

# BOARD'S REPORT

## Dear Members,

Your Directors have pleasure in presenting their 3<sup>rd</sup> Board's Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2018. The Consolidated Performance of the Company and its subsidiaries has been referred to wherever required.

Pursuant to section 133 of the Companies Act, 2013 ('Act') read with Rule 4(1)(iii) of Companies (Indian Accounting Standards) Rules, 2015, Indian Accounting Standards ('IND AS') become applicable to the Company effective from FY 2017-18 and accordingly the Financial Statements for the year ended and as on March 31, 2018 have been prepared in accordance with IND AS. The Company is in Phase-2 of IND AS adoption, accordingly date of transition is April 1, 2016.

## Standalone Financial Results

The Standalone financial performance of your Company for the third financial year ended March 31, 2018 is summarized below:

Particulars	₹ in Lakhs	
	From April 01, 2017 to March 31, 2018	From April 01, 2016 to March 31, 2017
<b>Income</b>		
Revenue from Operations	2,887.11	1,482.44
Other Income	7,525.47	6.96
<b>Total Revenues (I)</b>	<b>10,412.58</b>	<b>1,489.40</b>
<b>Expenditure</b>		
Employee benefits expense	663.15	621.46
Finance costs	1.03	208.61
Depreciation and amortization expense	12.98	5.22
Other expenses	2,055.45	919.15
<b>Total Expenses (II)</b>	<b>2,732.61</b>	<b>1,754.44</b>
<b>Profit/(Loss) before Tax (I)-(II)</b>	<b>7,679.97</b>	<b>(265.04)</b>
Tax expense	1,679.26	21.49
<b>Profit/(Loss) after Tax</b>	<b>6,000.71</b>	<b>(286.53)</b>

## Consolidated Financial Results

The Consolidated financial performance of your Company and its subsidiaries for the third financial year ended March 31, 2018 is summarized below:

Particulars	₹ in Lakhs	
	From April 01, 2017 to March 31, 2018	From April 01, 2016 to March 31, 2017
<b>Income</b>		
Revenue from Operations	73,891.73	71,953.81
Other Income	1,139.76	1,200.55
<b>Total Revenues (I)</b>	<b>75,031.49</b>	<b>73,154.36</b>
<b>Expenditure</b>		
Cost of raw materials consumed	58,439.97	52,635.83
Change in inventories of finished goods, traded goods and work in progress	(6,111.79)	(6,089.89)
Excise duty on sale of goods	1,402.25	5,808.50
Employee benefits expense	4,120.84	4,171.02
Finance costs	2,301.99	3,275.99
Depreciation and amortization expense	2,288.50	2,028.43
Other expenses	11,474.73	12,155.89
<b>Total Expenses (II)</b>	<b>73,916.49</b>	<b>73,985.77</b>

Particulars	From April 01, 2017 to March 31, 2018	From April 01, 2016 to March 31, 2017
<b>Profit/(Loss) before Tax (I)-(II)</b>	<b>1,115.00</b>	<b>(831.41)</b>
Attrinutable Tax expense	779.44	(166.73)
<b>Profit/(Loss) after Tax</b>	<b>335.56</b>	<b>(664.68)</b>
<b>Attributable to:</b>		
Equity holders of parent	370.35	(669.50)
Non-controlling interest	(34.79)	4.82

### Company's Performance / Operations

In Financial Year 2017-18, the Company reported Consolidated Revenues from operations of Rs. 75,031.49 lakhs and a Profit of Rs. 335.56 lakhs. The Company's flagship business Max Speciality Films Limited accounted for Rs. 68,236.47 lakhs in revenues.

### Dividend

Considering the future business plans of the Company, the Board of Directors of the Company do not recommend dividend for the year ended March 31, 2018, on the equity share capital of the Company.

### Transfer to Reserves

Consequent to the Preferential issue of equity shares and on account of issuance of Employee Stock Option an amount of Rs. 2,345.24 Lakhs and Rs. 32.61 Lakhs, respectively have been transferred to the Share Premium Account of the Company. The Company did not transfer any amount out of profits to Capital Reserve during the year.

### Share Capital and allotment of shares

During the year under review, the members through Postal Ballot Process on December 19, 2017 increased the authorized share capital of the Company from Rs. 1,10,00,00,000 (Rupees One Hundred and Ten Crores Only) divided into 11,00,00,000 (Eleven Crores) equity shares of Rs. 10/- (Rupees ten only) each to Rs. 1,50,00,00,000 (Rupees One Hundred and Fifty Crores Only) divided into 15,00,00,000 (Fifteen Crores) equity shares of Rs. 10/- (Rupees ten only) each.

Further, 6,780 (Six Thousand Seven Hundred and Eighty) and 2,14,553 (Two Lakhs Fourteen Thousand Five Hundred and Fifty-Three) equity shares of Rs. 10/- (Rupees ten only) each of the Company were allotted on April 20, 2017 and August 21, 2017 respectively for cash at par/premium arising from the exercise of Stock Options granted to Stock Option holders under "Max Ventures and Industries Employee Stock Plan – 2016".

The Paid up Equity Share Capital of the Company as on March 31, 2018 is Rs. 72,64,81,050 (Rupees Seventy-Two Crores Sixty Four Lakhs Eighty-One Thousand and Fifty only) comprising of 7,26,48,105 (Rupees Seven Crores Twenty Six Lakhs Forty Eight Thousand and One Hundred and Five only) equity shares of Rs. 10/- (Rupees Ten only) each.

Further, the shares allotted by the company after the previous financial year ended on March 31, 2018 and the date of this report are as under:

4,880 (Four Thousand Eight Hundred and Eighty) equity shares of Rs. 10/- (Rupees Ten only) each of the Company were allotted on April 11, 2018 for cash at par arising from the exercise of Stock Options granted to Stock Option holders under Max Ventures and Industries Employee Stock Plan – 2016.

Further, 7,37,53,787 (Seven Crores Thirty-Seven Lakhs Fifty-Three Thousand Seven Hundred and Eighty Seven) equity shares of face value of Rs. 10/- (Rupees ten only) each of the Company were allotted to the eligible shareholders of the Company on August 10, 2018 in terms of the Letter of Offer dated June 29, 2018 and persons who have acquired the Rights Equity Shares entitlement from the Eligible Shareholders, at an issue price of Rs. 61 (Rupees sixty one only) per Rights Equity Share (including a premium of Rs. 51 (Rupees fifty one only) per equity share) as per the Basis of Allotment approved by the Designated Stock Exchange.

Consequently, the Paid- up Equity Share Capital of the Company as on the date of this report is Rs. 146,40,67,720 (Rupees One Hundred and Forty Six Crores Forty Lakhs Sixty-Seven Thousand Seven Hundred and Twenty only) comprising of 14,64,06,772 equity shares of Rs. 10/- (Rupees Ten only) each.

### Extracts of Annual Return

An extract of the Annual Return as at March 31, 2018 in prescribed Form MGT-9 forms part of this report as 'Annexure – 1'.

## Employee Stock Option Plan

Till date, the Company under its "Max Ventures and Industries Employee Stock Plan – 2016" ('ESOP Plan') issued and allotted 2,83,421 (Two Lakhs Eighty Three Thousand Four Hundred and Twenty-One) equity shares of Rs. 10/- (Rupees Ten only) each of the Company for cash at par/premium arising from the exercise of Stock Options granted to Stock Option holders under the ESOP Plan.

Pursuant to the 'Employee Phantom Scheme 2017' ("EPS"), approved by the Board on February 17, 2017, the eligible employees of our Company were granted notional stock appreciation right (SAR) units at a predetermined grant price. Such eligible employees were to receive cash payment for appreciation in the share price over the grant price for the awarded SAR unit, based on the performance criteria achieved by the Company. Certain Key Management Personnel were granted 1,72,761 SAR units as per the EPS out of which 1,44,333 units are unvested and 28,428 units are vested.

Further, pursuant to the approval of Nomination and Remuneration Committee of our Board, in its meeting held on March 23, 2018, certain Key Management Personnel were granted 1,93,570 units under ESOP Plan effective April 1, 2018 under which, all unvested units i.e. 1,44,333 units under EPS stand converted into ESOP grants. Thus, status of vested units i.e. 28,428 units under EPS remains unchanged.

Details of options granted upto March 31, 2018 and other disclosures as required under Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Rule 12(9) of Companies (Share Capital & Debentures) Rules, 2014 for the financial year 2017-18 are enclosed as '**Annexure-2**' to this report.

## Material Changes between the end of Financial Year and the date of this Report

**Issue of shares on Rights Issue Basis** – The Board of Directors of the Company in their meeting held on January 15, 2018 announced the raising of funds by way of offer and issue of equity shares to the existing members of the Company on rights basis for an amount aggregating upto Rs. 450 Crores ("Issue"). In pursuance to the Issue, the Company had issued 7,37,53,787 (Seven Crores Thirty Seven Lakhs Fifty Three Thousand Seven Hundred and Eighty Seven) equity shares of face value of Rs. 10 (Rupees Ten only) each for cash at a price of Rs. 61 (Rupees Sixty One only) per rights equity share including a premium of Rs. 51 (Rupees Fifty One only)

per rights equity share aggregating to Rs. 44,989.81 lakhs on a rights basis in the ratio of 67 rights equity share for 66 fully paid-up equity shares held by the eligible shareholders of our Company on the record date, that is June 22, 2018.

The Company has allotted 7,37,53,787 equity shares of face value of Rs. 10 each for cash at a price of Rs. 61 per rights equity share to the eligible shareholders on August 10, 2018.

**Launch of Line 5 by Max Speciality Films Limited (MSFL), a subsidiary of the Company** – MSFL, one of India's leading manufacturers of BOPP packaging films, launched its fifth BOPP films manufacturing line (Line 5) which significantly increased its capacity from 46.35 Kilo Tonnes Per Annum (KTPA) to 80.85 KTPA. MSFL's Line 5 is designed to meet trends for recyclability, ultra-high barriers and print receptivity. The line will be able to manufacture thicker films with advanced properties making it environment-friendly since it is conducive to recycling and reducing the usage of plastic per pack.

## Subsidiaries, Joint Ventures and Associates

During the year under review, Max Estates Limited, a wholly owned subsidiary of the Company had acquired Wise Zone Builders Private Limited on April 29, 2017. As on March 31, 2018, your Company has following subsidiaries:

- (i) Max Speciality Films Limited;
- (ii) Max Estates Limited;
- (iii) Max I. Limited;
- (iv) Max Learning Limited; and
- (v) Wise Zone Builders Private Limited

The Company do not have any associate company.

The relevant details of Max Speciality Films Limited, Max Estates Limited, Max I. Limited, Max Learning Limited and Wise Zone Builders Private Limited (i.e. the subsidiaries in existence during the reporting period) form part of the Extract of Annual Return given in '**Annexure - 1**' to this Report.

Form AOC-1 containing the salient features of financial statements of the Company's subsidiaries, associates and joint ventures is attached and forms part of the financial statements of the Company.

Further, a detailed update on the performance of your Company's subsidiaries is furnished in the Management Discussion and Analysis section which forms a part of this Report.

As provided in Section 136 of the Companies Act, 2013, (Act) the financial statements and other documents of the subsidiary companies are not being attached with the financial statements of the Company. The Company will make available, free of cost, the Audited Financial Statements of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same.

The Financial Statements of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies.

The Consolidated Financial Statements presented by the Company include financial results of its Subsidiary companies.

### **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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing 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 Sanjay Grover & Associates, Practicing Company Secretaries regarding compliance with the regulations of Corporate Governance pursuant to Part E of Schedule V of Listing Regulations and a certificate from the Managing Director and Chief Financial Officer on compliance of Part B of Schedule II of Listing Regulations forms part of the Corporate Governance Report.

### **Management Discussion & Analysis**

In terms of Regulation 34 of Listing 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.

### **Directors**

As on March 31, 2018, your Board of Directors comprised of eight members with one Executive Director and seven Non-Executive Directors out of which four were independent.

During the financial year under review, Mrs. Sujatha Ratnam resigned from the position of Additional

Director on June 28, 2017. The Board places on record its appreciation for the valuable contributions made by her during her association with the Company.

Further, on July 24, 2018 Mrs. Sujata Keshavan Guha resigned from the position of Independent Director of the Company. The Board places on record its appreciation for the valuable contributions made by her during her association with the Company.

In terms of Section 152 of the Act and the Articles of Association of the Company, Mr. Anajit Singh and Mr. Arthur Seter Harutyun are eligible to retire by rotation in the ensuing Annual General Meeting and offer themselves for re-appointment.

### **Board Meetings**

The Board of Directors met 9 (Nine) times during the period from April 01, 2017 till March 31, 2018. The meeting details are provided in the Corporate Governance Report which forms part of this Annual Report.

### **Statement of Declaration by Independent Directors**

In terms of Section 149(6) of the Act and Regulation 25 of Listing Regulations, the Company has received declaration of Independence from all Independent Directors namely Mr. Kummamuri Narasimha Murthy, Mr. Dinesh Kumar Mittal, Mr. Ashok Brijmohan Kacker and Mrs. Sujata Keshavan Guha.

### **Key Managerial Personnel**

In terms of provisions of Section 203 of the Act, Mr. Sahil Vachani is Managing Director and CEO, Mr. Nitin Kumar Kansal is the Chief Financial Officer and Mr. Gopalakrishnan Ramachandran is the Company Secretary of the Company.

During the year under review, Mr. Alok Goel resigned from the position of Company Secretary w.e.f. October 03, 2017. Mr. Gopalakrishnan Ramachandran was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. January 15, 2018.

### **Committees of Board of Directors**

During the year ended March 31, 2018, the Company has four committees of Board of Directors of the Company viz. Audit Committee, Nomination & Remuneration Committee, Stakeholder's Relationship Committee and Investment & Finance Committee 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.

The Board in its meeting held on May 17, 2018 constituted a Corporate Social Responsibility ('CSR') Committee which in its first meeting held on July 24, 2018 formulated a CSR Policy and identified the activities to be undertaken by the Company in line with the activities prescribed in Schedule VII to the Act, for CSR activities. The CSR policy of the Company is available on Company's website at <https://www.maxvil.com/shareholder-information/>.

A detailed note on Board and Committees composition, its terms of references are provided in the Corporate Governance Report which forms part of this Annual Report.

### Independent Directors' Meeting

All the independent Directors had a separate meeting on July 20, 2017 during the Financial Year 2017-18. Further, all the Independent Directors excluding Mrs. Sujata Keshavan Guha (who was granted Leave of absence) met on July 24, 2018, *inter-alia*, to:

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

### Performance Evaluation of the Board

The performance evaluation of the Board as stipulated under Listing Regulations and Section 134 of the Act read with Rule 8(4) of the Companies (Account) Rules, 2014, 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 Chairman.

The performance evaluation was carried out by obtaining feedback from all Directors through a confidential online survey mechanism through Diligent Boards which is a secured electronic medium through which the Company interfaces with its Directors. The Directors were also provided an option to participate in physical mode. The outcome of this performance evaluation was placed before Nomination and Remuneration Committee,

Independent Directors' Committee and the Board in their meetings for the consideration of members.

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

### Nomination & Remuneration Policy

In adherence to the provisions of Section 134(3) (e) and 178 of the Act, the Board of Directors on the recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided. The said Policy is attached as '**Annexure - 3**' and is also available on our website at <https://www.maxvil.com/shareholder-information/>.

### Disclosure under Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has requisite policy for prevention, prohibition and redressal of Sexual Harassment of Women at workplace. This comprehensive policy ensures gender equality and the right to work with dignity. The Internal Complaints Committee (ICC) has been constituted in accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received relating to sexual harassment.

During the period under review and till the date of this report, no complaint pertaining to sexual harassment was received under the provisions of the Act.

### Particulars of Loans, Guarantees or Investments in Securities

The details of loans, guarantees and investments are provided in Note 35 to the standalone financial statements attached with this Annual Report.

### Contracts or Arrangements with Related Parties

All transactions entered by the Company during the financial year with related parties under the Act were in the ordinary course of business and on an arm's

length basis. Further, your Company did not enter into any Related Party Transaction which may be considered material in terms of the Listing Regulations and thus disclosure in Form AOC-2 is considered to be not applicable to the Company.

The details of all related party transactions forms part of notes to the financial statements attached to this 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.maxvil.com/shareholder-information/>.

### 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 Company management periodically assesses risks in the internal and external environment and incorporates suitable risk treatment processes in its strategy, business and operating plans.

There are no risks which, in the opinion of the Board, threaten the very existence of your Company. However, some of the challenges faced by the Company and/or its key operating subsidiaries have been dealt in detail in the Management Discussion and Analysis Report which forms part of this Annual Report and Information Memorandum filed by the Company with the Stock Exchanges while obtaining listing approval of its shares. A copy of the same can be accessed at the Company's website at <https://www.maxvil.com/announcements/>.

### Vigil Mechanism

The Company has a Vigil Mechanism pursuant to which a Whistle Blower Policy has been adopted and the same is hosted on the Company's website at <https://www.maxvil.com/shareholder-information/>.

It provides opportunities to the directors and employees to report in good faith to the management about the unethical and improper practices, fraud or violation of Company's Code of Conduct. The vigil mechanism under the Policy also provides for adequate safeguard against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases.

The Company affirms that none of the personnel of the Company has been denied access to the Audit Committee during the period under review.

### Particulars of Employees

The information required under Section 197(12) of the Act read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is given in 'Annexure - 4'.

### Particulars of Conservation of Energy, Technology Absorption & Foreign Exchange Earning and 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 taken or impact on conservation of energy*

Regular efforts are made to conserve the energy through various means such as use of low energy consuming lightings, 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 source 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 on Research and Development during the period under review.

#### c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo for the year ended March 31, 2018 are given below:

Total Foreign Exchange earned	:	Nil
Total Foreign Exchange used	:	Rs. 35.24 Lakhs

### Statutory Auditors and Auditors' Report

Pursuant to provisions of Section 139 and other applicable provisions, if any, of the Act, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E) were appointed as Statutory Auditors

of the Company at Annual General Meeting held on September 27, 2016 to hold office till the conclusion of the 5th AGM of the Company to be held in the year 2020, subject to ratification of their appointment in every Annual General Meeting held during their tenure.

However, in view of the notification dated May 07, 2018 issued by the Ministry of Corporate Affairs, requirement for ratification of appointment of auditor by Shareholders has been done away.

The Company has received letter from M/s S.R. Batliboi & Co., LLP, Chartered Accountants, to the effect that ratification of their appointment as Statutory Auditors of the Company, if made, would be within the limits the prescribed limits under Section 139 of the Act and they are not disqualified for their appointment. Accordingly, the Board of Directors in its meeting held on May 17, 2018 ratified the appointment of M/s. S.R. Batliboi & Co., LLP, as Statutory Auditors of the Company for the financial year 2018-19.

The Auditors Report annexed with this Annual Report, does not contain any qualification, reservation or adverse remarks.

#### **Secretarial Auditors and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors appointed M/s. Sanjay Grover & Associates, Company Secretaries to undertake the Secretarial Audit of your Company. The Report of the Secretarial Auditor has been annexed as 'Annexure - 5' to this Report, which does not contain any qualification, reservation or adverse remarks.

#### **Internal Auditors**

During the year under review, M/s. MGC & KNAV, Global Risk Advisory LLP, were appointed as Internal Auditors of the Company for conducting the Internal Audit of key functions and assessment of Internal Financial Controls.

#### **Reporting of Frauds by Auditors**

During the year under review, neither the statutory auditors nor the internal auditors or secretarial auditors have reported to the Audit Committee under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would needs to be mentioned in the Board's Report.

#### **Cost Records**

During the year under review, the provisions of section 148(1) of the Act relating to maintenance of cost records does not apply to the Company.

#### **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 effectiveness were observed.

Further, the testing of such controls was also carried out independently by the Statutory Auditors for FY 2017-18.

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.

#### **Public Deposits**

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

#### **Secretarial Standards**

The Company complies with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

#### **Directors' Responsibility Statement**

In terms of Section 134(3)(c) of the Act and to the best of their knowledge and belief, and according to the information and explanation provided to them, your Directors hereby confirm that:

- (a) in preparation of the Financial Statements, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- (b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2018 and of the profit of the Company for year ended on that date;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities;

- (d) the financial statements have been prepared on going concern basis;
- (e) proper internal financial controls were in place and that financial controls were adequate and were operating effectively; and
- (f) the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **Unclaimed Shares**

Pursuant to the provisions of Regulation 39 of the Listing Regulations, the Company has transferred the unclaimed equity shares aggregating to 1,17,159 Equity shares held by 2,317 shareholders on 18<sup>th</sup> July, 2017 in to the Demat Account titled as 'MAX VENTURES AND INDUSTRIES LIMITED– UNCLAIMED SUSPENSE ACCOUNT'. The Equity Shares transferred to said Unclaimed Suspense Account belong to the members who have not claimed their Share Certificates pertaining to the Equity Shares of the Face Value of Rs. 10/- each.

The details of Equity Shares held in the Unclaimed Suspense Account have been provided in the Corporate Governance Report which forms part of the Annual Report.

### **Significant and/or material Orders passed by Regulators or the Courts**

There were no significant and/or material orders passed against your Company by the regulators / courts / tribunals

during the period under review impacting the going concern status and your Company's operations in future.

### **Cautionary Statement**

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

### **Acknowledgements**

Your Directors would like to place on record their sincere appreciation for the continued co-operation and contribution made by its management and employees towards the growth of the Company. 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 and all other business associates.

On behalf of the Board of Directors  
**Max Ventures and Industries Limited**

**Sahil Vachani**  
Managing Director & CEO  
DIN: 00761695

Date: August 10, 2018  
Place: Noida, U.P.

**Mohit Talwar**  
Vice- Chairman  
DIN: 02394694



## FORM MGT-9

## Extract of Annual Return as on the financial year ended on March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS

i) CIN	: L85100PB2015PLC039204
ii) Registration Date	: January 20, 2015
iii) Name of the Company	: MAX VENTURES AND INDUSTRIES LIMITED
iv) Category / Sub-Category of the Company	: Public Company Limited by Shares / Indian Non-Government Company
v) Address of the Registered office and contact details	: 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshahr – 144533, Punjab Tel: +91 1881 462000; Fax: +91 1881 273607
vi) Whether listed company	: The Company is listed on BSE Limited and National Stock Exchange of India Limited w.e.f. June 22, 2016
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: MAS Services Limited T-34, 2nd floor, Okhla Industrial Area, Phase –II, New Delhi - 110020 Phone : 011 - 26387281/82/83 E-mail : info@masserv.com Website : www.masserv.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The Company is engaged in the business of investments and providing consultancy services to group companies. The Business Activities of the Company namely Management Consultancy (NIC Code: 70200) and Investing in Subsidiaries (NIC Code: 64200), respectively constitutes 89.97% and 10.03% of total turnover of the Company.

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

## II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Your Company does not have holding and associate companies during the year under review.

As on March 31, 2018, the Company has following Subsidiary Companies:

Sl. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	<b>Max Speciality Films Limited</b> 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshahr – 144533, Punjab	U24100PB2012PLC036981	Subsidiary	51%	2(87)(ii)
2	<b>Max Estates Limited</b> 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshahr – 144533, Punjab	U70200PB2016PLC040200	Subsidiary	100%	2(87)(ii)
3	<b>Max I. Limited</b> 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshahr – 144533, Punjab	U74999PB2016PLC045450	Subsidiary	100%	2(87)(ii)

Sl. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
4	<b>Max Learning Limited</b> 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshahr – 144533, Punjab	U74999PB2016PLC045648	Subsidiary	100%	2(87)(ii)
5	<b>Wise Zone Builders Private Limited</b> Max House, A-81, Sector -2, Noida, Gautam Buddha Nagar, UP 201301	U70109UP2016PTC087374	Subsidiary	100%	2(87)(ii)

### III. SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity)

#### i) Category-wise shareholding

Sl. No.	Category of Shareholders	No. of Shares held on April 1, 2017				No. of Shares held on March 31, 2018				% Change during the year
		Particulars	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	
<b>A.</b>	<b>Promoters</b>									
<b>1</b>	<b>Indian</b>									
a)	Individual/HUF	1,257,523	-	1,257,523	1.82	1,257,523	-	1,257,523	1.73	(0.09)
b)	Central Govt	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	22,969,092	-	22,969,092	33.30	26,417,986	-	26,417,986	36.36	3.06
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-total (A) (1)</b>	24,226,615	-	24,226,615	35.12	27,675,509	-	27,675,509	38.09	3.06
<b>2</b>	<b>Foreign</b>									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-total (A) (2)</b>	-	-	-	-	-	-	-	-	-
	<b>Total shareholding of Promoter &amp; Promoter Group [(A) = (A)(1)+(A)(2)]</b>	24,226,615	-	24,226,615	35.12	27,675,509	-	27,675,509	38.09	3.06
<b>B.</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
a)	Mutual Funds	1,546,157	1,113	1,547,270	2.25	690,728	100	690,828	0.95	(1.30)
b)	Banks / FI	165,831	2,890	168,721	0.25	170,508	2650	173,158	0.24	(0.01)
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-

Sl. No.	Category of Shareholders	No. of Shares held on April 1, 2017				No. of Shares held on March 31, 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	9,150	9,150	0.01	-	-	-	-	(0.01)
g)	Foreign Portfolio Investors	2,637,029	-	2,637,029	3.82	1,631,686	-	1,631,686	2.25	(1.57)
h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i)	Any other ( FDI)	15,523,870	-	15,523,870	22.51	15,523,870	-	15,523,870	21.37	(1.14)
	Any other (Foreign Institutional Investor)	210,937	-	210,937	0.31	986,262	-	986,262	1.36	1.05
	<b>Sub-total (B)(1)</b>	20,083,824	13,153	20,096,977	29.15	19,003,054	2,750	19,005,804	26.17	(2.98)
<b>2</b>	<b>Non-Institutions</b>									
<b>a)</b>	<b>Bodies Corp.</b>									
	i) Indian	3,287,696	14,816	3,302,512	4.79	2,663,525	11,595	2,675,120	3.68	(1.11)
	ii) Overseas					-	-	-	-	-
<b>b)</b>	<b>Individuals</b>									
	i) holding shares upto Rs.2 lakhs	11,370,195	420,534	11,790,729	17.09	13,376,209	291,529	13,667,738	18.81	1.72
	ii) holding shares above Rs.2 lakhs	7,447,717	-	7,447,717	10.80	7,415,057	117,159	7,532,216	10.37	(0.43)
<b>c)</b>	<b>NBFCs Registered with RBI</b>	26,500	-	26,500	0.03	93,245	-	93,245	0.13	0.10
<b>d)</b>	<b>Employees Trusts</b>	-	-	-	-	-	-	-	-	-
<b>e)</b>	<b>Any Others</b>									
	Non-Resident Indians	1,465,858	6,799	1,472,657	2.13	1,456,580	3,389	1,459,969	2.00	(0.13)
	Clearing Members	593,653	-	593,653	0.86	475,856	-	475,856	0.66	(0.20)
	Trusts	1,031	-	1,031	0.01	5,481	-	5,481	0.01	-
	Directors and Relatives	18,487	1,000	19,487	0.03	56,167	1,000	57,167	0.08	0.05
	<b>Sub-total (B)(2)</b>	24,211,137	443,149	24,654,286	35.73	25,542,120	424,672	25,966,792	35.74	0.01
	<b>Total Public Shareholding [(B)=(B)(1)+(B)(2)]</b>	44,294,961	456,302	44,751,263	64.88	44,545,174	427,422	44,972,596	61.91	(2.97)
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	68,521,576	456,302	68,977,878	100.00	72,220,703	427,402	72,648,105	100.00	

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares	% of Shares Pledged / encumbered to total shares	
1	Analjit Singh	1,175,357	1.70	-	1,175,357	1.62	-	(0.08)
2	Neelu Analjit Singh	20,000	0.03	-	20,000	0.03	-	-
3	Piya Singh	22,066	0.03	-	22,066	0.03	-	-
4	Veer Singh	20,100	0.03	-	20,100	0.03	-	-
5	Tara Singh Vachani	20,000	0.03	-	20,000	0.03	-	-
6	Max Ventures Investment Holdings Private Limited	13,105,500	19.00	-	13,105,500	18.04	-	(0.96)
7	Mohair Investment & Trading Co. Pvt. Ltd.	1,617,312	2.34	-	2,738,114	3.77	-	1.43
8	Boom Investments Pvt. Ltd.	1,120,802	1.62	-	-	-	-	(1.62)
9	Liquid Investment and Trading Company Pvt. Ltd.	4,763,774	6.91	-	4,763,774	6.56	-	(0.35)
10	Siva Enterprises Pvt. Ltd.	2,361,704	3.42	-	5,810,598	8.00	-	4.58
	<b>TOTAL</b>	<b>24,226,615</b>	<b>35.12</b>	<b>-</b>	<b>27,675,509</b>	<b>38.09</b>		<b>2.97</b>

## (iii) Change in Promoters' Shareholding

S. No.	Name of the Director / Key Managerial Personnel	Shareholding		Cumulative shareholding during the year	
		No. of Shares	% of total shares	No. of Shares	% of total shares
1	Analjit Singh				
	At the beginning of the year	1,175,357	1.70		
	Date wise increase / decrease	-	-	1,175,357	1.62
	At the end of year	1,175,357	1.62		
2	Neelu Analjit Singh				
	At the beginning of the year	20,000	0.03		
	Date wise increase / decrease	-	-	20,000	0.03
	At the end of year	20,000	0.03		
3	Piya Singh				
	At the beginning of the year	22,066	0.03		
	Date wise increase / decrease	-	-	22,066	0.03
	At the end of year	22,066	0.03		

S. No.	Name of the Director / Key Managerial Personnel	Shareholding		Cumulative shareholding during the year	
		No. of Shares	% of total shares	No. of Shares	% of total shares
4	Veer Singh				
	At the beginning of the year	20,100	0.03		
	Date wise increase / decrease	-	-	20,100	0.03
	At the end of year	20,100	0.03		
5	Tara Singh Vachani				
	At the beginning of the year	20,000	0.03		
	Date wise increase / decrease	-	-	20,000	0.03
	At the end of year	20,000	0.03		
6	Max Ventures Investment Holdings Private Limited				
	At the beginning of the year	13,105,500	19.00		
	Date wise increase / decrease	-	-	13,105,500	18.04
	At the end of year	13,105,500	18.04		
7	Mohair Investment & Trading Co. Pvt. Ltd.				
	At the beginning of the year	1,617,312	2.34		
	Date wise increase / decrease - Purchase of shares pursuant to Scheme*	1,120,802	1.54	27,38,114	3.77
	At the end of year	2,738,114	3.77		
8	Boom Investments Pvt. Ltd.				
	At the beginning of the year	1,120,802	1.62		
	Date wise increase / decrease - Transfer of shares to Mohair Investment & Trading Co. Pvt. Ltd.*	(1,120,802)	(1.54)	-	-
	At the end of year	0	0		
9	Liquid Investment and Trading Company Pvt. Ltd.				
	At the beginning of the year	4,763,774	6.91		
	Date wise increase / decrease	-	-	4,763,774	6.56
	At the end of year	4,763,774	6.56		
10	Siva Enterprises Private Limited				
	At the beginning of the year	2,361,704	3.42		
	Date wise increase / decrease - May 25, 2017 @ Conversion of warrants	3,448,894**	4.58	58,10,598	8.00
	At the end of year	5,810,598	8.00		

\* In terms of Order of the Hon'ble High Court of Delhi dated October 24, 2016, sanctioning the Scheme of Amalgamation ("Scheme"), Boom Investments Private Limited ("Transferor Companies") amalgamated into and with Mohair Investment and Trading Company Private Limited ("Transferee Company") w.e.f. December 12, 2016. Accordingly, the shares of Boom Investments Private Limited (Transferor Company) were transferred to Mohair Investment and Trading Company Private Limited (Transferee Company) in accordance with the Scheme.

\*\*Conversion of Warrants allotted on February 17, 2017.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S I. No.	Name of the Shareholder	Shareholding			Reason for increase / decrease	Cumulative shareholding during the year	
		Date	No. of shares	% of total shares		No. of shares	% of total shares
1.	New York Life International Holdings Limited, Mauritius						
	At the beginning of the year	01-04-2017	15,523,870	22.51			
	Date wise increase / decrease		-	-	-	15,523,870	21.37
	At the end of the year	31-03-2018	15,523,870	21.37			
2.	New York Life Insurance Company						
	At the beginning of the year	01-04-2017	1,030,821	1.49			
	Date wise increase / decrease		-	-	-	1,030,821	1.42
	At the end of the year	31-03-2018	1,030,821	1.42			
3.	India Insight Value Fund						
	At the beginning of the year	01-04-2017	204,000	0.28			
	Date wise increase / decrease	07-04-2017	48,000	0.07		252,000	0.35
	- Market Purchase	14-04-2017	48,000	0.07		300,000	0.41
		28-04-2017	7,454	0.01		307,454	0.42
		05-05-2017	7,546	0.01		315,000	0.43
		12-05-2017	8,305	0.01		323,305	0.44
		26-05-2017	30,030	0.04		353,335	0.49
		23-06-2017	9,665	0.01		363,000	0.50
		07-07-2017	12,000	0.02		375,000	0.52
		14-07-2017	6,000	0.008	Market Purchase	381,000	0.52
		04-08-2017	54,000	0.07		435,000	0.60
		11-08-2017	15,000	0.02		450,000	0.62
		25-08-2017	18,000	0.02		468,000	0.64
		30-09-2017	6,000	0.008		474,000	0.65
		17-11-2017	6,000	0.008		480,000	0.66
		23-02-2018	6,000	0.008		486,000	0.69
		23-03-2018	45,000	0.06		531,000	0.73
		30-03-2018	54,000	0.07		585,000	0.81
	At the end of the year	31-03-2018	585,000	0.81			
4.	Universal Golden Fund						
	At the beginning of the year	01-04-2017	275,000	0.38			
	Date wise increase / decrease						
	- Market Sale	05-05-2017	65,000		Market Sale	210,000	0.29
	- Market Purchase	26-05-2017	75,000		Market Purchase	285,000	0.39
	- Market Sale	16-06-2017	65,697		Market Sale	219,303	0.30
	- Market Purchase	11-08-2017	200,000		Market Purchase	419,303	0.58
	- Market Sale	15-09-2017	45,217		Market Sale	374,086	0.51
	- Market Purchase	10-11-2017	85,000		Market Purchase	459,086	0.63
	- Market Purchase	02-03-2018	89,000		Market Purchase	548,086	0.75
	At the end of the year	31-03-2018	548,086	0.75			
5.	Reliance Capital Trustee Co Ltd-A/C Reliance Capital Builder Fund 4 Sr C						
	At the beginning of the year	01-04-2017	-	-			
	Date wise increase / decrease						
	- Market Purchase	25-01-2018	460,000	0.63	Market Purchase	460,000	0.63
	At the end of the year	31-03-2018	460,000	0.63			

S I. No.	Name of the Shareholder	Shareholding			Reason for increase / decrease	Cumulative shareholding during the year	
		Date	No. of shares	% of total shares		No. of shares	% of total shares
6.	Chetan Jayantil Shah						
	At the beginning of the year	01-04-2017	400,000	0.58			
	Date wise increase / decrease		-	-	-	400,000	0.55
	At the end of the year	31-03-2018	400,000	0.55			
7.	Bhadra Jayantil Shah						
	At the beginning of the year	01-04-2017	400,000	0.58			
	Date wise increase / decrease		-	-	-	400,000	0.55
	At the end of the year	31-03-2018	400,000	0.55			
8.	Mauryan First						
	At the beginning of the year	01-04-2017	482,100	0.66			
	Date wise increase / decrease - Market Sale	16-02-2018	82,100	0.47	Market Sale	400,000	0.55
	At the end of the year	31-03-2018	400,000	0.55			
9.	Arvind Khattar						
	At the beginning of the year	01-04-2017	-	-			
	Date wise increase / decrease - Market Purchase	15-12-2017	315,000	0.43	Market Purchase	315,000	0.43
	At the end of the year	31-03-2018	315,000	0.43			
10.	Kamlesh Navinchandra Shah						
	At the beginning of the year	01-04-2017	-	-			
	Date wise increase / decrease - Market Purchase	30-03-2018	274,800	0.38	Market Purchase	274,800	0.38
	At the end of the year	31-03-2018	274,800	0.38			

## (v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name of the Director / Key Managerial Personnel	Shareholding		Cumulative shareholding during the year	
		No. of Shares	% of total shares	No. of Shares	% of total shares
1.	Mr. Analjit Singh				
	At the beginning of the year	1,175,357	1.70		
	Date wise increase / decrease	-	-	1,175,357	1.62
	At the end of year	1,175,357	1.62		
2.	Mr. Mohit Talwar				
	At the beginning of the year	7,087	0.01		
	Date wise increase / decrease - April 20, 2017*	4,780	0.006	11,867	0.02
	- August 21, 2017*	44,300	0.06	56,167	0.08
	At the end of year	56,167	0.08		
3.	Mr. K. Narasimha Murthy				
	At the beginning of the year	1,000	0.002		
	Date wise increase / decrease	-	-	1,000	0.002
	At the end of year	1,000	0.002		

\* Allotment of equity shares under ESOP scheme of the Company

**Note:**

1. No other director holds any share in the Company as on March 31, 2018.

**IV. INDEBTEDNESS:** Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(₹ in Lakhs)

	Secured Loans excluding deposits			Unsecured Loans	Deposits#	Total Indebtedness
	Term loan	Cash Credit	Car Loan			
<b>Indebtedness at the beginning of the financial year</b>						
i) Principal Amount	-	-	8.78	5,600.00	7.97	5,616.76
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	<b>8.78</b>	<b>5,600.00</b>	<b>7.97</b>	<b>5,616.76</b>
<b>Change in Indebtedness during the financial year</b>						
Addition	-	-	5.09	-	5.08	10.17
Reduction	-	-	5.16	5,600.00	6.93	5,612.09
<b>Net Change</b>	-	-	(0.07)	(5,600.00)	(1.85)	(5,601.92)
<b>Indebtedness at the end of the financial year</b>						
i) Principal Amount	-	-	8.71	-	6.12	14.84
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	<b>8.71</b>	-	<b>6.12</b>	<b>14.84</b>

# Deposits means amount received from employees against vehicle as per Company Car lease policy

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Managing Director
		Mr. Sahil Vachani
1.	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	2,14,09,825
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	39,600
	c) Profit in lieu of salary u/s 17(3) of Income Tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	• As % of profit	-
	• Others, specify	-
5.	Others, please specify	
	- Company contribution to PF	6,07,200
	- Medical reimbursements	15,000
	- Insurance Premium	33,528
	<b>Total (A)</b>	<b>2,21,05,153</b>
	Ceiling as per the Act	<b>4,80,00,000</b>

**Notes:**

- Mr. Sahil Vachani is not in receipt of any remuneration or commission from any of Company's holding or subsidiary.



## B. Remuneration to other directors:

(in ₹)

Sl. No.	Particulars of remuneration	Name of Directors				Total Amount
		Mr. K. N Murthy	Mr. D. K. Mittal	Mr. Ashok Kacker	Mrs. Sujata Keshavan	
<b>1.</b>	<b>Independent Directors</b>					
	a) Fee for attending Board/ Committee meetings	20,00,000	22,00,000	26,00,000	4,00,000	72,00,000
	b) Commission	-	-	-	-	-
	c) Others	-	-	-	-	-
	TOTAL (1)	20,00,000	22,00,000	26,00,000	4,00,000	72,00,000
<b>2.</b>	<b>Other Non-Executive Directors</b>					
	a) Fee for attending Board/ Committee meetings	3,00,000	31,00,000	-	1,00,000	35,00,000
	b) Commission	-	-	-	-	-
	c) Others	-	-	-	-	-
	TOTAL (2)	3,00,000	31,00,000	-	1,00,000	35,00,000
	TOTAL B = (1+2)					1,07,00,000

**Notes:**

- The sitting fee excludes service tax, cess paid/payable on such fee.
- The overall ceiling as per the Act does not include the sitting fee payable to Non-Executive Directors in terms of Section 197 of the Act.

## C. Remuneration to Key Managerial Personnel (KMP) other than Managing Director/Manager/Whole-time Directors:

(in ₹)

Sl. No.	Particulars of Remuneration	Name of KMP		
		Mr. Alok Goel* (Company Secretary)	Mr. Nitin Kumar Kansal # (Chief Financial Officer)	Mr. Gopalakrishnan Ramachandran** (Head – Legal and Company Secretary)
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	45,92,906	64,10,688	10,73,964
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
	c) Profit in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	• As % of profit	-	-	-
	• Others, specify	-	-	-
5.	Others, please specify			
	- Company contribution to PF	2,09,442	4,20,900	48,929
	- Medical reimbursements	7,644	15,000	3,123
	- Insurance Premium	21,107	74,698	13,686
	<b>Total</b>	<b>48,31,099</b>	<b>69,21,286</b>	<b>11,39,702</b>

\*Ceased to be a Key Managerial Personnel of the Company w.e.f. October 03, 2017.

# LTIP aggregating to Rs. 6,98,880 is not included in remuneration paid.

\*\*Appointed as a Key Managerial Personnel of the Company w.e.f. January 15, 2018.

## VI. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NONE

## Annexure-2

**Disclosure under Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 and Rule 12(9) of Companies (Share Capital & Debentures) Rules, 2014 for the financial year 2017-18****A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time**

Please refer to Note no. 30.3 of Standalone Financial Statements for the year ended March 31, 2018.

**B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time**

8.23

**C. Summary of status of ESOS granted:****i. The description of Max Ventures and Industries Limited - Employee Stock Plan 2016 is summarised as under:**

S. No.	Particulars	Details
1	Date of shareholders' approval	September 27, 2016
2	Total number of options approved under ESOS	26,69,840
3	Vesting requirements	Vesting may be time based or performance based as determined by the Nomination and Remuneration Committee, from time to time.
4	Exercise price or pricing formula	As determined by the Nomination and Remuneration Committee, from time to time.
5	Maximum term of options granted	As determined by the Nomination and Remuneration Committee, 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 ESOS**

Not applicable. During the year under review, the Company has not granted any Employee Stock option.

**iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed**

Not applicable. During the year under review, the Company has not granted any Employee Stock options.

**iv. Option movement during the year**

Number of options outstanding at the beginning of the period	4,43,503
Number of options granted during the year	1,93,570*
Number of options forfeited / lapsed during the year	-
Number of options vested during the year	2,21,333
Number of options exercised during the year	2,21,333
Number of shares arising as a result of exercise of options	2,21,333
Money realized by exercise of options (INR), if scheme is implemented directly by the company	48,72,830
Loan repaid by the Trust during the year from exercise price received	Not applicable the ESOP plan is not administered by trust.
Number of options outstanding at the end of the year	2,22,170

\* Grant of stock options on April 01, 2018 which was approved by the Nomination and Remuneration committee in its meeting held on March 23, 2018.

- v. **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**

N.A.\*

\* The Company has not granted any options during the year ended March 31, 2018.

- vi. **Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to-**

- a) Senior Managerial Personnel

Name of Employee	Designation	No. of Options Granted	Exercise Price
Mr. Rohit Rajput*	Head- HR and Business Strategy	1,10,205	66.40
Mr. Nitin Kumar Kansal*	Chief Financial Officer	83,365	66.40

\* Grant of stock options on April 01, 2018 which was approved by the Nomination and Remuneration committee in its meeting held on March 23, 2018.

- b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and

Nil

- 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

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

The weighted-average values of share price	Not applicable*
Exercise price	Not applicable*
Expected volatility	Not applicable*
Expected option life	Not applicable*
Expected dividends	Not applicable*
Risk-free interest rate	Not applicable*
Any other inputs to the model	Not applicable*
The method used and the assumptions made to incorporate the effects of expected early exercise	Not applicable*
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Not applicable*
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	Not applicable*

\*During the year under review, the Company has not granted any Employee Stock options.

**Max Ventures and Industries Limited - Appointment Criteria, Qualification & Remuneration Policy**  
**APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

**Preamble**

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

**Appointment Criteria and Qualification**

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

For the appointment of KMPs [other than Managing Director/ Whole time Director/Manager/CEO], Senior Management and other employees, a person should possess adequate qualification, expertise and experience for the position, he /she is considered for the appointment.

**Remuneration Policy**

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

The key components of the Company’s Remuneration Policy are - the Compensation will be based on credentials and the major driver of performance, compensation will

be competitive and benchmarked with industry practice and compensation will be fully transparent and tax compliant.

The purpose of this Policy is to ensure that the remuneration to Directors, KMP and Senior Management 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 and to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

**Remuneration of Managing / Whole-time Director/ Manager/CEO, KMP and Senior Management**

The remuneration of the Managing / Whole - time Director/ Manager/CEO will be determined by the NRC and recommended to the Board for approval. Such remuneration shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Manager/CEO of the Company is authorised to decide the remuneration of KMP (other than Managing /Wholetime Director/ Manager/CEO) and Senior Management, and which shall be decided by the Manager/CEO based on the standard market practice and prevailing HR policies of the Company.

**Remuneration to Non-executive / Independent Director**

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive/Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board /shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act, as amended from time to time.

## ANNEXURE – 4

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER  
SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 15(1) OF THE COMPANIES  
(APPOINTMENT OF MANAGERIAL PERSONNEL) RULES, 2014.**

- (a) **Ratio of remuneration of each Director to the median remuneration of all employees of the Company for the financial year:**

Director	Ratio to median remuneration
Mr. Sahil Vachani, Managing Director & CEO	5.9

- (b) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:**

Name of Person	% Increase in remuneration
Mr. Sahil Vachani, Managing Director & CEO	10.0%
Mr. Nitin Kumar Kansal, Chief Financial Officer	10.5%
Mr. Gopalakrishnan Ramachandran, Head – Legal and Company Secretary*	-

\*not eligible for increment in this performance appraisal cycle, since he joined on 15<sup>th</sup> January 2018.

Note: % increase in remuneration refers to increase in fixed salary as per the appraisal process.

- (c) **The percentage increase in the median remuneration of employees in the financial year:**

10.8% (on fixed salary)

- (d) **The number of permanent employees on the rolls of the Company:**

As on March 31, 2018: 10 (ten)

- (e) **Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

Average percentile increase in managerial remuneration was 10.8% (on the fixed salary). Further, as the Company was not having any employees other than the managerial personnel the average percentile increase in salaries for such employees is not applicable. There were no exceptional circumstances for increase in the managerial remuneration.

- (f) The Company confirms that remuneration paid during the year 2017-18, is as per the Remuneration Policy of the Company.

During Financial Year 2017-18, the Company did not have any employee who received remuneration in excess of Director(s) and held 2% or more of the equity shares in the Company along with spouse and/or dependent children.

**STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**Details of top 10 employees in terms of remuneration drawn, including:**

- A. **Employees who were employed throughout the year and were in receipt of remuneration of not less than Rs.1,02,00,000/- :**

Sl. No	Name	Designation	Age (Yrs.)	Remuneration (Rs.)	Qualification	Exp. (Years)	Date of employment	Last Employment
1.	Sahil Vachani	Managing Director and CEO	35	2,21,05,153	B.Sc. (Management Sciences)	16	15-Jan-16	Siva Reality Ventures Pvt. Ltd.

**B. Employees employed for a part of the financial year and were in receipt of remuneration of not less than Rs.8,50,000/- per month: NIL**

**C. Other employees:**

Sl. No.	Name	Designation	Age (Yrs.)	Remuneration (Rs.)	Qualification	Exp. (Years)	Date of employment	Last Employment
1.	Rohit Rajput	Head - Human Capital & Business Strategy	40	93,31,520	Post Graduate Programme in Management, B.E. (Mechanical)	17	13-Oct-16	Hay Group
2.	Nitin Kumar Kansal#	Chief Financial Officer	42	69,21,286	Chartered Accountant	17	15-Jan-16	Max India Limited
3.	Alok Goel*	Assistant Vice President - Legal & Secretarial	46	48,31,099	LLB, CS, B.Sc, ICWAI (Intermediate), Diploma in Systems Management	20	15-Jan-16	Max India Limited
4.	Dinker Vashisht**	General Manager	38	45,72,962	Post Graduate Programme in Management, General Manager Leadership Program	16	6-Jan-16	Max India Limited
5.	Shruti Batish	Senior Manager - Legal	34	25,49,327	Masters in Business Law, LLB	9	4-Jan-16	Siva Reality Venture Pvt. Ltd.
6.	Rohit Malhotra	Manager - Finance & Accounts	32	21,24,738	Chartered Accountant; B.Com. (Hons.)	10	24-Jun-16	DCM ShriRam Ltd.
7.	Akshay Kumar Bhardwaj	Executive Assistant cum Business Manager	33	21,05,237	Masters in International Finance, B.E.	12	18-Jul-16	EFS Facilities Services India Pvt. Ltd.
8.	Kirat Brar	Senior Manager - Human Capital	30	19,18,941	Master of Business Administration (Human Resources), B.Com. (Hons.)	8	30-Aug-18	Religare Finvest Ltd.
9.	Archit Goyal	Senior Manager - Finance & Accounts	29	11,74,211	Master's in Business Finance, CA, B.Com. (Hons.)	7	22-Sep-18	Healthfore Technologies Limited
10.	Gopalakrishnan Ramachandran##	Head - Legal and Company Secretary	34	11,39,702	CS, LLB, B.Com. (Hons.)	11	15-Jan-18	DSM India Private Limited
11.	Manvendra Singh Gurjar	Manager - Government Relations	34	7,41,965	LLB, B.Sc. (Zoology)	9	3-Jul-17	Essence of Nature

**Notes:**

1. Remuneration comprises of salary, allowances, value of rent free accommodation, bonus, medical expenses, leave travel assistance, personal accident and health insurance, company's contribution to provident fund, pension, gratuity and superannuation fund, leave encashment and value of perquisites.
2. None of the employees mentioned above is related to any Director of the Company, except Mr. Sahil Vachani, who is a relative of Mr. Anajit Singh.
3. All appointments are contractual on rolls of the company and in accordance with the terms and conditions as per Company Rules / Policies.
4. #LTIP aggregating to Rs. 6,98,880 is not included in remuneration paid.
5. \*Ceased to be an employee w.e.f. October 3, 2017.
6. \*\*Ceased be an employee w.e.f. March 13, 2018.
7. ##Appointed/designated as Company Secretary w.e.f. January 15, 2018.
8. During FY 2017-18, no employee was in receipt of remuneration in excess of the Managing Director and CEO of the Company and held himself/herself or alongwith his/her spouse and dependent children 2% or more of the equity share of the Company.

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Max Ventures and Industries Limited**  
(CIN: L85100PB2015PLC039204)  
419, Bhai Mohan Singh Nagar, Village 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 Ventures and Industries 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.

**We report that-**

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) 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 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.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management.

Our examination was limited to the verification of procedures on test basis.

- f) 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.

Based on our verification of the Company's books, papers, minutes 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 31<sup>st</sup> March, 2018 ("Audit Period") 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 31<sup>st</sup> March, 2018 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;
- (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 (wherever applicable);

- (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, 2009;
  - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
  - (e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
  - (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

\*No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company

Secretaries of India, with which the Company has generally complied with.

During the Audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

- (vi) The Company is holding Company of Max Speciality Films Limited which is in specialty packaging films business, Max Estates Limited which is engaged in real estate construction and development business, Max I. Limited which is engaged in investing in early stage business in certain identified sectors such as healthcare, food and beverage services, hospitality and real estate technology, Max Learning Limited which is engaged in evaluating and exploring opportunities in the education business. Also, the Company has a step down wholly owned subsidiary Wise Zone Builders Private Limited, which is a wholly owned subsidiary of Max Estates Limited. As informed by the Management, there is no sector specific law applicable to the Company.

**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 audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

**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, standards and guidelines.

**We further report that** during the audit period-

- 1) The Board of Directors of the Company at



- 
- its Meeting held on 25<sup>th</sup> May, 2017, passed a resolution for allotment of 34,48,894 (Thirty Four Lakh Forty Eight Thousand Eight Hundred Ninety Four) equity shares of Rs.10/- (Rupees Ten Only) each to Siva Enterprises Private Limited, a promoter group entity consequent upon conversion of warrants;
- 2) The Board of Directors of the Company at its Meeting held on 15<sup>th</sup> January, 2018 passed a resolution for offering and issuing the equity shares to the existing members of the Company on rights basis (Right Issue) at such price and right entitlement ratio as may be decided by the Board for an amount aggregating upto Rs. 450 Crores;
- 3) The Company has entered into a definitive agreement dated 10<sup>th</sup> February, 2017 with Toppan Printing Co. Limited, Japan ("Toppan") & Max Speciality Films Limited ("MSF"), which was a material subsidiary of the Company whereby Toppan was inducted as a Joint Venture Partner in MSF and the Company now holds 51% equity stake in MSF & the balance 49% is held by Toppan; and
- 4) The shareholders of the Company through postal ballot (Scrutinizer's Report dated 19<sup>th</sup> December, 2017) passed an Ordinary Resolution for increasing the Authorised Share Capital of the Company from the existing Rs.1,10,00,00,000/- (Rupees One Hundred and Ten Crores Only) divided into 11,00,00,000 (Eleven Crores) equity shares of Rs. 10/- (Rupees Ten Only) each to Rs.1,50,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 15,00,00,000 (Fifteen Crores) equity shares of Rs. 10/- (Rupees Ten Only) each, by creation of additional 4,00,00,000 (Four Crores) equity shares of Rs. 10/- (Rupees Ten Only) each.

For Sanjay Grover & Associates  
Company Secretaries  
Firm Registration No.: P2001DE052900

10<sup>th</sup> August, 2018  
New Delhi

Devesh Kumar Vasisht  
Partner  
CP No.:13700