

(All Amounts in Thousands of Indian Rupees)

Particulars	Schedule	FOR THE YEAR ENDED MARCH 31, 2022											Total
		Participating Policies (Non-Linked)			Non-Participating Policies (Non-Linked)				Linked Policies				
		Individual Life	Pension		Individual Life	Annuity	Health Insurance	Group	Linked Individual	Linked Pension	Linked Group		
Premiums earned - net													
(a) Premium	1	83,268,211	26,168		56,633,673	7,404,358	299,132	10,573,562	6,319,157	2,426,606	313,823	2,241,41,690	
(b) Reinsurance Ceded		(251,446)	-		(2,076,688)	-	(118,086)	(1,733,029)	(92,538)	(153)	-	(4,271,940)	
(c) Reinsurance Accepted		-	-		-	-	-	-	-	-	-	-	
		83,016,765	26,168		54,556,985	7,404,358	181,046	8,840,533	63,103,619	2,426,453	313,823	2,198,69,750	
Income from Investments													
(a) Interest, Dividends & Rent - Gross		32,918,470	80,929		7,241,968	707,237	15,585	896,554	9,278,255	858,500	81,249	52,078,747	
(b) Profit on sale/ redemption of investments		16,857,048	-		600,764	14,988	58	3,980	42,673,827	3,318,438	62,259	63,531,362	
(c) (Loss) on sale/ redemption of investments		(4,849,888)	-		(3,548)	(9,964)	-	-	(12,472,104)	(841,154)	(21,919)	(18,198,577)	
(d) Transfer/ Gain on revaluation/ change in fair value		-	-		(935,835)	-	-	-	(7,814,561)	(1,023,585)	(22,328)	(9,796,309)	
Other Income													
Contribution from Shareholders' Account towards excess EOM [Refer to Note II (16) on Schedule 16]		-	-		-	-	-	-	-	155,748	-	155,748	
Miscellaneous Income		492,503	26		16,054	854	97	724	5,557	170	2	515,987	
Total (A)		128,434,898	107,123		61,476,388	8,117,473	196,786	9,741,791	94,774,593	4,894,570	413,086	308,156,708	
Commission	2	5,562,477	155		5,310,332	115,036	19,454	370,351	2,578,730	71,563	16	14,028,114	
Operating Expenses related to Insurance Business	3	11,941,448	972		11,367,101	200,123	44,833	1,459,043	4,957,518	219,351	1,931	30,192,320	
Provision for doubtful debts		(420)	-		(1,855)	20	14	260	1,731	(45)	1	(294)	
Bad debts written off		7,521	-		5,903	37	9	305	4,590	56	-	18,421	
Provision for tax		-	-		-	-	-	-	-	-	-	-	
Goods and Service Tax		-	-		-	-	-	-	1,811,416	72,053	1,119	1,884,588	
Provision (other than taxation)		-	-		-	-	-	-	481,037	32,051	-	516,950	
(a) For diminution in the value of investments (Net)		3,862	-		-	-	-	-	-	-	-	-	
[Refer to Note II (44) on Schedule 16]		-	-		-	-	-	-	-	-	-	-	
(b) Others		-	-		-	-	-	-	-	-	-	-	
Total (B)		17,514,888	1,127		16,681,481	315,216	64,310	1,829,959	9,835,022	395,029	3,067	46,640,099	
Benefits Paid (Net)	4	37,676,872	67,283		10,482,747	424,279	15,861	5,572,815	34,110,003	4,190,691	194,121	92,734,672	
Interim Bonuses Paid		37,797	-		-	-	-	-	-	-	-	37,797	
Change in valuation of liability against life policies in force: [Refer to Note II (2) & (19) on Schedule 16]		-	-		-	-	-	-	-	-	-	-	
(a) Gross *		69,223,438	(12,426)		42,836,878	7,385,597	61,929	2,849,977	(467,671)	(52,330)	(2,348)	121,823,044	
(b) Fund Reserves		-	-		-	-	-	-	39,468,406	(354,754)	218,090	39,331,742	
(c) Discontinuance Fund		-	-		-	-	-	-	10,966,039	397,806	-	11,363,845	
(d) Amount ceded in Reinsurance		(33,719)	-		(7,553,742)	-	(27,911)	(322,029)	-	-	-	(7,937,401)	

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(All Amounts in Thousands of Indian Rupees)

Particulars	Schedule	FOR THE YEAR ENDED MARCH 31, 2022											Total
		Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)					Linked Policies				
		Individual Life	Pension	Individual Life	Annuity	Health Insurance	Group	Linked Individual	Linked Pension	Linked Group			
(e) Amount accepted in Reinsurance		-	-	-	-	-	-	-	-	-	-	-	-
Total (C)		106,904,388	54,857	45,765,883	7,809,876	49,879	8,100,763	84,076,777	4,181,413	409,863	257,353,699		
SURPLUS/ (DEFICIT) (D)=(A)-(B)-(C)		4,015,622	51,139	(970,976)	(7,619)	82,597	(188,931)	862,794	318,128	156	4,162,910		
Contribution from the Shareholders' Account [Refer to Note II (16) on Schedule 16]		-	-	970,976	7,619	-	188,931	-	-	-	1,167,526		
NET SURPLUS/(DEFICIT)		4,015,622	51,139	-	-	82,597	-	8,62,794	318,128	156	5,330,437		
APPROPRIATIONS:													
Transfer to Shareholders' Account: [Refer to Note II (16) on Schedule 16]		1,514,922	1,568	-	-	82,597	-	8,62,794	318,128	156	2,780,165		
Transfer to Other Reserves		-	-	-	-	-	-	-	-	-	-		
Balance being Funds for Future Appropriations		2,500,700	49,571	-	-	-	-	-	-	-	2,550,269		
Details of Surplus													
(a) Interim Bonus Paid		37,797	-	-	-	-	-	-	-	-	37,797		
(b) Allocation of Bonus to Policyholders: [Refer to Note II (18) on Schedule 16]		14,186,072	13,428	-	-	-	-	-	-	-	14,199,500		
(c) Surplus Shown in the Revenue Account		4,015,622	51,139	-	-	82,597	-	862,794	318,128	156	5,330,436		
(d) Total Surplus : [(a)+(b)+(c)]		18,239,491	64,567	-	-	82,597	-	862,794	318,128	156	19,567,733		

* Represents Mathematical Reserve considering allocation of Bonus.

Significant Accounting Policies and Notes 16
The Schedules referred to above form an integral part of the Revenue Account.
In terms of our report attached

In terms of our report attached

For and on behalf of the Board of Directors of Max Life Insurance Company Limited			
For Fraser & Ross	For BK Khare & Co	Analit Singh	Prashant Tripathy
Chartered Accountants	Chartered Accountants	Chairman	Managing Director & CEO
ICAI Firm Registration No. 000829S	ICAI Firm Registration No. 105102W	DIN: 00029641	and Principal Officer DIN: 08260516
Satpal Singh Arora	Padmini Khare Kaicker	Amrit Singh	V.Viswanand
Partner	Partner	Chief Financial Officer	Director
Membership No. 098564	Membership No:044784	PAN: ASXPS1781R	DIN: 08260553
Place: New Delhi	Place: New Delhi		
Date: May 10, 2022	Date: May 10, 2022		
			Anurag Chauhan
			Company Secretary
			Membership No: F9899

FORM A-RA
NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000
REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021
Policyholders' Account (Technical Account)

Particulars	Schedule	FOR THE YEAR ENDED MARCH 31, 2021										Total
		Participating Policies (Non-Linked)			Non-Participating Policies (Non-Linked)				Linked Policies			
		Individual Life	Pension	Individual Life	Annuity	Health Insurance	Group	Linked Individual	Linked Pension	Linked Group		
Premiums earned - net	1											
(a) Premium		78,555,892	27,785	40,977,292	4,460,810	447,457	6,887,781	55,741,170	2,628,620	452,181	190,178,988	
(b) Reinsurance Ceded		(247,690)	-	(1,490,198)	-	(106,436)	(844,480)	(99,559)	(299)	-	(2,788,662)	
(c) Reinsurance Accepted		-	-	-	-	-	-	-	-	-	-	
		78,308,202	27,785	39,487,094	4,460,810	341,021	6,043,301	55,641,611	2,628,321	452,181	187,390,326	
Income from Investments												
(a) Interest, Dividends & Rent- Gross		29,129,942	78,700	5,505,648	340,950	16,516	824,563	7,610,999	804,449	54,858	44,366,625	
(b) Profit on sale/ redemption of investments		13,508,260	67	251,900	214	-	285,626	38,900,491	2,710,335	63,541	55,720,434	
(c) (Loss) on sale/ redemption of investments		(1,355,832)	-	-	-	-	-	(11,149,112)	(869,170)	(23,843)	(13,397,957)	
(d) Transfer/ Gain on revaluation/change in fair value		-	-	(561,230)	-	-	-	33,185,500	2,288,366	54,227	34,966,863	
Other Income												
Contribution from Shareholder ' Account towards excess EOM [Refer to Note II (16) on Schedule 16]		-	-	-	-	-	-	-	171,755	-	171,755	
Miscellaneous Income		398,166	19	5,330	53	177	726	5307	432	6	410,216	
Total (A)		119,988,738	106,571	44,688,742	4,802,027	357,714	7,154,216	124,194,796	7,734,488	600,970	309,628,262	
Commission	2	4,817,917	174	4,807,218	57,522	64,282	268,374	2,182,024	72,581	8	12,270,100	
Operating Expenses related to Insurance Business	3	10,541,097	1,062	10,420,902	157,173	130,674	1,062,307	4,447,749	243,975	1,316	27,006,255	
Provision for doubtful debts		5,772	2	5,609	116	90	560	4,286	402	-	16,837	
Bad debts written off		10,212	1	6,863	71	35	457	5,556	120	1	23,316	
Provision for Tax		-	-	-	-	-	-	-	-	-	-	
Goods and Service Tax		-	-	-	-	-	-	1,570,618	70,936	770	1,642,324	
Provision (other than taxation)												
(a) For diminution in the value of investments(Net)		30,144	-	-	-	-	-	193,277	(1,607)	(3,337)	218,477	
[Refer to Note II (44) on Schedule 16]												
(b) Others		-	-	-	-	-	-	-	-	-	-	
Total (B)		15,405,142	1,239	15,240,592	214,882	195,081	1,331,698	8,403,510	386,407	(1,242)	41,177,309	
Benefits Paid (Net)	4	29,442,801	70,434	6,383,654	240,018	11,647	3,103,637	26,348,568	4,243,434	13,8020	69,982,213	
Interim Bonuses Paid		28,763	-	-	-	-	-	-	-	-	28,763	

(All Amounts in Thousands of Indian Rupees)

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(All Amounts in Thousands of Indian Rupees)

Particulars	Schedule	FOR THE YEAR ENDED MARCH 31, 2021									
		Participating Policies (Non-Linked)					Non-Participating Policies (Non-Linked)				
		Individual Life	Pension	Individual Life	Annuity	Health Insurance	Group	Linked Individual	Linked Pension	Linked Group	Total
Change in valuation of liability against life policies in force: [Refer to Note II (2) & (19) on Schedule 16]		-	-	-	-	-	-	-	-	-	-
(a) Gross *		74863,661	432	18,877,344	4,848,998	(167,769)	1,315,269	(65,285)	(44,084)	920	99,629,486
(b) Fund Reserves		-	-	-	-	-	-	77,610,672	2,420,360	461,665	80,492,697
(c) Discontinuance Fund		-	-	-	-	-	-	11,164,944	436,957	-	11,601,901
(d) Amount ceded in Reinsurance		(18,706)	-	4,091,604	-	83,313	343,168	-	-	-	4,499,379
(e) Amount accepted in Reinsurance		-	-	-	-	-	-	-	-	-	-
Total (C)		104,316,519	70,866	29,352,602	5,089,016	(72,809)	4,762,074	115,058,899	7,056,667	600,605	266,234,439
SURPLUS/ (DEFICIT) (D)=(A)-(B)-(C)		267,077	34,466	95,548	(501,871)	235,442	1,060,444	732,387	291,414	1,607	2,216,514
Contribution from the Shareholders' Account		-	-	-	501,871	-	-	-	-	-	501,871
[Refer to Note II (16) on Schedule 16]											
NET SURPLUS/ (DEFICIT)		267,077	34,466	95,548	-	235,442	1,060,444	732,387	291,414	1,607	2,718,385
APPROPRIATIONS:											
Transfer to Shareholders' Account: [Refer to Note II (16) on Schedule 16]		1,443,359	1,512	95,548	-	235,442	1,060,444	732,387	291,414	1,607	3,861,713
Transfer to Other Reserves		-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations		(1,176,282)	32,954	-	-	-	-	-	-	-	(1,143,328)
Details of Surplus											
(a) Interim Bonus Paid		28,763	-	-	-	-	-	-	-	-	28,763
(b) Allocation of Bonus to Policyholders: [Refer to Note II (18) on Schedule 16]		12,954,501	13,043	-	-	-	-	-	-	-	12,967,544
(c) Surplus Shown in the Revenue Account		30,779,811	484,033	95,548	-	235,442	1,060,444	732,387	291,414	1,607	33,680,686
(d) Total Surplus : [(a)+(b)+(c)]		43,763,075	497,076	95,548	-	235,442	1,060,444	732,387	291,414	1,607	46,676,993
* Represents Mathematical Reserve considering allocation of Bonus.											
Significant Accounting Policies and Notes 16											
The Schedules referred to above form an integral part of the Revenue Account.											

In terms of our report attached

For Fraser & Ross Chartered Accountants ICAI Firm Registration No. 0008295	For BK Khare & Co Chartered Accountants ICAI Firm Registration No. 105102W	For and on behalf of the Board of Directors of Max Life Insurance Company Limited Analjit Singh Chairman DIN: 00029641	Jose John Appointed Actuary
Satpal Singh Arora Partner Membership No. 098564	Padmini Khare Kaicker Partner Membership No.044784	Amrit Singh Chief Financial Officer PAN: ASXPS1781R	Anurag Chauhan Company Secretary Membership No: F9899
Place: New Delhi Date: May 10, 2022	Place: New Delhi Date: May 10, 2022	Place: New Delhi Date: May 10, 2022	Place: New Delhi Date: May 10, 2022

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS
SCHEDULE 1

(All Amounts in Thousands of Indian Rupees)

FOR THE YEAR ENDED MARCH 31, 2022										
PREMIUM										
Particulars	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
First year premiums	11,582,867	-	19,595,876	-	23,351	281,984	20,761,878	615,160	313,823	53,174,939
Renewal premiums	61,673,579	13,725	36,467,540	-	275,781	2,823,272	42,037,582	1,801,006	-	145,092,485
Single premiums	10,011,765	12,443	570,257	7,404,358	-	7,468,306	396,697	10,440	-	25,874,266
Total premium	83,268,211	26,168	56,633,673	7,404,358	299,132	10,573,562	63,196,157	2,426,606	313,823	224,141,690
Total premium in India	83,268,211	26,168	56,633,673	7,404,358	299,132	10,573,562	63,196,157	2,426,606	313,823	224,141,690
Total premium outside India	-	-	-	-	-	-	-	-	-	-

FOR THE YEAR ENDED MARCH 31, 2021										
PREMIUM										
Particulars	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
First year premiums	9,442,207	-	19,152,200	-	128,691	694,825	17,814,015	649,604	452,181	48,333,723
Renewal premiums	59,179,042	15,324	21,617,032	-	318,766	1,354,123	37,489,301	1,943,155	-	121,916,743
Single premiums	9,934,643	12,461	208,060	4,460,810	-	4,838,833	437,854	35,861	-	19,928,522
Total premium	78,555,892	27,785	40,977,292	4,460,810	447,457	6,887,781	55,741,170	2,628,620	452,181	190,178,988
Total premium in India	78,555,892	27,785	40,977,292	4,460,810	447,457	6,887,781	55,741,170	2,628,620	452,181	190,178,988
Total premium outside India	-	-	-	-	-	-	-	-	-	-

SCHEDULE 2

FOR THE YEAR ENDED MARCH 31, 2022										
COMMISSION										
Particulars	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Commission paid										
Direct - First Year Premiums	2,879,912	-	4,405,505	-	8,108	7,502	2,242,495	43,948	16	9,587,486
- Renewal Premiums	2,576,547	155	732,115	-	11,027	37,682	249,218	25,947	-	3,632,691
- Single Premiums	1,266	-	9,581	115,036	-	324,912	5,846	113	-	456,754
Total	5,457,725	155	5,147,201	115,036	19,135	370,096	2,497,559	70,008	16	13,676,931
Add :Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-
Less : Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-
Net Commission	5,457,725	155	5,147,201	115,036	19,135	370,096	2,497,559	70,008	16	13,676,931
Rewards	104,751	-	163,131	1	319	255	81,171	1,555	-	351,183
Net Commission & Rewards	5,562,476	155	5,310,332	115,037	19,454	370,351	2,578,730	71,563	16	14,028,114

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Break-up of commission expenses (gross) incurred to procure business is as per details below:

Particulars	FOR THE YEAR ENDED MARCH 31, 2022									
	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Agents	1,654,228	153	1,212,354	31,587	4,864	1,565	218,174	13,113	16	3,136,054
Brokers	3,364	-	233,895	-	-	43,444	83	-	-	280,786
Corporate Agency Referrals	195,121	-	26,791	1,361	62	3,537	3,955	99	-	230,926
Bancassurance	-	-	-	-	-	-	-	-	-	-
	3,709,764	2	3,837,292	82,089	14,528	321,804	2,356,518	58,351	-	10,380,348
Total	5,562,476	155	5,310,332	115,037	19,454	370,351	2,578,730	71,563	16	14,028,114
			(163,131)	(1)	(319)	(255)	(81,171)	(1,555)	-	(351,183)

COMMISSION	FOR THE YEAR ENDED MARCH 31, 2021									
Particulars	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Commission paid										
Direct - First Year Premiums	2,247,074	-	4,220,364	-	48,477	15,982	1,873,890	42,984	8	8,448,779
- Renewal Premiums	2,495,226	174	444,286	-	13,077	35,569	241,511	27,867	-	3,257,710
- Single Premiums	1,054	-	3,509	57,509	-	215,899	7,262	161	-	285,394
Total	4,743,354	174	4,668,159	57,509	61,554	267,450	2,122,663	71,012	8	11,991,883
Add :Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-
Less : Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-
Net Commission	4,743,354	174	4,668,159	57,509	61,554	267,450	2,122,663	71,012	8	11,991,883
Rewards	74,563	-	139,059	13	2,728	924	59,361	1,569	-	278,217
Net Commission & Rewards	4,817,917	174	4,807,218	57,522	64,282	268,374	2,182,024	72,581	8	12,270,100

Break-up of commission expenses (gross) incurred to procure business is as per details below:

Particulars	FOR THE YEAR ENDED MARCH 31, 2021									
	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Agents	1,527,412	172	972,293	22,176	16,880	8,123	160,325	15,285	8	2,722,674
Brokers	588	-	4,897	-	34	51,739	144	5	-	57,407
Corporate Agency	150,784	-	35,158	924	458	1,886	11,416	398	-	201,024
Referrals	-	-	-	-	-	-	-	-	-	-
Bancassurance	3,139,133	2	3,794,870	34,422	46,910	206,626	2,010,139	56,893	-	9,288,995
Total	4,817,917	174	4,807,218	57,522	64,282	268,374	2,182,024	72,581	8	12,270,100

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(All Amounts in Thousands of Indian Rupees)

SCHEDULE 3
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars	FOR THE YEAR ENDED MARCH 31, 2022									Total
	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Employees remuneration and welfare benefits [Refer to Note II (8), (9) & (25) on Schedule 16]	6,733,784	562	5,905,082	102,412	26,817	679,659	2,931,730	133,637	1,256	16,514,939
Travel, conveyance and vehicle running expenses	146,819	20	122,533	2,375	540	16,183	59,612	2,898	26	351,006
Training expenses	255,376	-	282,269	5,906	519	36,424	91,971	2,652	-	675,117
Rent, rates & taxes	285,386	39	296,542	6,184	1,213	39,302	130,131	5,836	48	764,681
Repairs	179,513	13	113,008	2,321	459	14,957	50,117	2,269	20	362,677
Printing and stationery	27,019	-	24,854	491	91	3,259	10,692	459	-	66,865
Communication expenses	300,381	70	150,841	2,699	1,761	21,869	135,735	9,147	120	622,623
Legal & professional charges	144,666	21	121,349	2,489	567	16,123	57,525	2,785	26	345,551
Medical fees	41,464	-	502,876	109	27	-	20,275	39	-	564,790
Auditors' fees, expenses etc:	-	-	-	-	-	-	-	-	-	-
(a) as auditor	4,238	-	3,219	84	20	493	1,613	83	-	9,750
(b) as advisor or in any other capacity, in respect of:	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	119	-	113	3	-	12	51	2	-	300
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-
- Certification	2,470	-	2,337	39	8	264	1,046	47	-	6,211
- Out of pocket expenses	631	-	610	10	2	67	273	12	-	1,605
Advertisement and publicity	2,221,552	-	2,467,152	51,236	4,475	316,276	799,719	23,003	-	5,883,413
Interest and bank charges	103,381	44	54,608	989	595	7,800	47,645	3,220	51	2,18,333
Others:	-	-	-	-	-	-	-	-	-	-
Rates and taxes	78,037	8	50,866	1,057	236	6,987	24,990	1,227	12	163,420
Goods and Service Tax	43,493	7	34,738	3,049	168	4,762	-	-	-	86,217
Information technology	359,984	52	229,026	4,496	1,849	31,989	153,894	9,358	116	790,764
maintenance expenses	-	-	-	-	-	-	-	-	-	-
Board Meetings expenses	4,519	-	3,784	78	16	506	1,809	88	-	10,800
Recruitment (including Agent advisors)	128,918	8	129,240	2,691	360	16,782	48,381	1,797	10	328,187
Electricity ,water and utilities	60,277	8	53,722	1,120	226	7,123	23,761	1,075	8	147,320
Insurance	49,403	8	41,767	833	188	5,488	19,657	940	8	118,292
Policy issuance and servicing costs	291,603	34	451,607	3,237	2,300	188,312	141,514	6,844	91	1,085,542
(Profit)/Loss on fluctuation in foreign exchange	(93)	-	(17)	-	(1)	(6)	(18)	(5)	-	(140)
Other miscellaneous expenses	13,699	-	12,507	250	144	1,640	6,325	307	-	34,872
Depreciation (Refer to Schedule 10)	464,809	78	312,468	5,965	2,253	42,772	199,070	11,631	139	1,039,185
Total	11,941,448	972	11,367,101	200,123	44,833	1,459,043	4,957,518	219,351	1,931	3,01,92,320

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Particulars	FOR THE YEAR ENDED MARCH 31, 2021									Total
	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Employees remuneration and welfare benefits [Refer to Note II (8), (9) & (25) on Schedule 16]	6,505,757	737	6,048,707	91,565	81,819	501,082	2,818,744	155,101	847	16,204,359
Travel, conveyance and vehicle running expenses	117,225	17	96,372	1,664	1,295	9,234	47,876	2,687	13	276,383
Training expenses	318,040	-	405,301	7,391	4,172	32,535	122,559	5,160	-	895,158
Rent, rates & taxes	351,753	23	324,299	5,668	4,871	28,435	140,768	8,365	43	864,225
Repairs	133,775	19	123,038	2,155	1,830	10,476	52,029	3,076	14	326,412
Printing and stationery	27,289	2	26,578	469	362	2,330	10,891	630	-	68,551
Communication expenses	362,399	58	174,430	2,647	4,120	19,507	157,816	12,201	110	733,288
Legal & professional charges	140,398	26	120,379	2,094	1,721	10,968	55,544	3,366	19	334,515
Medical fees	20,638	-	350,408	3	88	-	13,186	14	-	384,337
Auditors' fees, expenses etc :	-	-	-	-	-	-	-	-	-	-
(a) as auditor	3,460	-	3,702	67	72	290	1,335	105	-	9,031
(b) as advisor or in any other capacity, in respect of :	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	189	-	100	2	3	18	86	2	-	400
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-
- Certification	2,045	-	1,373	24	11	146	863	38	-	4,500
- Out of pocket expenses	615	-	413	7	3	44	260	12	-	1,354
Advertisement and publicity	1,280,396	-	1,560,659	28,738	10,339	140,898	494,572	19,090	-	3,534,692
Interest and bank charges	88,689	35	44,575	757	1,008	4,933	41,856	3,247	40	185,140
Others:	-	-	-	-	-	-	-	-	-	-
Rates and taxes	52,364	6	40,523	707	573	3,378	17,467	1,054	5	116,077
Goods and Service Tax	29,790	5	26,209	452	286	2,560	-	-	-	59,302
Information technology maintenance expenses	310,991	17	194,561	3,162	3,904	19,449	130,221	9,561	81	671,947
Board Meetings expenses	4,483	-	3,968	69	56	362	1,812	110	-	10,860
Recruitment (including Agent advisors)	89,267	6	89,396	1,597	838	8,375	34,938	1,599	4	226,020
Electricity ,water and utilities	60,456	9	54,989	976	626	5,404	24,305	1,390	7	148,162
Insurance	41,529	8	36,457	641	497	3,398	16,443	1,036	6	100,015
Policy issuance and servicing costs	200,201	29	423,285	1,820	7,257	232,135	98,716	4,470	39	967,952
(Profit)/Loss on fluctuation in foreign exchange	927	-	203	1	11	36	392	38	-	1,608
Other miscellaneous expenses	12,156	-	9,095	161	100	814	4,001	231	-	26,558
Depreciation (Refer to Schedule 10)	386,265	65	261,882	4,336	4,812	25,500	161,069	11,392	88	855,409
Total	10,541,097	1,062	10,420,902	157,173	130,674	1,062,307	4,447,749	243,975	1,316	27,006,255

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(All Amounts in Thousands of Indian Rupees)

SCHEDULE 4
BENEFITS PAID [NET]

Particulars	FOR THE YEAR ENDED MARCH 31, 2022									
	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Insurance Claims *										
(a) Claims by death,	6,909,172	1,264	13,649,712	87,702	6,802	8,006,815	2,876,033	162,588	33	317,00,121
(b) Claims by Maturity,	4,441,450	29,536	1,120,603	-	-	-	3,625,424	290,896	151,042	9,658,951
(c) Annuities/ Pension payment,	-	-	-	309,151	-	-	-	-	-	309,151
(d) Other benefits										
Surrenders	13,535,997	22,364	2,488,440	27,322	-	274,627	27,609,684	3,738,384	43,046	47,739,864
Health	211,360	-	320,212	-	80,389	15,442	1,000	-	-	628,403
Survival Benefit	913,624	-	1,559,690	-	-	-	-	-	-	2,473,314
Bonus to Policyholders	11,798,798	14,116	-	-	-	-	-	-	-	118,12,914
Others	316,880	3	16,974	104	58	1,603	204,300	1,548	-	541,470
Total paid	38,127,281	67,283	19,155,631	424,279	87,249	8,298,487	34,316,441	4,193,416	194,121	104,864,188
(Amount ceded in re-insurance) :										
(a) Claims by death,	(450,409)	-	(8,671,984)	-	-	(2,725,672)	(206,438)	(2,725)	-	(12,057,228)
(b) Claims by Maturity,	-	-	-	-	-	-	-	-	-	-
(c) Annuities/ Pension payment,	-	-	-	-	-	-	-	-	-	-
(d) Other benefits - Health	-	-	(900)	-	(71,388)	-	-	-	-	(72,288)
Total ceded	(450,409)	-	(8,672,884)	-	(71,388)	(2,725,672)	(206,438)	(2,725)	-	(12,129,516)
Amount accepted in re-insurance :										
(a) Claims by death,	-	-	-	-	-	-	-	-	-	-
(b) Claims by Maturity,	-	-	-	-	-	-	-	-	-	-
(c) Annuities/ Pension payment,	-	-	-	-	-	-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-	-
Total accepted	-	-	-	-	-	-	-	-	-	-
Net Paid	37,676,872	67,283	10,482,747	424,279	15,861	5,572,815	34,110,003	4,190,691	194,121	92,734,672
Benefits paid in India	37,676,872	67,283	10,482,747	424,279	15,861	5,572,815	34,110,003	4,190,691	194,121	92,734,672
Benefits paid Outside India	-	-	-	-	-	-	-	-	-	-

* Including claim investigation expenses amounting to Rs.31,814

Particulars	FOR THE YEAR ENDED MARCH 31, 2021									
	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
Insurance Claims *										
(a) Claims by death,	4,061,748	1,444	3,709,786	45,090	8,606	3,961,689	1,598,631	106,408	23	13,493,425
(b) Claims by Maturity,	2,324,648	30,314	12,86,358	-	-	-	4,728,708	529,515	111,029	9,010,572
(c) Annuities/ Pension payment,	-	-	-	185,351	-	-	-	-	-	185,351
(d) Other benefits										
Surrenders	10,947,313	25,071	2,103,573	9,575	-	203,140	19,991,957	3,607,475	26,968	36,915,072
Health	43,889	-	132,431	-	71,625	18,014	100	-	-	266,059
Survival Benefit	768,498	-	1,076,641	-	-	-	-	-	-	1,845,139
Bonus to Policyholders	11,417,460	13,605	-	-	-	-	-	-	-	11,431,065
Others	1,68,290	-	16,172	2	24	69	122,301	36	-	306,894
Total paid	29,731,846	70,434	8,324,961	240,018	80,255	4,182,912	26,441,697	4,243,434	138,020	73,453,577
(Amount ceded in re-insurance) :										
(a) Claims by death,	(289,045)	-	(1,940,107)	-	-	(1,079,275)	(93,129)	-	-	(3,401,556)
(b) Claims by Maturity,	-	-	-	-	-	-	-	-	-	-
(c) Annuities/ Pension payment,	-	-	-	-	-	-	-	-	-	-

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Particulars	FOR THE YEAR ENDED MARCH 31, 2021									
	Participating Policies (Non-Linked)		Non-Participating Policies (Non-Linked)				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Linked Individual	Linked Pension	Linked Group	
(d) Other benefits - Health	-	-	(1,200)	-	(68,608)	-	-	-	-	(69,808)
Total ceded	(289,045)	-	(1,941,307)	-	(68,608)	(1,079,275)	(93,129)	-	-	(3,471,364)
Amount accepted in re-insurance :										
(a) Claims by death,	-	-	-	-	-	-	-	-	-	-
(b) Claims by Maturity,	-	-	-	-	-	-	-	-	-	-
(c) Annuities/ Pension payment,	-	-	-	-	-	-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-	-
Total accepted	-	-	-	-	-	-	-	-	-	-
Net Paid	29,442,801	70,434	6,383,654	240,018	11,647	3,103,637	26,348,569	4,243,434	138,020	69,982,213
Benefits paid in India	29,442,801	70,434	6,383,654	240,018	11,647	3,103,637	26,348,569	4,243,434	138,020	69,982,213
Benefits paid Outside India	-	-	-	-	-	-	-	-	-	-

* Including claim investigation expenses amounting to Rs.16,864

SCHEDULE 5 : SHARE CAPITAL

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Authorised Capital		
3,000,000,000 (March 31, 2021: 3,000,000,000) Equity Shares of Rs 10 each	30,000,000	30,000,000
Issued Capital		
1,918,812,856 (March 31, 2021: 1,918,812,856) Equity Shares of Rs 10 each	19,188,129	19,188,129
Subscribed Capital		
1,918,812,856 (March 31, 2021: 1,918,812,856) Equity Shares of Rs 10 each	19,188,129	19,188,129
Called up Capital		
1,918,812,856 (March 31, 2021: 1,918,812,856) Equity Shares of Rs 10 each	19,188,129	19,188,129
Less: Calls unpaid	-	-
Add : Shares forfeited (Amount originally paid up)	-	-
Add : Shares application money pending allotment	-	-
Less: Par value of Equity Shares bought back	-	-
Less: Preliminary Expenses	-	-
Expenses including commission or brokerage on underwriting or subscription of shares		
Total	19,188,129	19,188,129

Of the above 1,570,230,113 (March 31, 2021: 1,742,961,644) equity shares of Rs 10 each fully paid up are held by Max Financial Services Limited (the holding company) and its nominees.

SCHEDULE 5A : PATTERN OF SHAREHOLDING (as certified by Management)

Particulars	AS AT MARCH 31, 2022		AS AT MARCH 31, 2021	
	Number of Shares of Rs 10 each fully paid up	% of Holding	Number of Shares of Rs 10 each fully paid up	% of Holding
Shareholder				
Promoters				
- Indian	1,819,675,783	94.83%	1,800,526,029	93.83%
- Foreign	-	-	-	-
Others				
- Indian	500	0.00%	19,150,254	1.00%
- Foreign	99,136,573	5.17%	99,136,573	5.17%
Total	1,918,812,856	100%	1,918,812,856	100%

SCHEDULE 6: RESERVES AND SURPLUS

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Capital Reserve	-	-
Capital Redemption Reserve	258,784	258,784
Share Premium	-	-
Opening Balance	680,913	680,913
Add / (less) : Amount utilised for Subordinate Debt expenses [Refer Note II (42) on Schedule 16]	(19,178)	-
Closing Balance	661,735	680,913
Revaluation Reserve	-	-
General Reserve :	-	-
Add: Transfer from / (to) Profit and Loss Appropriations	-	-
Less: Debit balance in Profit and Loss Account, if any	-	-
Less: Amount utilised for Buy-back	-	-
Catastrophe Reserve	-	-
Other Reserves	-	-
Realised Hedge Reserves [Refer to Note II (40) on Schedule 16]	1,320,494	1,232,131
Debenture Redemption Reserve	99,200	-
Balance of profit in Profit and Loss Account	10,419,308	8,417,257
Total	12,759,521	10,589,085

SCHEDULE 7 : BORROWINGS

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Debentures/ Bonds [Refer to Note II (41) on Schedule 16]	4,960,000	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	4,960,000	-

SCHEDULE 8 : INVESTMENTS-SHAREHOLDERS

[Refer to Note II (7) on Schedule 16]

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
LONG TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	6,304,456	1,441,223
Other Approved Securities	7,387,097	6,150,369
Other investments		
(a) Shares		
(aa) Equity	1,714,010	1,366,857
(bb) Preference Shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	814,887	1,739,224
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	913,913	913,913
Investments in Infrastructure and Social Sector	7,736,470	7,191,475
Other Investments		
Debentures/ Bonds	10,200,000	10,200,000
Equity Shares	134,499	115,207
SHORT TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	202,084	175,505
Other Approved Securities	88,974	170,050

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Other investments	-	-
(a) Shares	-	-
(aa) Equity	-	-
(bb) Preference Shares	-	-
(b) Mutual Funds	1,800,231	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	-	-
(e) Other Securities	-	-
Commercial Paper	6,240,014	-
Certificate of Deposits	241,128	-
Deposits with Bank	509,000	509,000
TREPS/Reverse Repo	5,929,812	6,915,753
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	1,260,397	1,595,152
Other Investments	-	-
Total	51,476,972	38,483,728
In India	51,476,972	38,483,728
Outside India	-	-
Total	51,476,972	38,483,728

Notes:

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(1) (i) Investment in Holding company / Subsidiary at cost	-	-
(ii) Investment in Associate / Joint Venture at cost	1,664,154	-
(iii) Fixed Deposits towards margin requirement for equity trade settlement:		
(a) Deposited with National Securities Clearing Corporation Limited (NSCCL)	-	-
(b) Deposited with Indian Clearing Corporation Limited (ICCL)	-	-
(iv) Equity shares includes shares transferred under securities lending and borrowing scheme (SLB) where the Company retains all the associated risk and rewards on these securities.	-	-
(v) Investment made out of catastrophe reserve	-	-
(2) (i) Aggregate Amount of Investments other than listed equity securities	49,515,712	36,766,666
(ii) Aggregate Market Value of Investments other than listed equity securities	48,538,845	36,083,006

SCHEDULE 8A : INVESTMENTS-POLICYHOLDERS

[Refer to Note II (7) on Schedule 16]

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
LONG TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	380,971,259	322,227,324
Other Approved Securities	64,971,400	60,395,028
Other investments		
(a) Shares		
(aa) Equity	57,206,079	35,055,956
(bb) Preference shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	7,909,719	8,131,762
(e) Other Securities	-	-

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	9,297,963	8,375,801
Investments in Infrastructure and Social Sector	105,983,532	93,772,886
Other Investments		
Debentures/ Bonds	5,000,000	5,000,000
Equity Shares	9,305,304	5,309,532
Alternate Investment Funds	1,163,126	640,196
Investments in Infrastructure and Social Sector	175,665	5,481
SHORT TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	1,159,752	7,557,018
Other Approved Securities	681,740	644,447
Other investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference shares	-	-
(b) Mutual Funds	5,400,609	12,400,878
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	897,714	150,000
(e) Other Securities		
Commercial Paper	12,234,908	-
TREPS/ Reverse Repo	19,009,142	20,192,656
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	7,819,185	1,987,584
Other Investments	-	-
Total	689,187,097	581,846,549
In India	689,187,097	581,846,549
Outside India	-	-
Total	689,187,097	581,846,549

Notes:

	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(1) (i) Investment in Holding company / Subsidiary at cost	-	-
(ii) Investment in Associate / Joint Venture at cost	4,654,981	-
(iii) Fixed Deposits towards margin requirement for equity trade settlement:		
(a) Deposited with National Securities Clearing Corporation Limited (NSCCL)	-	-
(b) Deposited with Indian Clearing Corporation Limited (ICCL)	-	-
(iv) Equity shares includes shares transferred under securities lending and borrowing scheme (SLB) where the Company retains all the associated risk and rewards on these securities.	221,759	-
(v) Investment made out of catastrophe reserve	-	-
(2) (i) Aggregate Amount of Investments other than listed equity securities	615,150,953	536,621,731
(ii) Aggregate Market Value of Investments other than listed equity securities	630,966,011	570,583,674

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

SCHEDULE 8B

ASSETS HELD TO COVER LINKED LIABILITIES

[Refer to Note II (7) on Schedule 16]

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
LONG TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	39,885,297	42,809,356
Other Approved Securities	15,641,753	20,412,976
Other investments		
(a) Shares	-	-
(aa) Equity	132,396,966	113,146,750
(bb) Preference shares	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	7,814,238	7,530,900
(e) Other Securities	-	-
Deposits with Banks	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	30,663,530	25,755,404
Other Investments		
Debentures/ Bonds	4,611,476	4,546,251
Equity Shares	12,925,576	10,178,368
Investments in Infrastructure and Social Sector	2,171,443	-
SHORT TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	14,681,229	13,134,474
Other Approved Securities	7,072,874	1,447,730
Other investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference shares	-	-
(b) Mutual Funds	-	1,800,133
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	832,643	504,769
(e) Other Securities	-	-
Commercial Paper	2,414,604	248,040
Certificate of Deposits	3,834,962	247,946
Deposits with Bank	-	100,000
TREPS/ Reverse Repo	33,610,573	33,200,661
CBLO	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
(h) Exchange Traded Funds	-	-
Investments in Infrastructure and Social Sector	3,167,899	1,276,701
Other Investments		
Debentures/ Bonds	-	6,070
Mutual Funds	-	-
Investments in Infrastructure and Social Sector	0	377,684
Exchange Traded Funds	16,082,320	12,609,587
Net Current Assets	6,624,374	(5,597,628)
Total	334,431,757	283,736,172
In India	334,431,757	283,736,172
Outside India	-	-
Total	334,431,757	283,736,172

Notes:

	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
(1) (i) Investment in Holding company / Subsidiary at cost	-	-
(ii) Investment in Associate / Joint Venture at cost	1,841,934	-
(iii) Fixed Deposits towards margin requirement for equity trade settlement:		
(a) Deposited with National Securities Clearing Corporation Limited (NSCCL)	-	-
(b) Deposited with Indian Clearing Corporation Limited (ICCL)	-	-
(iv) Equity shares includes shares transferred under securities lending and borrowing scheme (SLB) where the Company retains all the associated risk and rewards on these securities.	52,348	-
(v) Investment made out of catastrophe reserve	-	-

SCHEDULE 9 : LOANS

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
SECURITY -WISE CLASSIFICATION		
Secured		
(a) On mortgage of property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities, etc.	-	-
(c) Loans against policies	6,660,716	5,322,246
(d) Others	-	-
Unsecured	-	-
Total	6,660,716	5,322,246
BORROWER-WISE CLASSIFICATION		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Companies	-	-
(e) Loans against policies	6,660,716	5,322,246
(f) Others	-	-
Total	6,660,716	5,322,246
PERFORMANCE-WISE CLASSIFICATION		
(a) Loans classified as standard		
(aa) In India	6,660,716	5,322,246
(bb) Outside India	-	-
(b) Non-standard loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
Total	6,660,716	5,322,246
MATURITY- WISE CLASSIFICATION		
(a) Short Term	167,428	142,252
(b) Long Term	6,493,288	5,179,994
Total	6,660,716	5,322,246

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

SCHEDULE 10 : FIXED ASSETS [Refer to Note II (38) on Schedule 16]

(All Amounts in Thousands of Indian Rupees)

Particulars	Cost/Gross Block			Depreciation			Net Block	
	As At April 1, 2021	Additions	Deductions	As At March 31, 2022	As At April 1, 2021	For the Year Adjustments	As At March 31, 2022	As At March 31, 2021
Goodwill	-	-	-	-	-	-	-	-
Intangibles - Software	5,288,542	1,046,049	22,500	6,312,091	4,107,960	786,025	4,871,485	1,180,582
Land-Freehold	-	-	-	-	-	-	-	-
Leasehold Property	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Furniture and fixtures	422,679	4,638	24,402	402,915	319,944	18,517	319,560	102,735
Information Technology equipment (Including communication networks and servers)	1,404,991	212,390	86,746	1,530,635	1,192,549	110,631	1,216,755	212,442
Vehicles	30,524	11,000	3,000	38,524	23,812	2,733	23,545	6,712
Office equipment	590,387	33,400	46,685	577,102	475,628	38,651	469,478	114,759
Others - Leasehold improvements	1,476,934	47,819	37,574	1,487,179	1,106,685	82,628	1,156,828	370,249
Total	9,214,057	1,355,296	220,907	10,348,446	7,226,578	1,039,185	8,057,651	1,987,479
Capital Work in Progress (including Capital advances)	-	-	-	-	-	-	-	225,737
Grand Total	9,214,057	1,355,296	220,907	10,348,446	7,226,578	1,039,185	8,057,651	2,213,216
Previous Year (FY 20-21)	8,681,522	783,276	250,741	9,214,057	6,614,297	855,409	7,226,578	2,213,216

Note:

- Internally generated Intangibles is Rs. NIL. (March 31, 2021 - Rs. NIL)
- Asset disclosed above excludes Investment properties as defined in note (g) to Schedule 8 & Schedule 8A.

SCHEDULE 11 : CASH AND BANK BALANCES

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Cash [Including Insurance Stamp Rs.50,821 (March 31, 2021: Rs. 47,600) and Cheques in hand of Rs. 661,949 (March 31, 2021 : Rs. 610,999)]	725,962	675,449
Bank Balances*		
(a) Deposit accounts	-	-
(aa) Short-term fixed deposit (i.e maturing in 12 months)	-	-
(bb) Others	-	-
(b) Current accounts	5,890,897	5,116,893
(c) Others	-	-
Money at call and short notice	-	-
(a) With Banks	-	-
(b) With other Institutions	-	-
Others	-	-
Total	6,616,859	5,792,342
Cash & Bank Balance		
In India	6,616,859	5,792,342
Outside India	-	-
Total	6,616,859	5,792,342

*Bank Balances with non-scheduled bank included in (b) above is Rs Nil (March 31, 2021 Rs Nil)

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

SCHEDULE 12 : ADVANCES AND OTHER ASSETS

Particulars	AS AT MARCH 31, 2022		AS AT MARCH 31, 2021	
ADVANCES				
Reserve deposit with ceding companies		-		-
Application money for investments		400		-
Prepayments		222,867		262,072
Advances to Directors / Officers		-		-
Advance tax paid and taxes deducted at source (Net of provision for taxation)		241,618		166,939
Others:				
Advances to suppliers	402,925		484,185	
Less : Provision for doubtful advances	50,893	352,032	52,442	431,743
Advances to employees for imprest, travel, etc.	48,080		29,001	
Less : Provision for doubtful advances	28,468	19,612	19,052	9,949
Total (A)		836,529		870,703
OTHER ASSETS				
Income accrued on investments		12,151,370		10,896,515
Outstanding premiums		6,771,593		6,080,118
Agents' balances	63,340		66,790	
Less : Provision for doubtful agents' balances	43,381	19,959	51,541	15,249
Foreign agencies balances		-		-
Due from other entities carrying on insurance business (including reinsurers)	3,721,573		1,558,896	
Less : Provision for doubtful balances	25,000	3,696,573	-	1,558,896
Due from holding company		-		-
Deposits with Reserve Bank of India		-		-
Others:				
- Security and other deposits		508,993		512,438
- Outstanding trades - Investment		1,830,652		1,080,008
- Receivable from Unit Linked Fund		502,201		426,994
- Derivative Assets		291,696		674,906
- Derivative margin money investment		2,047,002		639,384
- Asset held for unclaimed amount [Refer to Note II (32) on Schedule 16]		532,858		551,422
- Income on unclaimed fund [Refer to Note II (32) on Schedule 16]		16,738		16,963
- Service Tax Deposits		46,799		44,527
- Income Tax Deposits		319,258		319,258
Total (B)		28,735,692		22,816,678
Total (C) = (A) + (B)		29,572,221		23,687,381

SCHEDULE 13 : CURRENT LIABILITIES

(All Amounts in Thousands of Indian Rupees)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Agents balances	2,270,040	1,984,840
Balance due to other insurance companies	377,608	37,072
Deposits held on reinsurance ceded	-	-
Premium received in advance	255,677	175,737
Unallocated premium	3,523,747	3,826,457
Sundry creditors	12,038,788	10,100,032
Due to holding company	135,456	150,233
Claims outstanding (includes pending investigation) [Refer to Note II (14) on Schedule 16]	8,075,068	4,201,736
Annuities due	-	-
Due to Officers/ Directors	-	-
Unclaimed amount- Policyholders [Refer to Note II (32) on Schedule 16]	532,858	551,422
Income on unclaimed fund [Refer to Note II (32) on Schedule 16]	16,738	16,963
Others:		
-Proposal / Policyholder deposits	2,421,850	2,584,601
-Withholding tax deducted at source	425,192	523,400
-GST liability (Net)	840,364	626,146
-Other statutory liabilities	89,003	88,362
-Derivative Liability	2,490,274	547,074
-Interest on Subordinated Debt [Refer to Note II (41) on Schedule 16]	245,622	-
-Payable for purchase of investments	3,105,826	2,789,529
-Derivative margin money	-	223,830
Total	36,844,111	28,427,434

SCHEDULE 14 : PROVISIONS

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
For taxation (less payments and taxes deducted at source)	32	13,221
For proposed dividends	-	-
Bonus payable to Policyholders	-	-
Others		
- Gratuity	64,485	85,416
- Compensated absences	305,803	327,244
Total	370,320	425,881

SCHEDULE 15 : MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Particulars	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
Discount Allowed in issue of shares/ debentures	-	-
Others:	-	-
Total	-	-

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED

IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(All Amounts in Thousands of Indian Rupees)

Particulars	FOR THE YEAR ENDED MARCH 31, 2022	FOR THE YEAR ENDED MARCH 31, 2021
Cash flows from operating activities		
Premium received from policyholders, including advance receipts	223,219,753	194,467,880
Other receipts	514,731	534,902
Payments to the re-insurers, net of commissions and claims	6,060,435	(333,715)
Payment to co-insurers, net of claims recovery	-	-
Payments of claims	(101,028,652)	(73,131,214)
Payments of commission and brokerage	(13,739,464)	(11,764,930)
Payments of other operating expenses	(27,861,198)	(23,071,286)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	96,847	154,309
Income taxes paid (Net)	(390,822)	199,021
GST paid	(1,756,587)	(1,500,137)
Other payments	-	-
Cash flows before extraordinary items	85,115,042	85,554,829
Cash flow from extraordinary operations	-	-
Net cash flow from operating activities	85,115,042	85,554,829
Cash flows from investing activities		
Purchase of fixed assets	(1,279,472)	(814,118)
Proceeds from sale of fixed assets	7,747	6,590
Purchases of investments	(1,314,911,699)	(910,684,271)
Loans disbursed	-	-
Loans against policies	(1,338,470)	(1,057,762)
Sales of investments	11,98,916,122	831,772,410
Repayments received	-	-
Rents/Interests/ Dividends received	52,456,534	45,191,102
Investments in money market instruments and in liquid mutual funds (Net)	(21,316,323)	(46,260,391)
Expenses related to investments	(19,659)	19,663
Net cash used in investing activities	(87,485,218)	(81,826,775)
Cash flows from financing activities		
Proceeds from issuance of share capital	-	-
Proceeds from borrowing	4,960,000	-
Repayments of borrowing	-	-
Interest/dividends paid	(1,765,308)	(1,995,565)
Net cash flow from financing activities	-	-
Net cash flow from financing activities	3,194,692	(1,995,565)
Effect of foreign exchange rates on cash and cash equivalents, net	-	-
Net increase/(decrease) in cash and cash equivalents	824,516	1,732,489
Cash and cash equivalents at beginning of year	5,792,342	4,059,852
Cash and cash equivalents at end of year	6,616,859	5,792,342

Cash and Cash Equivalents

Reconciliation of Cash and Cash Equivalents with Cash and Bank Balance (Schedule-11):	FOR THE YEAR ENDED MARCH 31, 2022	FOR THE YEAR ENDED MARCH 31, 2021
Cash in hand	13,192	16,849
Stamps in hand	50,821	47,601
Cheques in hand	661,949	610,999
Balance with banks	-	-
- Current Account (including Remittances in Transit)	5,890,897	5,116,893
	-	-
Total	6,616,859	5,792,342

Previous year / period figures have been regrouped where necessary to conform to current period's classification.
In terms of our report attached

In terms of our report attached
For and on behalf of the Board of Directors of Max Life Insurance Company Limited

For Fraser & Ross
Chartered Accountants
ICAI Firm Registration
No. 000829S

For BK Khare & Co
Chartered Accountants
ICAI Firm Registration
No. 105102W

Analjit Singh
Chairman
DIN: 00029641

Prashant Tripathy
Managing Director & CEO
and Principal Officer

Jose John
Appointed Actuary
PAN: ASXPS1781R

Amrit Singh
Chief Financial Officer
DIN: 08260516

Satpal Singh Arora
Partner
Membership No. 098564

Padmini Khare Kaicker
Partner
Membership No:044784

Prashant Tripathy
Director
DIN: 08260516

V.Viswanand
Director
DIN: 08260553

Anurag Chauhan
Company Secretary
Membership No: F9899

Place: New Delhi
Date: May 10, 2022

Place: New Delhi
Date: May 10, 2022

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

ANNEXURE TO REVENUE ACCOUNT-BREAK UP OF UNIT LINKED BUSINESS (UL) NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000 REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022 POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

(All Amounts in Thousands of Indian Rupees)

Particulars Schedule	Linked Life		Linked Pension		Linked Group		Total Unit Linked
	Non-Unit	Unit	Total	Non-Unit	Unit	Total	
	(1)	(2)	(3)=(1) + (2)	(4)	(5)	(6)=(4) + (5)	(7) (8) (9)=(7) + (8) (10)=(3)+(6)+(9)
Premiums earned – net							
(a) Premium	2,618,833	60,577,324	63,196,157	41,422	2,385,184	2,426,606	313,823 659,36,586
(b) Reinsurance ceded	(92,538)	-	(92,538)	(153)	-	(153)	- (92,691)
(c) Reinsurance Accepted	-	-	-	-	-	-	- -
	2,526,295	60,577,324	63,103,619	41,269	2,385,184	2,426,453	313,823 65,843,895
Income from Investments							
(a) Interest, Dividend & Rent - Gross	188,284	9,089,971	9,278,255	15,839	842,661	858,500	- 81,249 10,218,004
(b) Profit on sale/redemption of investments	4,062	42,669,765	42,673,827	-	3,318,438	3,318,438	- 62,259 46,054,524
(c) Loss on sale/redemption of investments	(26)	(12,472,078)	(12,472,104)	-	(841,154)	(841,154)	- (21,919) (13,335,177)
(d) Unrealised gain/(loss)	-	(7,814,561)	(7,814,561)	-	(1,023,585)	(1,023,585)	- (22,328) (8,860,474)
Other income:							
(a) Linked Income	7,212,214	(7,212,214)	-	354,333	(354,333)	-	(213) 213 -
(b) Contribution from the Shareholders' Account	-	-	-	155,748	-	155,748	- - 155,748
(c) Others	5,557	-	5,557	170	-	170	2 - 5,729
TOTAL (A)	9,936,388	84,838,205	94,774,593	567,359	4,327,211	4,894,570	(211) 413,297 413,086 100,082,249
Commission Paid	2,578,730	-	2,578,730	71,563	-	71,563	16 - 2,650,309
Operating Expenses related to Insurance Business	4,957,518	-	4,957,518	219,352	-	219,352	1,931 - 5,178,801
Provision for doubtful debts	1,731	-	1,731	(45)	-	(45)	1 - 1,687
Bad debts written off	4,590	-	4,590	56	-	56	- - 4,646
Goods & Service Tax	17,629	1,793,787	1,811,416	845	71,208	72,053	- 1,119 1,884,588
Provision (other than taxation)							
(a) For diminution in the value of investments (Net)	-	481,037	481,037	-	32,051	32,051	- - 513,088
(b) Others							

(All Amounts in Thousands of Indian Rupees)

Particulars Schedule	Linked Life		Linked Pension			Linked Group			Total Unit Linked
	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	
	(1)	(2)	(3)=(1) + (2)	(4)	(5)	(6)=(4) + (5)	(7)	(8)	(9)=(7) + (8)
TOTAL (B)	7,560,198	2,274,824	9,835,022	291,771	103,259	395,030	1,948	1,119	10,233,119
Benefits Paid (Net)	1,981,066	321,28,937	34,110,003	9,789	4,180,902	4,190,691	33	194,088	38,494,815
Interim Bonus Paid	-	-	-	-	-	-	-	-	-
Change in Valuation Liability	(467,670)	50,434,444	49,966,774	(52,328)	43,050	(9,278)	(2,348)	218,090	50,173,238
TOTAL (C)	1,513,396	82,563,381	84,076,777	(42,539)	4,223,952	4,181,413	(2,315)	412,178	88,668,053
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)	862,794	-	862,794	318,128	-	318,128	156	-	1,181,077
APPROPRIATIONS									
Transfer to Shareholders' Account	862,794	-	862,794	318,128	-	318,128	156	-	1,181,077
Funds available for future appropriations	-	-	-	-	-	-	-	-	-
Total (D)	862,794	-	862,794	318,128	-	318,128	156	-	1,181,077

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021 Policyholders' Account (Technical Account)

(All Amounts in Thousands of Indian Rupees)

Particulars	Schedule	Linked Life		Linked Pension			Linked Group		Total Unit Linked		
		Non-Unit (1)	Unit (2)	Total (3)=(1) + (2)	Non-Unit (4)	Unit (5)	Total (6)=(4) + (5)	Non-Unit (7)		Unit (8)	Total (9)=(7) + (8)
Premiums earned – net											
(a) Premium		2,221,772 (99,559)	53,519,398	55,741,170 (99,559)	43,807 (299)	2,584,813	2,628,620 (299)	-	452,181	452,181	588,21,971 (99,858)
(b) Reinsurance ceded		-	-	-	-	-	-	-	-	-	-
(c) Reinsurance Accepted		-	-	-	-	-	-	-	-	-	-
Income from Investments		2122,213	53,519,398	55,641,611	43,508	2,584,813	2,628,321	-	452,181	452,181	58,722,113
(a) Interest, Dividend & Rent - Gross		209,996	7,401,003	7,610,999	18,211	786,238	804,449	-	54,858	54,858	8,470,306
(b) Profit on sale/redemption of investments		169	38,900,321	38,900,490	1	2,710,335	2,710,336	1	63,540	63,541	41,674,367
(c) Loss on sale/redemption of investments		-	(11,149,112)	(11,149,112)	-	(869,170)	(869,170)	-	(23,843)	(23,843)	(12,042,125)
(d) Unrealised gain/(loss)		-	33,185,500	33,185,500	(1)	2,288,367	2,288,366	-	54,227	54,227	35,528,093
Other income:											
(a) Linked Income	UL1	6,070,423	(6,070,423)	-	333,721	(333,721)	-	3,864	(3,864)	-	-
(b) Contribution from the Shareholders' Account		-	-	-	171,755	-	171,755	-	-	-	171,755
(c) Others		5,308	-	5,308	431	-	431	6	-	6	5,745
TOTAL (A)		8,408,110	115,786,686	124,194,796	567,626	7,166,862	7,734,488	3,871	597,099	600,970	132,530,254
Commission Paid		2,182,024	-	2,182,024	72,581	-	72,581	8	-	8	2,254,613
Operating Expenses related to Insurance Business		4,447,749	-	4,447,749	243,975	-	243,975	1,316	-	1,316	4,693,040
Provision for doubtful debts		4,286	-	4,286	402	-	402	-	-	-	4,688
Bad debts written off		5,556	-	5,556	120	-	120	1	-	1	5,677
Goods and Service Tax		-	1,570,618	1,570,618	-	70,936	70,936	-	770	770	1,642,324
Provision (other than taxation)		-	-	-	-	-	-	-	-	-	-
(a) For diminution in the value of investments (Net)		-	193,277	193,277	-	(1,607)	(1,607)	-	(3,337)	(3,337)	188,333
(b) Others											
TOTAL (B)		6,639,615	1,763,895	8,403,510	317,078	69,329	386,407	1,325	(2,567)	(1,242)	8,788,675
Benefits Paid (Net)	UL2	1,101,690	25,246,878	26,348,568	2,918	4,240,517	4,243,435	23	137,997	138,020	30,730,023
Interim Bonus Paid											
Change in Valuation Liability		(65,583)	88,775,914	88,710,331	(43,783)	2,857,016	2,813,232	916	461,669	462,585	91,986,148
TOTAL (C)		1,036,107	114,022,792	115,058,899	(40,865)	7,097,533	7,056,667	939	599,666	600,605	122,716,171
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)		732,387	-	732,387	291,414	-	291,414	1,607	-	1,607	1,025,407
APPROPRIATIONS											
Transfer to Shareholders' Account		732,386	-	732,387	291,414	-	291,414	1,607	-	1,607	1,025,407
Funds available for future appropriations		-	-	-	-	-	-	-	-	-	-
Total (D)		732,386	-	732,386	291,414	-	291,414	1,607	-	1,607	1,025,407

Schedules to Annexure to Revenue Account (UL) forming part of Financial Statements
NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

(All Amounts in Thousands of Indian Rupees)

Schedule-UL1 : Linked Income (recovered from linked funds)*

Particulars	FOR THE YEAR ENDED MARCH 31, 2022			
	Life Linked Unit	Pension Linked Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4)= (1)+(2)+(3)
Fund Administration charges	-	-	-	-
Fund Management charge	3,246,219	273,037	6,139	3,525,395
Policy Administration charge	1,884,425	75,020	-	1,959,444
Surrender charge	178,277	5,098	-	183,375
Switching charge	(11)	-	-	(11)
Mortality charge	2,018,905	2,021	-	2,020,926
Rider Premium charge	-	-	-	-
Partial withdrawal charge	-	-	-	-
Miscellaneous charge	(115,601)	(843)	(6,352)	(122,796)
TOTAL (UL-1)	7,212,214	354,333	(213)	7,566,333

* (net of GST, if any)

Schedule-UL1 Linked Income (recovered from linked funds)*

Particulars	FOR THE YEAR ENDED MARCH 31, 2021			
	Life Linked Unit	Pension Linked Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)
Fund Administration charges	-	-	-	-
Fund Management charge	2,448,493	252,646	4,232	2,705,371
Policy Administration charge	1,684,782	83,732	-	1,768,514
Surrender charge	182,571	6,321	-	188,892
Switching charge	(46)	1	-	(45)
Mortality charge	2,060,179	2,888	-	2,063,068
Rider Premium charge	-	-	-	-
Partial withdrawal charge	-	-	-	-
Miscellaneous charge	(305,556)	(11,867)	(368)	(317,791)
TOTAL (UL-1)	6,070,423	333,721	3,864	6,408,008

* (net of GST, if any)

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000 (All Amounts in Thousands of Indian Rupees)

Schedule-UL2 : BENEFITS PAID [NET]

Sl. No.	Particulars	FOR THE YEAR ENDED MARCH 31, 2022										
		Linked Life			Linked Pension			Linked Group			Total Unit Linked (10)=(3)+(6)+(9)	
		Non Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total		
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)		
1	Insurance Claims											
(a)	Claims by Death	2,008,599	867,434	2,876,033	10,966	151,622	162,588	33	-	33	3,038,654	
(b)	Claims by Maturity	-	3,625,424	3,625,424	-	290,896	290,896	-	151,042	151,042	4,067,362	
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	
(d)	Other benefits											
	- Surrender	-	27,609,684	27,609,684	-	3738,384	3,738,384	-	43,046	43,046	31,391,114	
	- Health	1,000	-	1,000	-	-	-	-	-	-	1,000	
	- Others	177,905	26,395	204,300	1,548	-	1,548	-	-	-	205,848	
	Sub Total (A)	2,187,504	32,128,937	34,316,441	12,514	4180,902	4,193,416	33	194,088	194,121	38,703,978	
2	Amount Ceded in reinsurance											
(a)	Claims by Death	(206,438)	-	(206,438)	(2,725)	-	(2,725)	-	-	-	(209,163)	
(b)	Claims by Maturity	-	-	-	-	-	-	-	-	-	-	
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	
(d)	Other benefits	-	-	-	-	-	-	-	-	-	-	
	- Surrender	-	-	-	-	-	-	-	-	-	-	
	- Survival	-	-	-	-	-	-	-	-	-	-	
	Sub Total (B)	(206,438)	-	(206,438)	(2,725)	-	(2,725)	-	-	-	(209,163)	
	TOTAL (A) - (B)	1,981,066	32,128,937	34,110,003	9,789	4,180,902	4,190,691	33	194,088	194,121	38,494,815	
	Benefits paid to claimants:											
	In India	1,981,066	32,128,937	34,110,003	9,789	4,180,902	4,190,691	33	194,088	194,121	38,494,815	
	Outside India	-	-	-	-	-	-	-	-	-	-	
	TOTAL (UL2)	1,981,066	32,128,937	34,110,003	9,789	4,180,902	4,190,691	33	194,088	194,121	38,494,815	

Schedules to Annexure to Revenue Account (UL) forming part of Financial Statements
NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000
 (All Amounts in Thousands of Indian Rupees)

Schedule-UL2 : BENEFITS PAID [NET]

Sl. Particulars No.		FOR THE YEAR ENDED MARCH 31, 2021										
		Linked Life			Linked Pension			Linked Group			Total Unit Linked	
		Non Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	(10)=(3)+(6)+(9)	(11)=(7)+(8)+(9)
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)	(10)=(3)+(6)+(9)	(11)=(7)+(8)+(9)
1	Insurance Claims											
(a)	Claims by Death	1,171,338	427,293	1,598,631	21,184	85,224	106,408	23	-	23	1,705,062	
(b)	Claims by Maturity		4,728,708	4,728,708		529,515	529,515	-	111,029	111,029	5,369,252	
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-
(d)	Other benefits											
	- Surrender	-	20,053,524	19,991,957	-	3,625,741	3,607,475	-	26,968	26,968	23,626,400	
	- Health	100		100							100	
	- Survival	-	-	-	-	-	-	-	-	-	-	-
	- Others	84,948	37,353	122,301	-	36	36	-	-	-	122,338	
	Sub Total (A)	1,194,819	25,246,878	26,441,697	2,918	4,240,517	4,243,434	23	137,997	138,020	30,823,152	
2	Amount Ceded in reinsurance											
(a)	Claims by Death	(93,129)	-	(93,129)	-	-	-	-	-	-	(93,129)	
(b)	Claims by Maturity	-	-	-	-	-	-	-	-	-	-	
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	
(d)	Other benefits											
	- Surrender	-	-	-	-	-	-	-	-	-	-	
	- Survival	-	-	-	-	-	-	-	-	-	-	
	Sub Total (B)	(93,129)	-	(93,129)	-	-	-	-	-	-	(93,129)	
	TOTAL (A) - (B)	1,101,690	25,246,878	26,348,568	2,918	4,240,517	4,243,434	23	137,997	138,020	30,730,023	
	Benefits paid to claimants:											
	In India	1,101,690	25,246,878	26,348,568	2,918	4,240,517	4,243,434	23	137,997	138,020	30,730,023	
	Outside India	-	-	-	-	-	-	-	-	-	-	
	TOTAL (UL2)	1,101,690	25,246,878	26,348,568	2,918	4,240,517	4,243,434	23	137,997	138,020	30,730,023	

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Form A-BS(UL)

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED

IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

(All Amounts in Thousands of Indian Rupees)

FUND BALANCE SHEET AS AT MARCH 31, 2022

(Continue to next page) →

Fund Names	Schedule	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN		ULIF00225/06/04LIFE BAL-ANC104	ULIF00325/06/04LIFE CONS-ER104	ULIF00125/06/04LIFE GROWTH104	ULIF00425/06/04LIFE SECURE104	ULIF01108/02/07LIFE GRW-SUP104	ULIF01311/02/08LIFE HIGH-GR104	ULIF01425/03/08LIFE DYNOPP104	ULIF01004/10/06AMSRGUA-DYN104	ULIF00904/10/06AMSR-GUAINC104	ULIF01528/04/09LIFE MON-EYM104	ULIF02301/01/20LIFE MON-MK2104	ULIF02201/01/20LIFE DIVEQF104	ULIF02401/01/20LIFE DYN-BOF104
Sources of Funds														
Policyholders' Funds:														
Policyholder contribution	F-1	15,304,448	1,326,077	15,514,407	5,682,484	41,748,657	11,103,143	(2,468,860)	4,828	5,832	(89,935)	99,001	7,071,963	161,280
Revenue Account		18,618,469	1,248,934	71,799,686	3,790,003	63,538,301	5,301,421	8,285,644	34,193	7,808	181,079	2,411	978,264	8,690
Total		33,922,918	2,575,012	87,314,093	9,472,487	105,286,959	16,404,563	5,816,784	39,021	13,640	91,144	101,412	8,050,227	169,970
Application of Funds														
Investments	F-2	32,231,120	2,440,565	84,863,882	9,022,183	104,627,816	16,173,886	5,708,736	38,517	12,644	91,140	94,257	7,782,546	159,312
Current Assets	F-3	1,939,253	134,447	5,989,534	753,575	4,164,237	508,077	112,288	701	997	4	7,155	464,505	10,658
Less: Current Liabilities and Provisions	F-4	247,455	-	3,539,322	303,272	3,505,095	277,400	4,240	197	-	-	-	196,824	-
Net current assets		1,691,798	134,447	2,450,211	450,303	659,142	230,677	108,048	504	997	4	7,155	267,681	10,658
Total		33,922,918	2,575,012	87,314,093	9,472,487	105,286,959	16,404,563	5,816,784	39,021	13,640	91,144	101,412	8,050,227	169,970
Net Asset Value (NAV) per Unit:		57.38	45.31	78.88	37.27	54.18	56.76	36.75	28.42	26.42	19.35	10.42	17.52	10.92
(a) Net Asset as per Balance Sheet (Total Assets less Current Liabilities and Provisions) (Rs. In '000)		33,922,918	2,575,012	87,314,093	9,472,487	105,286,959	16,404,563	5,816,784	39,021	13,640	91,144	101,412	8,050,227	169,970
(b) Number of Units outstanding		591,178,016	56,824,889	1,106,864,431	254,172,324	1,943,349,398	289,021,716	158,276,524	1,373,235	516,245	4,709,308	9,734,468	459,595,115	15,567,133
(c) NAV per Unit (a)/(b) (Rs.)		57.38	45.31	78.88	37.27	54.18	56.76	36.75	28.42	26.42	19.35	10.42	17.52	10.92

Significant accounting policies and notes to the accounts 16

The Schedules referred to above form an integral part of the Fund Balance Sheet.

FUND BALANCE SHEET AS AT MARCH 31, 2021

(Continue to next page) →

Fund Names	Schedule	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN		ULIF00225/06/04LIFE BALANC104	ULIF00325/06/04LIFE CONS-ER104	ULIF00125/06/04LIFE GROWTH104	ULIF00425/06/04LIFE SECURE104	ULIF01108/02/07LIFE GRW-SUP104	ULIF01311/02/08LIFE HIGHGR104	ULIF01425/03/08LIFE DYNOPP104	ULIF01004/10/06AMSRGUA-DYN104	ULIF00904/10/06AMSR-GUAINC104	ULIF01528/04/09LIFE MON-EYM104	ULIF02301/01/20LIFE MON-MK2104	ULIF02201/01/20LIFE DIVEQF104	ULIF02401/01/20LIFE DYN-BOF104
Sources of Funds														
Policyholders' Funds:														
Policyholder contribution	F-1	18,362,689	1,561,941	17,052,177	5,401,901	32,799,496	5,451,286	(1,714,849)	10,056	3,815	(76,262)	56,326	2,550,576	102,907
Revenue Account		16,251,254	1,103,445	64,008,154	3,351,570	51,973,152	3,164,429	7,754,082	31,648	7,277	178,808	613	474,847	2,109
Total		34,613,943	2,665,386	81,060,331	8,753,471	84,772,648	8,615,715	6,039,233	41,704	11,092	102,546	56,939	3,025,423	105,016
Application of Funds														
Investments	F-2	35,442,528	2,601,112	83,310,783	9,020,983	84,265,485	8,684,548	6,306,437	41,158	10,976	102,829	56,057	2,984,242	102,605
Current Assets	F-3	1,029,655	107,950	4,646,139	592,925	4,102,187	288,221	159,652	615	151	9	882	135,061	3,520
Less: Current Liabilities and Provisions	F-4	1,858,240	43,676	6,896,591	860,437	3,595,024	357,054	426,856	69	35	292	-	93,880	1,109
Net current assets		(828,585)	64,274	(2,250,452)	(267,512)	507,163	(68,833)	(267,204)	546	116	(283)	882	41,181	2,411
Total		34,613,943	2,665,386	81,060,331	8,753,471	84,772,648	8,615,715	6,039,233	41,704	11,092	102,546	56,939	3,025,423	105,016
Net Asset Value (NAV) per Unit:		53.62	42.88	71.91	35.45	47.71	45.83	33.72	26.80	25.24	18.90	10.17	15.26	10.39
(a) Net Asset as per Balance Sheet (Total Assets less Current Liabilities and Provisions) (Rs. In '000)		34,613,943	2,665,386	81,060,331	8,753,471	84,772,648	8,615,715	6,039,233	41,704	11,092	102,546	56,939	3,025,423	105,016
(b) Number of Units outstanding		645,556,085	62,163,250	1,127,276,748	246,891,408	1,776,773,386	188,007,825	179,111,319	1,555,960	439,427	5,425,245	5,598,301	198,313,588	10,110,523
(c) NAV per Unit (a)/(b) (Rs.)		53.62	42.88	71.91	35.45	47.71	45.83	33.72	26.80	25.24	18.90	10.17	15.26	10.39

Significant accounting policies and notes to the accounts 16

The Schedules referred to above form an integral part of the Fund Balance Sheet.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(Contd.)

(Rs in 000)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS- CON104	ULIF00625/ 11/ 05PENS- BALANC104	ULIF00725/ 11/ 05PENS- CONSER104	ULIF00525/ 11/ 05PENS- GROWTH104	ULIF00825/ 11/ 05PENSSE- CURE104	ULIF01213/ 08/ 07PENSGRW- SUP104	ULIF01815/ 02/ 13PENS- PRESER104	ULIF01715/ 02/ 13PENS- MAXI104	ULIF01912/ 08/ 13PENS- DIS- CON104	ULGF00217/ 04/ 06GRATBAL- ANC104	ULGF00317/ 04/ 06GRATCON- SER104	ULGF00117/ 04/ 06GRAT- GROWTH104	ULGF00707/ 02/ 13GRAT- PLBOND104	ULGF00523/ 01/ 07SANNBAL- ANC104	ULGF00623/ 01/ 07SANNCON- SER104	ULGF00423/ 01/ 07SANN- GROWTH104	
	3964,602	33,983,283	(509,174)	(51,510)	(2,029,720)	(143,932)	(1,997,810)	1,354,982	4,899,650	2,067,209	228,855	180,859	136,720	110,502	(106)	(9,312)	(289)	137,648,131
	1,442,990	3,958,825	1,331,956	131,592	5,556,956	517,308	4,793,890	1,255,669	2,680,079	387,521	329,312	361,317	189,290	26,043	106	25,578	289	196,783,625
	5,407,592	37,942,108	822,782	80,082	3,527,236	373,377	2,796,080	2,610,650	7,579,728	2,454,730	558,167	542,176	326,009	136,545	(0)	16,266	(0)	334,431,756
	5,137,351	37,994,253	797,808	79,098	3,460,790	366,097	2,797,377	2,518,028	7,421,588	2,446,781	546,764	529,383	316,778	132,859	-	15,824	-	327,807,383
	522,981	301,089	25,708	2,525	80,264	18,279	35,202	96,775	197,065	29,006	11,403	18,249	14,688	3,686	(0)	442	0	15,442,790
	252,740	353,233	734	1,542	13,818	10,999	36,499	4,153	38,925	21,057	-	5,456	5,456	0	0	-	-	8,818,415
	270,241	(52,144)	24,974	984	66,446	7,279	(1,297)	92,622	158,140	7,948	11,403	12,793	9,232	3,686	(0)	442	0	6,624,374
	5,407,592	37,942,109	822,782	80,082	3,527,236	373,377	2,796,080	2,610,650	7,579,728	2,454,730	558,167	542,176	326,009	136,545	(0)	16,266	0	33,443,1758
	26.81	16.70	40.32	35.18	49.14	32.28	35.53	20.82	23.57	16.95	42.97	34.17	43.90	18.40	23.46	25.40	24.47	
	5,407,592	37,942,109	822,782	80,082	3,527,236	373,377	2,796,080	2,610,650	7,579,728	2,454,730	558,167	542,176	326,009	136,545	(0)	16,266	0	334,431,758
	201,684,694	2,271,741,801	20,407,601	2,276,340	71,777,345	11,568,184	78,702,187	125,370,274	321,646,076	144,844,801	12,988,610	15,866,850	7,426,738	7,420,786	-	640,425	-	
	26.81	16.70	40.32	35.18	49.14	32.28	35.53	20.82	23.57	16.95	42.97	34.17	43.90	18.40	10.00	25.40	10.00	

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS- CON104	ULIF00625/ 11/ 05PENS- BALANC104	ULIF00725/ 11/ 05PENS- CONSER104	ULIF00525/ 11/ 05PENS- GROWTH104	ULIF00825/ 11/ 05PENSSE- CURE104	ULIF01213/ 08/ 07PENS- GRWSUP104	ULIF01815/ 02/ 13PENS- PRESER104	ULIF01715/ 02/ 13PENS- MAXI104	ULIF01912/ 08/ 13PENS- DISCON104	ULGF00217/ 04/ 06GRATBAL- ANC104	ULGF00317/ 04/ 06GRATCON- SER104	ULGF00117/ 04/ 06GRAT- GROWTH104	ULGF00707/ 02/ 13GRAT- PLBOND104	ULGF00523/ 01/ 07SANNBAL- ANC104	ULGF00623/ 01/ 07SANNCON- SER104	ULGF00423/ 01/ 07SANN- GROWTH104	
	4,104,477	24,445,349	(303,381)	(36,565)	(1,385,752)	(85,898)	(1,488,461)	2,009,123	5,008,119	1,771,599	196,978	261,626	(6,102)	78,414	(106)	(9,365)	(289)	116,121,825
	1,229,495	2,530,722	1,246,833	126,839	5,150,581	496,144	4,250,084	1,099,562	2,057,463	285,325	289,600	333,865	171,098	20,197	106	24,761	289	167,614,352
	5,333,972	26,976,071	943,452	90,274	3,764,829	410,246	2,761,623	3,108,685	7,065,582	2,056,924	486,578	595,491	164,996	98,611	(0)	15,396	(0)	283,736,177
	5,236,481	29,628,179	936,421	88,509	3,743,911	406,995	2,704,481	3,090,784	7,072,230	2,153,368	480,044	587,363	163,512	96,673	-	15,114	-	289,333,808
	570,536	515,563	10,941	3,986	33,078	22,748	190,023	178,279	378,332	27,966	7,666	8,260	2,294	2,102	(0)	398	(0)	13,019,139
	473,045	3,167,671	3,910	2,221	12,160	19,497	132,881	160,378	384,980	124,410	1,132	132	810	164	-	116	-	18,616,770
	97,491	(2,652,108)	7,031	1,765	20,918	3,251	57,142	17,901	(6,648)	(96,444)	6,534	8,128	1,484	1,938	(0)	282	(0)	(5,597,631)
	5,333,972	26,976,071	943,452	90,274	3,764,829	410,246	2,761,623	3,108,685	7,065,582	2,056,924	486,578	595,491	164,996	98,611	(0)	15,396	(0)	283,736,177
	25.60	15.98	36.84	33.33	44.16	30.61	29.55	19.78	21.63	16.21	39.68	32.57	39.65	17.45	NC	24.12	NC	
	5,333,972	26,976,071	943,452	90,274	3,764,829	410,246	2,761,623	3,108,685	7,065,582	2,056,924	486,578	595,491	164,996	98,611	(0)	15,396	(0)	283,736,177
	208,368,236	1,688,114,520	25,606,906	2,708,237	85,261,206	13,402,889	93,462,814	157,200,629	326,598,000	126,895,769	12,261,503	18,283,331	4,160,941	5,650,069	-	638,335	-	
	25.60	15.98	36.84	33.33	44.16	30.61	29.55	19.78	21.63	16.21	39.68	32.57	39.65	17.45	NC	24.12	NC	

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Form A-RA(UL)

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED

IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(Continue to next page) →

Fund Names	Schedule	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN		ULIF00225/ 06/04LIFE BALANC104	ULIF00325/ 06/04LIFE CONSER104	ULIF00125/ 06/04LIFE GROWTH104	ULIF00425/ 06/04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW- SUP104	ULIF01311/ 02/08LIFE HIGHGR104	ULIF01425/ 03/08LIFE DYNOPP104	ULIF01004/ 10/06AMSR- GUADYN104	ULIF00904/ 10/06AMSR- GUAINC104	ULIF01528/ 04/09LIFE MONEYM104	ULIF02301/ 01/20LIFE MONMK2104	ULIF02201/ 01/20LIFE DIVEQF104	ULIF02401/ 01/20LIFE DYNBOF104
Income from investments														
Interest income		1,484,990	151,028	2,417,773	581,891	58,158	22,152	192,274	2,535	765	1,534	1,257	10,275	9,235
Dividend income		120,277	2,224	373,448	-	878,116	64,736	30,879	55	5	-	-	29,850	-
Dividend On Exchange Traded Funds (ETF)		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of investment		3,698,877	102,384	12,614,530	155,256	20,360,774	3,772,442	866,954	2,191	310	-	-	982,309	1,188
Loss on sale of investment		(1,372,253)	(62,695)	(3,856,061)	(186,562)	(5,016,395)	(1,167,544)	(158,977)	(658)	(182)	-	-	(424,126)	(1,885)
Profit on inter fund transfer/ sale of investment		-	-	-	-	-	-	35	91	-	-	-	-	53
Loss on inter fund transfer/ sale of investment		-	-	-	(15)	-	-	(371)	-	-	-	(0)	-	-
Miscellaneous Income		0	(0)	(0)	(0)	(2)	0	0	(0)	(0)	0	0	0	0
Unrealised Gain/loss*		(1,078,415)	(14,502)	(2,442,028)	61,075	(3,397,043)	(378,106)	(235,197)	(797)	(153)	-	-	(19,804)	(540)
Amortisation of discount/(premium)		38,863	-	172,783	1,498	90,743	844	181	-	-	1,760	1,329	0	-
Appropriation		-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A)		2,892,339	178,439	9,280,445	613,143	12,974,352	2,314,522	695,779	3,415	745	3,294	2,586	578,504	8,051
Fund management expenses		380,138	23,573	1,066,055	79,596	1,194,240	150,448	75,811	738	181	867	668	63,632	1,244
GST on Fund Management Charges (FMC)		68,425	4,243	191,890	14,327	214,963	27,081	13,646	133	33	156	120	11,454	224
Provision for Diminution in value of Investments		76,560	5,133	230,966	80,788	-	-	74,759	-	-	-	-	-	-
Fund administration expenses		-	-	-	-	-	-	-	-	-	-	-	-	-
Other charges:		-	-	-	-	-	-	-	-	-	-	-	-	-
Expropriation		-	-	-	-	-	-	-	-	-	-	-	-	-
Total (B)		525,123	32,949	1,488,912	174,711	1,409,203	177,529	164,216	871	214	1,023	788	75,086	1,468
Net Income for the year (A-B)		2,367,215	145,490	7,791,533	438,433	11,565,149	2,136,993	531,562	2,544	531	2,271	1,798	503,418	6,583
Add: Fund revenue account at the beginning of the year		16,251,254	1,103,445	64,008,153	3,351,570	51,973,152	3,164,427	7,754,081	31,649	7,277	178,808	614	474,846	2,107
Fund revenue account at the end of the year 31-Mar-22		18,618,469	1,248,934	71,799,686	3,790,003	63,538,301	5,301,421	8,285,644	34,193	7,808	181,079	2,411	978,264	8,690

* Net change in mark to market value of investments

Significant accounting policies and notes to the accounts

The Schedules referred to above form an integral part of the Fund Revenue Account.

FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

(Continue to next page) →

Fund Names	Schedule	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN		ULIF00225/ 06/04LIFE BALANC104	ULIF00325/ 06/04LIFE CONSER104	ULIF00125/ 06/04LIFE GROWTH104	ULIF00425/ 06/04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW- SUP104	ULIF01311/ 02/08LIFE HIGHGR104	ULIF01425/ 03/08LIFE DYNOPP104	ULIF01004/ 10/06AMSR- GUADYN104	ULIF00904/ 10/06AMSR- GUAINC104	ULIF01528/ 04/09LIFE MONEYM104	ULIF02301/ 01/20LIFE MONMK2104	ULIF02201/ 01/20LIFE DIVEQF104	ULIF02401/ 01/20LIFE DYNBOF104
Income from investments														
Interest income		1,401,801	134,871	2,215,054	517,005	51,822	11,004	205,045	2,319	578	1,156	395	2,642	3,338
Dividend income		125,135	2,788	421,776	-	676,437	38,800	39,598	76	6	-	-	6,780	-
Dividend On Exchange Traded Funds (ETF)		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of investment		3,754,925	160,226	13,235,960	374,212	17,761,384	1,963,178	1,195,172	2,856	399	-	-	197,163	722
Loss on sale of investment		(1,127,007)	(59,190)	(4,020,401)	(159,052)	(4,670,298)	(476,415)	(377,321)	(544)	(139)	-	-	(41,472)	(1,430)
Profit on inter fund transfer/ sale of investment		-	-	-	-	-	-	-	21	15	-	-	-	-
Loss on inter fund transfer/ sale of investment		-	-	-	-	-	-	-	-	(5)	-	-	-	-
Miscellaneous Income		-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		2,257,680	29,336	9,022,128	(61,157)	18,820,904	1,963,269	1,031,121	961	39	-	-	324,899	47
Amortisation of discount/(premium)		49,352	71	85,533	2,368	56,300	666	459	2	-	2,491	525	-	-
Appropriation		-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A)		6,461,886	268,102	20,960,050	673,376	32,696,549	3,500,502	2,094,074	5,691	893	3,647	920	490,012	2,677
Fund management expenses		354,141	21,284	885,283	72,343	809,148	66,928	80,530	704	146	988	259	12,852	483
GST on Fund Management Charges (FMC)		63,745	3,831	159,351	13,022	145,647	12,047	14,495	127	26	178	47	2,313	87
Provision for Diminution in value of Investments		22,123	(1,320)	126,141	24,982	-	-	20,271	-	-	-	-	-	-
Fund administration expenses		-	-	-	-	-	-	-	-	-	-	-	-	-
Other charges:		-	-	-	-	-	-	-	-	-	-	-	-	-
Expropriation		-	-	-	-	-	-	-	-	-	-	-	-	-
Total (B)		440,009	23,795	1,170,775	110,347	954,794	78,975	115,296	831	172	1,166	306	15,165	570
Net Income for the year (A-B)		6,021,877	244,307	19,789,275	563,029	31,741,755	3,421,527	1,978,778	4,860	721	2,481	614	474,847	2,107
Add: Fund revenue account at the beginning of the year		10,229,377	859,138	44,218,876	2,788,541	20,231,398	(257,099)	5,775,304	26,788	6,556	176,327	-	-	-
Fund revenue account at the end of the year 31-Mar-21		16,251,254	1,103,445	64,008,151	3,351,570	51,973,152	3,164,428	7,754,082	31,648	7,277	178,808	614	474,847	2,107

* Net change in mark to market value of investments

Significant accounting policies and notes to the accounts

* Includes provision in diminution in value of investments

The Schedules referred to above form an integral part of the Fund Revenue Account.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(Contd.)

(Rs in 000)

Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
ULIF01628/04/09LIFE SECPLS104	ULIF02021/06/13LIFE DISCON104	ULIF00625/11/05PENS-BALANC104	ULIF00725/11/05PENS-CONSER104	ULIF00525/11/05PENS-GROWTH104	ULIF00825/11/05PENS-SECURE104	ULIF01213/08/07PENS-GRWSUP104	ULIF01815/02/13PEN-SPRESER104	ULIF01715/02/13PENS-MAXIMI104	ULIF01912/08/13PENS-DISCON104	ULGF00217/04/06GRAT-BALANC104	ULGF00317/04/06GRAT-CONSER104	ULGF00117/04/06GRAT-GROWTH104	ULGF00707/02/13GRAT-PLBOND104	ULGF00523/01/07SANN-BALANC104	ULGF00623/01/07SANN-CONSER104	ULGF00423/01/07SANN-GROWTH104	
295,581	1,776,058	38,287	5,452	115,314	27,856	4,902	163,800	245,539	158,185	25,449	38,031	6,736	8,130	-	1,061	-	7,844,246
-	-	3,380	75	16,907	-	20,587	3,664	33,593	-	1,052	-	790	-	-	-	-	1,579,638
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
79,108	33,264	97,713	3,719	575,273	3,238	1,099,110	223,885	1,314,864	-	34,044	3,296	23,438	786	-	209	-	46,049,162
(89,771)	(134,560)	(18,806)	(1,539)	(101,958)	(5,289)	(240,660)	(77,843)	(375,774)	(18,841)	(8,192)	(6,472)	(6,133)	(962)	-	(159)	-	(13,334,298)
-	-	3	-	625	9	-	-	-	-	233	121	133	-	-	-	-	1,302
(24)	-	-	(53)	(353)	(38)	-	-	-	-	-	-	-	-	-	-	-	(854)
0	(5)	0	(0)	0	14	0	(0)	(0)	(0)	0	0	0	0	-	(0)	-	8
(11,029)	(301,200)	(13,745)	(1,962)	(139,581)	6,250	(296,772)	(97,393)	(448,697)	(28,440)	(10,299)	(4,838)	(5,566)	(1,541)	-	(155)	-	(8,860,476)
140	251,555	180	-	207	0	4	178	(3,758)	5,063	70	-	-	-	-	-	-	561,638
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
274,005	1,625,112	107,012	5,691	466,435	32,039	587,171	216,291	765,767	115,966	42,356	30,137	19,398	6,413	-	957	-	33,840,365
40,405	166,957	9,973	795	46,546	3,562	36,750	42,424	121,315	11,670	2,240	2,277	1,022	481	-	119	-	3,523,729
7,273	30,052	1,795	143	8,378	641	6,615	7,636	21,837	2,101	403	410	184	87	-	21	-	634,271
12,831	-	10,122	-	5,135	6,673	-	10,122	-	-	-	-	-	-	-	-	-	513,089
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60,509	1,97,009	21,889	938	60,060	10,876	43,366	60,183	1,43,151	13,771	2,643	2,687	1,206	567	-	141	-	46,71,089
213,496	1,428,104	85,123	4,753	406,375	21,163	543,806	156,108	622,616	102,196	39,712	27,451	18,192	5,846	-	816	-	29,169,276
1,229,495	2,530,721	1,246,833	126,839	5,150,580	496,145	4,250,084	1,099,560	2,057,463	285,325	289,600	333,866	171,098	20,197	106	24,762	289	167,614,349
1,442,990	3,958,825	1,331,956	131,592	5,556,956	517,308	4,793,890	1,255,669	2,680,079	387,521	329,312	361,317	189,290	26,043	106	25,578	289	196,783,625

(Contd.)

Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
ULIF01628/04/09LIFE SECPLS104	ULIF02021/06/13LIFE DISCON104	ULIF00625/11/05PENS-BALANC104	ULIF00725/11/05PENS-CONSER104	ULIF00525/11/05PENS-GROWTH104	ULIF00825/11/05PENS-SECURE104	ULIF01213/08/07PENS-GRWSUP104	ULIF01815/02/13PEN-SPRESER104	ULIF01715/02/13PENS-MAXIMI104	ULIF01912/08/13PENS-DISCON104	ULGF00217/04/06GRAT-BALANC104	ULGF00317/04/06GRAT-CONSER104	ULGF00117/04/06GRAT-GROWTH104	ULGF00707/02/13GRAT-PLBOND104	ULGF00523/01/07SANN-BALANC104	ULGF00623/01/07SANN-CONSER104	ULGF00423/01/07SANN-GROWTH104	
252,564	669,548	41,226	5,982	112,786	30,308	3,524	170,153	237,855	79,303	21,513	17,069	5,856	7,114	-	1,022	-	6,202,853
-	-	2,693	121	21,701	-	22,245	4,641	23,636	-	1,260	-	1,005	-	-	-	-	1,388,698
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
203,245	50,769	135,104	6,710	792,681	19,709	816,281	247,049	686,145	98	32,273	2,816	27,178	771	-	144	-	41,667,170
(76,075)	(139,736)	(45,864)	(3,829)	(250,573)	(7,566)	(224,260)	(85,246)	(229,351)	(22,481)	(11,303)	(1,314)	(8,006)	(2,956)	-	(265)	-	(12,042,094)
21	-	3,156	-	3,301	99	-	-	-	-	-	-	358	-	-	-	-	6,971
(27)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(39,295)	(164,434)	113,207	2,402	525,235	(5,909)	730,921	125,930	807,122	(10,542)	31,827	(870)	23,761	(297)	-	(194)	-	35,528,091
44	392,982	(0)	-	232	-	21	87	307	29,416	19	-	-	-	-	-	-	620,875
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
340,477	809,129	249,522	11,386	1,205,364	36,641	1,348,732	462,614	1,525,714	75,794	75,589	17,701	50,152	4,632	-	707	-	73,372,533
34,807	106,840	10,691	880	46,874	4,057	31,055	46,195	103,314	9,580	1,910	974	833	401	-	115	-	2,703,615
6,265	19,231	1,924	158	8,437	730	5,590	8,315	18,596	1,724	344	175	150	72	-	21	-	486,648
1,080	-	2,925	(1,168)	1,569	902	-	2,925	(8,760)	-	(1,168)	-	(117)	(1,877)	-	(175)	-	188,333
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42,152	126,071	15,540	(130)	56,880	5,689	36,645	57,435	113,150	11,304	1,086	1,149	866	(1,404)	-	(39)	-	3,378,595
298,325	683,058	233,982	11,516	1,148,484	30,952	1,312,087	405,179	1,412,564	64,490	74,503	16,552	49,286	6,036	-	746	-	69,993,938
931,168	1,847,663	1,012,851	115,323	4,002,097	465,192	2,937,996	694,382	644,901	220,834	215,096	317,315	121,811	14,163	106	24,014	289	97,620,407
1,229,493	2,530,721	1,246,833	126,839	5,150,581	496,144	4,250,083	1,099,561	2,057,465	285,324	289,599	333,867	171,097	20,199	106	24,760	289	167,614,344

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Schedules to Fund Revenue Account

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

(Continue to next page) →

Schedule: F-1: POLICYHOLDERS' CONTRIBUTION FOR THE FOR THE YEAR ENDED MARCH 31, 2022

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BAL-ANC104	ULIF00325/ 06/ 04LIFE CONSER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGH-GR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSRGUA-INC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Opening balance	18,362,688	1,561,941	17,052,176	5,401,901	32,799,496	5,451,287	(1,714,849)	10,057	3,816	(76,262)	56,326	2,550,577	102,907
Add: Additions during the year*	5,128,739	493,631	14,553,976	2,218,330	25,679,729	6,794,136	309,377	1,386	302	4,703	66,779	5,323,778	100,519
Less: Deductions during the year*	8,186,978	729,493	16,091,744	1,937,746	16,730,581	1,142,280	1,063,389	6,615	(1,714)	18,376	24,104	802,391	42,146
Closing balance	15,304,448	1,326,077	15,514,407	5,682,484	41,748,657	11,103,143	(2,468,860)	4,828	5,832	(89,935)	99,001	7,071,963	161,280

* Additions represents units creation and deductions represent units cancellation including cancellation for charge

Schedule: F-1 : POLICYHOLDERS' CONTRIBUTION FOR THE FOR THE YEAR ENDED MARCH 31, 2021

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BALANC104	ULIF00325/ 06/ 04LIFE CONSER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGHGR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSRGUA-INC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Opening balance	18,691,023	1,287,060	15,908,362	4,493,691	24,863,805	3,354,075	471,660	11,987	2,626	(64,824)	-	-	-
Add: Additions during the year*	6,624,688	570,424	15,230,245	2,260,572	22,063,996	3,270,267	479,476	1,038	37	4,643	58,312	2,612,208	109,550
Less: Deductions during the year*	6,953,022	295,543	14,086,430	1,352,362	14,128,305	1,173,056	2,665,985	2,969	(1,152)	16,081	1,986	61,632	6,643
Closing balance	18,362,689	1,561,941	17,052,177	5,401,901	32,799,496	5,451,286	(1,714,849)	10,056	3,815	(76,262)	56,326	2,550,576	102,907

* Additions represents units creation and deductions represent unit cancellations including cancellation for charges

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DISCON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRW-SUP104	ULIF01815/ 02/ 13PENS PRESER104	ULIF01715/ 02/ 13PENS MAXIMI104	ULIF01912/ 08/ 13PENS DISCON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	4,104,476	24,445,349	(303,381)	(36,565)	(1,385,752)	(85,899)	(1,488,461)	2,009,123	5,008,119	1,771,599	196,977	261,626	(6,102)	78,414	(106)	(9,364)	(289)	116,121,823
	9,153,590	16,398,355	40,405	2,671	151,362	24,492	85,795	342,337	1,750,717	988,902	90,550	23,310	168,480	44,479	-	55	-	89,940,883
	9,293,465	6,860,429	246,198	17,616	795,330	82,525	595,144	996,478	1,859,187	693,292	58,672	104,077	25,659	12,391	-	3	-	68,414,593
	3,964,602	33,983,283	(509,174)	(51,510)	(2,029,720)	(143,932)	(1,997,810)	1,354,982	4,899,650	2,067,209	228,855	180,859	136,720	110,502	(106)	(9,312)	(289)	137,648,131

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DISCON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRWSUP104	ULIF01815/ 02/ 13PENS PRESER104	ULIF01715/ 02/ 13PENS MAXIMI104	ULIF01912/ 08/ 13PENS DISCON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	3,580,907	13,963,463	(38,737)	(16,780)	(445,592)	10,147	(933,234)	2,451,101	4,824,685	1,399,133	170,902	(84,696)	37,563	92,092	(106)	(8,852)	(289)	94,021,172
	8,839,911	14,814,591	53,770	3,564	167,511	30,871	110,318	517,624	1,660,860	1,057,886	72,052	725,947	5,211	-	-	54	-	81,345,626
	8,316,341	4,332,705	318,414	23,349	1,107,671	126,916	665,545	959,602	1,477,426	685,419	45,976	379,625	48,876	13,678	-	567	-	59,244,972
	4,104,477	24,445,349	(303,381)	(36,565)	(1,385,752)	(85,898)	(1,488,461)	2,009,123	5,008,119	1,771,599	196,978	261,626	(6,102)	78,414	(106)	(9,365)	(289)	116,121,826

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Schedule: F-2 : INVESTMENTS AS AT MARCH 31, 2022

(Continue to next page) →

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BAL- ANCI104	ULIF00325/ 06/ 04LIFE CONS- ER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW- SUP104	ULIF01311/ 02/ 08LIFE HIGH- GR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA- DYN104	ULIF00904/ 10/ 06AMSR- GUAINCI104	ULIF01528/ 04/ 09LIFE MON- EYM104	ULIF02301/ 01/ 20LIFE MON- MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN- BOF104
Approved Investments													
Government Bonds	10,053,704	1,422,503	19,700,225	5,274,564	-	-	1,173,220	25,877	8,924	-	-	-	115,920
Corporate Bonds	2,813,694	117,118	3,479,392	951,565	-	-	82,089	2,102	-	-	-	-	7,151
Infrastructure Bonds	5,310,407	228,678	5,107,645	1,025,789	-	-	493,099	1,083	-	-	4,351	-	-
Equity	8,974,212	227,409	33,120,870	-	79,212,853	12,622,490	2,224,931	5,540	587	-	-	5,700,178	-
Money Market	-	-	1,920	-	-	-	-	-	-	81,356	77,366	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposit with Bank	-	-	-	-	-	-	-	-	-	-	-	-	-
Reverse Repo	2,683,171	341,221	14,484,661	1,603,436	7,584,839	1,221,209	978,005	3,335	3,076	9,784	12,539	1,004,787	36,241
Total	29,835,187	2,336,928	75,894,713	8,855,353	86,797,692	13,843,699	4,951,344	37,937	12,588	91,140	94,257	6,704,966	159,312
Other Investments													
Corporate Bonds	1,024,618	80,338	2,580,107	166,830	-	-	297,238	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity	1,371,314	23,299	6,389,062	-	17,830,124	2,330,187	460,154	580	56	-	-	1,077,581	-
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,395,932	103,637	8,969,169	166,830	17,830,124	2,330,187	757,392	580	56	-	-	1,077,581	-
GRAND TOTAL	32,231,120	2,440,565	84,863,882	9,022,183	104,627,816	16,173,886	5,708,736	38,517	12,644	91,140	94,257	7,782,546	159,312
% of Approved Investments to Total	93%	96%	89%	98%	83%	86%	87%	98%	100%	100%	100%	86%	100%
% of Other Investments to Total	7%	4%	11%	2%	17%	14%	13%	2%	0%	0%	0%	14%	0%

Schedule: F-2 : INVESTMENTS AS AT MARCH 31, 2021

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BALANC104	ULIF00325/ 06/ 04LIFE CONS- ER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW- SUP104	ULIF01311/ 02/ 08LIFE HIGHGR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA- DYN104	ULIF00904/ 10/ 06AMSR- GUAINCI104	ULIF01528/ 04/ 09LIFE MON- EYM104	ULIF02301/ 01/ 20LIFE MON- MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN- BOF104
Approved Investments													
Government Bonds	12,127,136	1,500,818	21,973,023	5,047,041	1,500,662	-	1,438,648	28,725	9,407	-	-	-	96,125
Corporate Bonds	2,059,556	124,186	3,486,850	705,898	-	-	137,184	1,133	-	-	-	-	1,974
Infrastructure Bonds	4,812,861	142,351	5,004,470	1,728,999	-	-	638,865	2,144	-	-	-	-	2,066
Equity	9,040,684	211,675	34,518,628	-	61,329,964	6,927,686	2,589,334	5,042	439	-	-	2,301,040	-
Money Market	250,000	-	2,845,738	-	-	-	-	-	-	24,969	14,981	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposit with Bank	-	-	-	-	-	-	-	-	-	-	-	-	-
Reverse Repo	5,643,266	516,619	7,517,548	1,335,281	7,789,178	470,025	731,671	3,543	1,066	77,860	41,076	216,312	2,440
Total	33,933,503	2,495,649	75,346,257	8,817,219	70,619,804	7,397,711	5,535,702	40,587	10,912	102,829	56,057	2,517,352	102,605
Other Investments													
Corporate Bonds	1,010,274	79,204	2,549,375	164,560	-	-	293,052	-	-	-	-	-	-
Infrastructure Bonds	37,121	2,500	240,812	39,204	-	-	36,247	-	-	-	-	-	-
Equity	461,630	23,759	5,174,339	-	13,645,681	1,286,837	441,436	571	64	-	-	466,890	-
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,509,025	105,463	7,964,526	203,764	13,645,681	1,286,837	770,735	571	64	-	-	466,890	-
GRAND TOTAL	35,442,528	2,601,112	83,310,783	9,020,983	84,265,485	8,684,548	6,306,437	41,158	10,976	102,829	56,057	2,984,242	102,605
% of Approved Investments to Total	96%	96%	90%	98%	84%	85%	88%	99%	99%	100%	100%	84%	100%
% of Other Investments to Total	4%	4%	10%	2%	16%	15%	12%	1%	1%	0%	0%	16%	0%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRW-SUP104	ULIF01815/ 02/ 13PENSPRES-ER104	ULIF01715/ 02/ 13PENSMAXI-MI104	ULIF01912/ 08/ 13PENSDIS-CON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	3,366,543	29,163,325	254,201	42,940	771,878	197,388	-	920,832	2,065,954	1,916,593	199,757	330,957	59,915	66,178	-	10,287	-	77,141,684
	295,910	-	46,826	4,224	116,893	61,820	-	305,861	252,707	-	44,664	45,817	8,399	9,120	-	1,526	-	8,646,881
	458,154	2,729,935	104,676	17,104	256,885	71,800	-	437,245	784,913	144,537	79,902	54,543	53,095	24,601	-	2,033	-	17,390,475
	-	-	247,601	7,424	1,354,790	-	1,828,264	306,484	2,751,598	-	118,953	-	133,737	-	-	-	-	148,837,920
	-	5,958,525	-	-	-	-	-	-	-	269,867	-	-	-	-	-	-	-	6,389,035
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	949,788	142,468	91,292	6,612	524,100	11,006	349,810	416,732	775,725	115,785	90,987	86,469	48,559	32,961	-	1,977	-	33,610,573
	5,070,395	37,994,253	744,596	78,304	3,024,546	342,014	2,178,073	2,387,154	6,630,897	2,446,781	534,262	517,787	303,705	132,859	-	15,824	-	292,016,568
	66,956	-	32,130	-	149,050	24,084	-	51,772	126,758	-	-	11,596	-	-	-	-	-	4,611,476
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	21,082	794	287,194	-	619,304	79,103	663,933	-	12,502	-	13,072	-	-	-	-	31,179,339
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	66,956	-	53,212	794	436,244	24,084	619,304	130,874	790,691	-	12,502	11,596	13,072	-	-	-	-	35,790,816
	5,137,351	37,994,253	797,808	79,098	3,460,790	366,097	2,797,377	2,518,028	7,421,588	2,446,781	546,764	529,383	316,778	132,859	-	15,824	-	327,807,383
	99%	0%	93%	99%	87%	93%	78%	95%	89%	100%	98%	98%	96%	100%	0%	100%	0%	89%
	1%	0%	7%	1%	13%	7%	22%	5%	11%	0%	2%	2%	4%	0%	0%	0%	0%	11%

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRW-SUP104	ULIF01815/ 02/ 13PENS-PRESER104	ULIF01715/ 02/ 13PENS-MAIMI104	ULIF01912/ 08/ 13PENS-DISCON104	ULGF00217/ 04/ 06GRAT-BALANC104	ULGF00317/ 04/ 06GRAT-CONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANN-BALANC104	ULGF00623/ 01/ 07SANN-CONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	3,475,375	20,610,948	298,261	47,744	942,093	226,560	-	1,159,330	2,143,910	1,567,367	195,404	418,870	42,407	56,660	-	10,376	-	74,916,890
	175,199	-	46,988	4,280	168,268	57,971	-	424,565	572,356	-	38,654	20,208	3,347	7,053	-	-	-	8,035,670
	889,253	994,128	137,852	24,777	171,101	82,999	-	464,847	488,202	99,415	80,015	47,665	28,526	24,236	-	3,088	-	15,867,860
	-	-	309,501	7,446	1,385,476	-	2,018,801	387,035	3,118,660	-	91,224	-	68,359	-	-	-	-	124,310,994
	-	247,946	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,383,634
	-	1,800,133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,800,133
	-	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000
	624,400	5,875,024	79,797	3,426	561,905	12,458	202,373	560,215	271,538	486,586	64,490	89,180	13,010	8,724	-	1,650	-	33,200,661
	5,164,227	29,628,179	872,399	87,673	3,228,843	379,988	2,221,174	2,995,992	6,594,666	2,153,368	469,787	575,923	155,649	96,673	-	15,114	-	261,615,842
	66,004	-	31,681	-	146,965	23,760	-	51,042	124,966	-	-	11,440	-	-	-	-	-	4,552,323
	6,250	-	4,908	0	2,490	3,247	-	4,908	-	-	-	0	-	-	-	-	-	377,687
	-	-	27,433	836	365,613	-	483,307	38,842	352,598	-	10,257	-	7,863	-	-	-	-	22,787,956
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	72,254	-	64,022	836	515,068	27,007	483,307	94,792	477,564	-	10,257	11,440	7,863	-	-	-	-	27,717,966
	5,236,481	29,628,179	936,421	88,509	3,743,911	406,995	2,704,481	3,090,784	7,072,230	2,153,368	480,044	587,363	163,512	96,673	-	15,114	-	289,333,808
	99%	0%	93%	99%	86%	93%	82%	97%	93%	100%	98%	98%	95%	100%	-	100%	-	90%
	1%	0%	7%	1%	14%	7%	18%	3%	7%	0%	2%	2%	5%	0%	-	0%	-	10%

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Schedules to Fund Revenue Account

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED

IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

Schedule: F - 3 : CURRENT ASSETS

AS AT MARCH 31, 2022

(Continue to next page) →

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SPIN	ULIF00225/ 06/ 04LIFE BAL-ANC104	ULIF00325/ 06/ 04LIFE CONS-ER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGH-GR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSR-GUAINC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Accrued Interest	403,086	44,670	719,880	176,950	259	122	45,047	431	125	1	1	100	1,896
UL Interest Accrued on Application Money	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash & Bank Balance	15,671	17	692,377	100,537	184,448	34,967	55	2	1	2	2	41,942	2
Unit Subscription Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Receivable	952	7	3,208	-	3,546	1,336	236	-	0	-	-	110	-
Receivable for Sale of Investments	1,348,590	83,380	3,838,172	352,901	2,961,808	103,623	66,950	268	701	-	-	192,436	6,645
Unit Collection A/c#	154,560	6,374	391,228	123,187	636,951	316,172	-	-	169	1	7,152	173,559	2,116
Other Current Assets (for Investments)	16,394	-	344,668	-	377,227	51,856	-	-	-	-	-	56,357	-
Appropriation (Expropriation) Asset	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,939,253	134,447	5,989,534	753,575	4,164,237	508,077	112,288	701	997	4	7,155	464,505	10,658

Represents inter fund receivables if any

Schedule: F - 3 : CURRENT ASSETS

AS AT MARCH 31, 2021

(Continue to next page) →

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SPIN	ULIF00225/ 06/ 04LIFE BALANC104	ULIF00325/ 06/ 04LIFE CONS-ER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGHGR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSR-GUAINC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Accrued Interest	415,766	31,760	652,794	148,984	55,492	44	48,163	471	112	7	4	19	1,260
UL Interest Accrued on Application Money	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash & Bank Balance	78,295	47	665,001	52	514,019	53,344	22,819	2	1	2	1	14,662	2
Unit Subscription Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Receivable	2,757	60	8,850	-	12,644	1,969	616	1	0	-	-	500	-
Receivable for Sale of Investments	180,617	37,661	1,646,693	421,587	2,068,268	-	41,346	69	35	-	-	4,616	1,111
Unit Collection A/c#	192,378	38,422	388,313	22,302	537,153	107,968	822	72	3	-	877	83,053	1,147
Other Current Assets (for Investments)	159,842	-	1,284,488	-	914,611	124,896	45,886	-	-	-	-	32,211	-
Appropriation (Expropriation) Asset	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,029,655	107,950	4,646,139	592,925	4,102,187	288,221	159,652	615	151	9	882	135,061	3,520

Represents inter fund receivables if any

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRW-SUP104	ULIF01815/ 02/ 13PENSPRES-ER104	ULIF01715/ 02/ 13PENSMAXI-MI104	ULIF01912/ 08/ 13PENS DIS-CON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	89,740	300,966	8,902	1,534	29,370	7,178	35	32,518	60,421	28,997	6,327	9,481	2,834	2,256	-	275	-	1,973,402
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	39	123	7	2	34	3	30	26	92	9	3	3	2	2	-	1	-	1,070,398
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	118	-	545	84	697	-	10	-	12	-	-	-	-	10,862
	171,191	-	16,799	990	50,741	11,097	34,592	62,008	106,283	-	5,044	8,765	11,839	1,428	-	166	-	9,436,417
	262,012	-	-	-	-	-	-	2,138	29,571	-	18	-	-	-	-	-	-	2,105,208
	-	-	-	-	-	-	-	-	-	-	-	-	(0)	-	-	-	-	846,502
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	522,981	301,089	25,708	2,525	80,264	18,279	35,202	96,775	197,065	29,006	11,403	18,249	14,688	3,686	-	442	-	15,442,790

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRW-SUP104	ULIF01815/ 02/ 13PENS PRESER104	ULIF01715/ 02/ 13PENS MAXIMI104	ULIF01912/ 08/ 13PENS DISCON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	74,723	285,607	8,902	1,669	24,882	6,718	19	38,657	56,050	27,958	6,476	8,125	1,451	1,936	(0)	281	(0)	1,898,330
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31	88	27	3	33	4	20,584	31	24,669	8	16	3	12	1	(0)	1	0	1,393,758
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	17	2	2	-	622	102	862	-	26	-	19	-	(0)	-	-	29,049
	222,687	-	1,995	2,224	8,161	16,026	128,958	138,546	213,763	-	1,134	132	812	165	-	116	-	5,136,722
	273,095	229,868	-	88	-	-	-	943	33,781	-	14	0	-	-	-	0	0	1,910,299
	-	-	-	0	0	-	39,840	0	49,207	-	0	-	(0)	-	0	-	-	2,650,981
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	570,536	515,563	10,941	3,986	33,078	22,748	190,023	178,279	378,332	27,966	7,666	8,260	2,294	2,102	(0)	398	(0)	13,019,139

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Schedules to Fund Revenue Account

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

Schedule: F - 4 : CURRENT LIABILITIES

AS AT MARCH 31, 2022

(Continue to next page) →

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BAL-ANC104	ULIF00325/ 06/ 04LIFE CONSER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGH-GR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSRGUA-INC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Payable for Purchase of Investments	247,455	-	3,539,322	303,272	3,504,957	277,400	-	-	-	-	-	196,824	-
Unit Redemption Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	-	-	-	-	138	-	-	-	-	-	-	-	-
Unit Payable A/c#	-	-	-	-	-	-	4,239	197	-	-	-	-	-
Appropriation (Expropriation) Liability	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	247,455	-	3,539,322	303,272	3,505,095	277,400	4,240	197	-	-	-	196,824	-

Represents inter fund payables, if any

CURRENT LIABILITIES

AS AT MARCH 31, 2021

(Continue to next page) →

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BALANC104	ULIF00325/ 06/ 04LIFE CONSER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGHGR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSRGUA-INC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Payable for Purchase of Investments	1,858,240	43,676	6,896,591	860,437	3,595,024	357,054	426,856	69	35	-	-	93,880	1,109
Unit Redemption Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Unit Payable A/c#	-	-	-	-	-	-	-	-	-	292	-	-	-
Appropriation (Expropriation) Liability	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,858,240	43,676	6,896,591	860,437	3,595,024	357,054	426,856	69	35	292	-	93,880	1,109

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRW-SUP104	ULIF01815/ 02/ 13PENS PRES-ER104	ULIF01715/ 02/ 13PENS MAXI-MI104	ULIF01912/ 08/ 13PENS DIS-CON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	252,740	-	-	-	0	10,911	29,063	4,153	38,925	-	-	5,456	5,456	-	-	-	-	8,415,934
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	138
	-	353,233	734	1,542	13,818	88	7,436	-	-	21,057	-	-	-	-	-	-	-	402,344
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	252,740	353,233	734	1,542	13,818	10,999	36,499	4,153	38,925	21,057	-	5,456	5,456	0	0	-	-	8,818,415

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSE-CURE104	ULIF01213/ 08/ 07PENSGRW-SUP104	ULIF01815/ 02/ 13PENS PRES-ER104	ULIF01715/ 02/ 13PENS MAXI-MI104	ULIF01912/ 08/ 13PENS DIS-CON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	473,045	3,167,671	1,992	2,221	8,147	18,512	121,039	160,378	384,980	103,848	1,132	132	810	164	-	116	-	18,577,158
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0)
	-	-	1,918	-	4,013	985	11,842	-	-	20,562	-	-	0	0	0	-	-	39,612
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	473,045	3,167,671	3,910	2,221	12,160	19,497	132,881	160,378	384,980	124,410	1,132	132	810	164	0	116	-	18,616,770

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Schedules to Fund Revenue Account

NAME OF THE INSURER: MAX LIFE INSURANCE COMPANY LIMITED
IRDAI REGISTRATION NO. 104 DATED NOVEMBER 15, 2000

Schedule: F- 5 : OTHER EXPENSES

FOR THE YEAR ENDED MARCH 31, 2022

(Continue to next page) →

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BAL-ANC104	ULIF00325/ 06/ 04LIFE CONSER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGH-GR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSRGUA-INC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Policy Administration charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Rider Premium charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-

*Any expense which is 1% of the total expenses incurred should be disclosed as a separate line item.

OTHER EXPENSES

FOR THE YEAR ENDED MARCH 31, 2021

(Continue to next page) →

Fund Names	Balanced	Conservative	Growth	Secured	Growth Super	High Growth	Dynamic Opportunities	Guaranteed Fund Dynamic	Guaranteed Fund Income	Money Market	Money Market II	Diversified Equity	Dynamic Bond Fund
SFIN	ULIF00225/ 06/ 04LIFE BALANC104	ULIF00325/ 06/ 04LIFE CONSER104	ULIF00125/ 06/ 04LIFE GROWTH104	ULIF00425/ 06/ 04LIFE SECURE104	ULIF01108/ 02/ 07LIFE GRW-SUP104	ULIF01311/ 02/ 08LIFE HIGHGR104	ULIF01425/ 03/ 08LIFE DYNOPP104	ULIF01004/ 10/ 06AMSRGUA-DYN104	ULIF00904/ 10/ 06AMSRGUA-INC104	ULIF01528/ 04/ 09LIFE MON-EYM104	ULIF02301/ 01/ 20LIFE MON-MK2104	ULIF02201/ 01/ 20LIFE DIVEQF104	ULIF02401/ 01/ 20LIFE DYN-BOF104
Policy Administration charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Rider Premium charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-

*Any expense which is 1% of the total expenses incurred should be disclosed as a separate line item.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSECURE104	ULIF01213/ 08/ 07PENSGRWSUP104	ULIF01815/ 02/ 13PENSPRESER104	ULIF01715/ 02/ 13PENSMAXIMI104	ULIF01912/ 08/ 13PENS-CON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(Contd.)

	Secure Plus	Discontinued Individual	Pension Balanced	Pension Conservative	Pension Growth	Pension Secured	Pension Growth Super	Life maker Pension Preserver	Life maker Pension Maximiser	Discontinued Pension	Group Gratuity Balanced	Group Gratuity Conservative	Group Gratuity Growth	Group Gratuity Bond	Group Super-annuation Balanced	Group Super-annuation Conservative	Group Super-annuation Growth	Total
	ULIF01628/ 04/ 09LIFE SECPLS104	ULIF02021/ 06/ 13LIFE DIS-CON104	ULIF00625/ 11/ 05PENS-BALANC104	ULIF00725/ 11/ 05PENS-CONSER104	ULIF00525/ 11/ 05PENS-GROWTH104	ULIF00825/ 11/ 05PENSSECURE104	ULIF01213/ 08/ 07PENSGRWSUP104	ULIF01815/ 02/ 13PENSPRESER104	ULIF01715/ 02/ 13PENSMAXIMI104	ULIF01912/ 08/ 13PENS-CON104	ULGF00217/ 04/ 06GRATBAL-ANC104	ULGF00317/ 04/ 06GRATCONSER104	ULGF00117/ 04/ 06GRAT-GROWTH104	ULGF00707/ 02/ 13GRAT-PLBOND104	ULGF00523/ 01/ 07SANNBAL-ANC104	ULGF00623/ 01/ 07SANNCONSER104	ULGF00423/ 01/ 07SANN-GROWTH104	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Schedule 16**Significant Accounting Policies and Notes to Accounts****Corporate Information**

Max Life Insurance Company Limited ('the Company') was incorporated on July 11, 2000 as a public limited company under the Companies Act, 1956 to undertake and carry on the business of life insurance and annuity. The Company obtained a certificate of registration from the Insurance Regulatory and Development Authority of India ('IRDAI') for carrying on life insurance business on November 15, 2000. The registration has been renewed regularly and is in force as at March 31, 2022. The Company offers a range of participating, non-participating and linked products covering life insurance, pension, annuity and health benefits including riders for individual and group segments. These products are distributed through individual agents, corporate agents, banks, brokers and other channels.

Max Financial Services Limited ('MFSL') is the holding company of the Company, which along with its joint venture partner Axis Bank Ltd. ('Axis Bank') and Axis Bank's subsidiaries, owns ~95% shareholding of the Company.

As on March 31, 2022, MFSL holds a majority stake of ~81.84% and Axis Bank, along with its subsidiaries, holds ~13% stake in the Company. During the year ended March 2022, Axis Bank acquired ~9% stake from MFSL and consequently became a co-promoter of the Company.

I Significant Accounting Policies**Basis of preparation**

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has prepared the financial statements in compliance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of financial reporting and are consistent with the Accounting principles as prescribed under the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, Insurance Regulatory and Development Authority of India (Preparation of

Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, ('the Financial Statements Regulations'), the Master Circular on Preparation of Financial Statements and Filing of Returns of Life Insurance Business Ref No. IRDA/F&A/ Cir/232/12/2013 dated December 11, 2013, ('the Master Circular'), the regulations framed thereunder and various orders/directions/circulars issued by the IRDAI and the practices prevailing within the insurance industry in India. Accounting policies have been consistently applied to the extent applicable and in the manner so required.

Use of estimates

The preparation of the financial statements is in conformity with the generally accepted accounting principles in India that require management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances upto and as of the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1) Revenue Recognition**Premium Income**

Premium is recognised as income when due from policyholders. 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.

Income from linked policies

Income on linked policies which include fund management charges, policy administration charges, surrender penalty charges, mortality charges, and other charges, wherever applicable are recovered from the linked fund and recognised when due in accordance with the terms and conditions mentioned in the policies.

Income earned on investments**Other than Linked Business**

Interest income from investments is recognised on accrual basis. Amortisation of premium/accretion of discount on debt securities including money market instruments is recognised over the remaining maturity period on the basis of effective interest rate method. Dividend income is recognised when the right to receive dividend is established. Realised gains/loss on debt securities is the difference between the sale consideration and the amortised cost computed on weighted average basis on the date of sale. Sale consideration for the purpose of realised gain/loss excludes interest accrued till transaction settlement date and is net of brokerage and statutory levies, if any.

In case of listed equity shares, Equity Exchange Traded funds (ETFs), Real Estate Investments Trusts (REITs), Infrastructure Investment Trusts (InvITs), mutual fund units, additional tier-1 bonds and alternate investment funds the profit/loss on actual sale of investment includes the accumulated changes in the fair value, previously recognised under "Fair Value Change Account" in the Balance Sheet. Unrealised gains/losses due to change in fair value of listed equity shares, mutual funds, additional tier-1 bonds and alternate investment funds units are credited / debited to the 'Fair Value Change Account'. Income from alternative investment fund is recognised when a right to receive payment is established.

Fees received on lending of equity shares under Securities Lending and Borrowing scheme (SLB) is recognized as income over the period of the lending on a straight-line basis.

Linked Business

Interest income from investments is recognised on an accrual basis. Amortisation of premium/accretion of discount is recognised uniformly over the remaining maturity period. Dividend income is recognised on the ex-dividend date.

Realised gain/loss on securities is the difference between the sale consideration and the book value, which is computed on weighted average basis, on the date of sale. Sale consideration for the purpose

of realised gain/loss excludes interest accrued till transaction settlement date and is net of brokerage and statutory levies, if any. Unrealised gains and losses are recognised in the respective fund's Revenue Account.

Fees received on lending of equity shares under Securities Lending and Borrowing scheme (SLB) is recognized as income over the period of the lending on a straight-line basis.

Income earned on loans

Interest income on loans is recognised on an accrual basis. Loan processing fees are recognised on receipt basis.

Interest income on policy reinstatement

Income on policy reinstatement is accounted for on receipt basis and is included in "Miscellaneous Income" in the Revenue Account.

Rental Income on Investment Property

Lease rentals on investment property is recognised on accrual basis and include only the realisable rent. Costs related to operating and maintenance of investment property are recognised as expense in the Revenue Account or the Profit and Loss Account.

2) Reinsurance Premium

Reinsurance premium ceded is accounted for at the time of recognition of premium income in accordance with the treaty or in-principle arrangement with the reinsurer.

3) Acquisition Costs

Acquisition costs include expenses which are incurred to solicit and underwrite insurance contracts such as commission, medical fee, stamp duty, policy printing expenses, and other related expenses. These costs are expensed in the year in which they are incurred. Clawback of the commission paid, if any, is accounted for in the year in which it becomes recoverable.

4) Benefits Paid

Benefits paid include policy benefit amount and the direct costs of settlement if any. Reinsurance recoverable thereon, if any, is accounted for in the

same period as the related claim in accordance with the treaty or in-principle arrangement with the reinsurer. Repudiated claims disputed before judicial authorities are provided for based on management judgment considering the facts and evidences available in respect of such claims.

Death and other claims are accounted for, when notified. Surrenders / withdrawal 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. Surrenders, withdrawals and lapsation are disclosed net of charges recoverable. Amount payable on lapsed and discontinued policies are accounted for on expiry of lock in period.

Survival and maturity benefits are accounted for when due for payment to the policyholders.

5) Investments

Investments are made in accordance with the provision of the Insurance Act, 1938 and the Insurance Regulatory & Development Authority (Investment) Regulations, 2016 as amended and 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 Account/ Profit and Loss Account as applicable.

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.

Valuation - Shareholder's Investments and Non-linked Policyholder's Investments

Debt securities, which include government securities and redeemable preference shares are considered as 'held to maturity' and measured at historical cost subject to amortisation. The premium/discount, if

any, on purchase of debt securities including money market instruments is recognised and amortised in the Revenue Account/Profit and Loss Account, as applicable, over the remaining period to maturity on the basis of effective interest rate method.

Reverse repos are valued at cost. Fixed deposits are valued at cost till the date of maturity.

Listed shares, as at balance sheet date, are valued at fair value, being the last quoted closing price on National Stock Exchange Ltd (NSE) and in case the same is not available, then on the BSE (formally known as Bombay Stock Exchange Ltd). Unlisted equity shares (including awaiting listing) are stated at historical cost subject to diminution, if any, determined separately for each individual investment. Exchange Traded Funds (ETFs) are valued at closing price available at National Stock Exchange Ltd (NSE). Investments in Mutual fund units are valued at previous day's net asset value of the respective funds.

Alternate Investment Funds are valued at Net Asset Value (NAV) if applicable or Historical Cost less diminution in value of Investments.

Additional Tier-1 bonds are valued on the basis of values generated by bond valuer based on matrix released by Credit Rating Information Services of India Limited (CRISIL) on daily basis.

Investment in Units of Infrastructure Investment Trusts (INVT) and Real estate Investment Trusts (REIT) are valued at Market Value (last Quoted price should not be later than 30 days). Where Market Quote is not available for the last 30 days, the Units shall be valued as per the latest NAV (not more than 6 months old) of the Units published by the trust.

Money market instruments like Commercial Papers, Certificate of Deposit, Treasury Bills (T-Bills) and Triparty Repo (TREPS) (Formerly known as Collateralised Borrowing and Lending Obligation) are valued at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/ holding on a Yield to Maturity.

Land or building or part of a building or both held to earn rental income or capital appreciation or for both, if any, rather than for use in services or for administrative purposes is classified as real estate

investment property and is valued at historical cost (including cost of improvements and other incidental costs) subject to revaluation once in three years. The change in the carrying amount of the investment property shall be taken to Revaluation Reserve.

Rights are valued at fair value, being last quoted closing price on NSE and in case the same is not available, then on 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 recognised as investments on the 'ex- bonus date'.

Valuation - Linked Investments

Government securities are valued at the prices obtained from 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 on daily basis.

Listed shares are valued at fair value, being the last quoted closing price on NSE and in case the same is not available, then on the BSE. Unlisted equity shares (including awaiting listing) are stated at historical cost subject to diminution, if any, determined separately for each individual investment. Exchange Traded Funds (ETFs) are valued at closing price available at National Stock Exchange Ltd (NSE). Mutual fund units are taken at the previous day's net asset values.

Compulsory Convertible Debentures (CCD's) are valued at fair value, being the last quoted closing price on NSE and in case the same is not available, then on the BSE.

Securities with call options are valued at the lower of the values as obtained by valuing the security to the final maturity date or to the call option date by using the benchmark rate based on the matrix released by CRISIL on daily basis. Securities with put options are valued at the higher of the value as obtained by valuing the security to the final maturity date or to the put option date by using the benchmark rate based on the matrix released by CRISIL on daily basis.

Reverse repos are valued at cost. Fixed deposits are valued at cost till the date of maturity.

Money market and debt securities with a residual

maturity upto 182 days are valued at amortised cost being the difference between the redemption value and historical cost/last valuation price, spread uniformly over the remaining maturity period of the instrument

Rights are valued at fair value, last quoted closing price on NSE and in case the same is not available, then on 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 recognised as investments on the 'ex- bonus date'.

Valuation of Derivative Instrument

Interest rate swaps are contractual agreements between two parties to exchange fixed rate and floating rate interest by means of periodic payments, calculated on a specified notional amount and defined interest rates. Interest payments are netted against each other, with the difference between the fixed and floating rate payments paid by one party.

Forward Rate Agreements (FRA) is an agreement between two parties to pay or receive the difference (called settlement money) between an agreed fixed rate (FRA rate) and the interest rate prevailing on stipulated future date (the fixing date) based on a notional amount for an agreed period (the contract period).

For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect Revenue/Profit or loss.

At the inception of the transaction, the Company documents the relationship between the hedging instrument and the hedged item, as well as the risk management objective and the strategy for undertaking the hedge transaction. The Company also documents its assessment of whether the hedge is expected to be, and has been, highly effective in offsetting the risk in the hedged item, both at inception and on an ongoing basis.

Hedge effectiveness is the degree to which changes in cash flows of the hedged item that are attributable to a hedged risk are offset by changes in the cash flows

of the hedging instrument. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The portion of fair value gain/loss on the Interest Rate Derivative that is determined to be an effective hedge is recognised directly in appropriate equity account i.e. 'Hedge Fluctuation Reserve' which is included in 'Credit/(Debit) Fair Value Change Account' under Policyholders funds in the balance sheet. The ineffective portion of the change in fair value of such instruments is recognised in the Revenue Account in the period in which they arise. If the hedging relationship ceases to be effective or it becomes probable that the expected forecast transaction will no longer occur, hedge Accounting is discontinued and accumulated gains or losses that were recognised directly in the Hedge Fluctuation Reserve are reclassified into Revenue Account.

All derivatives are initially recognised in the Balance sheet at their fair value, which usually represents their cost. They are subsequently re-measured at their fair value, with the method of recognising movements in this value depending on whether they are designated as hedging instruments and, if so, the nature of the item being hedged. Fair values are obtained from quoted market prices. All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative. The notional or contractual amounts associated with derivative financial instruments are not recorded as assets or liabilities on the statement of financial position as they do not represent the fair value of these transactions.

Transfer of Investments

Investments in debt securities are transferred from shareholders to policyholders at the lower of the market price and 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 investments is carried out between different policyholders' funds.

Impairment of Investments

The Company assesses at each Balance Sheet date, using internal and external sources, whether there

is any indication of impairment of investment or reversal of impairment loss earlier recognised. An impairment loss is accounted for an expense in the Revenue Account or the Profit and Loss Account to the extent of the difference between the remeasured fair value of the investments and its acquisition cost as reduced by any earlier impairment loss accounted for as an expense in the Revenue Account or the Profit and Loss Account. Any reversal of impairment loss earlier recognised, is accounted in Revenue/Profit and Loss Account.

Provision for Non Performing Assets (NPA)

All assets where the interest and/or installment of principal repayment remain overdue for more than 90 days at the Balance Sheet date are classified as NPA and provided for in the manner required by the IRDAI regulations on this behalf. The Company may make higher provisions basis the impairment policy if the estimated recoverable value is lower than the carrying value of the asset.

6) Fixed Assets - Property, Plant & Equipment, Intangibles, Depreciation/Amortisation and Impairment

Property, Plant & Equipment (PPE) (Tangible fixed asset) are stated at cost less accumulated depreciation. Cost includes acquisition, installation and all other costs directly attributable to bring the asset to its present location and working condition for its intended use. Any additions to the original PPE are depreciated over the remaining useful life of the original asset.

Intangible assets comprising software and software licenses are stated at cost less amortisation. Significant expenditure incurred on existing assets that increases the future economic benefits are capitalised and depreciated/amortised over the remaining useful life of original asset. Any expenditure for support and maintenance of the computer software is charged to the Revenue Account.

Assets individually costing upto rupees five thousand and not as part of a composite contract are fully depreciated in the month of acquisition. PPE at third party locations and not under direct physical control of the Company are fully depreciated over twelve

months when it is available for use in the manner intended by management.

Cost of assets as at the Balance Sheet date not ready for its intended use as at such date are disclosed as capital work in progress. Advances given towards acquisition of PPE are disclosed in 'Advance and other assets' in Balance Sheet.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Revenue Account when the asset is derecognised.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 in respect of the following categories of assets:

Assets	Estimated Useful life
Furniture and Fixtures	10 years
Office Equipment	5 years

Depreciation on PPE, in respect of the following categories of assets, has been provided on the straight-line method as per the useful life of the assets which has been assessed based on internal and / or external assessment / technical evaluation carried out by management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc.

The management believes that the useful lives as mentioned below best represent the useful life of these respective assets, however these are different from those prescribed under part C of schedule II of the Companies Act, 2013:

Assets	Estimated Useful life
Vehicles	5 years
IT equipment including servers and networks	5 years
Desktops	5 years
Laptops	4 years
Handheld devices	1 year

Leasehold land is amortised over the renewable

period of respective leases subject to a maximum of 10 years.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Assets	Estimated Useful life
Policy Administration & Satellite systems (Hardware and Software)	6 years
Software (excluding Policy Administration System and Satellite systems)	4 years

Impairment of PPE & Intangible Asset

An asset is treated as impaired when the carrying value of the asset exceeds its recoverable value being higher of value in use and net selling price.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of depreciable historical cost. Such reversal is reflected in the Revenue/ Profit and Loss Account.

7) Liability for Policies

The actuarial liability for policies in-force as at the valuation date is determined using appropriate methods and assumptions that conform to the regulations issued by the IRDAI and the Actuarial Practice Standards (APS) issued by the Institute of Actuaries of India (IAI). Specifically, the key principles considered for the valuation relate to the IRDAI (Assets & Liabilities and Solvency Margin of Life Insurance Business) Regulations, 2016 and the APS 1, APS 2 and APS 7 issued by the IAI.

The liability, valued on a policy by policy basis, is so calculated that together with future premium payments and investment income, the Company is able to meet all future claims (including bonus entitlements to policyholders, if applicable) and expenses, on the basis of actuarial estimates.

A brief description of the methodology used for valuing key categories of products is provided below:

1. The liability for individual non-linked business is valued using gross premium reserving

methodology. For participating business, a reference is also made to the asset share of the policies as at the valuation date in order to appropriately allow for policyholders' reasonable expectations. The liability is floored to zero or the surrender value payable under the policies, if any.

2. The liability for individual (and group) unit linked business comprises of two parts – a unit reserve and a non-unit reserve. Unit reserve represents the value of units using the net asset value at the valuation date. Non-unit reserve is calculated using a discounted cash-flow method and is similar to gross premium reserves.
3. The liability for group one year renewable term business is calculated using an unearned premium approach where the premium representing the unexpired policy term is held as a liability. For longer term group business, gross premium reserving methodology is used.
4. The liability for riders attached to a non-linked policy is calculated as higher of gross premium reserves and unearned premium reserves.
5. The liabilities above also allow (either explicitly or implicitly) for any cost of guarantees/options inherent in the products.

The regulations also require the insurers to hold certain additional reserves. The key additional reserves cover the following sources of liability:

1. Additional source of liability for policies which are lapsed as at the valuation date but represent a potential source of future liability if they revive within their revival period (generally termed as lapse revival reserves). The reserves are calculated using an assumption of revival probability, based on Company experience.
2. Additional source of liability for policies which may exercise their option of cancelling the policy within the free look period offered (generally termed as free look cancellation reserves). The reserves are calculated using an assumption of free look cancellation, based on Company experience.

3. Liability against policies for which the insured event has already occurred but the claim has not been reported to the Company (generally termed as Incurred But Not Reported reserves).

8) **Employees' Benefits**

a) **Short Term Employee Benefits**

All employees' benefits payable within twelve months including salaries and bonuses are classified as short term employee benefits. Compensated absences and other benefits like insurance for employees are accounted on undiscounted basis during the Accounting period in which the related services are rendered.

b) **Post-Employment Benefits**

Defined contribution plans

Employee's State Insurance, National Pension Scheme (Company contribution), and Labour Welfare Fund are the defined contribution plans. The contributions paid/payable under the plan are made when due and charged to the Revenue Account or Profit and Loss Account during the period in which the employee renders the related service. The Company does not have any further obligation beyond the contributions made to the funds.

Defined benefit plans

- **Gratuity:-** The Company's liability towards Gratuity, being defined benefit plans, is accounted for on the basis of independent actuarial valuations carried out as per 'Projected Unit Credit Method' at the balance sheet date. The discount rate used for actuarial valuation is based on the yield of Government Securities. The Company contributes the net ascertained liabilities under the plan to the Max Life Insurance Company Limited Employees Group Gratuity Plan. The Company recognises the net defined benefit obligation of the gratuity plan, taking into consideration the defined benefit obligation using actuarial valuation and the fair value of plan assets at the Balance Sheet date, in accordance

with Accounting Standard (AS) 15 (Revised), 'Employee Benefits'. Actuarial gains or losses, if any, due to experience adjustments and the effects of changes in actuarial assumptions are accounted for in the Revenue Account or the Profit and Loss Account, as the case maybe, in the period in which they arise.

- **Provident Fund:-** The Company contributes to the employee provident trust "Max Financial Services Limited Employees' Provident Fund Trust" which is managed by the holding company and as per AS-15, Employee Benefits (Revised), read with the Guidance Note on Implementing AS-15, Employee Benefits (Revised) issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires interest shortfall to be met by the employer, is a defined benefit plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Contributions and shortfall, if any, is charged to Revenue Account / Profit and Loss Account.

c) **Other Long Term Employee Benefits**

Other long term employee benefits includes accumulated long term compensated absences and long term incentive plans. Accumulated long term compensated absences are entitled to be carried forward for future encashment or availment, at the option of the employee subject to Company's policies. Accumulated long term compensated absences are accounted for based on actuarial valuation determined using the projected unit credit method. Long term incentive plans are subject to fulfillment of criteria prescribed by the Company and is accounted for on the basis of independent actuarial valuations at the balance sheet date.

9) **Employee Phantom Stock Plan**

The options are accounted for on an intrinsic value basis in accordance with the Guidance Note on Accounting for Employee Share based Payments, issued by the Institute of Chartered Accountants

of India (ICAI). Intrinsic value of option, which is the difference between derived market price of the underlying stock and the exercise price on the grant date is amortised 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 recognised in Revenue Account/ Profit and Loss Account. Options that lapse are reversed by a credit to Revenue Account/ Profit and Loss Account equal to the amortised portion of the value of the lapsed options.

In a cash settled employee share based payment plan, the Company recognises expense for the services received, as the employees render services over the vesting period.

10) **Segment Reporting**

The Company operates in India in the following segments: Individual Life Participating business, Participating Pension business, Individual Life Non-participating business, Non-participating Annuity, Group business, Health, Linked Individual, Linked Pension, Linked Group and Shareholders' Funds. Non-participating businesses include policies with committed cash flows, with no rights to the surplus in the business. Participating business include policies other than those of non-participating businesses. Investment of shareholder funds constitutes investible funds relating to Shareholders. Accordingly, the Company has provided primary segment information for these segments as per the Accounting Standard 17 on 'Segment Reporting,' read with the relevant IRDAI Regulations.

There are no reportable geographical segments, since all business operations of the Company are given effect to in India and all policies are written in India only. The following basis has been used for allocation of assets, liabilities, revenues and expenses:

Assets, liabilities, revenues and expenses directly attributable and identifiable to the respective business segment are allocated on an actual basis. Other than the above assets, liabilities, revenues and expenses, are apportioned to the business segment by adopting one or more of the following bases, which is considered as appropriate by the management:

- Total number of policies in-force;
- First year premium;
- Subsequent year premium;
- Total premium;
- Weighted combination of sum assured, first year premium, renewal premium income and total number of policies in force;
- Sum assured; and
- First year commission.

11) **Contribution to Policyholders' Account (Technical Account)**

Contribution to Policyholders' Account (Technical Account), if any, is made as decided by the Board of Directors.

12) **Taxation**

Direct Taxes

Income Tax expense comprises of current tax and deferred tax charge or credit, as applicable.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Section 44 of the Income Tax Act, 1961 read with Rules contained in the First Schedule and other relevant provisions of the Income Tax Act, 1961 as applicable to a company carrying on life insurance business.

In accordance with the provisions of the Accounting Standard (AS) 22, "Accounting for Taxes on Income", with respect to the carry forward of losses under the Income Tax regulations, the deferred tax asset if applicable is recognized only to the extent that there is a virtual certainty supported by convincing evidence that future taxable income will be available against which the deferred tax asset can be realised.

Indirect Taxes

The Company claims credit of Goods and Service tax (GST) on input goods and services, which is set off against GST on output services/goods. Unutilised credits towards GST are carried forward under Advances and Other Assets wherever there is

reasonable certainty of utilization.

13) **Operating Lease**

Leases where the lessor retains substantially all the risks and benefits of ownership over lease term are classified as operating leases. Operating lease rentals including escalations are recognised as an expense in the Revenue Account/Profit and Loss Account, as applicable, on a straight line basis over the period of the lease.

14) **Loans**

Loans against policies are valued at the aggregate of book values (net of repayments) plus capitalised interest, subject to provision for impairment, if any.

15) **Provisions and Contingent Liabilities**

The Company creates a provision when there is present obligation as a result of a past event that would probably result in an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that arises from past events, that may, but probably will not, require an outflow of resources embodying economic benefits or a reliable estimate cannot be made. However, contingent assets are neither recognised nor disclosed.

16) **Earnings Per Share**

In accordance with the requirement of Accounting Standard (AS) 20, "Earnings Per Share", Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

17) **Funds for future appropriations**

Non-Linked:- Funds for future appropriations in non linked 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 Company's policyholder fund.

18) Cash and cash equivalents

Cash and cash equivalents for the purpose of Receipts and Payments account includes cash and cheques in hand, bank balances, deposits with banks, other short-term highly liquid investments with original maturities of upto three months and which are subject to insignificant risk of change in value.

Receipts and Payments account is prepared and reported using the direct method in accordance with accounting standard (AS) 3, "Cash Flow Statements" as per requirements of Master Circular of IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002.

19) Foreign exchange transactions

At the time of Initial recognition, foreign currency transactions are recorded in Indian Rupees at the rate of exchange prevailing on the date of the transaction. Exchange gain & losses are recognised in the period in which they arise, either in Revenue Account/ Profit & Loss Account, as the case may be.

20) Provision for Doubtful debts

The Company regularly evaluates the probability of recovery and provides for doubtful recoverable in the Revenue Account or Profit and Loss Account, as applicable.

21) Borrowing Cost

Borrowing costs are interest and other costs incurred by the Company in connection with the borrowing of funds. As per Accounting Standard (AS) 16, such borrowing costs are recognised as an expense in the period in which they are incurred.

22) Unclaimed amount of policyholders

Pursuant to IRDAI circular no. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 and IRDA/F&A/CIR/CPM/134/07/2015 dated July 24, 2015 on "Handling of unclaimed amounts pertaining to

policyholders" ("the Regulations"), and IRDA/F&A/CIR/Misc/282/11/2020 dated November 17, 2020 the Company has created a single segregated fund to manage all unclaimed monies.

Unclaimed amount of policyholders' liability is determined on the basis of NAV of the units outstanding as at the valuation date.

Assets held for unclaimed amount of policyholders and unclaimed amount of policyholders' liability are considered as Current Assets & Current liabilities, and disclosed in Schedule 12 "Advances and other Assets" and Schedule 13 "Current Liabilities" respectively.

Income on unclaimed amount of policyholders is accreted to the unclaimed fund and is accounted for on an accrual basis, net of fund management charges.

The unclaimed amount of policyholders which are more than 120 months as on 30 september every year, are transferred to the Senior Citizens' Welfare Fund (SCWF) on or before 01 March of that financial year.

II NOTES TO ACCOUNTS

1) Contingent Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Partly paid-up investment #	1,000,000	1,719,475
Claims, other than against policies, not acknowledged as debts by the Company	281,703	264,173
Underwriting commitments outstanding (in respect of shares and securities)	-	-
Guarantees issued by or on behalf of the Company (Refer Note a)	2,500	2,500
Statutory demands/ liabilities in dispute, not provided for*	-	57,649
Reinsurance obligations to the extent not provided for in accounts	-	-
Others (Refer Note b)	890,105	495,196
Total	2,174,308	2,538,993

in respect of partly paid up bonds.

* Inclusive of Interest of Rs. Nil as at March 31, 2022 (Rs. 21,822 as at March 31, 2021). Pursuant to the AO appeal effect order, the company reduced the contingent liability to Nil pertaining to donation deduction u/s 80G in current financial year.

Notes:

- Bank guarantee placed with bank for UIDAI of Rs. 2,500 (March 31, 2021 Rs. 2,500).
- It includes potential liability in respect of repudiated Policyholders' claims.

2) Actuarial assumptions

The Company's Appointed Actuary has determined valuation assumptions that conform to the relevant regulations issued by the IRDAI and the Actuarial Practice Standards issued by the Institute of Actuaries of India (IAI). Details of assumptions are given below:

• Interest rate

It is based upon the current and projected yields on the fund(s) basis the projected yields on 10-year government bonds. A portfolio yield of 6.85% (March 31, 2021: 6.75%) for participating business, 7.00% (March 31, 2021: 6.80%) for annuity business and 7.20% (March 31, 2021: 7.05%) for non-participating life, health and riders have been used.

The portfolio yield is reduced by margin for adverse deviation (MAD) of 0.70% for the first five years and 1.40% from sixth year onwards (March 31, 2021: 1.30% across all years).

For linked products, unit growth rate of 8.90% (March 31, 2021: 8.30%) has been used which is further reduced by MAD of 1.40% (March 31, 2021: 1.30%).

• Mortality

Mortality assumptions for valuation purposes in general are set in line with the current experience. The recent impacts of COVID-19 has not been reflected to the current mortality assumptions, since the impact is due to a one-time event, the data for which is not yet fully developed to effect

a conclusive change in assumptions.

These rates are further increased/reduced by MAD of 10% (March 31, 2021: 10%).

• Morbidity

IAI has recommended the CIBT93 study of UK for morbidity incident rates, due to lack of any published Indian experience. In general, proportions of these tables or reinsurance rates are estimated in line with the current experience. The recent impacts of COVID-19 has not been reflected to the current morbidity assumptions, since the impact is due to a one-time event, the data for which is not yet fully developed to effect a conclusive change in assumptions.

These rates are further increased by MAD of 20% (March 31, 2021: 20%)

• Expenses

The maintenance expense assumptions are based on the current expense levels of the company. For prudence, assumptions do not allow for future expected savings in expenses. The assumptions are increased by MAD of 10% (March 31, 2021: 10%).

• Inflation

Assumption of 5.65% p.a. (March 31, 2021: 5.45% p.a.) for expense inflation has been used.

• Commission

It is based on the current practice of the company.

• Discontinuity

Discontinuity assumptions for valuation purposes in general are set in line with the current experience. The recent impacts of COVID-19 has not been reflected to the current discontinuity assumptions, since the impact is due to a one-time event, the data for which is not yet fully developed to effect a conclusive change in assumptions.

Further, MAD of 20% (March 31, 2021: 20%) for participating business, 25% (March 31, 2021: 25%) for unit-linked business, annuity business,

health business and non-participating life business is considered for prudence.

• **Free look cancellation**

Provisions are made for the strain that may arise in the event of cancellation during the free look period. The free look cancellation assumption is 7.0% (March 31, 2021: 7.0%) for participating business, 5.0% (March 31, 2021: 4.0%) for non-participating life business, 5.0% (March 31, 2021: 5.0%) for annuity, 10.0% (March 31, 2021: 6.0%) for health and 5.0% (March 31, 2021: 6.0%) for the unit linked business. The assumptions were increased by MAD of 20% (March 31, 2021: 20.0%) for participating, non-participating business and unit linked business.

• **Future bonuses**

Provision is made for future bonuses based on expected bonus payouts consistent with the valuation assumptions and policyholders' reasonable expectations.

• **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.

3) Assets subject to Restructuring

Restructuring of Dewan Housing Finance Limited:

Reserve Bank of India (RBI) had initiated insolvency proceedings against Dewan Housing Finance Ltd ("DHFL") under Insolvency and Bankruptcy Code (IBC) route after replacing the Board in November 2019 citing governance concerns and defaults by DHFL in meeting its debt obligations. During January 2021, the resolution plan of Piramal Capital Housing Finance Limited ("PCHFL") was voted in favour by Committee of Creditors (CoC) and subsequently approvals were sought from RBI, Competition Commission of India (CCI) and National Company Law Tribunal (NCLT) for completion of this transaction. NCLT had approved PCHFL resolution plan in June 2021 and on September 29, 2021, PCHFL paid the consideration for acquisition and merger of DHFL as follows:

- Company had an exposure of Rs. 1,409,948 in Dewan housing finance Corporation Limited ("DHFL"), in which total recovery was ~48% of Face value (against 25% at which the exposure was carried on). Company received a total of Rs. 683,702. of which:
 - i. Rs. 310,574 was in the form of cash
 - ii. Rs. 373,128 in the form of NCDs of Piramal Capital Housing Finance Limited ("PCHFL")
- NCDs of PCHFL are for a period of 10 yrs at 6.75% p.a. coupon payable half yearly; with a principal payment of 5% p.a. during first five years and 15% p.a. for next five years.

Particulars	ULIP Fund	Shareholder's Fund	Total
Investment at cost value	1,359,948	50,000	1,409,948
Book Value at the time of recovery (25% of cost value)	339,987	12,500	352,487
Recovery value (recovery: 48% of cost value)	659,359	24,343	683,702
Write back of excess provision - Impact on P&L for the year ended Mar'22	319,372	11,843	331,215
Final write-off amount	700,589	25,657	726,246

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

4) Encumbrances

The assets of the Company are free from all encumbrances except to the extent assets or monies are required to be deposited as margin contributions for investment trade obligations of the Company and as mandated by the any court or authority, as detailed below:

Particular		As at March 31 2022	As at March 31 2021
(i)	Issued in India		
	Government Security collateral to CCIL (The Clearing Corporation of India Limited) under TREPS segment*	193,000	155,000
	Bank Guarantee placed with Bank for UIDAI	2,500	2,500
	Fixed Deposit against Court order	2,558	3,468
	Sub-Total	198,058	160,968
(ii)	Issued outside India	-	-
	Total	198,058	160,968

*Cash placed with CCIL is excluded

5) Capital and other commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on PPE (net of advances)	242,470	336,252
Commitments made and outstanding for investments and loans*	791,524	386,279
Total	1,033,994	722,531

* Includes commitment towards Alternative Investment Funds (AIF)

6) Taxation

The Company carries on the business of Life Insurance, therefore the provisions of Section 44 and the first schedule of Income Tax Act 1961, are applicable for computation of profit and gains of business. Accordingly, the Company has recorded a provision for tax of Rs. 302,954 (March 31, 2021: Rs. (130,721)). The Company does not have any timing differences between taxable income and accounting income and hence no deferred tax has been recognized in the financial statements.

7) Value of unsettled contracts relating to investments

Value of contracts in relation to investments, for:

Particulars	As at March 31, 2022			As at March 31, 2021		
	Shareholders' Fund	Policyholders' Funds	Total	Shareholders' Fund	Policyholders' Funds	Total
(a) Purchases where deliveries are pending*	510,391	11,011,258	11,521,649	-	21,362,652	21,362,652
(b) Sales where payments are overdue	-	10,964,892	10,964,892	-	-	-

* The above amount does not include the Primary market transaction where allotment is pending.

8) Managerial Remuneration

Managerial remuneration details are as below:

Particulars	2021-22	2020-21
Salary and allowances	153,224	403,090
Contribution to provident fund	2,440	2,038
Value of perquisites	1,111	606
Total	156,775	405,734

Notes:

- The above figures do not include provision for employee benefits, which are actuarially determined for the Company as a whole.
- The remuneration of managerial personnel is in accordance with the requirements of Section 34A of the Insurance Act, 1938 as amended from time to time including amendment brought by Insurance Laws (Amendment) Act, 2015. Amount of Rs. 15,000 (March 31, 2021: Rs. 15,000) has been charged to Policyholders Revenue Account and the balance, in excess, as required has been debited to Shareholder Account.
- Remuneration (commission) to independent directors Rs. 4,000 (March 31, 2021: Rs. 4,000) is included under Schedule 3.

9) Employee Phantom Stock Plan

During the year ended March 31, 2016, the Company issued Employee Phantom Stock Plan ("EPSP") w.e.f. March 01, 2016. Further, during the year ended March 31, 2019, the Company issued EPSP w.e.f. May 24, 2018. Further, during the year ended March 31, 2020, the Company issued EPSP w.e.f. May 22, 2019. Further during the year ended March 31, 2021, the Company issued EPSP w.e.f. May 20, 2020. Further during the year ended March 31, 2022, the Company issued EPSP w.e.f. May 07, 2021 and November 09, 2021. Accordingly Rs. (344,494) (March 31, 2021: Rs. 1,184,175) is the movement in EPSP liability and the same has been charged as expense in the Revenue account / Profit & Loss account as applicable.

The details of the scheme are as under:

Type of arrangement	EPSP 2014	EPSP 2018	EPSP 2018	EPSP 2018	EPSP 2018	EPSP 2018
Date of Grant	1-Mar-16	24-May-18	22-May-19	20-May-20	7-May-21	9-Nov-21
No. of options outstanding (No. in '000)	-	2,387	6,341	10,185	5,066	147
Exercise Price (Rs.)	53.64	96.4	83.9	82.4	168.33	192.85
Graded Vesting Period						
1st Year	-	25%	25%	25%	25%	25%
2nd Year	20%	25%	25%	25%	25%	25%
3rd Year	30%	25%	25%	25%	25%	25%
4th Year	50%	25%	25%	25%	25%	25%
Mode of Settlement	Cash	Cash	Cash	Cash	Cash	Cash

A summary of status of Company's Employee Phantom Stock Option Plans is as given below:

Particulars	2021-22 (No.) in '000	2020-21 (No.) in '000
Outstanding at the beginning of the year	23,838	16,661
Add: Granted during the year	5,256	11,563
Less: Forfeited/lapsed during the year	485	656
Exercised during the year	4,484	3,730
Outstanding at the end of the year	24,125	23,838

Had the Company used the fair value of the options to value its Employee Phantom Stock Plan, the profit in profit and loss account (Shareholders' Account) would have been lower by Rs. 128,080 (March 31, 2021: Rs. 86,950) and basic earnings per

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

share and diluted earnings per share would have been Rs. 1.95 (March 31, 2021: Rs. 2.68) and Rs. 1.95 (March 31, 2021: Rs. 2.68) respectively.

The key assumptions used to estimate fair value of options are:

Particulars	2021-22	2020-21
Risk-free interest rate	5.22%-6.52%	4.34%-6.2%
Expected life	2.1-5.0 Years	2.14-5.0 Years
Expected Volatility	49.60%-42.79%	51.96%-43.86%
Expected dividend yield	1.16%	0.83%

10) Shareholder Expenses other than remuneration and welfare benefits:-

Nature of Expense	2021-22	2020-21
Interest on Non Convertible Debentures	245,622	-
Corporate Social Responsibility (CSR)	84,038	122,400
Bank charges and others	79,557	53,942
Total	409,217	176,342

11) Percentage of Business sector-wise :

a. Rural Sector

Particulars	Policy Nos.	
	2021-22	2020-21
Total number of policies	614,081	645,036
Total number of Rural policies	137,102	153,529
% of Rural policies to Total policies	22.33%	23.80%
Prescribed Requirement	20.00%	20.00%

b. Social Sector

Particulars	No of lives covered	
	2021-22	2020-21
Total number of lives	4,881,151	6,477,799
Total number of Social lives	1,102,666	859,417
% of Social lives to Total lives*	22.59%	13.27%
Prescribed Requirement (lives)*	244,058	323,890

* As per Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 for financial year 2021-22, prescribed requirement for social lives is computed at 5% of total lives covered in the preceding financial year.

12) Percentage of risk-retained and risk-reinsured

The extent of risk retained and reinsured is given below:

Particulars	Sum Assured	
	As on March 31, 2022	As on March 31, 2021
Individual Business :		
Risk retained	34.78%	46.08%
Risk reinsured	65.22%	53.92%
Group Business :		
Risk retained	66.83%	64.94%
Risk reinsured	33.17%	35.06%

13) Lease

As a Lessee

The Company has entered into agreements in the nature of lease with different lessors for office premises. These are in the nature of operating lease. Lease payments made under operating lease agreements have been fully recognised in the books of account. The lease rentals charged to Revenue Account is Rs. 711,071 (March 31, 2021: Rs. 729,206). The minimum future lease rentals payable under non-cancellable operating leases for specified duration in respect of such leases amount to the following:

Lease obligations for non-cancellable lease	As at March 31, 2022	As at March 31, 2021
Not later than 1 year	17,979	86,360
Later than 1 year but not later than 5 years	17,778	31,385
Later than 5 years	-	-

As a Lessor

The Company has entered into an agreement of leasing out the investment properties. This is in the nature of operating lease and lease arrangement contains provisions for renewal. The total lease income in respect of such lease recognised in Revenue account for the year ended March 31, 2022 is Rs. 661,771 (March 31, 2021 Rs. 340,454).

14) Details of number of claims intimated, disposed of and pending with details of duration

Claims, which are settled and unpaid for more than 6 months as on balance sheet date amount to Rs. 1,515,385 (March 31, 2021: Rs. 1,066,153).

The claims settlement experience for the Company for FY 2021-22 has been as follows:

S. No.	Claims Experience	For Death	For Maturity	Survival Benefit	For Annuities/Pension	For Surrender	Other Benefits
1	Claims Outstanding at the beginning of the period	1	224	-	-	-	-
2	Claims reported during the period	52,144	53,888	114,655	13,930	395,136	14,712
3	Claims Settled during the period	51,815	53,976	114,591	13,930	395,136	14,640
4	Claims Repudiated during the period	326	-	1	-	-	5
5	Claims Rejected	-	-	63	-	-	67
6	Claims Written Back	-	-	-	-	-	-
7	Claims Outstanding at End of the period	4	136	-	-	-	-
	• Less than 3 months	4	96	-	-	-	-
	• 3 months to 6 months	-	40	-	-	-	-
	• 6 months to 1 year	-	-	-	-	-	-
	• 1 year and above	-	-	-	-	-	-

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

The claims settlement experience for the Company for FY 2020-21 has been as follows:

S. No.	Claims Experience	Death	Maturity	Survival Benefit	Annuities/ Pension	Surrender	Other Benefits
1	Claims Outstanding at the beginning of the period	1	207	-	-	-	2
2	Claims reported during the period	34,391	47,511	96,954	8,368	346,524	256
3	Claims Settled during the period	34,158	47,494	96,954	8,368	346,524	179
4	Claims Repudiated during the period	233	-	-	-	-	4
5	Claims Rejected	-	-	-	-	-	75
6	Claims Written Back	-	-	-	-	-	-
7	Claims Outstanding at End of the period	1	224	-	-	-	-
	• Less than 3 months	-	93	-	-	-	-
	• 3 months to 6 months	1	20	-	-	-	-
	• 6 months to 1 year	-	73	-	-	-	-
	• 1 year and above	-	38	-	-	-	-

15) Interim/Final Dividend

The Board has not proposed any final dividend for the year ended March 31, 2022. However, the Board had declared final dividend of Rs. 0.92 per equity share aggregating to Rs. 1,765,308 for FY 2020-21 which was paid on May 11, 2021.

During the financial year 2021-22, Board has not proposed any interim dividend. However, the Board had proposed interim dividend of Rs. 1.04 per equity share aggregating to Rs. 1,995,565 in FY 2020-21 which was paid on March 09, 2021.

16) Contributions from/to Shareholders' Fund to Policyholders' Funds

The IRDAI (Expenses of Management of Insurers transacting Life Insurance Business) Regulations, 2016, which were notified on May 09, 2016, provided that the insurer shall be deemed to be compliant with these Regulations if the overall percentage of expense of management to allowable expenses is upto 100% subject to the excess expenses of management, on segmental level, being borne by the Shareholders'.

Accordingly, to comply with the above Regulation, the excess of expenses above the limit specified has been borne by the Shareholders' amounting to Rs. 155,748 (March 31, 2021: Rs. 171,755).

The Company has transferred amount aggregating to Rs. 1,167,526 (March 31, 2021: 501,871) from the Shareholder's Account (Profit & Loss Account) to the non participating business segment, in Policyholder's Account (Revenue Account), to fund the deficit in respective segment.

During the year the Company has transferred the net surplus of Rs. 2,780,165 (March 31, 2021: Rs. 3,861,713) from Revenue account to Profit & loss account in accordance with Insurance Regulatory and Development Authority (Distribution of Surplus) Regulations, 2002 as amended from time to time.

17) Distribution of surplus

During the year out of the surplus allocated to participating policyholders one-ninth is transferred to shareholders the details are as under:

Particulars	2021-2022			2020-2021		
	Participating Individual Life	Participating Individual Pension	Total	Participating Individual Life	Participating Individual Pension	Total
Bonus to Policyholders (Refer Schedule 4)	11,735,923	14,116	11,750,039	11,344,719	13,605	11,358,324
Interim Bonuses Paid (Refer Form A-RA)	37,796	-	37,796	28,763	-	28,763
Special Bonus for Policyholders (Refer Form A-RA)	-	-	-	-	-	-
Reversionary Bonus	1,797,700	-	1,797,700	1,544,000	-	1,544,000
Dividend on Deposit	62,876	-	62,876	72,741	-	72,741
Total	13,634,295	14,116	13,648,411	12,990,223	13,605	13,003,828
Transfer to Shareholders' Account (1/9th)	1,514,922	1,568	1,516,490	1,443,358	1,512	1,444,870

18) Policyholders' Bonus

The Bonus to participating policyholders, for current year as recommended by Appointed Actuary has been included in change in valuation against policies in force.

19) Policy Liabilities

The movement of policy liabilities (forming part of Policyholders' funds) for the year ended March 31, 2022 is as follows:

Particulars	Participating Policies		Non-Participating Policies				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Individual Linked	Linked Pension	Linked Group	
At start of Year	444,522,690	413,748	90,162,275	8,028,510	100,883	12,612,073	265,009,873	20,458,670	1,363,796	842,672,518
Add: Change in valuation of liability against life policies in force, Net	69,189,719	(12,426)	35,283,136	7,385,597	34,018	2,527,948	49,966,776	(9,276)	215,744	164,581,236
Add: Policyholder Bonus provided	-	-	-	-	-	-	-	-	-	-
At end of Year	513,712,409	401,322	125,445,411	15,414,107	134,901	15,140,021	314,976,649	20,449,394	1,579,540	1,007,253,754

The movement of policy liabilities (forming part of Policyholders' funds) for the year ended March 31, 2021 is as follows:

Particulars	Participating Policies		Non-Participating Policies				Linked Policies			Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Individual Linked	Linked Pension	Linked Group	
At start of Year	369,677,738	413,317	67,193,325	3,179,511	185,340	10,953,638	176,299,543	17,645,437	901,207	646,449,056
Add: Change in valuation of liability against life policies in force, Net	74,844,955	432	22,968,950	4,848,998	(84,457)	1,658,435	88,710,331	2,813,233	462,585	196,223,462
Add: Policyholder Bonus provided	-	-	-	-	-	-	-	-	-	-
At end of Year	444,522,693	413,749	90,162,275	8,028,509	100,883	12,612,073	265,009,874	20,458,670	1,363,792	842,672,518

20. (i) Segment Reporting

1) Business Segments

The Company operates in India in the following segments: Individual Life Participating business, Participating Pension business, Individual Life Non-participating business, Non-participating Annuity, Group business, Health, Linked Individual, Linked Pension, Linked Group and Shareholders' Funds. Non-participating business include policies with committed cash flows, with no rights to the surplus in the business. Participating business include policies other than those of non-participating business. Investment of shareholder funds constitutes investible funds relating to shareholders. Accordingly, the Company has provided primary segment information for these segments as per the Accounting Standard 17 on 'Segment Reporting', issued by the ICAI, read with the relevant IRDAI Regulations.

2) Geographical Segments

Since the business operation of the Company is in India only, the same is considered as single geographical segment.

The segmental results for the year ended March 31, 2022 is given below:-

Particulars	Participating Policies		Non-Participating Policies				Linked Policies			Shareholders' Funds	Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Individual Life	Pension	Group		
Segment Revenue (excluding contribution from the Shareholder's account)	128,434,898	107,123	61,476,388	8,117,473	196,786	9,741,791	94,774,593	4,738,822	413,086	3,251,773	311,252,733
Segment Results- Surplus/ Deficit (net of contribution from the Shareholder's account)	4,015,622	51,139	(970,976)	(7,619)	82,597	(188,931)	862,794	162,380	156	2,409,667	6,416,829
Depreciation/ Amortisation	464,809	78	312,468	5,965	2,253	42,772	199,070	11,631	139	-	1,039,185
Significant non-cash expenses*	69,196,820	(12,426)	35,287,184	7,385,654	34,041	2,528,513	49,973,097	(9,265)	215,745	-	164,599,363

The segmental results for the year ended March 31, 2021 is given below:-

Particulars	Participating Policies		Non-Participating Policies				Linked Policies			Shareholders' Funds	Total
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Individual Life	Pension	Group		
Segment Revenue (excluding contribution from the Shareholder's account)	119,988,738	106,571	44,688,742	4,802,027	357,714	7,154,216	124,194,796	7,562,733	600,970	2,486,171	311,942,678
Segment Results- Surplus/(Deficit) (net of contribution from the Shareholder's account)	267,077	34,466	95,548	(501,871)	235,442	1,060,444	732,387	119,659	1,607	2,041,815	4,086,574
Depreciation/ Amortisation	386,265	65	261,882	4,336	4,812	25,500	161,069	11,392	88	-	855,409
Significant non-cash expenses*	74,860,939	435	22,981,420	4,849,185	(84,331)	1,659,454	88,720,173	2,813,755	462,586	-	196,263,616

*Comprises of change in valuation of policy liabilities, provision for doubtful debts and bad debts written off

FINANCIAL REVIEW

STRATEGIC REVIEW

CORPORATE REVIEW

Particular	Participating Policies		Non-Participating Policies			Linked Policies			Shareholders' Funds	Total	
	Individual Life	Pension	Individual Life	Annuity	Health	Group	Individual Life	Pension			Group
Segment Assets											
Investments	533,182,756	1,072,605	122,199,496	15,698,459	188,788	14,246,942	314,960,433	20,490,212	1,579,163	51,476,972	1,075,095,826
Loan	6,660,716	-	-	-	-	-	-	-	-	-	6,660,716
Net Fixed Assets	1,109,734	204	877,193	17,092	4,560	116,530	454,883	23,535	248	-	2,603,979
Advances and Other Assets	16,112,864	17,969	7,225,744	273,648	87,381	912,238	1,386,787	64,035	360	3,491,195	29,572,221
Total Segment Assets	557,066,070	1,090,778	130,302,433	15,989,199	280,729	15,275,710	316,802,103	20,577,782	1,579,771	54,968,167	1,113,932,742
Debit Balance In Profit And Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-
Deficit In The Revenue Account (Policyholders' Account)	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets											
Cash and Bank Balances	-	-	-	-	-	-	-	-	-	-	6,616,859
Total Assets											1,120,549,601
Segment Liabilities											
Policy Liabilities	513,712,409	401,322	125,445,411	15,414,107	134,901	15,140,021	314,976,649	20,449,394	1,579,540	-	1,007,253,754
Current Liabilities	12,527,095	5,475	14,746,181	235,131	75,147	2,081,041	6,434,113	349,243	4,958	756,047	37,214,431
Fair Value Change Account	6,983,012	-	(378,591)	189,114	-	-	-	-	-	10,987	6,804,522
Total Segment Liabilities	533,222,516	406,797	139,813,001	15,838,352	210,048	17,221,062	321,410,762	20,798,637	1,584,498	767,034	1,051,272,707
Segment Reserves	-	-	-	-	-	-	-	-	-	-	-
Reserves and Surplus	-	-	-	-	-	-	-	-	-	12,759,521	12,759,521
Equity Capital	-	-	-	-	-	-	-	-	-	19,188,129	19,188,129
Subordinated Debt	-	-	-	-	-	-	-	-	-	4,960,000	4,960,000
Funds For Future Appropriations	31,837,152	532,092	-	-	-	-	-	-	-	-	32,369,244
Deferred Expenditure											
Total Liabilities											1,120,549,601
Other Information	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure during the year	614,854	113	486,012	9,470	2,526	64,564	252,030	13,039	137	-	1,442,745

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Segmental Balance Sheet as at March 31, 2021

Particular	Participating Policies			Non-Participating Policies			Linked Policies			Shareholders' Funds	Total
	Individual Life	Pension		Individual Life	Annuity	Health	Group	Individual Life	Pension	Group	
Segment assets											
Investments	464,953,569	1,025,290		93,044,861	7,890,189	209,671	11,733,290	264,909,834	20,454,944	1,361,073	38,483,728
Loan	5,322,246	-		-	-	-	-	-	-	-	-
Net Fixed Assets	946,043	213		759,128	12,892	10,562	72,042	388,013	24,164	159	-
Advances and Other Assets	14,692,043	19,285		5,389,792	146,204	108,231	859,154	1,285,899	93,666	403	1,256,836
Total Segment Assets	485,913,901	1,044,788		99,193,781	8,049,285	328,464	12,664,486	266,583,746	20,572,774	1,361,635	39,740,564
Debit Balance In Profit And Loss Account (Shareholders' Account)	-	-		-	-	-	-	-	-	-	-
Deficit In The Revenue Account (Policyholders' Account)	-	-		-	-	-	-	-	-	-	-
Unallocated Assets											
Cash and Bank Balances	-	-		-	-	-	-	-	-	-	-
Advances and Other Assets	-	-		-	-	-	-	-	-	-	-
Total Assets											941,741,912
Segment Liabilities											
Policy Liabilities	444,522,693	413,749		90,162,275	8,028,509	100,883	12,612,073	265,009,874	20,458,670	1,363,792	-
Current Liabilities	10,696,651	6,105		10,352,681	160,588	164,375	1,674,512	5,586,999	332,968	2,095	-
Fair Value Change Account	8,351,940	-		1,194,623	111,712	-	-	-	-	-	301,339
Total Segment Liabilities	463,571,284	419,854		101,709,579	8,300,809	265,258	14,286,585	270,596,873	20,791,638	1,365,887	301,339
Segment Reserves	-	-		-	-	-	-	-	-	-	-
Reserves and Surplus	-	-		-	-	-	-	-	-	-	-
Equity Capital	-	-		-	-	-	-	-	-	-	-
Funds For Future Appropriations	29,336,450	482,521		-	-	-	-	-	-	-	-
Unallocated Liabilities											
Current Liabilities	-	-		-	-	-	-	-	-	-	-
Provisions	-	-		-	-	-	-	-	-	-	-
Deferred Expenditure	-	-		-	-	-	-	-	-	-	-
Total Liabilities											941,741,912
Other Information											
Capital Expenditure during the year	380,085	85		304,990	5,180	4,243	28,944	155,889	9,708	64	-
											889,188

21) The ratios as prescribed by IRDAI are given below:

S. No.	Ratios	2021-22	2020-21
1	New Business Premium Income Growth (segment wise)		
	(New Business Premium growth (current year – previous year) as a % of Previous Year New Business Premium)		
	Individual Life – Participating	11.45%	-14.14%
	Pension – Participating	-0.14%	-2.10%
	Individual Life - Non Participating	4.16%	80.52%
	Individual Life – Annuity	65.99%	239.40%
	Health Insurance	-81.85%	-48.79%
	Group	40.06%	26.04%
	Individual Linked	15.93%	14.88%
	Linked Pension	-8.73%	24.45%
	Linked Group	-30.60%	233.69%
2	Net Retention Ratio	98.09%	98.53%
	(Net premium as a % of gross premium)		
3	Ratio of Expenses of Management	19.73%	20.65%
	(Expenses of Management as a % of Gross Premium) (Refer Note 1 below)		
4	Commission Ratio	6.26%	6.45%
	(Gross Commission as a % of Gross Premium)		
5	Ratio of Policy holders' liabilities to shareholders' funds	3419.71%	3062.36%
	(Policyholders' Liability as a % of Shareholders' Fund)		
6	Growth rate of Shareholders' Fund	6.21%	15.13%
	(Increase/ (Decrease) in Shareholders' Fund over previous year as a % of Shareholders' Funds of Previous year) (Refer Note 2 below)		
7	Ratio of Policyholders' Surplus to Policyholders' liability	0.40%	0.25%
	(Policyholders' Surplus as a % of Policyholders' Liability)		
	(Refer Note 3 below)		
8	Change in net worth (over previous year) (In Thousands)	1,791,723	3,790,747
	(CY shareholders' funds - PY shareholders' funds)		
9	Profit after tax / Total Income	1.24%	1.68%
	(Refer Note 4 below)		
10	(Total Real Estate+Loans)/ Cash & Invested assets	1.56%	1.61%
11	Total Investments/(Capital + Surplus) (Refer Note 5 below)	3365.18%	3053.98%
12	Total Affiliated Investments/(Capital + Surplus)	24.87%	NA
13	Yield on Investments		
	With unrealized gains		
	Policyholders' Funds:		
	Non-Linked:		

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

S. No.	Ratios	2021-22	2020-21
	Par	5.47%	12.56%
	Non-Par	4.24%	7.24%
	Sub-Total	5.31%	11.57%
	Linked:		
	Non-Par	10.09%	35.90%
	Sub-Total	10.09%	35.90%
	Grand Total	6.71%	18.11%
	Shareholders' Funds	6.94%	7.71%
	Without unrealized Gains		
	Policyholders' Funds:		
	Non-Linked:		
	Par	9.46%	10.17%
	Non-Par	7.37%	7.73%
	Sub-Total	8.97%	9.71%
	Linked:		
	Non-Par	13.76%	16.64%
	Sub-Total	13.76%	16.64%
	Grand Total	10.49%	11.75%
	Shareholders' Funds	8.38%	6.90%
14	Conservation Ratio		
	Individual Life-Participating Policies	89.88%	88.05%
	Pension -Participating Policies	89.57%	99.79%
	Individual Life Non-Participating Policies	89.45%	89.46%
	Health Non-Participating Policies	61.63%	61.95%
	Individual Linked	76.01%	84.22%
	Linked Pension	69.46%	78.75%
15	Persistency Ratio (Refer Note 6 below)		
	By Premium (Regular Premium / Limited Premium Payment under individual category)		
	for 13th month	83.71%	83.42%
	for 25th month	66.98%	65.69%
	for 37th month	59.90%	58.71%
	for 49th Month	55.29%	54.66%
	for 61st month	49.32%	49.11%
	By Count (Regular Premium / Limited Premium Payment under individual category)		
	for 13th month	81.52%	79.04%
	for 25th month	66.74%	64.61%
	for 37th month	58.53%	57.39%
	for 49th Month	53.47%	51.86%
	for 61st month	46.93%	47.83%
16	NPA Ratio (Refer Note 7 below)	0.0%	0.04%
17	Solvency Ratio (Required 150%)	201%	202%

Notes for calculation of above Ratios

- 1) Expenses of Management include operating expenses and commission, other than those directly related to insurance business.
- 2) Shareholders' funds = share capital+ reserves and surplus (Shareholder) + credit / (debit) fair value change account- realised hedge reserve -miscellaneous expenditure- debit balance in Profit and Loss Account or shareholders' account.
- 3) Policyholders' surplus is the surplus/deficit as shown in Revenue Account.
- 4) Profit after tax and total income are as disclosed in the Profit and Loss Account (Non - Technical) and Revenue Account (Technical).
- 5) Surplus = Reserves and surplus as per Schedule 6.
- 6) (i) The persistency ratios are calculated in accordance with the IRDAI circular no. IRDAI/F&A/CIR/MISC/256/09/2021 dated September 30, 2021 and hence are with a lag of one month.
- 6) (ii) The persistency ratios for year ended as at March 31, 2022 have been calculated on 30th April 2022 for the policies issued in the April to March period of the relevant years. E.g.: the 13th month persistency for the current year is calculated for the policies issued from April 2020 to March 2021. The persistency ratios for year ended as at March 31, 2021 have been calculated in a similar manner.
- 6) (iii) Persistency ratios include individual business only. Group business policies have been excluded from the persistency calculation.
- 6) (iv) Ratios for the previous year have been reclassified / regrouped wherever necessary.
- 7) Policyholder's Net NPA ratio

22) Related Parties Disclosures

During the year ended March 31, 2022, the Company had transactions with related parties as defined in Accounting Standard 18 on "Related Party Disclosures". Related Parties have been identified by the management on the basis of the information available with the Company. Details of these parties with whom the Company has transactions, nature of the relationship, transactions with them and balances at year end, are as below:

List of related parties

Description of relationship	Name
(a) Holding Company	<ul style="list-style-type: none"> Max Financial Services Limited (Erstwhile Max India Limited)
(b) Subsidiary Company	<ul style="list-style-type: none"> Max Life Pension Fund Management Limited
(c) Shareholder with significant influence	<ul style="list-style-type: none"> Axis Bank Limited (became related party w.e.f. April 06, 2021)
(d) Key Management Personnel	<ul style="list-style-type: none"> Analjit Singh (Chairman) Prashant Tripathy (Managing Director and CEO) V. Viswanand (Deputy Managing Director)
(e) Enterprises over which Key Management Personnel have significant Influence (KMP)	<ul style="list-style-type: none"> Max Skill First Limited (ceased to be related party w.e.f. July 09, 2021) Max Ventures & Industries Ltd Max Towers Private Ltd (Erstwhile Wise Zone Builders Private. Ltd) Max Ventures Private Limited Max India Ltd
(f) Group Company	<ul style="list-style-type: none"> Max Asset Services Limited

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

The details of significant related party transactions as per Accounting Standard 18 and Corporate Governance guidelines for Insurers in India, 2016, issued by IRDAI, payments made to group entities from the Policyholders' Funds are included in the below disclosures:

Sr. No.	Name of the Related Party	Nature of Relationship with Company	Description of Transaction	Amount		Balance outstanding Receivable / (Payable)	
				2021-22	2020-21	As at March 31, 2022	As at March 31, 2021
1	Max Financial Services Limited (Erstwhile Max India Limited)	Holding Company	Expense - Functional Support Services	160,000	150,000	(135,456)	(150,233)
			Expenses - D&O Insurance Policy	390	233		
			Recovery of expenses - Disaster recovery site/ Procurement services	-	(125)		
			Recovery of expenses - Gratuity	-	(723)		
			Interim Dividend paid	-	1,857,809		
			Final Dividend paid	1,444,612	-		

Sr. No.	Name of the Related Party	Nature of Relationship with Company	Description of Transaction	Amount		Balance outstanding Receivable / (Payable)	
				2021-22	2020-21	As at March 31, 2022	As at March 31, 2021
2	Max Skill First Limited	Enterprises over which Key Management Personnel have significant Influence (KMP)	Expenses - Training Services	27,100	405,997	-	29,910
			Income - Insurance Premium	-	(1,051)		
			Recovery of expenses - Rental of office space	(1,143)	(13,718)		
			Recovery of expenses - Gratuity / Bonus and others	(26,670)	(2,518)		
			Recovery of expenses - IT support	(45)	(536)		
3	Max Ventures & Industries Ltd	Enterprises over which Key Management Personnel (KMP) have significant Influence	Income - Rental of Office Space	(33,577)	(33,577)	-	-
			Income - Insurance Premium	(112)	(107)		
			Security Deposit received	-	-		
4	Max Towers Pvt Ltd (erstwhile Wise Zone Builders Pvt. Ltd)	Enterprises over which Key Management Personnel (KMP) have significant Influence	Income - Rental of Office Space & Others	(25,610)	(37,757)	8,937	5,304
			Expenses- Vaccination Charges	592	-		
			Recovery of expenses - Stamp Duty	-	(4,088)		
5	Max Asset Services Limited	Group Company	Expenses - Maintenance Charges	8,137	7,221	-	-

Sr. No.	Name of the Related Party	Nature of Relationship with Company	Description of Transaction	Amount		Balance outstanding Receivable / (Payable)	
				2021-22	2020-21	As at March 31, 2022	As at March 31, 2021
6	Axis Bank Limited	Shareholder with significant influence	Income - Insurance Premium	(4,867,054)	-	(271,485)	-
			Income - Income on Investments	(397,013)	-	99,593	-
			Expenses - Commission	9,181,052	-	(1,095,302)	-
			Expenses- Bank Charges	92,362	-	-	-
			Final Dividend paid	176,531	-	-	-
			Receipt – Sale / Maturity of Investments	(440,000)	-	-	-
			Payment - Purchase of Investments	2,194,950	-	-	-
			Investments	-	-	8,161,070	-
			Term Deposits	-	-	2,500	-
			Bank Balances	-	-	3,573,188	-
7	Max Ventures Private Limited	Enterprises over which Key Management Personnel (KMP) have significant Influence	Income - Insurance Premium	(378)	(180)	(36)	(31)
8	Max India Ltd	Enterprises over which Key Management Personnel (KMP) have significant Influence	Income - Insurance Premium	(662)	(502)	(2,103)	(1,453)
9	Key management personnel	Key management personnel	Managerial remuneration and welfare benefits [Refer to Note II (8) on Schedule 16]	156,775	405,734	-	-
			Income- Insurance Premium	(1,071)	(775)	-	-

23) **Summary of Financial Statements forming part of Notes to Accounts (Rs. in Lakhs) is given below:**

S. No.	Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
	POLICYHOLDERS' A/C					
1	Gross Premium Income	2,241,417	1,901,790	1,618,365	1,457,523	1,250,089
2	Net Premium Income (Net of Re-insurance ceded)	2,198,697	1,873,903	1,597,877	1,441,838	1,237,955
3	Income from Investments (Net of losses)	870,983	1,214,375	202,868	486,431	375,743
4	Other Income (Miscellaneous Income)	5,160	4,102	4,415	3,197	2,540
5	Contribution from the Shareholders' a/c	13,233	1,718	4,097	1,203	915
6	Total Income (2+3+4+5)	3,088,073	3,094,098	1,809,257	1,932,669	1,617,153
7	Commission	140,281	122,701	102,444	98,884	89,288
8	Brokerage	-	-	-	-	-
9	Operating Expenses related to Insurance Business	320,951	286,887	249,106	205,903	171,951
10	Provision for Tax	-	-	-	-	-
11	Total Expenses (7+8+9+10)	461,232	409,588	351,550	304,787	261,239

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

S. No.	Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
12	Payments to Policyholders (includes Bonus to Policyholders)	927,725	700,110	662,217	571,783	494,665
13	Increase in Actuarial Liability	1,645,812	1,962,235	663,943	973,654	790,427
14	Provision for Linked Liabilities	-	-	-	-	-
15	Surplus/Deficit from Operations	53,304	22,165	131,547	82,445	70,823
	SHAREHOLDERS' A/C					
16	Total Income under Shareholders' Account	32,636	24,782	19,897	22,017	21,838
17	Total Expenses under Shareholder's Account	5,510	5,671	2,917	2,571	(677)
18	Profit/(loss) before Tax	41,695	50,992	59,784	62,264	61,517
19	Provision for Tax	3,029	-1,307	5,847	6,622	8,755
20	Profit/(loss) after tax	38,666	52,299	53,937	55,642	52,763
21	Interim and proposed final dividend (including dividend distribution tax)	17,653	19,956	77,493	47,884	34,411
22	Transfer to Reserves	992	-	-	-	-
23	Profit/ loss carried to Balance Sheet	104,193	84,173	51,829	75,385	67,627
	MISCELLANEOUS					
24	Policyholders' account:					
	Total Funds	10,464,165	8,821,498	6,717,092	6,082,627	5,047,989
	Total Investments (Including Linked)	10,236,189	8,655,827	6,521,257	5,927,925	4,902,196
	Yield on Investments (%) (Controlled Funds)	8.97%	9.71%	8.30%	8.27%	8.39%
	Yield on Investments (%) (Unit Linked Funds)	13.76%	36.38%	-6.83%	11.61%	9.21%
	Shareholders' account:					
	Total Funds	319,586	300,786	257,389	276,093	269,888
	Total Investments	514,770	384,837	325,812	351,868	321,459
	Yield on Investments (%)	8.38%	6.85%	6.00%	6.68%	7.00%
25	Yield on Total Investments	10.40%	16.89%	3.44%	9.24%	8.57%
26	Paid up Equity capital (including share premium and reserves)	319,477	297,772	259,940	276,663	268,905
27	Weighted Average Number of Shares (in thousands)	1,918,813	1,918,813	1,918,813	1,918,813	1,918,813
28	Net Worth	306,381	288,464	250,557	276,093	269,888
29	Total Assets	11,205,496	9,417,419	7,177,243	6,592,703	5,496,284
30	Earnings per share - Basic (Face Value : Rs. 10 each) in Rs.	2.02	2.73	2.81	2.90	2.75
31	Earnings per share - Diluted (Face Value : Rs. 10 each) in Rs.	2.02	2.73	2.81	2.90	2.75
32	Book Value per Share: Rs. 10 Paid up	15.97	15.03	13.06	14.39	14.07

24) Earnings per equity share

S. No.	Particulars	2021-22	2020-21
1	Net Profit as per Profit & Loss Account available for equity shareholders for both basic and diluted earnings per equity share of Rs. 10	3,866,559	5,229,903
2	Weighted average number of equity shares for earnings per equity share		
	a) For basic earnings per equity share	1,918,812,856	1,918,812,856
	b) For diluted earnings per equity share	1,918,812,856	1,918,812,856
	Add: Weighted average outstanding employee stock options deemed to be issued for no consideration		
	Weighted average number of equity shares for diluted earnings equity share	1,918,812,856	1,918,812,856
3	Earning per equity share		
	a) Basic (in Rs.)	2.02	2.73
	b) Diluted (in Rs.)	2.02	2.73

25) Employee Benefits - Disclosures as per AS 15 (Revised)
i. Defined Contribution Plan

During the year, the Company has recognised the following amounts in the Revenue account / Profit and Loss Account:

Particulars	2021-22	2020-21
Employers' contribution to Employee State Insurance	46,697	51,705
Employers' contribution to National Pension Scheme	10,576	9,785
Employers' contribution to Labour Welfare Fund	562	3,004

ii. Defined Benefit Plans
a. Provident Fund

The Company contributes to the employee provident trust "Max Financial Services Limited Employees' Provident Fund Trust" which is managed by the holding company and as per AS-15, Employee Benefits (Revised), read with the Guidance Note on Implementing AS-15 issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires shortfall in interest to be met by the employer, needs to be treated as defined benefit plan.

Contributions and shortfall, if any, is charged to Revenue Account / Profit and Loss Account.

The Company has carried out an independent actuarial valuation to measure the liability towards aforesaid interest shortfall. As per actuarial certificate there is Rs. Nil (March 31, 2021: Rs. Nil) shortfall in the earning of fund against statutorily required "interest rate guarantee" and accordingly, the liability on account of interest rate guarantee is Rs. Nil (March 31, 2021: Rs. Nil).

During the year, the Company has recognised the following amounts in the Revenue Account / Profit and Loss Account:

Particulars	2021-22	2020-21
Employers' Contribution to Provident Fund	460,893	430,014

The details of fund and plan asset position as at March 31, 2021 as per the actuarial valuation of active members are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Plan assets at year end, at fair value	5,177,310	4,293,500
Present value of defined benefit obligation at year end	5,141,913	4,271,408
Surplus as per actuarial certificate	35,397	22,092

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

Particulars	2021-22	2020-21
Discount rate	5.66%	5.18%
Yield on existing funds (Weighted Average YTM)	8.57%	8.52%
Expected guaranteed interest rate (%)	8.10%	8.50%

b. Gratuity

This is a funded defined benefit plan under which the Company makes contributions to the Max Life Employees Group Gratuity Scheme. The scheme provides for a lump sum payment towards gratuity benefit as per the scheme rules, to an employee on his/her exit from employment either by way of resignation, retirement or death. The benefit accrues from the date of joining the employment but vests on completion of 5 years of continuous service. The

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

completion of 5 years of service is not applicable in the case of death.

Defined benefit obligation is accounted for on the basis of independent actuarial valuations carried out as per 'Projected Unit Credit Method' at the balance sheet date. Actuarial gains / losses related thereof are expensed/ recognized.

The following table sets out the status of the Gratuity Scheme:

Change in Defined Benefit Obligation	2021-22	2020-21
Opening Present value obligation	577,397	505,653
Interest cost	40,588	35,059
Past Service cost	-	-
Current service cost	90,584	82,915
Benefits Paid	(65,918)	(45,612)
Net Transfer in/(out)	-	-
Actuarial (gain)/ loss on Obligations	(18,245)	(618)
Closing Present value obligation	624,406	577,397
Changes in the Fair value of Plan Assets		
Opening Fair value of Plan Assets	491,981	141,327
Expected return on Plan Assets	35,423	20,920
Contributions	102,900	352,264
Benefits Paid	(65,918)	(45,612)
Net Transfer in/(out)	-	-
Actuarial gain/ (loss) on Obligations	(4,465)	23,082
Closing Fair value of Plan Assets	559,921	491,981
Expenses Recognised		
Current service cost	90,584	82,915
Past Service cost	-	-
Interest cost	40,588	35,059
Expected return on Plan Assets	(35,423)	(20,920)
Net Actuarial (gain)/ loss recognised during the year	(13,780)	(23,700)
Total Expense recognized	81,969	73,354
Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets		
Closing Present value obligation	624,406	577,397
Closing Fair value of Plan Assets	559,921	491,981
Net asset/ (liability) recognised in Balance Sheet	(64,485)	(85,416)
Major categories of plan assets:		
Insurer Managed Funds (Refer Note Below for major categories of plan assets)	559,921	491,981
Estimate towards contribution for next year	64,485	85,416
Actuarial Assumptions:		
Discount Rate (per annum)	6.90%	7.20%
Rate of increase in compensation levels *	7.50%	7.50%
Rate of return on plan assets **	6.75% - 11.00%	7.20%
Attrition rate:		
Distribution: For service 4 years and below	52% p.a.	25% p.a.
Non Distribution: For service 4 years and below	23% p.a.	
Distribution: For service 4 years and above	16% p.a.	5% p.a.
Non Distribution: For service 4 years and above	11% p.a.	

* Future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other

relevant factors, such as supply and demand in the employment market.

** Expected rate of return on plan assets is on the basis of average long term rate of return expected on investments of the fund during the estimated term of obligation.

Investment details of plan assets:

Particulars	As at March 31, 2022	As at March 31, 2021
The plan assets are invested in insurer managed funds	100%	100%
Asset allocation:		
Government securities	42%	50%
Corporate Debt	20%	25%
Equity shares	19%	10%
Net Current Assets including Money Market Items	3%	1%
Reverse/ Repo	16%	14%
Total	100%	100%

Experience adjustments on gratuity provisioning

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Defined benefit obligation	624,406	577,397	505,653	396,161	353,304
Less: Plan assets	559,921	491,981	141,327	193,865	240,992
Surplus/(deficit)	(64,485)	(85,416)	(364,326)	(202,296)	(112,312)
Experience Adjustments					
- on plan liabilities (gains) / losses	7,579	5,296	50,315	45,251	17,649
- on plan assets (losses) / gains	(4,465)	23,082	(19,969)	(4,525)	(3,875)

iii. Other long term benefits

Compensated absence

Liability for compensated absence for employees is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Actuarial Assumptions:	2021-22	2020-21
Discount Rate (per annum)	6.90%	7.20%
Rate of increase in compensation levels*	7.50%	7.50%

* Future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

Long term incentive plans

Liability for the scheme is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Actuarial Assumptions:	2021-22	2020-21
Discount Rate (per annum)	6.90%	7.20%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

26) Disclosures For ULIP Business

a) Performance of the Fund (Absolute Growth %)

Fund Name	SFIN	Year of Inception	Year			Since Inception
			2021-22	2020-21	2019-20	
Money Market	ULIF01528/04/09LIFEMONEYM104	2009-10	2.39%	2.28%	4.49%	93.54%
Secure Plus	ULIF01628/04/09LIFESECP104	2009-10	4.74%	7.66%	10.62%	168.12%
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	2006-07	10.70%	34.38%	-5.03%	338.97%
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	2006-07	8.29%	19.46%	2.42%	329.74%
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	2006-07	4.91%	7.01%	10.53%	241.70%
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	2007-08	5.29%	5.00%	7.71%	153.98%

Fund Name	SFIN	Year of Inception	Year			Since Inception
			2021-22	2020-21	2019-20	
Growth	ULIF00125/06/04LIFEGROWTH104	2004-05	9.70%	32.99%	-7.16%	688.84%
Balanced	ULIF00225/06/04LIFEBALANC104	2004-05	7.02%	20.97%	0.80%	473.82%
Conservative	ULIF00325/06/04LIFECONSER104	2004-05	5.69%	11.25%	5.99%	353.15%
Pension Growth	ULIF00525/11/05PENSNGROWTH104	2005-06	11.29%	35.84%	-8.26%	391.41%
Pension Balanced	ULIF00625/11/05PENSBALANC104	2005-06	9.43%	27.04%	-3.55%	303.17%
Pension Conservative	ULIF00725/11/05PENSCONSER104	2005-06	5.54%	12.22%	5.27%	251.80%
Pension Secured	ULIF00825/11/05PENSSSECURE104	2005-06	5.45%	6.84%	6.09%	222.76%
Growth Super	ULIF01108/02/07LIFEGRWSUP104	2007-08	13.55%	66.25%	-21.46%	441.78%
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	2006-07	4.66%	7.97%	7.49%	164.22%
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	2006-07	6.01%	12.59%	4.62%	184.15%
Pension Growth Super	ULIF01213/08/07PENSNGRWSUP104	2007-08	20.24%	70.93%	-24.07%	255.27%
High Growth	ULIF01311/02/08LIFEHIGHGR104	2007-08	23.86%	92.09%	-20.25%	467.59%
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	2008-09	9.00%	35.61%	-9.30%	267.51%
Secured	ULIF00425/06/04LIFESECURE104	2004-05	5.11%	7.55%	7.84%	272.68%
Pension Preserver	ULIF01815/02/13PENSPPRESER104	2013-14	5.30%	13.49%	5.66%	108.24%
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	2013-14	8.93%	25.93%	0.17%	135.65%
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	2013-14	5.43%	6.18%	7.34%	84.00%
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	2013-14	4.55%	3.48%	5.79%	69.47%
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	2013-14	4.52%	3.37%	5.79%	67.02%
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	2020-21	14.82%	52.56%	NA	75.16%
Dynamic Bond	ULIF02401/01/20LIFEDYNBONF104	2020-21	5.12%	3.87%	NA	9.19%
Money Market II	ULIF02301/01/20LIFEMONMK2104	2020-21	2.43%	1.71%	NA	4.18%

b) Investment Management

- o Activities outsourced : None
- o Fee paid for various activities charged to Policyholders' Account : Nil
- o Basis of payment of fees : Nil

c) Related party transactions – Fund wise details

- o Brokerage, custodian fee or any other payments and receipts made to/from related parties (as defined in AS 18 issued by ICAI) : Refer table below

Axis Bank- Details of Payments & Receipts:

1. Axis Bank- Purchase/Sale/Redemption of Investments for the year ended:

Scheme Name	SFIN	Purchase of Investment	Sale/Redemption of Investment
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	0.00	100,000
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	0.00	0.00
Pension Balanced	ULIF00625/11/05PENSBALANC104	0.00	0.00
Conservative	ULIF00325/06/04LIFECONSER104	0.00	0.00
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	0.00	0.00
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	0.00	0.00
Pension Conservative	ULIF00725/11/05PENSCONSER104	0.00	0.00
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	0.00	0.00
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	0.00	0.00
Pension Growth	ULIF00525/11/05PENSGROWTH104	0.00	0.00
Secured	ULIF00425/06/04LIFESECURE104	0.00	0.00
Balanced	ULIF00225/06/04LIFEBALANC104	0.00	0.00
Growth	ULIF00125/06/04LIFEGROWTH104	0.00	0.00
Money Market	ULIF01528/04/09LIFEMONEYM104	0.00	0.00
Secure Plus	ULIF01628/04/09LIFESECPLS104	0.00	0.00
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	0.00	0.00
Group Superannuation Growth	ULGF00423/01/07SANNGROWTH104	0.00	0.00
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	0.00	0.00
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	0.00	0.00
Pension Secured	ULIF00825/11/05PENSSECURE104	0.00	0.00
Growth Super	ULIF01108/02/07LIFEGRWSUP104	0.00	0.00

Scheme Name	SFIN	Purchase of Investment	Sale/Redemption of Investment
High Growth	ULIF01311/02/08LIFEHIGHGR104	0.00	0.00
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	0.00	0.00
Pension Preserver	ULIF01815/02/13PENSPRESER104	0.00	0.00
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	0.00	0.00
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	0.00	0.00
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	0.00	0.00
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	0.00	0.00
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	0.00	0.00
Money Market II	ULIF02301/01/20LIFEMONMK2104	0.00	0.00
TOTAL:		0.00	100,000

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

2. Axis Bank Transaction As a Counterparty:

Scheme Name	SFIN	Purchase of Investment	Sale of Investment
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	0.00	0.00
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	0.00	0.00
Pension Balanced	ULIF00625/11/05PENSBALANC104	0.00	0.00
Conservative	ULIF00325/06/04LIFECONSER104	0.00	0.00
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	0.00	0.00
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	0.00	0.00
Pension Conservative	ULIF00725/11/05PENSCONSER104	0.00	0.00
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	0.00	0.00
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	0.00	0.00
Pension Growth	ULIF00525/11/05PENSGROWTH104	100,918	0.00
Secured	ULIF00425/06/04LIFESECURE104	250,000	0.00
Balanced	ULIF00225/06/04LIFEBALANC104	651,767	0.00
Growth	ULIF00125/06/04LIFEGROWTH104	734,063	0.00
Money Market	ULIF01528/04/09LIFEMONEYM104	0.00	0.00
Secure Plus	ULIF01628/04/09LIFESECPLS104	0.00	0.00
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	0.00	0.00
Group Superannuation Growth	ULGF00423/01/07SANNGROWTH104	0.00	0.00
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	0.00	0.00
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	0.00	0.00
Pension Secured	ULIF00825/11/05PENSSECURE104	0.00	0.00
Growth Super	ULIF01108/02/07LIFEGRWSUP104	0.00	0.00
High Growth	ULIF01311/02/08LIFEHIGHGR104	0.00	0.00
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	0.00	0.00
Pension Preserver	ULIF01815/02/13PENSPRESER104	0.00	0.00
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	0.00	0.00
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	0.00	0.00
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	0.00	0.00
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	0.00	0.00
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	0.00	0.00
Money Market II	ULIF02301/01/20LIFEMONMK2104	0.00	0.00
TOTAL:		1,736,748	0.00

3. Axis Bank- Dividend / Income for the year ended:

Scheme Name	SFIN	Dividend Receipt	Income Receipt
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	-	4,939
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	-	-
Pension Balanced	ULIF00625/11/05PENSBALANC104	-	-
Conservative	ULIF00325/06/04LIFECONSER104	-	-
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	-	-
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	-	-
Pension Conservative	ULIF00725/11/05PENSCONSER104	-	-
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	-	-
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	-	-
Pension Growth	ULIF00525/11/05PENSGROWTH104	-	-
Secured	ULIF00425/06/04LIFESECURE104	-	-
Balanced	ULIF00225/06/04LIFEBALANC104	-	-
Growth	ULIF00125/06/04LIFEGROWTH104	-	-
Money Market	ULIF01528/04/09LIFEMONEYM104	-	-
Secure Plus	ULIF01628/04/09LIFESECPLS104	-	-
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	-	-
Group Superannuation Growth	ULGF00423/01/07SANNGROWTH104	-	-
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	-	-
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	-	-

Scheme Name	SFIN	Dividend Receipt	Income Receipt
Pension Secured	ULIF00825/11/05PENSSECURE104	-	-
Growth Super	ULIF01108/02/07LIFEGROWSUP104	-	-
High Growth	ULIF01311/02/08LIFEHIGHGR104	-	-
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	-	-
Pension Preserver	ULIF01815/02/13PENSRESER104	-	-
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	-	-
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	-	-
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	-	-
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	-	-
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	-	-
Money Market II	ULIF02301/01/20LIFEMONMK2104	-	-

Amount show above include receipts post 6th April 2021

- Company-wise details of investments held in the Promoter Group : Refer Table below along with its percentage to funds under management.

This information is required to be given fund-wise and also for total funds under ULIPs.

Axis Bank Exposure- as at March 31, 2022:

Scheme Name	SFIN	Equity	
		Amount	% of AUM
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	116,016	1.53%
Pension Growth	ULIF00525/11/05PENSNGROWTH104	44,604	1.26%
Growth Super	ULIF01108/02/07LIFEGROWSUP104	1,159,649	1.10%
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	40,072	0.69%
Pension Preserver	ULIF01815/02/13PENSRESER104	12,934	0.50%
Pension Balanced	ULIF00625/11/05PENSBALANC104	3,903	0.47%
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	35,798	0.44%
Growth	ULIF00125/06/04LIFEGROWTH104	376,655	0.43%
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	1,383	0.42%
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	1,763	0.32%
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	101	0.26%
Pension Conservative	ULIF00725/11/05PENSCONSER104	151	0.19%
Conservative	ULIF00325/06/04LIFECONSER104	4,238	0.16%
Balanced	ULIF00225/06/04LIFEBALANC104	44,657	0.13%
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	10	0.07%
Money Market	ULIF01528/04/09LIFEMONEYM104	0.00	0.00%
Secure Plus	ULIF01628/04/09LIFESECP104	0.00	0.00%
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	0.00	0.00%
Group Superannuation Growth	ULGF00423/01/07SANNNGROWTH104	0.00	0.00%
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	0.00	0.00%
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	0.00	0.00%
Pension Secured	ULIF00825/11/05PENSSECURE104	0.00	0.00%
Pension Growth Super	ULIF01213/08/07PENSGROWSUP104	0.00	0.00%
High Growth	ULIF01311/02/08LIFEHIGHGR104	0.00	0.00%
Secured	ULIF00425/06/04LIFESECURE104	0.00	0.00%
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	0.00	0.00%
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	0.00	0.00%
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	0.00	0.00%
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	0.00	0.00%
Money Market II	ULIF02301/01/20LIFEMONMK2104	0.00	0.00%
TOTAL:		1,841,934	0.55%

- Provision for doubtful debts on assets of the respective Fund :Refer Note 44 of Schedule 16 (II)
- Unclaimed redemptions of units : Nil
- Net Asset Value (NAV) : Highest, Lowest and Closing at the end of the March 31, 2022

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Fund Name	SFIN	Highest NAV	Lowest NAV	Closing NAV
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	43.22	39.52	42.97
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	0.00	0.00	0.00
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	18.40	17.46	18.40
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	34.17	32.58	34.17
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	25.40	24.12	25.40
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	45.24	39.12	43.90
Group Superannuation Growth	ULGF00423/01/07SANNNGROWTH104	0.00	0.00	0.00
Balanced	ULIF00225/06/04LIFEBALANC104	58.78	53.36	57.38
Conservative	ULIF00325/06/04LIFECONSER104	45.39	42.88	45.31
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	19.03	14.85	17.52
Secured	ULIF00425/06/04LIFESECURE104	37.27	35.46	37.27
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	16.70	15.98	16.70
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	38.28	33.15	36.75
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	10.92	10.39	10.92
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	28.54	26.73	28.42
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	26.43	25.25	26.42
Growth	ULIF00125/06/04LIFEGROWTH104	82.38	70.95	78.88
High Growth	ULIF01311/02/08LIFEHIGHGR104	63.01	44.43	56.76
Money Market	ULIF01528/04/09LIFEMONEYM104	19.35	18.90	19.35
Money Market II	ULIF02301/01/20LIFEMONMK2104	10.42	10.17	10.42
Growth Super	ULIF01108/02/07LIFEGRWSUP104	58.85	46.19	54.18
Pension Preserver	ULIF01815/02/13PENSRESER104	20.98	19.72	20.82
Pension Maximiser	ULIF01715/02/13PENSMAIMI104	24.43	21.30	23.57
Secure Plus	ULIF01628/04/09LIFESECPLS104	26.81	25.60	26.81
Pension Balanced	ULIF00625/11/05PENSBALANC104	41.54	36.50	40.32
Pension Conservative	ULIF00725/11/05PENSCONSER104	35.18	33.27	35.18
Pension Secured	ULIF00825/11/05PENSSECURE104	32.28	30.61	32.28
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	16.95	16.21	16.95
Pension Growth	ULIF00525/11/05PENSGROWTH104	51.13	43.59	49.14
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	38.39	28.91	35.53

Net Asset Value (NAV) : Highest, Lowest and Closing at the end of the March 31, 2021

Fund Name	SFIN	Highest NAV	Lowest NAV	Closing NAV
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	39.90	32.82	39.68
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	0.00	0.00	0.00
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	17.57	16.24	17.45
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	32.86	30.11	32.57
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	24.21	22.85	24.12
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	40.16	28.82	39.65
Group Superannuation Growth	ULGF00423/01/07SANNNGROWTH104	0.00	0.00	0.00
Balanced	ULIF00225/06/04LIFEBALANC104	53.88	43.48	53.62
Conservative	ULIF00325/06/04LIFECONSER104	43.18	38.08	42.88
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	15.56	9.99	15.26
Secured	ULIF00425/06/04LIFESECURE104	35.83	32.38	35.45
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	15.98	15.46	15.98
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	34.09	24.10	33.72
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	10.45	10.00	10.39
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	26.82	23.62	26.80
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	25.32	23.20	25.24
Growth	ULIF00125/06/04LIFEGROWTH104	72.69	52.61	71.91
High Growth	ULIF01311/02/08LIFEHIGHGR104	46.05	23.11	45.83
Money Market	ULIF01528/04/09LIFEMONEYM104	18.90	18.48	18.90
Money Market II	ULIF02301/01/20LIFEMONMK2104	10.17	10.00	10.17
Growth Super	ULIF01108/02/07LIFEGRWSUP104	49.39	27.20	47.71
Pension Preserver	ULIF01815/02/13PENSRESER104	19.91	17.23	19.78
Pension Maximiser	ULIF01715/02/13PENSMAIMI104	21.84	16.84	21.63
Secure Plus	ULIF01628/04/09LIFESECPLS104	25.90	23.37	25.60
Pension Balanced	ULIF00625/11/05PENSBALANC104	37.16	28.47	36.84
Pension Conservative	ULIF00725/11/05PENSCONSER104	33.49	29.43	33.33
Pension Secured	ULIF00825/11/05PENSSECURE104	30.91	28.10	30.61
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	16.21	15.67	16.21
Pension Growth	ULIF00525/11/05PENSGROWTH104	44.83	31.55	44.16
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	30.57	16.32	29.55

h) **Expenses Charged to Fund %: Annualized expense ratio to average daily assets of the Fund**

Fund Name	SFIN	Ratios as at March 31, 2022	Ratios as at March 31, 2021
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	0.59%	0.59%
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	0.53%	0.53%
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	0.47%	0.47%
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	0.89%	0.89%
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	0.47%	0.47%
Growth	ULIF00125/06/04LIFEGROWTH104	1.47%	1.47%
Balanced	ULIF00225/06/04LIFEBALANC104	1.30%	1.30%
Conservative	ULIF00325/06/04LIFECONSER104	1.06%	1.06%
Secured	ULIF00425/06/04LIFESECURE104	1.06%	1.06%
Pension Growth	ULIF00525/11/05PENSGROWTH104	1.47%	1.47%
Pension Balanced	ULIF00625/11/05PENSBALANC104	1.30%	1.30%
Pension Conservative	ULIF00725/11/05PENSCONSER104	1.06%	1.06%
Pension Secured	ULIF00825/11/05PENSSECURE104	1.06%	1.06%
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	1.77%	1.77%
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	2.01%	2.01%
Growth Super	ULIF01108/02/07LIFEGRWSUP104	1.46%	1.47%
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	1.46%	1.47%
High Growth	ULIF01311/02/08LIFEHIGHGR104	1.47%	1.47%
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	1.47%	1.47%
Money Market	ULIF01528/04/09LIFEMONEYM104	1.06%	1.06%
Secure Plus	ULIF01628/04/09LIFESECP104	1.06%	1.06%
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	1.95%	1.95%
Pension Preserver	ULIF01815/02/13PENSPRESER104	1.71%	1.71%
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	0.59%	0.59%
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	0.59%	0.59%
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	1.47%	1.19%
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	1.06%	0.86%
Money Market II	ULIF02301/01/20LIFEMONMK2104	1.06%	0.86%

j) **Ratio of gross income (including unrealized gains) to average daily net assets**

Fund Name	SFIN	Ratios as at March 31, 2022	Ratios as at March 31, 2021
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	8.90%	29.59%
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	7.98%	17.56%
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	4.82%	6.80%
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	5.13%	4.87%
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	4.86%	6.02%
Growth	ULIF00125/06/04LIFEGROWTH104	9.12%	27.91%
Balanced	ULIF00225/06/04LIFEBALANC104	6.85%	18.70%
Conservative	ULIF00325/06/04LIFECONSER104	5.55%	10.33%
Secured	ULIF00425/06/04LIFESECURE104	4.96%	7.00%
Pension Growth	ULIF00525/11/05PENSGROWTH104	10.88%	30.59%
Pension Balanced	ULIF00625/11/05PENSBALANC104	9.39%	24.08%
Pension Conservative	ULIF00725/11/05PENSCONSER104	5.38%	11.78%
Pension Secured	ULIF00825/11/05PENSSECURE104	5.35%	6.87%
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	4.40%	7.41%
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	5.86%	11.75%
Growth Super	ULIF01108/02/07LIFEGRWSUP104	12.01%	48.77%
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	18.36%	52.51%
High Growth	ULIF01311/02/08LIFEHIGHGR104	17.73%	63.86%
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	8.75%	30.71%
Money Market	ULIF01528/04/09LIFEMONEYM104	2.36%	2.26%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Fund Name	SFIN	Ratios as at March 31, 2022	Ratios as at March 31, 2021
Secure Plus	ULIF01628/04/09LIFESECP1S104	4.75%	7.71%
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	8.47%	22.56%
Pension Preserver	ULIF01815/02/13PENSPRESER104	5.34%	12.72%
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	4.38%	3.37%
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	4.28%	3.20%
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	9.84%	37.12%
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	4.76%	3.16%
Money Market II	ULIF02301/01/20LIFEMONMK2104	2.42%	1.72%

k) **Fund-wise disclosure of appreciation and/or (depreciation) in value of investments segregated class-wise at the end of the March 31, 2022**

Fund Name	SFIN	Bonds	Equity	Government Securities	Mutual Funds / Exchange Traded Funds	Money Market	Total
Balanced	ULIF00225/06/04LIFEBALANC104	(38,667)	722,674	(60,033)	-	-	623,974
Conservative	ULIF00325/06/04LIFECONSER104	211	35,017	(10,281)	-	-	24,947
Secured	ULIF00425/06/04LIFESECURE104	46,119	-	(32,024)	-	-	14,095
Growth	ULIF00125/06/04LIFEGROWTH104	(321,756)	2,755,653	(121,642)	301,323	-	2,613,578
Growth Super	ULIF01108/02/07LIFEGRWSUP104	-	6,664,791	-	1,517,980	-	8,182,771
High Growth	ULIF01311/02/08LIFEHIGHGR104	-	935,330	-	13,005	-	948,335
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	(22,342)	334,947	(11,780)	30,755	-	331,580
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	82	850	(109)	-	-	823
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	-	82	(57)	-	-	25
Money Market	ULIF01528/04/09LIFEMONEYM104	-	-	-	-	-	-
Secure Plus	ULIF01628/04/09LIFESECP1S104	15,610	-	(17,387)	-	-	(1,777)
Pension Balanced	ULIF00625/11/05PENSBALANC104	(5,768)	62,013	(2,367)	-	-	53,878
Pension Conservative	ULIF00725/11/05PENSCONSER104	19	1,192	(287)	-	-	924
Pension Secured	ULIF00825/11/05PENSSECURE104	2,067	-	(1,554)	-	-	513
Pension Growth	ULIF00525/11/05PENSGROWTH104	(27,530)	213,075	(5,907)	27,199	-	206,837
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	-	131,300	-	46,604	-	177,904
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	4,131	15,249	(1,869)	-	-	17,511
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	(1,500)	-	(2,344)	-	-	(3,844)
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	952	13,004	(454)	-	-	13,502
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	-	-	-	-	-	-
Group Superannuation Conservative	ULGF00623/01/07SANNCONSER104	(35)	-	(25)	-	-	(60)
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	789	-	(847)	-	-	(58)

Fund Name	SFIN	Bonds	Equity	Government Securities	Mutual Funds / Exchange Traded Funds	Money Market	Total
Discontinuance Policy Fund Pension	ULIF01912/08/13PENS DISCON104	-	-	(46,603)	-	-	(46,603)
Pension Preserver	ULIF01815/02/13PENS PRESER104	22,134	32,465	(9,529)	-	-	45,070
Pension Maximiser	ULIF01715/02/13PENS MAXIMI104	1,468	290,162	(20,255)	-	-	271,375
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	-	-	(482,440)	-	-	(482,440)
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	-	273,020	-	32,075	-	305,095
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	175	-	(668)	-	-	(493)
Money Market II	ULIF02301/01/20LIFEMONMK2104	-	-	-	-	-	-
Group Superannuation Growth	ULGF00423/01/07SANNGROWTH104	-	-	-	-	-	-
Total		(323,841)	12,480,824	(828,462)	1,968,941	-	13,297,462

Fund-wise disclosure of appreciation and/or (depreciation) in value of investments segregated class-wise at the end of the March 31, 2021

Fund Name	SFIN	Bonds	Equity	Government Securities	Mutual Funds	Money Market	Total
Balanced	ULIF00225/06/04LIFEBALANC104	(98,743)	1,864,274	(64,015)	-	-	1,701,516
Conservative	ULIF00325/06/04LIFECONSER104	(4,695)	53,029	(8,887)	-	-	39,447
Secured	ULIF00425/06/04LIFESECURE104	(32,448)	-	(14,531)	-	-	(46,979)
Growth	ULIF00125/06/04LIFEGROWTH104	(650,808)	5,571,651	(93,216)	225,675	0	5,053,302
Growth Super	ULIF01108/02/07LIFEGRWSUP104	-	10,156,474	(1,537)	1,424,877	-	11,579,814
High Growth	ULIF01311/02/08LIFEHIGHGR104	-	1,322,344	-	4,098	-	1,326,442
Dynamic Opportunities	ULIF01425/03/08LIFEDYNOPP104	(120,006)	665,598	(2,276)	23,461	-	566,777
Guaranteed Fund Dynamic	ULIF01004/10/06AMSRGUADYN104	185	1,311	125	-	-	1,621
Guaranteed Fund Income	ULIF00904/10/06AMSRGUAINC104	-	103	76	-	-	179
Money Market	ULIF01528/04/09LIFEMONEYM104	-	-	-	-	-	-
Secure Plus	ULIF01628/04/09LIFESECPLS104	14,309	-	(5,057)	-	-	9,252
Pension Balanced	ULIF00625/11/05PENS BALANC104	(17,663)	85,596	(485)	-	-	67,448
Pension Conservative	ULIF00725/11/05PENS CONSER104	781	1,986	118	-	-	2,885
Pension Secured	ULIF00825/11/05PENS SECURE104	(5,191)	-	(546)	-	-	(5,737)
Pension Growth	ULIF00525/11/05PENSGROWTH104	(31,343)	356,687.2	87	20,813	-	346,244
Pension Growth Super	ULIF01213/08/07PENSGRWSUP104	-	413,128	-	61,547	-	474,675
Group Gratuity Balanced	ULGF00217/04/06GRATBALANC104	6,176	20,915	649	-	-	27,740
Group Gratuity Conservative	ULGF00317/04/06GRATCONSER104	(824)	-	1,818	-	-	994
Group Gratuity Growth	ULGF00117/04/06GRATGROWTH104	1,637	17,179.82	251	-	-	19,068
Group Superannuation Balanced	ULGF00523/01/07SANNBALANC104	-	-	-	-	-	-

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Fund Name	SFIN	Bonds	Equity	Government Securities	Mutual Funds	Money Market	Total
Group Superannuation Conservative	ULGF00623/01/07SANCONSER104	(12)	-	106	-	-	94
Group Gratuity Bond	ULGF00707/02/13GRATPLBOND104	1,431	-	52	-	-	1,483
Discontinuance Policy Fund Pension	ULIF01912/08/13PENSDISCON104	-	-	(18,163)	-	0	(18,163)
Pension Preserver	ULIF01815/02/13PENSPRESER104	16,126	131,990	(5,829)	-	-	142,287
Pension Maximiser	ULIF01715/02/13PENSMAXIMI104	26,861	708,085	(11,103.18)	-	-	723,843
Discontinuance Policy Fund Life	ULIF02021/06/13LIFEDISCON104	-	-	(181,374)	133	0	(181,241)
Diversified Equity	ULIF02201/01/20LIFEDIVEQF104	-	305,189	-	19,710	-	324,899
Dynamic Bond	ULIF02401/01/20LIFEDYNBOF104	160	-	(113)	-	-	47
Money Market II	ULIF02301/01/20LIFE MONMK2104	-	-	-	-	-	-
Group Superannuation Growth	ULGF00423/01/07SANNGROWTH104	-	-	-	-	-	-
Total		(894,067)	21,675,540	(403,850)	1,780,314	0	22,157,937

l) Statement of Industry Wise Disclosure of Investments (with exposure of 10% and above)

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
Group Gratuity Growth Fund	ULGF00117/04/06GRATGROWTH104		
Financial And Insurance Activities	6.39 NABARD GOI FULLY SERVICED 19 NOV 2030	14,479	4.44%
	ICICI BANK LIMITED	13,344	4.09%
	HOUSING DEVELOPMENT FINANCE CORP BANK	12,629	3.87%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	10,071	3.09%
	8.3 INDIAN RAILWAY FINANCE CORP LTD 25 MAR 2029	9,647	2.96%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	6,602	2.03%
	STATE BANK OF INDIA	6,078	1.86%
	BAJAJ FINANCE LIMITED	4,944	1.52%
	8.79 INDIAN RAILWAY FINANCE CORPORATION 04 MAY 2030	4,478	1.37%
	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	3,025	0.93%
	INDUSIND BANK LIMITED	2,150	0.66%
	7.75 POWER FINANCE CORPORATION 22 MAR 2027 - GOI Serviced	2,105	0.65%
	AXIS BANK LIMITED	1,383	0.42%
	CITY UNION BANK LIMITED	1,336	0.41%
	KOTAK MAHINDRA BANK LIMITED	1,279	0.39%
	7.60 MUTHOOT FINANCE 20 APR 2026	1,036	0.32%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	RBL BANK LIMITED	1,021	0.31%
	AU SMALL FINANCE BANK LIMITED	254	0.08%
	THE FEDERAL BANK LIMITED	181	0.06%
Financial And Insurance Activities Total		96,042	29.46%
Government of India	7.17 GOI 08 JAN 2028	48,559	14.90%
	8.24 GOI 15 FEB 2027	13,261	4.07%
	6.67 GOI 15 DEC 2035	5,962	1.83%
	8.83 GOI 25 NOV 2023	5,298	1.62%
	6.79 GOI 15 MAY 2027	4,590	1.41%
	7.62 GOI 15 SEP 2039	4,185	1.28%
	6.1 GOI 12 JUL 2031	3,788	1.16%
	4.56 GOI 29 NOVEMBER 2023	3,273	1.00%
	6.54 GOI 17 JAN 2032	2,865	0.88%
	8.40 OIL MARKETING BOND GOI 29 MAR 2026	1,608	0.49%
	5.09 GOI 13 APR 2022	1,000	0.31%
	7.27 GOI 08 APR 2026	191	0.06%
	6.97 GOI 06 SEP 2026	169	0.05%
	6.99 GOI 15 DEC 2051	165	0.05%
	7.95 OIL MARKETING BOND GOI 18 JAN 2025	141	0.04%
	7.59 GOI 11 JAN 2026	98	0.03%
	7.40 GOI 09 SEP 2035	59	0.02%
	6.19 GOI 16 SEP 2034	31	0.01%
	6.64 GOI 16 JUN 2035	29	0.01%
	7.88 GOI 19 MAR 2030	21	0.01%
Government of India Total		95,293	29.23%
Others Total		134,677	41.31%
Fund Total		326,012	100.00%
Group Gratuity Balanced Fund	ULGF00217/04/06GRATBALANC104		
Financial And Insurance Activities	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	24,208	4.34%
	ICICI BANK LIMITED	11,692	2.09%
	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	11,093	1.99%
	HOUSING DEVELOPMENT FINANCE CORP BANK	10,556	1.89%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	8,137	1.46%
	8.5383 BAJAJ FINANCE LIMITED 07 JUN 2022	7,050	1.26%
	8.90 BAJAJ FINANCE LIMITED 23 MAR 2026	6,534	1.17%
	8.51 NABARD 19 DEC 2033	5,567	1.00%
	STATE BANK OF INDIA	5,325	0.95%
	7.60 MUTHOOT FINANCE 20 APR 2026	5,178	0.93%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	4,385	0.79%
	BAJAJ FINANCE LIMITED	4,327	0.78%
	0 SUNDARAM FINANCE 10 JUN 2022	3,966	0.71%
	INDUSIND BANK LIMITED	1,884	0.34%
	AXIS BANK LIMITED	1,763	0.32%
	CITY UNION BANK LIMITED	1,171	0.21%
	KOTAK MAHINDRA BANK LIMITED	1,121	0.20%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	RBL BANK LIMITED	894	0.16%
	AU SMALL FINANCE BANK LIMITED	223	0.04%
	THE FEDERAL BANK LIMITED	159	0.03%
	PUNJAB NATIONAL BANK LIMITED	85	0.02%
Financial And Insurance Activities Total		115,318	20.66%
Government of India	7.17 GOI 08 JAN 2028	90,987	16.30%
	4.56 GOI 29 NOVEMBER 2023	43,374	7.77%
	8.97 GOI 05 DEC 2030	20,403	3.66%
	7.62 GOI 15 SEP 2039	11,404	2.04%
	8.24 GOI 15 FEB 2027	6,919	1.24%
	6.54 GOI 17 JAN 2032	6,165	1.10%
	8.40 OIL MARKETING BOND GOI 29 MAR 2026	4,288	0.77%
	7.16 GOI 20 SEP 2050	3,961	0.71%
	8.20 OIL MARKETING BOND GOI 12 FEB 2024	3,310	0.59%
	7.59 GOI 11 JAN 2026	2,967	0.53%
	6.1 GOI 12 JUL 2031	2,115	0.38%
	8.15 GOI 24 NOV 2026	1,942	0.35%
	7.27 GOI 08 APR 2026	1,517	0.27%
	7.95 OIL MARKETING BOND GOI 18 JAN 2025	1,339	0.24%
	6.67 GOI 15 DEC 2035	1,330	0.24%
	6.97 GOI 06 SEP 2026	972	0.17%
	6.99 GOI 15 DEC 2051	927	0.17%
	6.19 GOI 16 SEP 2034	347	0.06%
	7.40 GOI 09 SEP 2035	174	0.03%
	7.88 GOI 19 MAR 2030	43	0.01%
	Government of India Total	204,484	36.63%
State Government	8.21 HARYANA SPL SDL 31 MAR 2026	42,851	7.68%
	9.41 KARNATKA SDL 30 JAN 2024	15,373	2.75%
	7.25 MAHARASHTRA SDL 28 DEC 2026	10,372	1.86%
	8.08% TELANGANA SDL 25 FEB 2025	5,511	0.99%
	9.38 TAMILNADU SDL 04 DEC 2023	5,338	0.96%
	6.74 GUJARAT SDL 30 OCT 2024	3,138	0.56%
	8.53 CHHATISGARH SDL 28 MAR 2024	2,319	0.42%
	8.26 UTTAR PRADESH SDL 02 JUN 2022	252	0.05%
State Government Total		85,154	15.26%
Others Total		153,211	27.45%
Fund Total		558,167	100.00%
Group Gratuity Conservative Fund	ULGF00317/04/06GRATCONSER104		
Financial And Insurance Activities	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	18,152	3.35%
	7.8 YES BANK 01 OCT 2027	11,596	2.14%
	8.90 BAJAJ FINANCE LIMITED 23 MAR 2026	10,890	2.01%
	7.60 MUTHOOT FINANCE 20 APR 2026	9,320	1.72%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	3,301	0.61%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	3,230	0.60%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	8.35 INDIAN RAILWAY FINANCE CORP LTD 13 MARCH 2029	3,223	0.59%
	7.75 POWER FINANCE CORPORATION 22 MAR 2027 - GOI Serviced	3,158	0.58%
	9.47 INDIAN RAILWAY FINANCE CORPORATION 10 MAY 2031	1,170	0.22%
	8.79 INDIAN RAILWAY FINANCE CORPORATION 04 MAY 2030	1,120	0.21%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	1,096	0.20%
	7.95 HOUSING DEVELOPMENT FINANCE CORPORATION BANK 21 SEP 2026	1,062	0.20%
	6.85 INDIAN RAILWAY FINANCE CORP LTD 29 OCT 2040	954	0.18%
	10.15 IL&FS FINANCIAL SERVICES LIMITED 29 JUN 2022	-	0.00%
Financial And Insurance Activities Total		68,272	12.59%
Government of India	7.17 GOI 08 JAN 2028	86,469	15.95%
	7.62 GOI 15 SEP 2039	30,131	5.56%
	6.79 GOI 15 MAY 2027	28,048	5.17%
	7.27 GOI 08 APR 2026	27,859	5.14%
	8.35 GOI 14 MAY 2022	20,104	3.71%
	7.59 GOI 11 JAN 2026	19,043	3.51%
	6.54 GOI 17 JAN 2032	18,780	3.46%
	6.35 OIL MARKETING BOND 23 DEC 2024	9,138	1.69%
	7.26 GOI 14 JAN 2029	7,726	1.42%
	4.56 GOI 29 NOVEMBER 2023	7,445	1.37%
	6.67 GOI 15 DEC 2035	7,386	1.36%
	8.20 OIL MARKETING BOND GOI 12 FEB 2024	6,465	1.19%
	8.83 GOI 25 NOV 2023	5,298	0.98%
	8.15 GOI 24 NOV 2026	5,204	0.96%
	7.16 GOI 20 MAY 2023	5,135	0.95%
	8.24 GOI 15 FEB 2027	4,036	0.74%
	7.95 OIL MARKETING BOND GOI 18 JAN 2025	2,480	0.46%
	6.99 GOI 15 DEC 2051	1,650	0.30%
	6.1 GOI 12 JUL 2031	1,633	0.30%
	6.97 GOI 06 SEP 2026	1,526	0.28%
	8.26 GOI 02 AUG 2027	1,258	0.23%
	7.88 GOI 19 MAR 2030	1,006	0.19%
	8.40 OIL MARKETING BOND GOI 29 MAR 2026	858	0.16%
	6.19 GOI 16 SEP 2034	385	0.07%
	7.40 GOI 09 SEP 2035	275	0.05%
	8.03 GOI FCI 15 DEC 2024	148	0.03%
	7.59 GOI 20 MAR 2029	145	0.03%
Government of India Total		299,631	55.26%
State Government	8.21 HARYANA SPL SDL 31 MAR 2026	51,699	9.54%
	8.53 CHHATISGARH SDL 28 MAR 2024	26,351	4.86%
	8.86 UTTAR PRADESH SDL 17 OCT 2022	26,082	4.81%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	8.22 KARNATAKA SDL 09 DEC 2025	7,508	1.38%
	8.26 UTTAR PRADESH SDL 02 JUN 2022	629	0.12%
State Government Total		112,269	20.71%
Others Total		62,008	11.44%
Fund Total		542,180	100.00%
Group Superannuation Conservative Fund	ULGF00623/01/07SANNCONSER104		
Government of India	7.17 GOI 08 JAN 2028	1,977	12.15%
	7.16 GOI 20 MAY 2023	1,027	6.31%
	5.09 GOI 13 APR 2022	1,000	6.15%
	7.62 GOI 15 SEP 2039	837	5.15%
	6.79 GOI 15 MAY 2027	821	5.05%
	7.59 GOI 11 JAN 2026	516	3.17%
	6.35 OIL MARKETING BOND 23 DEC 2024	305	1.87%
	4.56 GOI 29 NOVEMBER 2023	242	1.49%
	6.54 GOI 17 JAN 2032	217	1.34%
	8.24 GOI 15 FEB 2027	173	1.06%
	6.1 GOI 12 JUL 2031	64	0.40%
	6.99 GOI 15 DEC 2051	60	0.37%
	6.67 GOI 15 DEC 2035	57	0.35%
	6.97 GOI 06 SEP 2026	45	0.28%
	8.20 OIL MARKETING BOND GOI 12 FEB 2024	22	0.14%
	7.27 GOI 08 APR 2026	14	0.08%
	7.95 OIL MARKETING BOND GOI 18 JAN 2025	12	0.07%
	6.19 GOI 16 SEP 2034	3	0.02%
	7.88 GOI 19 MAR 2030	2	0.01%
	7.59 GOI 20 MAR 2029	1	0.00%
Government of India Total		7,395	45.46%
State Government	8.21 HARYANA SPL SDL 31 MAR 2026	2,025	12.45%
	7.74 TAMILNADU SDL 22 FEB 2026	1,048	6.45%
	9.55 KARNATAKA SDL 12 FEB 2024	857	5.27%
	8.50 KERALA SDL 21 AUG 2028	432	2.66%
	8.21 HARYANA SPL SDL 31 MAR 2025	317	1.95%
	8.08% TELANGANA SDL 25 FEB 2025	148	0.91%
	8.26 UTTAR PRADESH SDL 02 JUN 2022	42	0.26%
State Government Total		4,869	29.94%
Others Total		4,001	24.60%
Fund Total		16,265	100.00%
Group Gratuity Bond Fund	ULGF00707/02/13GRATPLBOND104		
Financial And Insurance Activities	8.51 NABARD 19 DEC 2033	5,567	4.08%
	9.47 INDIAN RAILWAY FINANCE CORPORATION 10 MAY 2031	2,339	1.71%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	2,201	1.61%
	7.60 MUTHOOT FINANCE 20 APR 2026	2,071	1.52%
	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	2,017	1.48%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	1,950	1.43%
	8.22 NABARD 25 FEB 2028 - GOI Serviced	1,084	0.79%
Financial And Insurance Activities Total		17,229	12.62%
Government of India	7.17 GOI 08 JAN 2028	32,961	24.14%
	8.97 GOI 05 DEC 2030	11,335	8.30%
	6.79 GOI 15 MAY 2027	7,139	5.23%
	7.62 GOI 15 SEP 2039	5,754	4.21%
	6.35 OIL MARKETING BOND 23 DEC 2024	5,077	3.72%
	7.59 GOI 11 JAN 2026	3,594	2.63%
	4.56 GOI 29 NOVEMBER 2023	1,741	1.28%
	8.24 GOI 15 FEB 2027	1,730	1.27%
	6.54 GOI 17 JAN 2032	1,450	1.06%
	8.40 OIL MARKETING BOND GOI 29 MAR 2026	965	0.71%
	8.20 OIL MARKETING BOND GOI 12 FEB 2024	775	0.57%
	7.95 OIL MARKETING BOND GOI 18 JAN 2025	689	0.50%
	6.1 GOI 12 JUL 2031	559	0.41%
	6.67 GOI 15 DEC 2035	475	0.35%
	6.99 GOI 15 DEC 2051	364	0.27%
	6.97 GOI 06 SEP 2026	114	0.08%
	7.40 GOI 09 SEP 2035	64	0.05%
	7.59 GOI 20 MAR 2029	48	0.03%
	6.19 GOI 16 SEP 2034	46	0.03%
	7.27 GOI 08 APR 2026	16	0.01%
	7.88 GOI 19 MAR 2030	15	0.01%
Government of India Total		74,911	54.86%
State Government	8.51 HARYANA SDL 10 FEB 2026	10,992	8.05%
	8.22 KARNATAKA SDL 09 DEC 2025	5,363	3.93%
	8.08% TELANGANA SDL 25 FEB 2025	2,459	1.80%
	9.55 KARNATAKA SDL 12 FEB 2024	1,928	1.41%
	8.21 HARYANA SPL SDL 31 MAR 2026	1,599	1.17%
	7.92 MADHYA PRADESH SPL SDL 22 MAR 2024	1,043	0.76%
	8.21 HARYANA SPL SDL 31 MAR 2025	845	0.62%
State Government Total		24,229	17.74%
Others Total		20,178	14.78%
Fund Total		136,547	100.00%
Growth Fund	ULIF00125/06/04LIFEGROWTH104		
Financial And Insurance Activities	ICICI BANK LIMITED	3,255,628	3.73%
	HOUSING DEVELOPMENT FINANCE CORP BANK	2,783,218	3.19%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	2,461,868	2.82%
	7.80 YES BANK 29 SEP 2027	2,147,049	2.46%
	STATE BANK OF INDIA	1,562,894	1.79%
	BAJAJ FINANCE LIMITED	1,466,023	1.68%
	CITY UNION BANK LIMITED	569,367	0.65%
	6.40 NABARD 31 JUL 2023	507,301	0.58%
	5.75 BAJAJ FINANCE LTD 16 FEBRUARY 2024	504,656	0.58%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	INDUSIND BANK LIMITED	419,938	0.48%
	9.05 CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED 24 MAR 2028	418,757	0.48%
	AXIS BANK LIMITED	376,655	0.43%
	8.24 NABARD GOI FULLY SERVICED 22 MAR 2029	322,912	0.37%
	7.8 YES BANK 01 OCT 2027	284,544	0.33%
	7.60 MUTHOOT FINANCE 20 APR 2026	258,882	0.30%
	RBL BANK LIMITED	254,553	0.29%
	8.90 BAJAJ FINANCE LIMITED 23 MAR 2026	233,043	0.27%
	8.51 INDIA INFRADEBT LIMITED 05 MAY 2026	216,501	0.25%
	9.30 SHRIRAM TRANSPORT FINANCE 18 MAR 2026	157,326	0.18%
	9.15 YES BANK 30 JUN 2025	148,514	0.17%
	0 SUNDARAM FINANCE 10 JUN 2022	130,892	0.15%
	9 SHRIRAM TRANSPORT FINANCE CO. LIMITED 28 MAR 2028	123,173	0.14%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	103,570	0.12%
	6.85% ICICI PRU LIFE 6 NOV 2030 (CALL – 6 NOV 2025)	98,686	0.11%
	9.15 CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED 24 NOV 2023	90,923	0.10%
	KOTAK MAHINDRA BANK LIMITED	65,683	0.08%
	7.50 NABARD (GOI SERVICED) 17 NOV 2034	61,611	0.07%
	8.5 NABARD GOI FULLY SERVICED 27 FEB 2029	54,501	0.06%
	7.57 NABARD NON GOI 03 JAN 2035	51,949	0.06%
	6.93 NABARD 01 JUN 2035	49,313	0.06%
	8.72 SHRIRAM TRANSPORT FINANCE CO. LIMITED 27 MAR 2023	43,487	0.05%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	36,602	0.04%
	7.75 POWER FINANCE CORPORATION 22 MAR 2027 - GOI Serviced	32,630	0.04%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	14,305	0.02%
	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	10,938	0.01%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	5,482	0.01%
	5.7 BAJAJ FINANCE LIMITED 11 AUG 2023	5,030	0.01%
	8.51 NABARD 19 DEC 2033	4,453	0.01%
	8.5383 BAJAJ FINANCE LIMITED 07 JUN 2022	3,022	0.00%
	7.03 INDIAN RAILWAY FINANCE CORP LTD 30 JUL 2036	2,985	0.00%
	BOB CD 14 FEBRUARY 2023	1,920	0.00%
	9.55 IL&FS LIMITED 13 AUG 2024	-	0.00%
Financial And Insurance Activities Total		19,340,784	22.15%
Government of India	TREPS - 04APR2022	4,998,357	5.72%
	6.1 GOI 12 JUL 2031	3,293,119	3.77%
	6.54 GOI 17 JAN 2032	2,829,213	3.24%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	5.74 GOI 15 NOV 2026	2,796,077	3.20%
	8.15 GOI 11 JUN 2022	2,582,816	2.96%
	8.08 GOI 02 AUG 2022	2,156,475	2.47%
	7.59 GOI 11 JAN 2026	1,839,161	2.11%
	182 DAYS TBILL 21 JULY 2022	1,679,641	1.92%
	5.63 GOI 12 APR 2026	1,035,886	1.19%
	6.79 GOI 15 MAY 2027	809,500	0.93%
	5.15% GOI 09 NOV 2025	745,981	0.85%
	6.99 GOI 15 DEC 2051	739,099	0.85%
	7.17 GOI 08 JAN 2028	722,341	0.83%
	8.24 GOI 15 FEB 2027	669,954	0.77%
	4.56 GOI 29 NOVEMBER 2023	651,849	0.75%
	6.67 GOI 15 DEC 2035	546,296	0.63%
	8.83 GOI 25 NOV 2023	523,653	0.60%
	8.35 GOI 14 MAY 2022	499,074	0.57%
	7.59 GOI 20 MAR 2029	450,230	0.52%
	8.60 CGL 2 JUN 2028	266,164	0.30%
	5.09 GOI 13 APR 2022	250,107	0.29%
	6.97 GOI 06 SEP 2026	243,132	0.28%
	7.68 GOI 15 DEC 2023	165,300	0.19%
	6.84 GOI 19 DEC 2022	142,931	0.16%
	6.8 GOI 15 DEC 2060	141,813	0.16%
	6.79 GOI 26 DEC 2029	100,025	0.11%
	7.27 GOI 08 APR 2026	77,659	0.09%
	8.30 GOI 31 DEC 2042	56,219	0.06%
	8.15 GOI 24 NOV 2026	53,485	0.06%
	6.64 GOI 16 JUN 2035	52,119	0.06%
	7.35 GOI 22 JUN 2024	50,458	0.06%
	7.06 GOI 10 OCT 2046	50,045	0.06%
	GOI FRB 30 OCT 2034	48,474	0.06%
	7.16 GOI 20 MAY 2023	44,366	0.05%
	8.20 GOI 24 SEP 2025	35,609	0.04%
	9.23 GOI 23 DEC 2043	30,506	0.03%
	7.40 GOI 09 SEP 2035	23,669	0.03%
	8.24 GOI 10 NOV 2033	21,910	0.03%
	7.50 GOI 10 AUG 2034	18,940	0.02%
	7.73 GOI 19 DEC 2034	17,380	0.02%
	7.63 GOI 17 JUN 2059	15,980	0.02%
	6.19 GOI 16 SEP 2034	15,150	0.02%
	7.16 GOI 20 SEP 2050	12,527	0.01%
	8.32 GOI 02 AUG 2032	12,360	0.01%
	7.69 GOI 17 JUN 2043	11,845	0.01%
	8.00 OIL MARKETING BOND GOI 23 MAR 2026	10,576	0.01%
	7.57 GOI 17 JUN 2033	9,736	0.01%
	6.68 GOI 17 SEP 2031	8,991	0.01%
	8.28 GOI 15 FEB 2032	4,471	0.01%
	6.22 GOI 16 MAR 2035	4,250	0.00%

CORPORATE REVIEW

STRATEGIC REVIEW

FINANCIAL REVIEW

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	6.35 OIL MARKETING BOND 23 DEC 2024	3,554	0.00%
	7.72 GOI 15 JUN 2049	3,015	0.00%
	8.03 GOI FCI 15 DEC 2024	2,534	0.00%
	7.88 GOI 19 MAR 2030	1,675	0.00%
	8.28 GOI 21 SEP 2027	867	0.00%
	8.13 GOI 21 SEP 2022	5	0.00%
Government of India Total		31,576,569	36.16%
Others Total		36,396,747	41.68%
Fund Total		87,314,100	100.00%
Balanced Fund	ULIF00225/06/04LIFEBALANC104		
Financial And Insurance Activities	7.80 YES BANK 29 SEP 2027	727,586	2.14%
	ICICI BANK LIMITED	641,403	1.89%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	558,474	1.65%
	8.15 NABARD GOI FULLY SERVICED 28 MAR 2029	535,800	1.58%
	6.40 NABARD 31 JUL 2023	507,301	1.50%
	5.75 BAJAJ FINANCE LTD 16 FEBRUARY 2024	504,656	1.49%
	HOUSING DEVELOPMENT FINANCE CORP BANK	469,055	1.38%
	STATE BANK OF INDIA	376,620	1.11%
	7.60 MUTHOOT FINANCE 20 APR 2026	319,874	0.94%
	BAJAJ FINANCE LIMITED	316,265	0.93%
	7.8 YES BANK 01 OCT 2027	297,032	0.88%
	KOTAK MAHINDRA BANK LIMITED	295,082	0.87%
	8.72 SHRIRAM TRANSPORT FINANCE CO. LIMITED 27 MAR 2023	276,455	0.81%
	7.50 NABARD (GOI SERVICED) 17 NOV 2034	229,735	0.68%
	8.24 NABARD GOI FULLY SERVICED 22 MAR 2029	226,038	0.67%
	INDUSIND BANK LIMITED	221,883	0.65%
	8.20 NABARD 09 MAR 2028	216,552	0.64%
	7.60 ICICI BANK 07 OCT 2023	155,042	0.46%
	6.85% ICICI PRU LIFE 6 NOV 2030 (CALL – 6 NOV 2025)	148,029	0.44%
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	141,358	0.42%
	5.7 BAJAJ FINANCE LIMITED 11 AUG 2023	137,820	0.41%
	8.85 BAJAJ FINANCE LIMITED 05 JAN 2024	105,959	0.31%
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	103,718	0.31%
	5.85 EXIM BANK 12 SEP 2025	99,758	0.29%
	RBL BANK LIMITED	92,812	0.27%
	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	62,345	0.18%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	60,297	0.18%
	9.15 CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED 24 NOV 2023	60,263	0.18%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	58,319	0.17%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	0 SUNDARAM FINANCE 10 JUN 2022	49,580	0.15%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	48,480	0.14%
	AXIS BANK LIMITED	44,657	0.13%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	44,138	0.13%
	9 SHRIRAM TRANSPORT FINANCE CO. LIMITED 28 MAR 2028	43,991	0.13%
	8.3 INDIAN RAILWAY FINANCE CORP LTD 25 MAR 2029	43,947	0.13%
	8.5383 BAJAJ FINANCE LIMITED 07 JUN 2022	40,288	0.12%
	7.75 POWER FINANCE CORPORATION 22 MAR 2027 - GOI Serviced	39,998	0.12%
	6.39 NABARD GOI FULLY SERVICED 19 NOV 2030	33,785	0.10%
	CSB BANK LIMITED	32,362	0.10%
	FINO PAYMENTS BANK LIMITED	27,897	0.08%
	8.35 INDIAN RAILWAY FINANCE CORP LTD 13 MARCH 2029	7,520	0.02%
	9.30 SHRIRAM TRANSPORT FINANCE 18 MAR 2026	5,463	0.02%
	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	3,025	0.01%
	8.90 INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY 19 NOV 2025	1,072	0.00%
	CREDITACCESS GRAMEEN LIMITED	91	0.00%
	9.55 IL&FS LIMITED 13 AUG 2024	-	0.00%
	10.15 IL&FS FINANCIAL SERVICES LIMITED 29 JUN 2022	-	0.00%
Financial And Insurance Activities Total		8,411,825	24.80%
Government of India	364 DAY TBILL 07 JULY 2022	2,683,171	7.91%
	7.59 GOI 11 JAN 2026	1,610,736	4.75%
	6.54 GOI 17 JAN 2032	1,239,015	3.65%
	4.56 GOI 29 NOVEMBER 2023	1,222,373	3.60%
	6.79 GOI 15 MAY 2027	734,337	2.16%
	5.74 GOI 15 NOV 2026	435,610	1.28%
	8.24 GOI 15 FEB 2027	406,426	1.20%
	5.15% GOI 09 NOV 2025	335,873	0.99%
	8.35 GOI 14 MAY 2022	231,192	0.68%
	6.67 GOI 15 DEC 2035	230,374	0.68%
	6.97 GOI 06 SEP 2026	197,673	0.58%
	6.1 GOI 12 JUL 2031	194,696	0.57%
	7.59 GOI 20 MAR 2029	167,899	0.49%
	8.60 CGL 2 JUN 2028	165,220	0.49%
	6.99 GOI 15 DEC 2051	138,202	0.41%
	8.15 GOI 24 NOV 2026	109,961	0.32%
	7.95 GOI 28 AUG 2032	108,463	0.32%
	7.27 GOI 08 APR 2026	77,659	0.23%
	6.64 GOI 16 JUN 2035	58,270	0.17%
	5.09 GOI 13 APR 2022	50,021	0.15%
	6.8 GOI 15 DEC 2060	47,271	0.14%
	8.20 GOI 24 SEP 2025	33,737	0.10%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	9.23 GOI 23 DEC 2043	30,506	0.09%
	7.88 GOI 19 MAR 2030	26,281	0.08%
	8.30 GOI 31 DEC 2042	23,612	0.07%
	7.63 GOI 17 JUN 2059	14,529	0.04%
	6.19 GOI 16 SEP 2034	13,852	0.04%
	8.97 GOI 05 DEC 2030	9,068	0.03%
	6.76 GOI 22 FEB 2061	3,620	0.01%
	7.26 GOI 14 JAN 2029	2,349	0.01%
	6.79 GOI 26 DEC 2029	1,900	0.01%
	9.20 GOI 30 SEP 2030	1,143	0.00%
Government of India Total		10,605,039	31.26%
Others Total		14,906,055	43.94%
Fund Total		33,922,919	100.00%
Conservative Fund	ULIF00325/06/04LIFECONSER104		
Financial And Insurance Activities	7.80 YES BANK 29 SEP 2027	69,634	2.70%
	8.09 RURAL ELECTRIFICATION CORPORATION LIMITED 21 MAR 2028 - GOI Serviced	53,890	2.09%
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	29,247	1.14%
	7.60 MUTHOOT FINANCE 20 APR 2026	25,888	1.01%
	HOUSING DEVELOPMENT FINANCE CORP BANK	22,698	0.88%
	ICICI BANK LIMITED	22,309	0.87%
	7.85 INDIAN RAILWAY FINANCE CORPORATION 01 JUL 2034	21,286	0.83%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	16,083	0.62%
	7.8 YES BANK 01 OCT 2027	10,704	0.42%
	STATE BANK OF INDIA	10,262	0.40%
	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	10,084	0.39%
	BAJAJ FINANCE LIMITED	9,169	0.36%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	8,814	0.34%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	8,770	0.34%
	8.51 NABARD 19 DEC 2033	6,680	0.26%
	8.65 INDIA INFRADEBT LIMITED 22 MAR 2026	6,508	0.25%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	5,383	0.21%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	4,401	0.17%
	AXIS BANK LIMITED	4,238	0.16%
	INDUSIND BANK LIMITED	3,546	0.14%
	KOTAK MAHINDRA BANK LIMITED	3,134	0.12%
	CITY UNION BANK LIMITED	2,134	0.08%
	7.75 POWER FINANCE CORPORATION 22 MAR 2027 - GOI Serviced	2,105	0.08%
	RBL BANK LIMITED	1,642	0.06%
	AU SMALL FINANCE BANK LIMITED	501	0.02%
	THE FEDERAL BANK LIMITED	357	0.01%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
Financial And Insurance Activities Total		359,467	13.96%
Government of India	6.1 GOI 12 JUL 2031	351,769	13.66%
	6.54 GOI 17 JAN 2032	214,245	8.32%
	5.74 GOI 15 NOV 2026	183,415	7.12%
	5.15% GOI 09 NOV 2025	162,043	6.29%
	6.84 GOI 19 DEC 2022	159,207	6.18%
	6.79 GOI 15 MAY 2027	101,991	3.96%
	8.35 GOI 14 MAY 2022	100,518	3.90%
	4.56 GOI 29 NOVEMBER 2023	98,957	3.84%
	7.59 GOI 11 JAN 2026	48,684	1.89%
	5.09 GOI 13 APR 2022	48,020	1.86%
	8.60 CGL 2 JUN 2028	25,763	1.00%
	8.24 GOI 15 FEB 2027	25,481	0.99%
	7.27 GOI 08 APR 2026	25,453	0.99%
	6.67 GOI 15 DEC 2035	24,797	0.96%
	6.99 GOI 15 DEC 2051	21,842	0.85%
	6.64 GOI 16 JUN 2035	20,247	0.79%
	8.03 GOI FCI 15 DEC 2024	16,325	0.63%
	6.97 GOI 06 SEP 2026	15,496	0.60%
	8.20 GOI 24 SEP 2025	7,260	0.28%
	6.19 GOI 16 SEP 2034	5,244	0.20%
	7.59 GOI 20 MAR 2029	2,678	0.10%
Government of India Total		1,659,435	64.44%
Others Total		556,107	21.60%
Fund Total		2,575,009	100.00%
Secured Fund	ULIF00425/06/04LIFESECURE104		
Financial And Insurance Activities	7.60 MUTHOOT FINANCE 20 APR 2026	196,750	2.08%
	7.8 YES BANK 01 OCT 2027	133,798	1.41%
	8.90 BAJAJ FINANCE LIMITED 23 MAR 2026	130,678	1.38%
	8.65 INDIA INFRADEBT LIMITED 22 MAR 2026	122,563	1.29%
	9.30 SHRIRAM TRANSPORT FINANCE 18 MAR 2026	103,792	1.10%
	5.7 BAJAJ FINANCE LIMITED 11 AUG 2023	100,598	1.06%
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	97,489	1.03%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	88,029	0.93%
	8.24 NABARD GOI FULLY SERVICED 22 MAR 2029	86,110	0.91%
	8.72 SHRIRAM TRANSPORT FINANCE CO. LIMITED 27 MAR 2023	82,833	0.87%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	53,826	0.57%
	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	41,563	0.44%
	7.80 YES BANK 29 SEP 2027	33,032	0.35%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	31,793	0.34%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	29,749	0.31%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	7.75 POWER FINANCE CORPORATION 22 MAR 2027 - GOI Serviced	25,262	0.27%
	9 SHRIRAM TRANSPORT FINANCE CO. LIMITED 28 MAR 2028	19,796	0.21%
	8.51 NABARD 19 DEC 2033	18,926	0.20%
	10.15 IL&FS FINANCIAL SERVICES LIMITED 29 JUN 2022	-	0.00%
Financial And Insurance Activities Total		1,396,587	14.74%
Government of India	6.1 GOI 12 JUL 2031	1,497,268	15.81%
	6.54 GOI 17 JAN 2032	876,257	9.25%
	6.84 GOI 19 DEC 2022	607,837	6.42%
	4.56 GOI 29 NOVEMBER 2023	530,984	5.61%
	7.59 GOI 11 JAN 2026	430,753	4.55%
	5.74 GOI 15 NOV 2026	366,830	3.87%
	6.79 GOI 15 MAY 2027	254,978	2.69%
	5.09 GOI 13 APR 2022	250,107	2.64%
	8.35 GOI 14 MAY 2022	248,783	2.63%
	7.16 GOI 20 MAY 2023	205,400	2.17%
	364 DAY TBILL 07 JULY 2022	194,319	2.05%
	7.26 GOI 14 JAN 2029	193,148	2.04%
	7.17 GOI 08 JAN 2028	118,795	1.25%
	5.15% GOI 09 NOV 2025	113,600	1.20%
	7.27 GOI 08 APR 2026	104,240	1.10%
	6.99 GOI 15 DEC 2051	82,482	0.87%
	8.60 CGL 2 JUN 2028	68,947	0.73%
	6.67 GOI 15 DEC 2035	51,757	0.55%
	6.64 GOI 16 JUN 2035	50,849	0.54%
	6.97 GOI 06 SEP 2026	50,472	0.53%
	6.95 GOI 16 DEC 2061	44,557	0.47%
	8.20 GOI 24 SEP 2025	23,493	0.25%
	8.97 GOI 05 DEC 2030	21,537	0.23%
	7.59 GOI 20 MAR 2029	10,705	0.11%
	6.19 GOI 16 SEP 2034	9,101	0.10%
	8.30 GOI 02 JUL 2040	6,508	0.07%
Government of India Total		6,413,707	67.71%
Others Total		1,662,195	17.55%
Fund Total		9,472,489	100.00%
Pension Growth Fund	ULIF00525/11/05PENSGROWTH104		
Financial And Insurance Activities	ICICI BANK LIMITED	144,491	4.10%
	HOUSING DEVELOPMENT FINANCE CORP BANK	135,280	3.84%
	7.80 YES BANK 29 SEP 2027	104,451	2.96%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	74,667	2.12%
	BAJAJ FINANCE LIMITED	66,160	1.88%
	KOTAK MAHINDRA BANK LIMITED	53,973	1.53%
	8.18 NABARD GOI FULLY SERVICED 26 DEC 2028	51,412	1.46%
	AXIS BANK LIMITED	44,604	1.26%
	7.8 YES BANK 01 OCT 2027	44,599	1.26%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	STATE BANK OF INDIA	41,734	1.18%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	35,525	1.01%
	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	32,813	0.93%
	8.51 NABARD 19 DEC 2033	30,060	0.85%
	8.72 SHRIRAM TRANSPORT FINANCE CO. LIMITED 27 MAR 2023	25,885	0.73%
	INDUSIND BANK LIMITED	22,253	0.63%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	22,036	0.62%
	6.85 INDIAN RAILWAY FINANCE CORP LTD 29 OCT 2040	14,316	0.41%
	CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED	13,157	0.37%
	0 SUNDARAM FINANCE 10 JUN 2022	9,916	0.28%
	9.15 CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED 24 NOV 2023	7,401	0.21%
	CITY UNION BANK LIMITED	6,576	0.19%
	9.55 IL&FS LIMITED 13 AUG 2024	-	0.00%
Financial And Insurance Activities Total		981,309	27.82%
Government of India	7.17 GOI 08 JAN 2028	524,100	14.86%
	6.79 GOI 15 MAY 2027	101,991	2.89%
	6.54 GOI 17 JAN 2032	84,371	2.39%
	7.59 GOI 11 JAN 2026	78,354	2.22%
	5.74 GOI 15 NOV 2026	68,781	1.95%
	8.24 GOI 15 FEB 2027	64,270	1.82%
	5.15% GOI 09 NOV 2025	59,661	1.69%
	8.15 GOI 24 NOV 2026	37,700	1.07%
	4.56 GOI 29 NOVEMBER 2023	35,443	1.00%
	8.60 CGL 2 JUN 2028	18,999	0.54%
	6.1 GOI 12 JUL 2031	17,815	0.51%
	6.19 GOI 16 SEP 2034	11,655	0.33%
	6.99 GOI 15 DEC 2051	10,793	0.31%
	6.64 GOI 16 JUN 2035	7,693	0.22%
	6.97 GOI 06 SEP 2026	3,949	0.11%
	8.20 GOI 24 SEP 2025	2,959	0.08%
	7.59 GOI 20 MAR 2029	1,308	0.04%
Government of India Total		1,129,842	32.03%
Others Total		1,416,082	40.15%
Fund Total		3,527,233	100.00%
Pension Balanced Fund	ULIF00625/11/05PENSBALANC104		
Financial And Insurance Activities	8.51 NABARD 19 DEC 2033	33,399	4.06%
	ICICI BANK LIMITED	28,552	3.47%
	HOUSING DEVELOPMENT FINANCE CORP BANK	24,483	2.98%
	7.80 YES BANK 29 SEP 2027	22,319	2.71%
	8.70 RURAL ELECTRIFICATION CORPORATION LIMITED GOI SERVICE BOND 28 SEP 2028	16,539	2.01%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	11,983	1.46%
	8.35 INDIAN RAILWAY FINANCE CORP LTD 13 MARCH 2029	11,818	1.44%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	10,963	1.33%
	0 SUNDARAM FINANCE 10 JUN 2022	9,916	1.21%
	7.8 YES BANK 01 OCT 2027	9,812	1.19%
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	9,749	1.18%
	CSB BANK LIMITED	9,311	1.13%
	KOTAK MAHINDRA BANK LIMITED	8,796	1.07%
	BAJAJ FINANCE LIMITED	7,950	0.97%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	5,509	0.67%
	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	5,469	0.66%
	AXIS BANK LIMITED	3,903	0.47%
	CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED	3,361	0.41%
	CAN FIN HOMES LIMITED	2,920	0.35%
	PB FINTECH LTD	2,125	0.26%
	10.15 IL&FS FINANCIAL SERVICES LIMITED 29 JUN 2022	-	0.00%
Financial And Insurance Activities Total		238,877	29.03%
Government of India	7.17 GOI 08 JAN 2028	91,292	11.10%
	6.54 GOI 17 JAN 2032	55,083	6.69%
	6.79 GOI 15 MAY 2027	40,797	4.96%
	5.15% GOI 09 NOV 2025	30,175	3.67%
	8.03 GOI FCI 15 DEC 2024	14,361	1.75%
	8.24 GOI 15 FEB 2027	10,376	1.26%
	7.59 GOI 11 JAN 2026	8,359	1.02%
	4.56 GOI 29 NOVEMBER 2023	7,858	0.96%
	8.60 CGL 2 JUN 2028	6,744	0.82%
	8.00 OIL MARKETING BOND GOI 23 MAR 2026	5,288	0.64%
	6.64 GOI 16 JUN 2035	4,757	0.58%
	6.1 GOI 12 JUL 2031	3,358	0.41%
	6.19 GOI 16 SEP 2034	3,211	0.39%
	6.99 GOI 15 DEC 2051	2,987	0.36%
	6.97 GOI 06 SEP 2026	2,136	0.26%
	8.20 GOI 24 SEP 2025	907	0.11%
	8.30 GOI 02 JUL 2040	440	0.05%
	7.59 GOI 20 MAR 2029	411	0.05%
Government of India Total		288,540	35.07%
Others Total		295,368	35.90%
Fund Total		822,785	100.00%
Pension Conservative Fund	ULIF00725/11/05PENSCONSER104		
Financial And Insurance Activities	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	4,401	5.50%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	8.35 INDIAN RAILWAY FINANCE CORP LTD 13 MARCH 2029	3,223	4.02%
	8.51 NABARD 19 DEC 2033	1,113	1.39%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	1,096	1.37%
	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	1,094	1.37%
	7.50 NABARD (GOI SERVICED) 17 NOV 2034	1,044	1.30%
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	975	1.22%
	HOUSING DEVELOPMENT FINANCE CORP BANK	759	0.95%
	ICICI BANK LIMITED	744	0.93%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	523	0.65%
	STATE BANK OF INDIA	359	0.45%
	BAJAJ FINANCE LIMITED	298	0.37%
	AXIS BANK LIMITED	151	0.19%
	INDUSIND BANK LIMITED	115	0.14%
	KOTAK MAHINDRA BANK LIMITED	102	0.13%
	CITY UNION BANK LIMITED	71	0.09%
	RBL BANK LIMITED	53	0.07%
	AU SMALL FINANCE BANK LIMITED	16	0.02%
	THE FEDERAL BANK LIMITED	12	0.01%
	10.15 IL&FS FINANCIAL SERVICES LIMITED 29 JUN 2022	-	0.00%
Financial And Insurance Activities Total		16,149	20.17%
Government of India	7.17 GOI 08 JAN 2028	6,612	8.26%
	5.15% GOI 09 NOV 2025	5,509	6.88%
	5.09 GOI 13 APR 2022	5,502	6.87%
	6.54 GOI 17 JAN 2032	5,502	6.87%
	8.03 GOI FCI 15 DEC 2024	4,224	5.27%
	6.84 GOI 19 DEC 2022	4,069	5.08%
	7.59 GOI 11 JAN 2026	1,620	2.02%
	5.74 GOI 15 NOV 2026	1,385	1.73%
	7.27 GOI 08 APR 2026	1,042	1.30%
	7.16 GOI 20 MAY 2023	1,027	1.28%
	6.67 GOI 15 DEC 2035	988	1.23%
	4.56 GOI 29 NOVEMBER 2023	903	1.13%
	6.19 GOI 16 SEP 2034	629	0.79%
	8.15 GOI 24 NOV 2026	518	0.65%
	8.20 GOI 24 SEP 2025	489	0.61%
	8.60 CGL 2 JUN 2028	418	0.52%
	6.99 GOI 15 DEC 2051	399	0.50%
	6.97 GOI 06 SEP 2026	394	0.49%
	7.59 GOI 20 MAR 2029	100	0.13%
	6.64 GOI 16 JUN 2035	76	0.09%
	6.1 GOI 12 JUL 2031	36	0.04%
	8.30 GOI 02 JUL 2040	21	0.03%
Government of India Total		41,463	51.78%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
State Government	7.92 MADHYA PRADESH SPL SDL 22 MAR 2024	2,085	2.60%
	8.12% TELANGANA SDL 11 MAR 2025	1,062	1.33%
	8.21 HARYANA SPL SDL 31 MAR 2025	1,056	1.32%
	7.74 TAMILNADU SDL 22 FEB 2026	1,048	1.31%
	6.74 GUJARAT SDL 30 OCT 2024	1,046	1.31%
	8.21 HARYANA SPL SDL 31 MAR 2026	533	0.67%
	8.27 KARNATAKA SDL 23 DEC 2025	484	0.60%
	8.27 HARYANA SDL 09 DEC 2025	398	0.50%
	8.26 UTTAR PRADESH SDL 02 JUN 2022	252	0.31%
	8.27 RAJASTHAN SDL 23 JUN 2022	123	0.15%
State Government Total		8,087	10.10%
Others Total		14,382	17.96%
Fund Total		80,081	100.00%
Pension Secured Fund	ULIF00825/11/05PENSSECURE104		
Financial And Insurance Activities	7.8 YES BANK 01 OCT 2027	24,084	6.45%
	8.90 BAJAJ FINANCE LIMITED 23 MAR 2026	21,780	5.83%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	19,806	5.30%
	8.51 NABARD 19 DEC 2033	16,700	4.47%
	9.30 SHRIRAM TRANSPORT FINANCE 18 MAR 2026	15,296	4.10%
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	9,749	2.61%
	5.7 BAJAJ FINANCE LIMITED 11 AUG 2023	8,048	2.16%
	8.35 INDIAN RAILWAY FINANCE CORP LTD 13 MARCH 2029	5,372	1.44%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	4,407	1.18%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	2,193	0.59%
	7.60 MUTHOOT FINANCE 20 APR 2026	518	0.14%
	10.15 IL&FS FINANCIAL SERVICES LIMITED 29 JUN 2022	-	0.00%
	Financial And Insurance Activities Total	127,953	34.27%
Government of India	6.84 GOI 19 DEC 2022	24,924	6.68%
	5.15% GOI 09 NOV 2025	18,816	5.04%
	5.09 GOI 13 APR 2022	13,506	3.62%
	7.17 GOI 08 JAN 2028	12,066	3.23%
	6.54 GOI 17 JAN 2032	10,968	2.94%
	8.83 GOI 25 NOV 2023	10,595	2.84%
	7.16 GOI 20 MAY 2023	10,270	2.75%
	7.59 GOI 11 JAN 2026	9,807	2.63%
	4.56 GOI 29 NOVEMBER 2023	8,112	2.17%
	8.35 GOI 14 MAY 2022	6,031	1.62%
	8.03 GOI FCI 15 DEC 2024	5,280	1.41%
	7.26 GOI 14 JAN 2029	5,151	1.38%
	6.1 GOI 12 JUL 2031	4,254	1.14%
	6.35 OIL MARKETING BOND 23 DEC 2024	4,061	1.09%
	8.97 GOI 05 DEC 2030	3,401	0.91%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	8.26 GOI 02 AUG 2027	2,256	0.60%
	6.67 GOI 15 DEC 2035	2,195	0.59%
	6.97 GOI 06 SEP 2026	1,680	0.45%
	5.74 GOI 15 NOV 2026	1,334	0.36%
	6.99 GOI 15 DEC 2051	1,250	0.33%
	8.60 CGL 2 JUN 2028	1,156	0.31%
	7.59 GOI 20 MAR 2029	1,097	0.29%
	8.20 GOI 24 SEP 2025	918	0.25%
	7.62 GOI 15 SEP 2039	785	0.21%
	6.64 GOI 16 JUN 2035	603	0.16%
	8.30 GOI 02 JUL 2040	546	0.15%
	7.40 GOI 09 SEP 2035	416	0.11%
	6.19 GOI 16 SEP 2034	16	0.00%
Government of India Total		161,494	43.25%
State Government	8.54 MAHARASHTRA SDL 20 MAR 2023	10,355	2.77%
	8.9 TAMILNADU SDL 24 SEP 2024	8,897	2.38%
	7.92 MADHYA PRADESH SPL SDL 22 MAR 2024	8,341	2.23%
	8.21 HARYANA SPL SDL 31 MAR 2026	5,330	1.43%
	8.13 KERALA SDL 21 MAR 2028	4,381	1.17%
	8.18 HARYANA SPL BOND 15 JUN 2024	3,671	0.98%
	8.53 CHHATISGARH SDL 28 MAR 2024	2,108	0.56%
	8.26 UTTAR PRADESH SDL 02 JUN 2022	1,258	0.34%
	8.27 KARNATAKA SDL 23 DEC 2025	1,000	0.27%
	8.27 HARYANA SDL 09 DEC 2025	821	0.22%
	8.27 RAJASTHAN SDL 23 JUN 2022	739	0.20%
State Government Total		46,901	12.56%
Others Total		37,031	9.92%
Fund Total		373,379	100.00%
Guaranteed Fund Income Fund	ULIF00904/10/06AMSRGUAINC104		
Government of India	7.17 GOI 08 JAN 2028	3,076	22.55%
	6.54 GOI 17 JAN 2032	1,207	8.85%
	8.24 GOI 15 FEB 2027	1,153	8.45%
	6.35 OIL MARKETING BOND 23 DEC 2024	1,015	7.44%
	5.74 GOI 15 NOV 2026	677	4.96%
	7.95 OIL MARKETING BOND GOI 18 JAN 2025	493	3.61%
	7.88 GOI 19 MAR 2030	415	3.04%
	6.1 GOI 12 JUL 2031	341	2.50%
	4.56 GOI 29 NOVEMBER 2023	325	2.38%
	7.59 GOI 11 JAN 2026	273	2.00%
	6.99 GOI 15 DEC 2051	86	0.63%
	5.15% GOI 09 NOV 2025	58	0.42%
	6.97 GOI 06 SEP 2026	27	0.20%
	6.67 GOI 15 DEC 2035	19	0.14%
	6.19 GOI 16 SEP 2034	17	0.13%
	6.64 GOI 16 JUN 2035	17	0.12%
	8.30 GOI 02 JUL 2040	16	0.12%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	7.27 GOI 08 APR 2026	5	0.04%
	7.59 GOI 20 MAR 2029	3	0.02%
Government of India Total		9,223	67.62%
State Government	8.22 KARNATAKA SDL 09 DEC 2025	1,073	7.86%
	8.21 HARYANA SPL SDL 31 MAR 2026	640	4.69%
	8.21 HARYANA SPL SDL 31 MAR 2025	528	3.87%
	8.18 HARYANA SPL BOND 15 JUN 2024	524	3.85%
	8.27 RAJASTHAN SDL 23 JUN 2022	13	0.09%
State Government Total		2,778	20.36%
Others Total		1,640	12.02%
Fund Total		13,641	100.00%
Guaranteed Fund Dynamic Fund	ULIF01004/10/06AMSRGUADYN104		
Financial And Insurance Activities	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	1,094	2.80%
	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	1,008	2.58%
	ICICI BANK LIMITED	548	1.41%
	HOUSING DEVELOPMENT FINANCE CORP BANK	548	1.41%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	394	1.01%
	STATE BANK OF INDIA	266	0.68%
	BAJAJ FINANCE LIMITED	225	0.58%
	AXIS BANK LIMITED	101	0.26%
	INDUSIND BANK LIMITED	87	0.22%
	KOTAK MAHINDRA BANK LIMITED	75	0.19%
	CITY UNION BANK LIMITED	52	0.13%
	RBL BANK LIMITED	40	0.10%
	AU SMALL FINANCE BANK LIMITED	11	0.03%
	THE FEDERAL BANK LIMITED	8	0.02%
Financial And Insurance Activities Total		4,457	11.43%
Government of India	7.17 GOI 08 JAN 2028	3,335	8.55%
	6.54 GOI 17 JAN 2032	3,247	8.32%
	5.74 GOI 15 NOV 2026	1,621	4.15%
	6.79 GOI 15 MAY 2027	1,530	3.92%
	7.95 OIL MARKETING BOND GOI 18 JAN 2025	1,060	2.72%
	4.56 GOI 29 NOVEMBER 2023	717	1.84%
	7.59 GOI 11 JAN 2026	227	0.58%
	6.99 GOI 15 DEC 2051	196	0.50%
	5.15% GOI 09 NOV 2025	156	0.40%
	8.15 GOI FCI 16 OCT 2022	102	0.26%
	6.1 GOI 12 JUL 2031	73	0.19%
	6.97 GOI 06 SEP 2026	73	0.19%
	8.30 GOI 02 JUL 2040	53	0.14%
	6.64 GOI 16 JUN 2035	45	0.12%
	6.67 GOI 15 DEC 2035	38	0.10%
	6.19 GOI 16 SEP 2034	26	0.07%
	7.27 GOI 08 APR 2026	13	0.03%
	7.59 GOI 20 MAR 2029	7	0.02%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
Government of India Total		12,519	32.08%
State Government	8.21 HARYANA SPL SDL 31 MAR 2026	8,528	21.85%
	8.51 HARYANA SDL 10 FEB 2026	4,311	11.05%
	8.21 HARYANA SPL SDL 31 MAR 2025	1,479	3.79%
	8.22 KARNATAKA SDL 09 DEC 2025	1,287	3.30%
	8.18 HARYANA SPL BOND 15 JUN 2024	1,049	2.69%
	8.27 RAJASTHAN SDL 23 JUN 2022	41	0.10%
State Government Total		16,695	42.78%
Others Total		5,350	13.71%
Fund Total		39,021	100.00%
Growth Super Fund	ULIF01108/02/07LIFEGRWSUP104		
Computer Programming, Consultancy And Related Activities	INFOSYS LIMITED	8,736,395	8.30%
	WIPRO LIMITED	1,119,741	1.06%
	TECH MAHINDRA LIMITED	1,074,834	1.02%
	HCL TECHNOLOGIES LIMITED	789,727	0.75%
	TATA CONSULTANCY SERVICES LIMITED	482,319	0.46%
	L&T TECHNOLOGY SERVICES LIMITED	99,921	0.09%
Computer Programming, Consultancy And Related Activities Total		12,302,937	11.69%
Financial And Insurance Activities	ICICI BANK LIMITED	6,018,822	5.72%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	5,259,800	5.00%
	HOUSING DEVELOPMENT FINANCE CORP BANK	3,825,052	3.63%
	BAJAJ FINANCE LIMITED	2,996,203	2.85%
	KOTAK MAHINDRA BANK LIMITED	1,651,979	1.57%
	INDUSIND BANK LIMITED	1,644,913	1.56%
	AXIS BANK LIMITED	1,159,649	1.10%
	STATE BANK OF INDIA	1,139,712	1.08%
	RBL BANK LIMITED	1,020,219	0.97%
	STAR HEALTH & ALLIED INSURANCE COMPANY LTD	276,280	0.26%
	CREDITACCESS GRAMEEN LIMITED	131,602	0.12%
Financial And Insurance Activities Total		25,124,231	23.86%
Mutual Fund	KOTAK MAHINDRA MF - KOTAK BANKING ETF - DIVIDEND PAYOUT OPTION	3,862,931	3.67%
	ICICI PRUDENTIAL IT ETF	2,786,175	2.65%
	SBI NIFTY BANK ETF	1,899,582	1.80%
	NIPPON INDIA ETF BANKBEES(FORMERLY R SHARES BANK BEES)	1,774,412	1.69%
	NIPPON INDIA ETF NIFTY IT	1,001,756	0.95%
	ICICI PRUDENTIAL BANKING ETF	719,922	0.68%
	AXIS BANKING ETF	219,620	0.21%
Mutual Fund Total		12,264,398	11.65%
Others Total		55,595,375	52.80%
Fund Total		1,05,286,941	100.00%
High Growth Fund	ULIF01311/02/08LIFEHIGHGR104		

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
Computer Programming, Consultancy And Related Activities	MPHASIS LIMITED	503,576	3.07%
	PERSISTENT SYSTEMS LIMITED	364,688	2.22%
	MINDTREE LIMITED	308,759	1.88%
	LARSEN & TOUBRO INFOTECH LIMITED	299,023	1.82%
	COFORGE LIMITED	298,978	1.82%
	L&T TECHNOLOGY SERVICES LIMITED	76,580	0.47%
	WIPRO LIMITED	67,597	0.41%
Computer Programming, Consultancy And Related Activities Total		1,919,201	11.70%
Financial And Insurance Activities	AU SMALL FINANCE BANK LIMITED	378,875	2.31%
	THE FEDERAL BANK LIMITED	367,223	2.24%
	BAJAJ FINANCE LIMITED	350,917	2.14%
	CITY UNION BANK LIMITED	346,704	2.11%
	CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED	332,292	2.03%
	RBL BANK LIMITED	298,272	1.82%
	CAN FIN HOMES LIMITED	190,443	1.16%
	CSB BANK LIMITED	135,732	0.83%
	ANGEL BROKING LIMITED	104,192	0.64%
	ICICI SECURITIES LTD	80,425	0.49%
Financial And Insurance Activities Total		2,585,075	15.76%
Manufacture Of Chemicals And Chemical Products	SRF LIMITED	390,633	2.38%
	VINATI ORGANICS LIMITED	321,137	1.96%
	PI INDUSTRIES LIMITED	301,375	1.84%
	TATA CHEMICALS LIMITED	226,993	1.38%
	SUMITOMO CHEMICAL INDIA LIMITED	207,985	1.27%
	AMI ORGANIC LIMITED	139,135	0.85%
	AARTI INDUSTRIES LIMITED	111,309	0.68%
Manufacture Of Chemicals And Chemical Products Total		1,698,567	10.35%
Others Total		10,201,715	62.19%
Fund Total		16,404,558	100.00%
Dynamic Opportunities Fund	ULIF01425/03/08LIFEDYNOPP104		
Financial And Insurance Activities	7.80 YES BANK 29 SEP 2027	243,719	4.19%
	HOUSING DEVELOPMENT FINANCE CORP BANK	237,842	4.09%
	ICICI BANK LIMITED	236,628	4.07%
	8.24 NABARD GOI FULLY SERVICED 22 MAR 2029	96,874	1.67%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	89,255	1.53%
	STATE BANK OF INDIA	80,590	1.39%
	BAJAJ FINANCE LIMITED	74,799	1.29%
	8.18 NABARD GOI FULLY SERVICED 26 DEC 2028	53,554	0.92%
	7.8 YES BANK 01 OCT 2027	53,519	0.92%
	AXIS BANK LIMITED	40,072	0.69%
	KOTAK MAHINDRA BANK LIMITED	37,441	0.64%
	8.65 INDIA INFRADEBT LIMITED 22 MAR 2026	28,200	0.48%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	INDUSIND BANK LIMITED	27,816	0.48%
	8.72 SHRIRAM TRANSPORT FINANCE CO. LIMITED 27 MAR 2023	24,850	0.43%
	CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED	24,806	0.43%
	HDFC LIFE INSURANCE COMPANY LIMITED	22,470	0.39%
	CITY UNION BANK LIMITED	22,083	0.38%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	22,036	0.38%
	RBL BANK LIMITED	18,210	0.31%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	5,482	0.09%
Financial And Insurance Activities Total		1,440,246	24.76%
Government of India	6.1 GOI 12 JUL 2031	1,005,366	17.28%
	6.54 GOI 17 JAN 2032	235,324	4.05%
	6.79 GOI 15 MAY 2027	203,983	3.51%
	5.74 GOI 15 NOV 2026	137,561	2.36%
	5.15% GOI 09 NOV 2025	78,427	1.35%
	4.56 GOI 29 NOVEMBER 2023	69,345	1.19%
	7.40 GOI 09 SEP 2035	51,112	0.88%
	8.24 GOI 15 FEB 2027	24,317	0.42%
	7.59 GOI 11 JAN 2026	21,194	0.36%
	6.99 GOI 15 DEC 2051	18,449	0.32%
	7.27 GOI 08 APR 2026	18,383	0.32%
	8.20 OIL MARKETING BOND GOI 10 NOV 2023	14,626	0.25%
	6.97 GOI 06 SEP 2026	12,714	0.22%
	8.60 CGL 2 JUN 2028	9,591	0.16%
	8.20 GOI 24 SEP 2025	7,009	0.12%
	8.20 OIL MARKETING BOND GOI 12 FEB 2024	5,967	0.10%
	6.19 GOI 16 SEP 2034	4,039	0.07%
	7.59 GOI 20 MAR 2029	3,016	0.05%
	6.64 GOI 16 JUN 2035	2,010	0.03%
Government of India Total		1,922,433	33.05%
Others Total		2,454,107	42.19%
Fund Total		5,816,786	100.00%
Money Market Fund	ULIF01528/04/09LIFEMONEYM104		
Government of India	182 DAYS TBILL 07 JULY 2022	42,058	46.14%
	182 DAYS TBIL 01 SEPTEMBER 2022	39,299	43.12%
	7.17 GOI 08 JAN 2028	9,784	10.73%
Government of India Total		91,141	100.00%
Others Total		4	0.00%
Fund Total		91,145	100.00%
Secure Plus Fund	ULIF01628/04/09LIFESECP1S104		
Government of India	7.17 GOI 08 JAN 2028	900,497	16.65%
	6.54 GOI 17 JAN 2032	460,077	8.51%
	6.84 GOI 19 DEC 2022	386,574	7.15%
	4.56 GOI 29 NOVEMBER 2023	328,496	6.07%
	5.09 GOI 13 APR 2022	300,128	5.55%
	5.15% GOI 09 NOV 2025	277,132	5.12%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	7.16 GOI 20 MAY 2023	246,480	4.56%
	8.35 GOI 14 MAY 2022	150,778	2.79%
	364 DAY TBILL 07 JULY 2022	150,571	2.78%
	6.1 GOI 12 JUL 2031	150,442	2.78%
	5.74 GOI 15 NOV 2026	137,561	2.54%
	7.26 GOI 14 JAN 2029	103,012	1.90%
	6.79 GOI 15 MAY 2027	101,991	1.89%
	7.59 GOI 11 JAN 2026	85,861	1.59%
	6.99 GOI 15 DEC 2051	68,232	1.26%
	6.67 GOI 15 DEC 2035	62,151	1.15%
	7.27 GOI 08 APR 2026	61,758	1.14%
	8.60 CGL 2 JUN 2028	49,534	0.92%
	6.64 GOI 16 JUN 2035	37,054	0.69%
	6.97 GOI 06 SEP 2026	30,265	0.56%
	8.20 GOI 24 SEP 2025	22,898	0.42%
	7.59 GOI 20 MAR 2029	10,451	0.19%
	8.30 GOI 02 JUL 2040	3,555	0.07%
	6.19 GOI 16 SEP 2034	2,128	0.04%
Government of India Total		4,127,626	76.33%
Others Total		1,279,968	23.67%
Fund Total		5,407,594	100.00%
Lifemaker Pension Maximiser Fund	ULIF01715/02/13PENSMAXIMI104		
Financial And Insurance Activities	ICICI BANK LIMITED	378,128	4.99%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	265,370	3.50%
	HOUSING DEVELOPMENT FINANCE CORP BANK	172,707	2.28%
	STATE BANK OF INDIA	130,084	1.72%
	AXIS BANK LIMITED	116,016	1.53%
	7.80 YES BANK 29 SEP 2027	113,378	1.50%
	KOTAK MAHINDRA BANK LIMITED	99,905	1.32%
	BAJAJ FINANCE LIMITED	93,523	1.23%
	8.24 NABARD GOI FULLY SERVICED 22 MAR 2029	86,110	1.14%
	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	55,018	0.73%
	8.18 NABARD GOI FULLY SERVICED 26 DEC 2028	53,554	0.71%
	9 SHRIRAM TRANSPORT FINANCE CO. LIMITED 28 MAR 2028	49,489	0.65%
	6.85% ICICI PRU LIFE 6 NOV 2030 (CALL – 6 NOV 2025)	49,343	0.65%
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	48,744	0.64%
	INDUSIND BANK LIMITED	44,505	0.59%
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	39,592	0.52%
	CSB BANK LIMITED	30,991	0.41%
	RBL BANK LIMITED	27,315	0.36%
	CREDITACCESS GRAMEEN LIMITED	23,891	0.32%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	17,629	0.23%
	8.72 SHRIRAM TRANSPORT FINANCE CO. LIMITED 27 MAR 2023	13,460	0.18%
	7.8 YES BANK 01 OCT 2027	13,380	0.18%
	6.85 INDIAN RAILWAY FINANCE CORP LTD 29 OCT 2040	13,362	0.18%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	2,193	0.03%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	2,153	0.03%
Financial And Insurance Activities Total		1,939,840	25.59%
Government of India	7.17 GOI 08 JAN 2028	781,420	10.31%
	5.09 GOI 13 APR 2022	331,141	4.37%
	6.54 GOI 17 JAN 2032	229,853	3.03%
	5.74 GOI 15 NOV 2026	206,342	2.72%
	6.84 GOI 19 DEC 2022	152,595	2.01%
	8.26 GOI 02 AUG 2027	104,586	1.38%
	4.56 GOI 29 NOVEMBER 2023	59,486	0.78%
	6.79 GOI 15 MAY 2027	50,996	0.67%
	5.15% GOI 09 NOV 2025	48,207	0.64%
	8.60 CGL 2 JUN 2028	33,967	0.45%
	7.16 GOI 20 SEP 2050	30,698	0.40%
	7.59 GOI 11 JAN 2026	29,522	0.39%
	6.97 GOI 06 SEP 2026	22,514	0.30%
	7.32 GOI 28 JAN 2024	15,128	0.20%
	6.67 GOI 15 DEC 2035	13,865	0.18%
	6.1 GOI 12 JUL 2031	13,382	0.18%
	6.99 GOI 15 DEC 2051	13,194	0.17%
	8.20 OIL MARKETING BOND GOI 10 NOV 2023	12,118	0.16%
	6.64 GOI 16 JUN 2035	9,400	0.12%
	8.20 OIL MARKETING BOND GOI 12 FEB 2024	9,107	0.12%
	8.20 GOI 24 SEP 2025	6,514	0.09%
	7.59 GOI 20 MAR 2029	6,299	0.08%
	6.19 GOI 16 SEP 2034	5,834	0.08%
	8.03 GOI FCI 15 DEC 2024	4,224	0.06%
	8.15 GOI 24 NOV 2026	3,775	0.05%
Government of India Total		2,194,167	28.95%
Others Total		3,445,724	45.46%
Fund Total		7,579,731	100.00%
Lifemaker Pension Preserver Fund	ULIF01815/02/13PENSPRESER104		
Financial And Insurance Activities	8.54 RURAL ELECTRIFICATION CORPORATION LIMITED 15 NOV 2028 (GOI SERVICED)	60,520	2.32%
	5.65 BAJAJ FINANCE LIMITED 10 MAY 2024	50,422	1.93%
	9 SHRIRAM TRANSPORT FINANCE CO. LIMITED 28 MAR 2028	49,489	1.90%
	6.85% ICICI PRU LIFE 6 NOV 2030 (CALL – 6 NOV 2025)	49,343	1.89%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	6.8 SBI 21 AUG 2035 TIER-2 (CALL DATE 21 AUG 2030)	48,744	1.87%
	ICICI BANK LIMITED	47,229	1.81%
	7.80 YES BANK 29 SEP 2027	42,852	1.64%
	8.72 SHRIRAM TRANSPORT FINANCE CO. LIMITED 27 MAR 2023	41,416	1.59%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	34,164	1.31%
	HOUSING DEVELOPMENT FINANCE CORP BANK	18,878	0.72%
	STATE BANK OF INDIA	16,903	0.65%
	8.2 NABARD GOI FULLY SERVICED 28 MAR 2034	13,222	0.51%
	AXIS BANK LIMITED	12,934	0.50%
	0 SUNDARAM FINANCE 10 JUN 2022	9,916	0.38%
	7.8 YES BANK 01 OCT 2027	8,920	0.34%
	KOTAK MAHINDRA BANK LIMITED	8,054	0.31%
	9.33 INDIAN RAILWAY FINANCE CORP LTD 10 MAY 2026	7,784	0.30%
	10.25 SHRIRAM TRANSPORT FINANCE 10 OCT 2024	7,674	0.29%
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	4,473	0.17%
	INDUSIND BANK LIMITED	4,451	0.17%
	CSB BANK LIMITED	4,132	0.16%
	RBL BANK LIMITED	3,642	0.14%
	BAJAJ FINANCE LIMITED	3,536	0.14%
	8.75 INDIAN RAILWAY FINANCE CORPORATION 29 NOV 2026	3,306	0.13%
	10.00 SHRIRAM TRANSPORT FINANCE 13 NOV 2024	3,281	0.13%
	8.06 RURAL ELECTRIFICATION CORPORATION LIMITED 27 MAR 2028 - GOI Serviced	2,153	0.08%
Financial And Insurance Activities Total		557,438	21.35%
Government of India	7.17 GOI 08 JAN 2028	423,034	16.20%
	5.74 GOI 15 NOV 2026	91,707	3.51%
	6.54 GOI 17 JAN 2032	80,118	3.07%
	4.56 GOI 29 NOVEMBER 2023	59,516	2.28%
	7.40 GOI 09 SEP 2035	51,112	1.96%
	6.79 GOI 15 MAY 2027	50,996	1.95%
	5.15% GOI 09 NOV 2025	30,417	1.17%
	7.59 GOI 11 JAN 2026	17,632	0.68%
	6.97 GOI 06 SEP 2026	14,206	0.54%
	8.15 GOI 24 NOV 2026	13,014	0.50%
	6.35 OIL MARKETING BOND 23 DEC 2024	12,895	0.49%
	6.67 GOI 15 DEC 2035	12,346	0.47%
	8.60 CGL 2 JUN 2028	12,300	0.47%
	6.1 GOI 12 JUL 2031	11,982	0.46%
	6.99 GOI 15 DEC 2051	11,042	0.42%
	6.19 GOI 16 SEP 2034	8,054	0.31%
	8.03 GOI FCI 15 DEC 2024	7,392	0.28%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	8.20 GOI 24 SEP 2025	2,656	0.10%
	6.64 GOI 16 JUN 2035	2,478	0.09%
	7.59 GOI 20 MAR 2029	1,918	0.07%
Government of India Total		914,815	35.04%
State Government	7.72 TAMILNADU SDL 22 FEB 2023	85,475	3.27%
	7.55 MADHYA PRADESH SDL 11 OCT 2027	51,809	1.98%
	8.21 HARYANA SPL SDL 31 MAR 2026	50,803	1.95%
	8.51 MAHARASTRA SDL 09 MAR 2026	38,890	1.49%
	8.60 MADHYA PRADESH SDL 23 JAN 2023	33,167	1.27%
	8.73 KARNATAKA SDL 29 OCT 2024	30,725	1.18%
	7.38 TELANGANA SDL 25 SEP 2027	20,760	0.80%
	9.41 KARNATKA SDL 30 JAN 2024	18,896	0.72%
	8.08 KARNATKA SDL 11 MAR 2025	13,267	0.51%
	8.27 KARNATAKA SDL 23 DEC 2025	12,174	0.47%
	9.75 GUJARAT SDL 26 FEB 2024	12,163	0.47%
	9.53 GUJARAT SDL 12 FEB 2024	10,710	0.41%
	8.27 HARYANA SDL 09 DEC 2025	10,001	0.38%
	8.05 GUJARAT SDL 29 APR 2025	6,358	0.24%
	8.21 HARYANA SPL SDL 31 MAR 2025	6,337	0.24%
	8.22 KARNATAKA SDL 09 DEC 2025	6,221	0.24%
	9.35 MAHARASHTRA SDL 30 JAN 2024	3,200	0.12%
	7.74 TAMILNADU SDL 22 FEB 2026	2,621	0.10%
	9.71 HARYANA SDL 12 MAR 2024	2,154	0.08%
	6.74 GUJARAT SDL 30 OCT 2024	2,092	0.08%
	9.13 GUJRAT SDL 09 MAY 2022	2,009	0.08%
	8.26 UTTAR PRADESH SDL 02 JUN 2022	1,593	0.06%
	8.27 RAJASTHAN SDL 23 JUN 2022	1,322	0.05%
State Government Total		422,747	16.19%
Others Total		715,650	27.41%
Fund Total		2,610,650	100.00%
Discontinued Pension Fund	ULIF01912/08/13PENSDISCON104		
Financial And Insurance Activities	NABARD CD 14 FEBRUARY 2023	116,086	4.73%
	BAJAJ FINANCE CP 27 DEC 2022	72,398	2.95%
	HDFC Bank CD 6 March 2023	57,381	2.34%
	BOB CD 14 FEBRUARY 2023	24,002	0.98%
Financial And Insurance Activities Total		269,867	10.99%
Government of India	8.20 GOI 24 SEP 2025	428,000	17.44%
	364 DAYS TBILL 26 JANUARY 2023	144,713	5.90%
	7.17 GOI 08 JAN 2028	115,785	4.72%
	8.30 GOI FERT CO SPL 7 DEC 2023	31,421	1.28%
	8.15 GOI FCI 16 OCT 2022	17,818	0.73%
	8.01 OIL MARKETING BOND GOI 15 DEC 2023	10,438	0.43%
Government of India Total		748,175	30.48%
State Government	8.15 HARYANA SDL 27 MAY 2025	265,722	10.82%
	8.38 KARNATKA SDL 31 OCT 2022	255,420	10.41%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	6.69 MADHYA PRADESH SDL 17 MAR 2025	204,759	8.34%
	8.06 KARNATAKA SDL 28 JAN 2025	105,847	4.31%
	8.08 HARYANA SDL 28 JAN 2025	105,781	4.31%
	8.45 MADHYA PRADESH SDL 26 NOVEMBER 2024	53,231	2.17%
	8.05 MAHARASHTRA SDL 28 JAN 2025	52,892	2.15%
	8.79 GUJARAT SDL 25 OCT 2022	51,166	2.08%
	8.85 MAHARASHTRA SDL 18 JUL 2022	50,642	2.06%
	8.14 HARYANA UDAY SDL 30 JUN 2022	50,452	2.06%
	7.42 MAHARASTRA SDL 11 MAY 2022	50,170	2.04%
	7.67 TAMILNADU SDL 22 MAR 2023	33,839	1.38%
	8.90 TAMIL NADU SDL 20 SEP 2022	4,285	0.17%
State Government Total		1,284,206	52.32%
Others Total		152,485	6.21%
Fund Total		2,454,733	100.00%
Discontinued Individual Fund	ULIF02021/06/13LIFEDISCON104		
Financial And Insurance Activities	NABARD CD 16 FEBRUARY 2023	959,141	2.53%
	BOB CD 14 FEBRUARY 2023	934,156	2.46%
	HDFC Bank CD 6 March 2023	893,238	2.35%
	BAJAJ FINANCE CP 27 DEC 2022	888,087	2.34%
	NABARD CD 14 FEBRUARY 2023	839,462	2.21%
	Kotak Mahindra Investment Limited CP 15 March 2023	714,327	1.88%
	Kotak Mahindra Prime CP 28 NOVEMBER 2022	480,232	1.27%
	BAJAJ HOUSING FINANCE LIMITED CP 17 FEBRUARY 2023	478,910	1.26%
	Kotak Mahindra Prime CP 05 APRIL 2022	249,883	0.66%
Financial And Insurance Activities Total		6,437,436	16.97%
Government of India	364 DAYS TBIL 02 MARCH 2023	4,799,340	12.65%
	364 DAYS TBILL 30 MARCH 2023	2,869,592	7.56%
	8.20 GOI 24 SEP 2025	2,540,503	6.70%
	364 DAYS TBILL 26 JANUARY 2023	1,784,794	4.70%
	8.20 OIL MARKETING BONDS GOI 15 SEP 2024	960,580	2.53%
	364 DAYS TBILL 16 MARCH 2023	958,167	2.53%
	7.27 GOI 08 APR 2026	260,600	0.69%
	8.15 GOI FCI 16 OCT 2022	231,628	0.61%
	7.17 GOI 08 JAN 2028	142,468	0.38%
	7.00 FERT COS GOI SPL BOND 10 DECEMBER 2022	50,153	0.13%
	8.30 GOI FERT CO SPL 7 DEC 2023	45,247	0.12%
	8.20 OIL MARKETING BOND GOI 10 NOV 2023	20,371	0.05%
Government of India Total		14,663,443	38.65%
State Government	8.38 KARNATKA SDL 31 OCT 2022	2,651,122	6.99%
	8.08 HARYANA SDL 28 JAN 2025	2,009,831	5.30%
	6.69 MADHYA PRADESH SDL 17 MAR 2025	1,996,402	5.26%
	8.16 JHARKHAND SDL 14 JAN 2025	900,125	2.37%
	8.89 TELANGANA SDL 16 OCT 2024	803,967	2.12%
	8.06 KARNATAKA SDL 28 JAN 2025	767,091	2.02%
	7.42 MAHARASTRA SDL 11 MAY 2022	652,204	1.72%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	8.62 MAHARASHTRA SDL 06 MAR 2023	569,152	1.50%
	8.05 MAHARASHTRA SDL 28 JAN 2025	546,090	1.44%
	8.85 MAHARASHTRA SDL 18 JUL 2022	455,778	1.20%
	8.63 Maharashtra SDL 09 January 2023	360,133	0.95%
	8.90 HARYANA SDL 24 SEP 2024	321,233	0.85%
	8.79 GUJARAT SDL 25 OCT 2022	306,993	0.81%
	8.94 MAHARASHTRA SDL 23 JUL 2024	267,015	0.70%
	8.25 GUJARAT SDL 24 DEC 2024	265,587	0.70%
	8.01 TELANGANA SPL SDL 07 MAR 2025	262,440	0.69%
	8.6 Tamil Nadu SDL 06 March 2023	258,661	0.68%
	5.75 KARNATAKA SDL 10 JUN 2025	248,898	0.66%
	8.45 MADHYA PRADESH SDL 26 NOVEMBER 2024	212,924	0.56%
	8.14 HARYANA UDAY SDL 30 JUN 2022	201,807	0.53%
	8.43 GUJARAT SDL 26 NOV 2024	159,761	0.42%
	8.10 TELANGANA SDL 29 APRIL 2025	105,940	0.28%
	4.45 MAHARASHTRA SDL 10 JUN 2022	100,094	0.26%
	4.68 HARYANA SDL 20 MAY 2022	100,087	0.26%
	8.90 TAMIL NADU SDL 20 SEP 2022	91,819	0.24%
	8.18 HARYANA SPL BOND 15 JUN 2022	27,200	0.07%
State Government Total		14,642,354	38.59%
Others Total		2,198,881	5.80%
Fund Total		37,942,114	100.00%
Diversified Equity Fund	ULIF02201/01/20LIFEDIVEQF104		
Computer Programming, Consultancy And Related Activities	INFOSYS LIMITED	455,785	5.66%
	HCL TECHNOLOGIES LIMITED	119,848	1.49%
	WIPRO LIMITED	117,044	1.45%
	MPHASIS LIMITED	100,404	1.25%
	MINDTREE LIMITED	78,201	0.97%
	LARSEN & TOUBRO INFOTECH LIMITED	69,445	0.86%
	TECH MAHINDRA LIMITED	53,436	0.66%
	COFORGE LIMITED	45,948	0.57%
Computer Programming, Consultancy And Related Activities Total		1,040,111	12.92%
Financial And Insurance Activities	HOUSING DEVELOPMENT FINANCE CORP BANK	385,464	4.79%
	ICICI BANK LIMITED	331,758	4.12%
	HOUSING DEVELOPMENT FINANCE CORP LIMITED	254,960	3.17%
	BAJAJ FINANCE LIMITED	252,261	3.13%
	STATE BANK OF INDIA	221,259	2.75%
	CHOLAMANDALAM INVESTMENT & FINANCE COMPANY LIMITED	82,954	1.03%
	CITY UNION BANK LIMITED	71,548	0.89%
	RBL BANK LIMITED	71,091	0.88%
	THE FEDERAL BANK LIMITED	41,072	0.51%
	AXIS BANK LIMITED	35,798	0.44%
	ANGEL BROKING LIMITED	35,490	0.44%
	INDUSIND BANK LIMITED	33,380	0.41%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	CSB BANK LIMITED	17,414	0.22%
	KOTAK MAHINDRA BANK LIMITED	4,039	0.05%
Financial And Insurance Activities Total		18,38,488	22.84%
Government of India	7.17 GOI 08 JAN 2028	10,04,787	12.48%
Government of India Total		10,04,787	12.48%
Others Total		4,166,842	51.76%
Fund Total		8,050,228	100.00%
Money Market II Fund	ULIF02301/01/20LIFEMONMK2104		
Financial And Insurance Activities	HDFC Bank CD 6 March 2023	5,738	5.66%
	Kotak Mahindra Prime CP 28 NOVEMBER 2022	4,851	4.78%
	BAJAJ FINANCE CP 27 DEC 2022	4,827	4.76%
	NABARD CD 14 FEBRUARY 2023	3,838	3.78%
Financial And Insurance Activities Total		19,254	18.99%
Government of India	364 DAYS TBILL 16 MARCH 2023	38,320	37.79%
	182 DAYS TBILL 07 JULY 2022	19,792	19.52%
	7.17 GOI 08 JAN 2028	12,539	12.36%
Government of India Total		70,651	69.67%
Others Total		11,506	11.35%
Fund Total		101,411	100.00%
Dynamic Bond Fund	ULIF02401/01/20LIFEDYNBOF104		
Government of India	7.17 GOI 08 JAN 2028	36,241	21.32%
	6.54 GOI 17 JAN 2032	17,337	10.20%
	8.24 GOI 15 FEB 2027	7,495	4.41%
	5.74 GOI 15 NOV 2026	7,447	4.38%
	6.79 GOI 15 MAY 2027	5,100	3.00%
	4.56 GOI 29 NOVEMBER 2023	4,098	2.41%
	6.1 GOI 12 JUL 2031	3,188	1.88%
	7.27 GOI 08 APR 2026	1,730	1.02%
	7.59 GOI 11 JAN 2026	1,244	0.73%
	6.99 GOI 15 DEC 2051	1,137	0.67%
	5.15% GOI 09 NOV 2025	659	0.39%
	6.97 GOI 06 SEP 2026	308	0.18%
	6.64 GOI 16 JUN 2035	197	0.12%
	6.67 GOI 15 DEC 2035	190	0.11%
	6.19 GOI 16 SEP 2034	153	0.09%
	7.59 GOI 20 MAR 2029	80	0.05%
Government of India Total		86,604	50.95%
State Government	7.83 GUJARAT SDL 13 JUL 2026	10,553	6.21%
	7.38 TELANGANA SDL 25 SEP 2027	10,380	6.11%
	7.25 GUJARAT SDL 12 JUL 2027	10,324	6.07%
	8.21 HARYANA SPL SDL 31 MAR 2026	7,248	4.26%
	7.80 GUJARAT SDL 27 DEC 2027	5,256	3.09%
	8.18 HARYANA SPL BOND 15 JUN 2024	5,245	3.09%
	7.92 MADHYA PRADESH SPL SDL 22 MAR 2024	4,900	2.88%
	8.12% TELANGANA SDL 11 MAR 2025	2,655	1.56%

INDUSTRY	SECURITY NAME	AMOUNT	PERCENTAGE OF FUND
	7.25 MAHARASHTRA SDL 28 DEC 2026	2,593	1.53%
	8.06 HARYANA SDL 04 JUL 2024	2,399	1.41%
	8.21 HARYANA SPL SDL 31 MAR 2025	2,112	1.24%
	7.74 TAMILNADU SDL 22 FEB 2026	1,048	0.62%
	8.08% TELANGANA SDL 25 FEB 2025	509	0.30%
	8.27 KARNATAKA SDL 23 DEC 2025	185	0.11%
	8.27 HARYANA SDL 09 DEC 2025	152	0.09%
State Government Total		65,559	38.57%
Others Total		17,808	10.48%
Fund Total		169,971	100.00%
Pension Growth Super Fund	ULIF01213/08/07PENSGRWSUP104		
Financial And Insurance Activities	HOUSING DEVELOPMENT FINANCE CORP LIMITED	206,318	7.38%
	ICICI BANK LIMITED	167,378	5.99%
	STATE BANK OF INDIA	76,137	2.72%
	INDUSIND BANK LIMITED	54,239	1.94%
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	39,813	1.42%
	KOTAK MAHINDRA BANK LIMITED	37,250	1.33%
	BAJAJ FINANCE LIMITED	29,454	1.05%
	CSB BANK LIMITED	25,815	0.92%
	HOUSING DEVELOPMENT FINANCE CORP BANK	14,204	0.51%
	RBL BANK LIMITED	9,105	0.33%
Financial And Insurance Activities Total		659,713	23.59%
Government of India	7.17 GOI 08 JAN 2028	349,810	12.51%
Government of India Total		349,810	12.51%
Others Total		1,786,558	63.90%
Fund Total		2,796,081	100.00%

27) Statement showing Controlled Fund

(Rs. in Crores)

		2021-22	2020-21
1	Computation of Controlled fund as per the Balance Sheet		
	Policyholders' Fund (Life Fund)		
	Participating		
	Individual Assurance	52,070	45,288
	Individual Pension	40	41
	Any other (Pl. Specify)	-	-
	Non-participating		
	Individual Assurance	12,507	9,137
	Group Assurance	1,514	1,261
	Individual Annuity	1,560	814
	Health Assurance	13	10
	Linked		
	Individual Assurance	27,704	23,803
	Group Assurance	158	136
	Individual Pension	1,799	1,840
	Group Superannuation	-	-
	Group Gratuity	-	-

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

	2021-22	2020-21
Any other (Pl. Specify)	-	-
Discontinued On Account Of Non Payment Of Premium	4,040	2,903
Funds for Future Appropriations		
- Linked	-	-
- Non Linked	3,237	2,982
Total (A)	104,642	88,215
Shareholders' Fund		
Paid up Capital	1,919	1,919
Reserves & Surpluses	1,276	1,059
Fair Value Change	1	30
Employee Stock Option Plan Outstanding	-	-
Total (B)	3,196	3,008
Misc. expenses not written off	-	-
Credit / (Debit) from P&L A/c.	-	-
Total (C)	-	-
Total shareholders' funds (B+C)	3,196	3,008
Controlled Fund (Total (A+B-C))	107,838	91,223
2 Reconciliation of the Controlled Fund from Revenue and Profit & Loss Account	2021-22	2020-21
Opening Balance of Controlled Fund	91,223	69,745
Add: Inflow		
Income		
Premium Income	22,414	19,018
Less: Reinsurance ceded	(427)	(279)
Net Premium	21,987	18,739
Investment Income	8,710	12,144
Other Income	52	41
Funds transferred from Shareholders' Accounts	132	67
Total Income	30,881	30,991
Less: Outgo		
(i) Benefits paid (Net)	9,273	6,998
(ii) Interim Bonus Paid	4	3
(iii) Change in Valuation of Liability	16,458	19,622
(iv) Commission	1,403	1,227
(v) Operating Expenses	3,210	2,869
(vi) Provision for Taxation	-	-
(a) FBT	-	-
(b) I.T.	-	-
Total Outgo	30,348	30,719
Reconciliation of the Controlled Fund from Revenue and Profit & Loss Account	2021-22	2020-21
Surplus of the Policyholders' Fund	533	272
Less: transferred to Shareholders' Account	278	386
Net Flow in Policyholders' account	255	(114)
Add: Net income in Shareholders' Fund	387	523
Net In Flow / Outflow	642	409
Add: change in valuation Liabilities	16,458	19,622
Add: Change in Valuation of Investment Property	24	-
Add: Increase in Paid up Capital	-	-
Add: Increase in Share Premium	(2)	-
Closing Balance of Controlled Fund	108,345	89,776

		2021-22	2020-21
	-Policyholder Dividend	-	-
	-Shareholder Dividend	(177)	(200)
	- ESOP	-	-
	-FV Change	(339)	1,592
	- Reserves & Surplus (Realised Hedge Reserve)	9	55
	-Misc Expenditure	-	-
	TOTAL	107,838	91,223
	As Per Balance Sheet	107,838	91,223
3	Reconciliation with Shareholders' and Policyholders' Fund	2021-22	2020-21
	Policyholders' Funds		
3.1	Policyholders' Funds - Traditional-PAR and NON-PAR		
	Opening Balance of the Policyholders' Fund	59,532	47,686
	Add: Surplus of the Revenue Account	255	(114)
	Add: change in valuation Liabilities	11,440	10,424
	Add: Change in Valuation of Investment Property	24	-
	-Policyholder Dividend	-	-
	- Fair Value Change	(310)	1,536
	Total	70,941	59,532
	As per Balance Sheet	70,941	59,532
3.2	Policyholders' Funds - Linked		
	Opening Balance of the Policyholders' Fund	28,683	19,485
	Add: Surplus of the Revenue Account *	-	-
	Add: change in valuation Liabilities	5,018	9,198
	Total	33,701	28,683
	As per Balance Sheet	33,701	28,683
	Shareholders' Funds		
	Opening Balance of Shareholders' Fund	3,008	2,574
	Add: net income of Shareholders' account (P&L)	387	523
	Add: Infusion of Capital	-	-
	Add: Increase in Share Premium	(2)	-
	Add: Increase in Realised Hedge Reserve	9	55
	Closing Balance of the Shareholders' fund	3,402	3,152
	-Shareholder Dividend	(177)	(200)
	-FV Change	(29)	56
	As per Balance Sheet	3,196	3,008

*Surplus in Linked Fund transferred to Shareholders

**Represents change in Fair value Change, Reserves & Surplus, Employee Stock Option & Miscellaneous Expenditure

- 28) **The additional disclosures on expenses pursuant to the IRDAI Master Circular No. IRDA/F&A/Cir /232/12/2013 dated December 11, 2013 have been detailed herein below:**

Heads	2021-22	2020-21
Outsourcing Expenses*	999,934	1,287,821
Business Development	316,031	239,419
Marketing Support	-	-

*The disclosure is as per Insurance Regulatory and Development Authority of India (Outsourcing of Activities by Indian Insurers) Regulations, 2017.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

29) Additional disclosure pursuant to clause 7.1 (g) of Corporate Governance Guidelines issued by the IRDAI on August 5, 2009

Name of the auditor	Services rendered	2021-22	2020-21
FRASER & ROSS	NAV Certification, Rural & Social Certification, Form I, EOM Certification, Consolidation Pack, Investment Certification, Internal Financial Control, Tax Audit, SEBI LODR compliances	5,752	5,125
B. K. Khare & Co.	NAV Certification, Claim Certificate, Internal Financial Control, SEBI LODR compliances	1,592	725

30) The Micro, Small and Medium Enterprises Development Act, 2006:

Under the Micro Small and Medium Enterprises Development Act 2006 certain disclosures are required to be made relating to Micro Small and Medium Enterprises. The following table sets forth, for the periods indicated, details relating to enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

S. No.	Particulars	2021-22		2020-21	
		Principal	Interest	Principal	Interest
1.	The Principal amount and the interest due thereon remaining unpaid to any supplier	Nil	Nil	Nil	Nil
2.	The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date	Nil	Nil	Nil	Nil
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under MSMED Act, 2006	Nil	Nil	Nil	Nil
4.	The amount of interest accrued and remaining unpaid at the end of year	Nil	Nil	Nil	Nil
5.	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 disallowed as a deductible expenditure under Section 23	Nil	Nil	Nil	Nil

31) Disclosures on penalties forming part of Financial Statements as per Master circular on Preparation of Financial Statements IRDA/F&A/Cir /232/12/2013 dated December 11, 2013
For the year ended March 31, 2022

S. No.	Authority	Non-Compliance/ Violation	Penalty Levied	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	Violation of IRDAI (Outsourcing of activities by Indian Insurers) Regulations, 2017	300	300	Nil
2	Service Tax Authorities (Including Central Board of Indirect Taxes and Customs)	Not Any	Nil	Nil	Nil
3	Income Tax Authorities	Not Any	Nil	Nil	Nil
4	Any other Tax Authorities	Not Any	Nil	Nil	Nil
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Not Any	Nil	Nil	Nil
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	Not Any	Nil	Nil	Nil
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	To the best of our knowledge and belief, there was no material penalty awarded for the period April 2021 to March 2022	Nil	Nil	Nil
8	Securities and Exchange Board of India	Not Any	Nil	Nil	Nil
9	Competition Commission of India	Not Any	Nil	Nil	Nil
10	Any other Central/State/Local Government/ Statutory Authority	Not Any	Nil	Nil	Nil

For the year ended March 31, 2021

S. No.	Authority	Non-Compliance/ Violation	Penalty Levied	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	Not Any	Nil	Nil	Nil
2	Service Tax Authorities (Including Central Board of Indirect Taxes and Customs)	Not Any	Nil	Nil	Nil
3	Income Tax Authorities	Not Any	Nil	Nil	Nil
4	Any other Tax Authorities	Not Any	Nil	Nil	Nil
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Not Any	Nil	Nil	Nil
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	Not Any	Nil	Nil	Nil
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	To the best of our knowledge and belief, there was no material penalty awarded for the period April 2020 to March 2021	Nil	Nil	Nil
8	Securities and Exchange Board of India	Not Any	Nil	Nil	Nil
9	Competition Commission of India	Not Any	Nil	Nil	Nil
10	Any other Central/State/Local Government / Statutory Authority	Not Any	Nil	Nil	Nil

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

32) Disclosures on unclaimed amounts forming part of Financial Statements under Master circular IRDA/F&A/Cir/Misc/282/11/2020

FY 2021-22

Particulars	Total Amount	0-6 Months	7-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	37-120 Months	Beyond 120 Months
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured / policyholders	-	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise.	414,261	127,439	103,773	56,148	46,372	23,263	17,233	39,263	770
Any excess collection of the premium / tax or any other charges which is refundable to the policyholder either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far.	-	-	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder / insured.	135,335	18,602	18,137	4,379	13,435	12,397	17,577	50,046	762
TOTAL	549,596	146,041	121,910	60,527	59,807	35,660	34,810	89,309	1,532

Disclosures on unclaimed amounts; forming part of Financial Statements under Master circular IRDA/F&A/Cir/Misc/282/11/2020

FY 2020-21

Particulars	Total Amount	0-6 Months	7-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	37-120 Months	Beyond 120 Months
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured / policyholders	-	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise.	361,046	123,936	116,185	49,482	22,996	8,593	10,834	28,769	252
Any excess collection of the premium / tax or any other charges which is refundable to the policyholder either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far.	-	-	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder / insured.	207,339	15,890	25,382	16,946	27,089	11,981	13,622	95,071	1,358
TOTAL	568,385	139,826	141,567	66,428	50,085	20,574	24,456	123,840	1,610

Details of Unclaimed amounts and Investment Income

Particulars	2021-22		
	Policy Dues	Income Accrued	Total
Opening Balance	551,422	16,963	568,385
Add: Amount transferred to Unclaimed Fund	1,153,822	-	1,153,822
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	4,760,569	-	4,760,569
Add: Investment Income on Unclaimed Fund	-	26,395	26,395
Less: Amount of claims paid (outflow) during the year	5,884,130	25,225	5,909,355
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	48,825	1,395	50,220
Closing Balance of Unclaimed Fund	532,858	16,738	549,596

Particulars	2020-21		
	Policy Dues	Income Accrued	Total
Opening Balance	562,406	16,747	579,153
Add: Amount transferred to Unclaimed Fund	1,295,658	-	1,295,658
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	1,818,036	-	1,818,036
Add: Investment Income on Unclaimed Fund	-	27,648	27,648
Less: Amount of claims paid (outflow) during the year	3,118,606	25,600	3,144,206
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	6,072	1,832	7,904
Closing Balance of Unclaimed Fund	551,422	16,963	568,385

In accordance with IRDAI Master circular no. IRDA/F&A/CIR/MISC/282/11/2020 on "Unclaimed Amount of Policyholders" dated November 17, 2020 read with rule 3 (6) of Senior Citizens' Welfare Fund Rules, 2016, the unclaimed of policyholders which are more than 120 months as on 30 September every year, will be transferred to the Senior Citizens' Welfare Fund (SCWF) on or before 01 March of that financial year.

Particulars	2021-22	2020-21
Amount transferred during the year to Senior Citizen's Welfare Fund	50,220	7,904

33) Disclosures forming part of Financial Statements as required under IRDAI (Linked Insurance Products) Regulations, 2013
a) Movement in funds for discontinued policies

Particulars	2021-22	2020-21
Fund for Discontinues Policies		
Opening Balance of Funds for discontinued policies	29,032,995	17,431,093
Add: Fund of policies discontinued during the year	29,616,959	22,935,676
Less: Fund of policies revived during the year	12,207,455	7,207,792
Add: Net Income/ Gains on investment of the fund	1,741,079	884,925
Less: Fund Management Charges levied	210,780	137,376
Less: Amount refunded to policyholders during the year	7,575,959	4,873,534
Closing balance of fund for discontinued policies	40,396,839	29,032,994

b) Percentage of discontinued to Total Policies (product wise)

Product Name	2021-22	2020-21
Max Life Fast Track Super	21.5%	22.3%
Max Life Shiksha Plus Super	21.0%	27.0%
Max Life MAXIS Super	4.0%	13.0%
Max Life Platinum Wealth Plan	22.5%	24.4%
Max Forever Young Pension Plan	22.9%	25.0%
Max Life Online Savings Plan	26.0%	48.5%
Max Life Flexi Wealth Plus	16.5%	0.2%

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

d) Number and percentage of policies revived:

Particulars	2021-22	2020-21
Number of policies revived	48,448	32,415
Number of policies discontinued	106,734	98,765
Percentage of policies revived	45.39%	32.82%

f) Charges imposed on account of discontinued policies

Particulars	2021-22	2020-21
Charges imposed on account of discontinued policies	330,525	266,760
Charges readjusted on account of revival of policies	152,511	82,202

34) Bonus to Par policyholders, consequent transfer to shareholders' account will be made upon payment of special bonus in accordance with IRDAI (Distribution of Surplus) Regulations, 2002.

35) Details of historical cost of investments valued on fair value basis:

Particulars	Asset Type	As at March 31, 2022		As at March 31, 2021	
		Historical Cost	Fair Value	Historical Cost	Fair Value
Shareholders Fund	Equity	1,960,024	1,970,779	1,425,476	1,726,813
	Mutual Fund	1,800,000	1,800,231	-	-
	Investment Property	913,913	913,913	913,913	913,913
	Total	4,673,937	4,684,923	2,339,389	2,640,726
Non Linked Policyholders	Equity	66,572,266	72,410,750	35,362,794	43,534,432
	Mutual Funds/Exchange Traded Funds	5,400,000	5,400,609	12,400,000	12,400,878
	Real Estate Investment Trusts	1,476,368	1,674,422	1,111,594	992,317
	Alternate Investment Funds	859,473	1,163,126	563,199	640,196
	Additional Tier- I Bonds	291,752	302,799	1,628,788	1,690,385
	Infrastructure Investment Trust	1,559,639	2,117,612	973,282	1,247,368
	Investment Property	7,361,235	7,623,541	7,361,235	7,383,483
	Total	83,520,733	90,692,859	59,400,892	67,889,059
Linked Policyholders	Equity	151,454,114	163,934,939	112,813,821	134,489,362
	Mutual Funds/Exchange Traded Funds	14,113,380	16,082,320	12,629,407	14,409,720
	Government Securities	65,255,203	64,426,742	71,386,939	70,983,089
	Debentures/ Bonds	30,252,186	29,928,345	28,690,197	27,796,131
	Preference	-	-	-	-
	Total	261,074,883	274,372,346	225,520,364	247,678,302

36) Disclosure of participation of insurer in repo/reverse repo transactions in corporate debt securities as per IRDAI circular no. IRDAI/F&I/CIR/INV/250/12/2012:

For the year ended March 31, 2022:

Particulars	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily average Outstanding during the year	Outstanding as on March 31, 2022
Security sold under repo				
Government securities	-	-	-	-
Corporate Debt securities	-	-	-	-
Security purchased under reverse repo				
Government securities	14,804,994	46,775,060	25,214,172	44,993,048
Corporate Debt securities	-	-	-	-

For the year ended March 31, 2021:

Particulars	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily average Outstanding during the year	Outstanding as on March 31, 2021
Security sold under repo				
Government securities	-	-	-	-
Corporate Debt securities	-	-	-	-
Security purchased under reverse repo				
Government securities	5,641,005	36,353,034	17,834,116	31,679,578
Corporate Debt securities	-	-	-	-

- 37) Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under Section 11 (2) of Insurance Act, 1938:

From April 01, 2021 to March 31, 2022

Name: Mr. Prashant Tripathy

Designation: Managing Director & Chief Executive Officer

Occupation : Service

Directorships held during the year as on March 31, 2022 (apart from Max Life): 1 (Max Life Pension Fund Management Limited)

- 38) During the year ended March 31, 2022, the Company has reassessed the useful lives of certain business application. Management believes that the revised useful lives of the assets reflect the period over which these assets are expected to be used based on the technical inputs, environmental scan and capability analysis. As a result of the change, the charge in the Revenue Account on account of depreciation for the year ended March 31, 2022, has reduced by Rs. 46,127.

39) Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Company has provided for and spent Rs. 84,038 (March 31, 2021 Rs. 122,400) on various CSR initiatives, during the year, which are as given below:

During the year ended March 31, 2022

CSR Project/Activity	Sector in which project is covered	2021-22
Education - Continued Support To NGOs	Education	72,259
Administrative Exp of Max India Foundation	Office expenses	2,675
Financial Literacy & Volunteer Support	Education, Environment & Health etc	20,000
Total Amount*		94,934

* Includes amount of Rs. 10,896 which remained unapplied at the end of the Financial Year 2020-21 and has been applied in current financial year.

During the year ended March 31, 2021

CSR Project/Activity	Sector in which project is covered	2020-21
Education - Continued Support To NGOs	Education	70,401
Administrative Exp of Max India Foundation	Office expenses	3,703
Financial Literacy & Volunteer Support	Education, Environment & Health etc	37,400
Total Amount**		111,504

** Amount of Rs. 10,896 paid by the Company to Max India Foundation remained unapplied at the end of the Financial Year 2020-21. The same has been applied in the current financial year.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

40) Derivatives

In accordance with the IRDAI master circular for Investment Regulations, 2016 allowing insurers to deal in rupee denominated interest rate derivatives, the Company has Board approved policy covering various aspects related to functioning of the derivative transactions which are undertaken to mitigate interest rate risk as per the hedge strategy, thereby managing the volatility of returns from future fixed income investments, due to variations in market interest rates.

Derivatives are undertaken by the Company solely for the purpose of hedging interest rate risks on account of following:

- Reinvestment of maturity proceeds of existing fixed income investments;
- Investment of interest income receivable; and
- Expected policy premium income receivable on insurance contracts which are already underwritten in Life and Pension & General Annuity business.

In accordance with the Regulations, the Company has executed International Swaps and Derivatives Association (ISDA) master agreements and two way Credit Support Annexure (CSA) with the banks. The Company uses Value at Risk (VAR) to measure and monitor risk of its derivatives portfolio.

The Company uses hedge Accounting as per guidance note on derivative issued by the Institute of Chartered Accountants of India.

The following table sets forth, for the period indicated, the details of derivative positions:

A) Amount outstanding and Mark to Market values

Particulars	At March 31, 2022	At March 31, 2021
	Interest rate derivatives	Interest rate derivatives
Cash Flow Derivatives		
1 Derivatives (Outstanding Notional Amount)	136,483,105	100,466,655
2 Derivatives(Average Notional Amount)	120,060,521	44,540,000
3 Marked to market positions		
a) Asset (+)	291,696	674,906
b) Liability (-)	2,490,274	547,074
4 Credit exposure		
Current Credit Exposure	291,696	674,906
Potential Future Credit Exposure	4,387,565	3,835,360

B) Benchmark wise derivative position

FY 2021-22

S. No.	Nature of the Derivative Contract	Benchmark	No of Deals	Notional amount of Derivative Contract o/s at the beginning of the Year	Fresh derivative contracts/ position taken during the Year	Derivative contracts/ positions terminated/ matured/ expired during the Year	Notional amount of Derivative Contract o/s at the end of the Year
1	Forward Rate Agreements (FRA)	MIBOR/OIS/ INBMK	292	100,466,655	55,385,990	19,369,540	136,483,105
2	Interest Rate Swaps (IRS)	MIOIS/ MIBOR	-	-	-	-	-
3	Interest Rate Futures (IRF)	GOI	-	-	-	-	-

FY2020-21

S. No.	Nature of the Derivative Contract	Benchmark	No of Deals	Notional amount of Derivative Contract o/s at the beginning of the Year	Fresh derivative contracts/ position taken during the Year	Derivative contracts/ positions terminated/ matured/ expired during the Year	Notional amount of Derivative Contract o/s at the end of the Year
1	Forward Rate Agreements (FRA)	MIBOR/OIS/ INBMK	281	44,543,714	66,697,273	10,774,332	100,466,655
2	Interest Rate Swaps (IRS)	MIOIS/ MIBOR	-	-	-	-	-
3	Interest Rate Futures (IRF)	GOI	-	-	-	-	-

C) Counterparty Wise derivative position
FY2021-22

S.No.	Counterparty	Notional of Derivative Contract o/s	Current Credit Exposure	Potential Future Credit Exposure
1	JP Morgan Chase	25,272,628	53,469	756,265
2	Standard Chartered Bank	22,371,726	58,738	560,840
3	HSBC Bank	11,507,473	7,199	310,148
4	DBS Bank	23,316,329	22,267	634,146
5	Credit Suisse	9,725,048	1,816	306,417
6	CITI Bank	23,247,620	115,548	1,124,692
7	BNP Paribas	12,505,173	19,918	306,897
8	ICICI Bank	4,881,176	-	238,571
9	HDFC Bank	1,541,796	12,740	85,842
10	ANZ Bank	2,114,136	-	63,747

FY2020-21

S.No.	Counterparty	Notional of Derivative Contract o/s	Current Credit Exposure	Potential Future Credit Exposure
1	JP Morgan Chase	28,351,265	157,256	10,66,848
2	Standard Chartered Bank	23,542,811	221,532	6,71,453
3	HSBC Bank	1,756,380	19,820	33,393
4	DBS Bank	11,895,218	76871	3,12,048
5	Credit Suisse	23,097,281	161,277	2,55,583
6	CITI Bank	6,325,307	8,207	13,55,332
7	BNP Paribas	5,498,393	29,942	1,40,702

The Guidance note on Hedge Accounting dated July 01, 2021 issued by Institute of Chartered Accountants of India specifically provides that any cumulative gain or loss on the hedging instrument that remains recognised directly in the appropriate equity account from the period when the hedge was effective should remain separately recognised in the equity account until the forecast transaction occurs. In addition, the IRDAI regulation on Preparation of Financial Statements and Auditors report of Insurance Companies, 2002 clearly defines the Fair Value change to reflect only unrealised gains/ losses arising due to changes in the fair value of listed equity shares and derivative instruments.

The amount under Realised Hedge Reserves shall be recycled to Revenue Account basis the forecasted transaction impacts the revenue account. Till such time, the amount reflected as part of Realised Hedge Reserves will not be available for payment of dividends to Shareholders.

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

Movement in Hedge Reserve

Forward Rate Agreements:

Hedge Reserve Account	As at March 31, 2022			As at March 31, 2021		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	684,577	1,170,108	1,854,685	-	433,878	433,878
Add: Changes during the year	296,374	(1,548,699)	(1,252,325)	704,976	736,230	1,441,206
Less: Amounts reclassified to Revenue / Profit & Loss Account included in 'Interest, Dividends & Rent- Gross'	61,183	-	61,183	20,399	-	20,399
Balance at the end of the year	919,768	(378,591)	541,177	684,577	1,170,108	1,854,685

Interest Rate Swaps:

Hedge Reserve Account	As at March 31, 2022			As at March 31, 2021		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	547,554	-	547,554	683,222	-	683,222
Add: Changes during the year	-	-	-	-	-	-
Less: Amounts reclassified to Revenue / Profit & Loss Account included in 'Interest, Dividends & Rent- Gross'	146,828	-	146,828	135,668	-	135,668
Balance at the end of the year	400,726	-	400,726	547,554	-	547,554

41) Borrowings Disclosure

During the year ended March 31, 2022, the Company has issued unsecured, subordinated, fully-paid, rated, listed, redeemable non-convertible debentures (NCDs) in the nature of 'Subordinated Debt' as per the IRDAI (Other Forms of Capital) Regulations, 2015. The said NCDs were allotted on August 02, 2021 and are redeemable at the end of 10 years from the date of allotment with a call option to the Company to redeem the NCDs post the completion of 5 years from the date of allotment and annually thereafter.

a) Terms of Borrowings:

Security name	7.50% Max Life Insurance 2031
Type and Nature	Unsecured, subordinated, fully paid-up, rated, listed, redeemable NCDs
Face Value (per security)	Rs. 1,000
Issue Size	Rs. 4,960,000
Date of Allotment	August 2, 2021
Redemption Date/Maturity Date	August 2, 2031
Call option Date 1, 2, 3, 4, 5	August 2, 2026, August 2, 2027, August 2, 2028, August 2, 2029 and August 2, 2030 respectively
Listing	Listed on Wholesale Debt Market (WDM) segment of NSE
Credit Rating	"CRISIL AA+/Stable" by CRISIL and "[ICRA]AA+(Stable)" by ICRA
Coupon Rate	7.50% per annum
Frequency of the Interest Payment	Annual

Interest of Rs. 245,622 (Year ended March 31, 2021: NA) on the said NCDs has been charged to the Profit and Loss Account.

b) Maturity pattern from the date of issuance:

Maturity Buckets	Amount
1 to 5 years	-
Above 5 years	Rs. 4,960,000

42) The Company has written off the debenture raising expenses of Rs. 19,178 (March 31, 2021 – Nil) against the Share Premium account as per Section 52 of Companies Act, 2013.

43) Deposits made under local laws

The Company has no deposit (March 31, 2021: Nil) made under local laws or otherwise encumbered in or outside India as of March 31, 2022, except investments and deposits detailed in Note 4 of Schedule 16(II).

44) Performing and non-performing investments

The Company did not hold any non-performing investments during the year except for exposure in ILFS (Infrastructure Leasing & Financial Services Ltd.). In current financial year there is no NPA booked. The Company has exposure of Rs. 300,000 in Linked Segment and Rs. 100,000 in Shareholder fund in ILFS. The same has been fully provided in earlier years. Interest income on these is recognized on receipt basis.

45) Impairment of Investments

In accordance with the impairment policy of the Company, diminution in the value of investments has been recognised under the head "Provision for diminution in the value of investments (Net)" in the Revenue account and the Profit and Loss account.

The total impairment loss recognized for non-linked segment in the Revenue account for the year ended March 31, 2022 is Rs. 3,862 (March 31, 2021: Rs. 30,144). Further, impairment (reversal) / loss recognised in the Profit and Loss account for the year ended March 31, 2022 is Rs. (-) 11,839 (March 31, 2021: Rs. 8,000). Refer note 3 of Schedule 16(II).

46) Pending Litigation

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statement at March 31, 2022. In respect of litigations, where the assessment of management for financial outflow is probable, the Company has made a provision of Rs. 1,193,885 at March 31, 2022 (March 31, 2021: Rs. 693,826). Refer note 1 of Schedule 16 II - Notes to Accounts for details on contingent liabilities.

47) The company has assessed the impact of COVID-19 pandemic (COVID-19) on its operations as well as on its financial statements, including but not limited to the areas of investment assets, valuation of policy liabilities and solvency, for the year ended March 31, 2022. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic condition.

48) The Company post receiving the requisite approvals from Pension Fund Regulatory and Development Authority ("PFRDA") and Insurance Regulatory and Development Authority of India ("IRDAI"), has incorporated Max Life Pension Fund Management Limited a public limited pension fund company in India as its wholly owned subsidiary company on February 28, 2022. The company has been incorporated under the provisions of the Companies Act, 2013, with initial paid up capital of Rs. 550,000 to manage pension fund business. Initial paid up capital of Rs. 550,000 has been infused in the month of April 2022.

49) During the earlier years, the Company had claimed the dividend income exemption for the Assessment year 2015-16, 2016-17 and 2018-19 (Financial year ended March, 31 2015, 2016 and 2018). However, on a conservative basis, the benefit of such exemption claim was not recorded in the books of account. During the year ending March 31, 2021, the Company had received

Max Life Insurance Company Limited

Registration No: 104; Date of Registration with IRDAI: November 15, 2000

the Income Tax Refund Order amounting to Rs. 820,798 (due to difference in tax positions while filing the returns), wherein the dividend exemption claim has been allowed for the above mentioned Assessment Years. The same has been accounted during the March 31, 2021. Accordingly, the Provision for Taxation in Profit & Loss A/c of March 31, 2021 comprises the provision for current tax of Rs. 409,422 and reversal of provision for tax of Rs. 540,143 for earlier periods.

50) Long Term contract

The Company has a process whereby all long term contracts are assessed periodically for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / Accounting standards for material foreseeable losses on such long term contracts including derivative contracts, if any has been made in the financial statements.

In Insurance Contract, for calculation of actuarial valuation of liabilities for policies in force, reliance has been placed on the Appointed Actuary of the Company. The Appointed Actuary has confirmed that the assumptions used in valuation of liabilities for policies in force are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI.

In terms of our report attached

For Fraser & Ross
Chartered Accountants
ICAI Firm Registration
No. 0008295

For BK Khare & Co
Chartered Accountants
ICAI Firm Registration
No. 105102W

For and on behalf of the Board of Directors of Max Life Insurance Company Limited

Analjit Singh
Chairman
DIN: 00029641

Prashant Tripathy
Managing Director & CEO
and Principal Officer
DIN: 08260516

Jose John
Appointed Actuary

Satpal Singh Arora
Partner
Membership No. 098564

Padmini Khare Kaicker
Partner
Membership No:044784

Amrit Singh
Chief Financial Officer
PAN: ASXPS1781R

V.Viswanand
Director
DIN: 08260553

Anurag Chauhan
Company Secretary
Membership No: F9899

Place: New Delhi
Date: May 10, 2022

Place: New Delhi
Date: May 10, 2022

Place: New Delhi
Date: May 10, 2022



MAX FINANCIAL SERVICES LIMITED

Max Towers, L-21, C-001/A/1, Sector - 16B, Noida - 201301 (U.P.)

Telephone: +91 120 469 6000

www.maxvil.com

 /themaxgroup

 /maxgroup

 /company/3187772

