CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited)

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 55 to the Interim Consolidated Financial Statements which describe the impact of the recognition of Land Development Rights by its subsidiary Max Estates Limited, which has led to a restatement of the interim financial statements for the six months ended September 30, 2017 (and corresponding period of the previous financial year).

Our opinion is not qualified in respect of above matter.

Other Matter

We did not audit the financial statements and other financial information, in respect of four subsidiaries, whose Ind AS financial statements include total assets of Rs.86,195.39 lakhs and net assets of Rs. 11,461.49 lakhs as at March 31, 2018, and total revenues of Rs.4,784.17 lakhs and net cash inflows of Rs.38.81 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the directors of the Group's companies, is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, Refer Note.34 to the consolidated Ind AS financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2018.

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

per Atul Seksaria
Partner
Membership Number: 086370
Place of Signature: Gurugram
Date: May 17, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAX VENTURES AND INDUSTRIES LIMITED (FORMERLY CAPRICORN VENTURES LIMITED)

Report on the Internal Financial Controls 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 Max Ventures and Industries Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Max Ventures and Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, 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 Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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, the Holding Company and its subsidiary companies, which are companies incorporated in India, have maintained 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, 2018, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these 4 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

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

per Atul Seksaria
Partner
Membership Number: 086370
Place of Signature: Gurugram
Date: May 17, 2018

CONSOLIDATED BALANCE SHEET
as at 31 March 2018

₹ in Lakhs

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	30,450.45	31,752.08	26,667.68
Capital work-in-progress	3	23,357.40	1,577.83	2,101.00
Goodwill	4	167.09	167.09	167.09
Other Intangible assets	4	300.91	353.40	272.78
Intangible assets under development	4	206.96	56.35	74.58
Financial assets	5			
(i) Investments		9,027.67	5,104.72	-
(ii) Loans		462.34	356.30	299.23
(iii) Other non-current financial assets		747.56	-	0.76
(iv) Other bank balances		0.25	0.25	-
Non-current tax assets	6	279.92	316.38	21.25
Other non current assets	7	1,253.50	239.35	2,111.14
		66,254.05	**39,923.75**	**31,715.51**
Current assets				
Inventories	8	69,721.70	12,860.50	5,807.05
Financial assets	9			
(i) Investments		5,733.73	12,293.42	-
(ii) Trade receivables		10,936.93	11,400.56	14,849.77
(iii) Loans		63.96	167.14	98.87
(iv) Cash and cash equivalents		633.27	193.08	1,288.01
(v) Other bank balances		3.50	4.88	1.24
(vi) Derivative instruments		53.67	41.91	18.63
(vii) Other current financial assets		637.89	108.81	109.01
Other current assets	10	5,099.10	2,166.15	2,062.67
		92,883.75	**39,236.45**	**24,235.25**
Assets classified as held for distribution	3	128.00	-	-
TOTAL ASSETS		**159,265.80**	**79,160.20**	**55,950.76**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	7,264.81	6,897.79	5,339.68
Other equity	12	34,242.80	25,515.91	15,695.01
Money received against share warrants		-	672.53	-
Non-controlling interest		12,258.93	197.15	192.40
Total equity		**53,766.54**	**33,283.38**	**21,227.09**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	13	20,119.00	18,870.53	17,300.28
(ii) Trade payables	14	1,391.32	2,033.42	-
Long term provisions	15	513.01	470.13	353.26
Deferred tax liabilities (net)	16	110.43	26.00	294.13
Government grant	17	1,523.79	441.36	286.31
		23,657.55	**21,841.44**	**18,233.98**

₹ in Lakhs

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current liabilities				
Financial liabilities	18			
(i) Borrowings		43,156.00	12,045.62	7,724.36
(ii) Trade payables		16,440.73	8,470.60	5,371.46
(iii) Other current financial liabilities		7,252.67	2,021.20	2,647.08
Short term provisions	19	304.20	273.38	238.44
Other current liabilities	20	14,688.11	1,224.58	508.35
		81,841.71	**24,035.38**	**16,489.69**
TOTAL LIABILITIES		**105,499.26**	**45,876.82**	**34,723.67**
TOTAL EQUITY AND LIABILITIES		**159,265.80**	**79,160.20**	**55,950.76**
Summary of significant Accounting policies	2			
Other notes on accounts	3-59			

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

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

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date: 17th May , 2018

For and on behalf of the Board of Directors of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited)

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Sahil Vachani
(Managing Director & CEO)
DIN: 00761695

Nitin Kumar Kansal
(Chief Financial Officer)

Gopalakrishnan Ramachandran
(Company Secretary)

Place : New Delhi
Date: 17th May , 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended 31 March 2018

₹ in Lakhs

	Notes	for the year ended March 31, 2018	for the year ended March 31, 2017
INCOME			
Revenue from operations	21	73,891.73	71,953.81
Other income	22	1,139.76	1,200.55
Total income		**75,031.49**	**73,154.36**
EXPENSES			
Cost of raw materials consumed	23	58,439.97	52,635.83
Change in inventories of finished goods, traded goods and work in progress	24	(6,111.79)	(6,089.89)
Excise duty on sale of goods		1,402.25	5,808.50
Employee benefits expense	25	4,120.84	4,171.02
Finance costs	26	2,301.99	3,275.99
Depreciation and amortization expense	27	2,288.50	2,028.43
Other expenses	28	11,474.73	12,155.89
Total expenses		**73,916.49**	**73,985.77**
Profit/(Loss) before tax		**1,115.00**	**(831.41)**
Tax expenses	30		
Current income tax charge		645.43	95.09
Adjustment in respect of tax relating to previous year		5.49	4.61
Deferred Tax		128.52	(266.43)
Total Tax expenses		**779.44**	**(166.73)**
Profit/(Loss) after tax		**335.56**	**(664.68)**
Attributable to:			
Equity holders of the parent		370.35	(669.50)
Non-controlling interests		(34.79)	4.82
		335.56	**(664.68)**
Other comprehensive income/(loss)			
Items not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(loss) of defined benefit plans	31	67.80	(9.37)
Income tax effect		23.26	(1.72)
Other comprehensive income for the year, net of tax		44.54	(7.65)
Total comprehensive income for the year		**380.10**	**(672.33)**
Attributable to:			
Equity holders of the parent		392.59	(677.07)
Non-controlling interests		(12.49)	4.74
Earnings per equity share (Nominal Value of share Rs.10/-)	32		
Basic (Rs.), computed on the basis of profit/(loss) for the year attributable to equity holders of the parent.		0.51	(1.21)
Anti Diluted/Diluted (Rs.) computed on the basis of profit/(loss) for the year attributable to equity holders of the parent.		0.51	(1.21)
Summary of significant accounting policies	2		
Other notes on accounts	3-59		

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

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

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date: 17th May , 2018

For and on behalf of the Board of Directors of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited)

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Sahil Vachani
(Managing Director & CEO)
DIN: 00761695

Nitin Kumar Kansal
(Chief Financial Officer)

Gopalakrishnan Ramachandran
(Company Secretary)

Place : New Delhi
Date: 17th May , 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2018

a) Equity share capital ₹ in Lakhs

Particulars	Nos.	
Shares of Rs. 10/- each, issued, subscribed and fully paid		
As at April 01, 2016	**53,396,800**	**5,339.68**
Add: Equity share issued (refer note 46)	15,523,870	1,552.39
Add: Shares issued for stock options exercised during the year/period (refer note 11)	57,208	5.72
As at March 31, 2017	**68,977,878**	**6,897.79**
Add: Equity share issued (refer note 11)	3,448,894	344.89
Add: Shares issued for stock options exercised during the year/period (refer note 11)	221,333	22.13
As at March 31, 2018	**72,648,105**	**7,264.81**

b) Other equity

₹ in Lakhs

Particulars	**Reserves and surplus**				**Total**	**Non-controlling interest**	**Total equity**
	Capital reserve (Refer note 12)	**Securities premium (Refer note 12)**	**Employee stock options outstanding (Refer note 12)**	**Retained earnings (Refer note 12)**			
As at April 01, 2016	**13,822.40**	**-**	**24.28**	**1,848.33**	**15,695.01**	**192.40**	**14,039.78**
Profit/(Loss) for the year	-	-	-	(669.50)	(669.50)	4.82	(664.68)
Re-measurement of defined benefit plans	-	-	-	(7.58)	(7.58)	(0.07)	(7.65)
Addition/deletion on equity shares issued (refer note 46)	-	10,556.24	6.67	-	10,562.91	-	10,562.91
Addition on equity shares issued under ESOP scheme (refer note 36.3)	-	6.67	(6.67)	-	-	-	-
Share issue expenses	-	(64.93)	-	-	(64.93)	-	(64.93)
As at March 31, 2017	**13,822.40**	**10,497.98**	**24.28**	**1,171.25**	**25,515.91**	**197.15**	**23,865.43**
Transaction with Non-controlling interest on stake purchase (refer note 47)	-	-	-	197.15	197.15	(197.15)	-
Transaction with Non-controlling interest on stake sale (refer note 47)	-	-	-	-	-	12,274.04	12,274.04
Profit for the period	-	-	-	370.35	370.35	(34.79)	335.56
Re-measurement of defined benefit plans	-	-	-	22.24	22.24	22.30	44.54
Gain on sale of subsidiary (net off tax) (refer note 47)	-	-	-	5,765.38	5,765.38	-	5,765.38
Addition on equity shares issued	-	2,345.25	-	-	2,345.25	-	2,345.25
Addition on equity shares issued under ESOP scheme (refer note 36.3)	-	6.01	(6.01)	-	-	-	-

₹ in Lakhs

Particulars	**Reserves and surplus**				**Total**	**Non-controlling interest**	**Total equity**
	Capital reserve (Refer note 12)	**Securities premium (Refer note 12)**	**Employee stock options outstanding (Refer note 12)**	**Retained earnings (Refer note 12)**			
Addition/deletion on equity shares	-	26.60	2.64	-	29.24	-	29.24
Share issue expenses		(2.72)	-	-	(2.72)	(2.62)	(5.34)
	13,822.40	**12,873.12**	**20.91**	**7,526.37**	**34,242.80**	**12,258.93**	**44,654.10**
Summary of significant accounting policies	2						
Other notes on accounts	3-59						

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

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

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date: 17th May , 2018

For and on behalf of the Board of Directors of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited)

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Sahil Vachani
(Managing Director & CEO)
DIN: 00761695

Nitin Kumar Kansal
(Chief Financial Officer)

Gopalakrishnan Ramachandran
(Company Secretary)

Place : New Delhi
Date: 17th May , 2018

CONSOLIDATED CASH FLOWS STATEMENT
for the year ended 31 March 2018

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Cash flow from operating activities		
Net Profit/(Loss) before tax	1,115.00	(831.41)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	2,172.93	1,915.56
Amortization of intangible assets	115.57	112.87
Provision for doubtful debts	22.91	186.58
Provision for doubtful advances	-	8.26
Bad debts written off	-	202.15
Provision for diminution on asset held for sale (net) (Refer note 3(d))	238.79	-
Fair value gain on non-current investments at fair value through profit or loss	(1,077.36)	-
Net Gain on sale of investments	(989.39)	-
(Gain) \ Loss on disposal of property, plant and equipment	(11.88)	(2.97)
Fair value gain on financial instruments at fair value through profit or loss	(118.94)	(94.09)
Gain on mutual fund investments	(777.25)	(13.67)
Liabilities/provisions no longer required written back	(12.18)	(16.48)
Interest income	(252.23)	(151.71)
Unwinding of discount on security deposit	(10.17)	(3.02)
Finance costs (including fair value change in financial instruments)	2,301.99	3,275.99
Operating profit before working capital changes	**2,717.79**	**4,588.06**
Working capital adjustments:		
Movements in provisions, gratuity and government grant	1,233.30	297.49
(Increase)/decrease in trade and other receivables and prepayments	(4,825.57)	2,985.56
Increase in inventories	(56,861.20)	(7,053.45)
Increase in trade and other payables	20,897.76	5,878.83
Cash generated from operations	**(36,837.92)**	**6,696.49**
Income tax paid	(2,151.23)	(394.83)
Net cash flows (used in)/ from operating activities	**(38,989.15)**	**6,301.66**
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	43.59	52.91
Purchase of property, plant and equipment and investment property (including intangible assets, CWIP and capital advances)	(21,061.91)	(4,912.59)
Interest received	277.51	166.82
Purchase of current investments	(25,279.76)	(14,261.16)
Proceeds from redemption of mutual funds	32,627.88	2,075.50
Purchase of investments	(3,722.94)	(5,104.72)
Proceeds from sale of investments	1,866.74	-
Net cash flows (used in) investing activities	**(15,248.89)**	**(21,983.24)**

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Cash flow from financing activities		
Proceeds from issuance of equity share capital including security premium, net of expenses incurred for shares issued	7,351.85	12,043.70
Proceeds from issuance of ESOP's including security premium	48.73	5.72
Proceeds from sale of stake in subsidiary	14,187.44	-
Proceeds from money received from share warrants	-	672.53
Proceeds/(Repayments) from short term borrowings	31,110.38	4,321.26
Proceeds from long-term borrowings	8,612.11	2,903.44
Repayment of long-term borrowings	(4,335.03)	(2,084.04)
Interest paid	(2,297.25)	(3,275.97)
Net cash flows from financing activities	**54,678.23**	**14,586.65**
Net increase/(decrease) in cash and cash equivalents	440.19	(1,094.93)
Cash and cash equivalents at the beginning of the period/year	193.08	1,288.01
Cash and cash equivalents at year end	**633.27**	**193.08**

Components of cash and cash equivalents :-

		As at March 31, 2018	As at March 31, 2017
Balances with banks:			
On current accounts		627.65	191.25
Cash on hand		5.62	1.83
		633.27	**193.08**
Summary of significant accounting policies	2		
Other notes on accounts	3-59		

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

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

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date: 17th May , 2018

For and on behalf of the Board of Directors of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited)

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Sahil Vachani
(Managing Director & CEO)
DIN: 00761695

Nitin Kumar Kansal
(Chief Financial Officer)

Gopalakrishnan Ramachandran
(Company Secretary)

Place : New Delhi
Date: 17th May , 2018

NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2018

1 CORPORATE INFORMATION

The Consolidated financial statement comprise financial statement of Max Ventures and Industries Limited (the Company) and its subsidiaries (collectively, the Group) for the year ended March 31, 2018. The Company is registered under Companies Act, 2013 and incorporated on January 20, 2015. The Company's shares got listed on National Stock Exchange and Bombay Stock Exchange as on June 22, 2016. Registered office of the Company is located at 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshehar, Punjab - 144533.
The Group is principally engaged in the business of

- Manufacturing and selling of a wide range of sophisticated packaging unmetallised BOPP films and metallised BOPP films including High Barrier films, Thermal Lamination films and Leather finishing foils;
- Construction and development of residential and commercial properties
- Making investments in various companies and primarily engaged in growing and nurturing these business investments
- Exploring opportunities/establishing schools
- Providing shared services to its other group companies

Information on the group structure is provided in Note 29. Information on other related party relationship of the Group is provided in the Note 40

The consolidated summary statements and other consolidated financial information were authorised for issue in accordance with a resolution by the Board of directors of the Company on May 17, 2018

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all years up to and including the year ended March 31, 2017, the Group prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first financial statement of the Group prepared in accordance with IND AS. Refer to note 42,43 and 44 for information on adoption of IND AS.

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

(i) Certain financial assets and liabilities
(ii) Derivative financial instruments,
(iii) Defined benefit plans - plan assets

Financial Statement are presented in INR and all values are rounded to nearest Lakhs (INR 00,000) except when otherwise stated
The accounting policies have been consistently applied by the Group.

b) Basis of Consolidation

The Consolidated Financial Statements (CFS) comprises the financial statements of the Company and its Subsidiaries as at March 31, 2018.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)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its return

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

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.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so. Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. 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 at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(iii) 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 AS12 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 subsidiaries 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.

(iv) 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:

- ► Derecognises the assets (including goodwill) and liabilities of the subsidiary
- ► Derecognises the carrying amount of any non-controlling interests
- ► Derecognises the cumulative translation differences recorded in equity
- ► Recognises the fair value of the consideration received
- ► Recognises the fair value of any investment retained
- ► Recognises any surplus or deficit in profit or loss

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 the related assets or liabilities

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(i) Expected to be realized or intended to be sold or consumed in normal operating cycle
(ii) Held primarily for the purpose of trading
(iii) Expected to be realized within twelve months after the reporting period, or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle
(ii) It is held primarily for the purpose of trading
(iii) It is due to settled within twelve months after the reporting period, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

b. Property, Plant and Equipment and Investment Property

(i) Property, Plant and Equipment

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. On the date of transition to IND AS, the Group has applied exemptions of IND AS 101 to continue the carrying value of all property, plant and equipment as at the date of transition as its deemed cost.

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

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

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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

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

In respect to tangible and intangible assets acquired under the business transfer agreement, the Group has calculated depreciation/amortization on straight-line basis using the rates arrived at based on a technical estimate of the residual useful lives estimated by an independent engineering consultancy professional firm.

In respect of others assets, depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Assets	**Useful lives estimated by the management (years)**
Leasehold Improvements	Over life of lease or life of asset whichever is less
Factory building	30
Other building	60
Plant and Equipment	15-25
Office Equipment	3 - 5
Computers & Data Processing Units	3 - 6
Furniture and Fixtures	10
Motor Vehicles	3 - 8

c. Intangible assets

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. On the date of transition to IND AS, the Group has applied exemptions of IND AS 101 to continue the carrying value of all intangible assets as at the date of transition as its deemed cost.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life of 3-6 years.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

(a.) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
(b.) Its intention to complete and its ability and intention to use or sell the asset
(c.) How the asset will generate future economic benefits
(d.) The availability of resources to complete the asset
(e.) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

d. Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification. The criteria for held for sale is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

i. The appropriate level of management is committed to a plan to sell the asset,
ii. An active programme to locate a buyer and complete the plan has been initiated,
iii. The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
iv. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
v. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

e. Impairment of non financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's, recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For the remaining economic life of the asset or cash-generating unit (CGU), a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In this case, the growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provide on the revised carrying amount of the asset over its remaining economic life.

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

Impairment testing of goodwill and intangible assets with indefinite lives

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non – financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill is not amortised but it 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. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

f. Financial Instruments

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

(i) Financial assets

The Group classified its financial assets in the following measurement categories :-

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- hose measured at amortized cost

Initial recognition and measurement

All financial assets are recognized 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 recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset. The difference between the transaction amount and amortised cost in case of interest free loan to subsidiaries based on expected repayment period is considered as deemed investment.

Subsequent measurement

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

(i) Debt instruments at amortized cost

(ii) Debt instruments and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortized cost

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

(i) Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to released its fair value change), and

(ii) Cash flow characteristics test : 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.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Group estimate the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity investments of other entities

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which IND AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

Derecognition

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

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
  (a) the Group has transferred the rights to receive cash flows from the financial assets or
  (b) the Group has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with IND AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortised cost; e.g. Loans, security deposits, trade receivable, bank balance.
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

The Group follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. the Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines 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 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 Group reverts to recognizing impairment loss allowance based on 12- months ECL.

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

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Group financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money and other payables.

Subsequent measurement

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

Trade Payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. 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 amortization is included as finance costs in the statement of profit and loss.

Derecognition
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 medication is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

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

g. Revenue recognition
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on educational material on IND AS-18 issued by the ICAI, the Group has assumed that recovery of excise duty flows to the Group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since, the recovery of excise duty flows to the Group on its own account, revenue includes excise duty. However, sales tax/value added tax (VAT)/Goods and Service tax is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods
Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and is measured at fair value of consideration received/receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from constructed properties
Revenue from constructed properties is recognized on the "Percentage of Completion method". Total sale consideration as per duly executed agreements to sell is recognized as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 25 percentage or more of the total estimated project cost as per the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by The Institute of Chartered Accountants of India.

Shared Service Income
Revenue from shared services is recognised by reference to the stage of completion. The Group collects Service tax and GST on behalf of the government and, therefore it is not an economic benefit flowing to the Group and is thus excluded from revenue.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividend Income

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

Job work income

Revenue from job work is recognised by reference to stage of completion of job work as per terms of agreement. Revenue from job work is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any.

Export benefits

Export benefits constituting import duty benefits under Duty Exemption Pass Book (DEPB), duty draw back, Merchandise Exports from India Scheme (MEIS) and focus market scheme (FMS) are accounted for on accrual basis. Export benefits under DEPB & duty draw back are considered as other operating income.

h. Inventories

A. Inventories in manufacturing business

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows.

- Raw materials, Packing material and Stores & spares: cost includes cost of purchase and other costsincurred in bringing the inventories to their present location and condition. Cost of raw materials, packing material and Stores & spares has been determined by using moving weighted average cost method.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined determined by using moving weighted average cost method.

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

B. Inventories in real estate business

Inventories also comprise completed units for sale and property under construction (Work in progress):

(A) Completed Unsold inventory is valued at lower of cost and net realizable value. Cost is determined by including cost of land, materials, services and related overheads.

(B) Work in progress is valued at cost. Cost comprises value of land (including development rights), materials, services and other overheads related to projects under construction.

i. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the income computation and disclosure standards (ICDS) enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

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

Deferred tax

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets (including MAT credit available) 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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

Deferred tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

GST (Goods and Service tax)/ Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST (Goods and Service tax)/ Sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of Other current assets or liabilities in the balance sheet.

j. Borrowing costs

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where fund are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rate applicable to relevant general borrowing of the Group during the year. Capitalisation of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

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

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

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

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payment are structured to increase in line with expected general inflation to compensate for the losses in expected inflationary cost increase.

l. Provision and Contingent liabilities

Provisions

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Group does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

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

m. Employee benefits

Provident fund

The Group has contributed to employees provident fund benefits through a trust "Max Financial Services Limited Provident Fund Trust" managed by Max Financial Services Limited (erstwhile Max India Limited) whereby amounts determined at a fixed percentage of basic salaries of the employees are deposited to the trust every month. The benefit vests upon commencement of the employment. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group has obtained actuarial valuation to determine the shortfall, if any, as at the Balance Sheet date. The Group recognizes contribution payable to the provident fund as an expense, when the employee renders the related service.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Max Speciality Films Limited, subsidiary of the Company has also made contribution to Life Insurance Corporation (LIC) towards a policy to cover the gratuity liability of the employees to an extent. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with LIC is provided for as liability in the books.

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

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

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

(ii) Net interest expenses or income

Superannuation fund

Retirement benefit in the form of superannuation fund is a defined contribution scheme. Max Speciality Films Limited, subsidiary has no obligation, other than the contribution payable to the fund. Liability in respect of superannuation fund to the employees is accounted for as per the Max Speciality Films Limited Scheme and contributed to "Max Speciality Films Limited Employees Group Superannuation Trust" every year. The contributions to the funds are charged to the statement of profit and loss of the year/period.

Compensated Absences

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

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

Short-term obligations

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

Long term incentive plan

Employees of the Group receives defined incentive, whereby employees render services for a specified period. Long term incentive is measured on accrual basis over the period as per the terms of contract.

n. Share-based payments

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

Equity-settled transactions

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

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

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

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

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

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

Cash-settled transactions

The cost of cash settled is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date upto and including the settlement date, with changes in fair value recognised in employee benefit expense.

o. Cash and cash equivalents

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

p. Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. Foe the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the parent company and weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

q. Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). the Group’s financial statements are presented in Indian rupee (`) which is also the Group’s functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the time of the transaction.

Measurement of foreign currency items at the balance sheet date

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

r. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date 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:

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

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

The principal or the most advantageous market must be accessible by the 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 date are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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:

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

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) 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 recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments measured at fair value.

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

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

The management in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

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

Disclosures for valuation methods, significant estimates and assumptions (note 38)

Quantitative disclosures of fair value measurement hierarchy (note 38)

Financial instruments (including those carried at amortised cost) (note 5, 9, 13, 14, 18)

s. Derivative instrument

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

(iii) Hedges of a net investment in a foreign operation

t. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on the basis of accomplishment of export obligations.

The Group has inventorised the duty saved on import of raw material and recognised Government grant as liability. Deferred income is recognised in statement of profit and loss as and when export obligations are fulfilled and government grant is reduced by deferred income recognised.

2.3 Significant accounting judgements, estimates and assumptions

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

Judgements

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

(a) Operating lease commitments - Group as lessee

The Group has taken various commercial properties on leases. the Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Refer Note 34.

Estimates and assumptions

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

(a) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

(b) Defined benefit plans

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in Note 36.1.

(c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The Group uses Net asset value for valuation of investment in mutual funds. Refer Note 38 related to Fair value disclosures.

2.4 Standards issued but not yet effective

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

The Ministry of Corporate Affairs (MCA), has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standards :

a) Appendix B to IND AS 21, Foreign currency transactions and advance consideration:

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration. Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix. The Appendix is effective for annual periods beginning on or after 1st April 2018. However, since the Group's current practice is in line with the interpretation, the Group does not expect any effect on its financial statements.

(b) IND AS 115 Revenue from Contracts with Customers:

INDAS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under IND AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IND AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Group. IND AS 115 is effective for the Group in the first quarter of fiscal 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with IND AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within IND AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying IND AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in IND AS 115 (the modified retrospective method).

The Group continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of IND AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Group's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Group has established an implementation team to implement IND AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

Upon adoption the Group expects there to be a change in the manner that variable consideration in certain revenue arrangements is recognized from the current practice of recognizing such revenue as the services are performed and the variable consideration is earned to estimating the achievability of the variable conditions when the Group begins delivering services and recognizing that amount over the contractual period. The Group also expects a change in the manner that it recognizes certain incremental and fulfilment costs from expensing them as incurred to deferring and recognizing them over the contractual period. A reliable estimate of the quantitative impact of IND AS 115 on the financial statements will only be possible once the implementation project has been completed.

3. PROPERTY, PLANT AND EQUIPMENT (PPE) AND INVESTMENT PROPERTY

₹ in Lakhs

	Land (Freehold)	Building	Leasehold improvements	Plant and equipment	Furniture and fixture	Office equipment	Computers and data processing units	Motor vehicles	Total
At cost									
Deemed Cost as at April 1, 2016	**1,685.81**	**4,247.86**	**44.70**	**20,185.89**	**87.28**	**112.24**	**172.53**	**131.37**	**26,667.68**
Additions	17.97	364.53	0.71	4,319.00	27.44	28.52	54.12	150.44	4,962.73
Disposals	-	-	-	(1.99)	(23.29)	(33.54)	(7.21)	(82.78)	(148.81)
Transfer from CWIP	-	-	-	2,015.57	10.86	-	60.82	-	2,087.25
As at March 31, 2017	**1,703.78**	**4,612.39**	**45.41**	**26,518.47**	**102.29**	**107.22**	**280.26**	**199.03**	**33,568.85**
Additions	37.69	3.04	2.88	1,106.51	2.27	5.21	26.78	85.94	1,270.32
Disposals	-	-	-	(0.57)	-	(2.02)	(1.46)	(73.82)	(77.87)
Assets held for sale (refer note 3d)	-	-	-	(464.08)	-	-	-	-	(464.08)
As at March 31, 2018	**1,741.47**	**4,615.43**	**48.29**	**27,160.33**	**104.56**	**110.41**	**305.58**	**211.15**	**34,297.22**
Depreciation									
Charge for the year	-	122.44	15.76	1,573.57	18.92	36.22	84.72	64.07	1,915.70
Disposals for the year	-	-	-	(1.44)	(15.87)	(31.03)	(6.28)	(44.31)	(98.93)
As at March 31, 2017	**-**	**122.44**	**15.76**	**1,572.13**	**3.05**	**5.19**	**78.44**	**19.76**	**1,816.77**
Charge for the year	-	128.92	16.98	1,848.59	15.72	29.27	81.29	52.68	2,173.45
Disposals for the year	-	-	-	(0.11)	-	(1.34)	(0.98)	(43.73)	(46.16)
Loss on asset held for sale (refer note 3d)*				(97.29)					(97.29)
As at March 31, 2018	**-**	**251.36**	**32.74**	**3,323.32**	**18.77**	**33.12**	**158.75**	**28.71**	**3,846.77**
As at March 31, 2018	**1,741.47**	**4,364.07**	**15.55**	**23,837.01**	**85.79**	**77.29**	**146.83**	**182.44**	**30,450.45**
As at March 31, 2017	**1,703.78**	**4,489.95**	**29.65**	**24,946.34**	**99.24**	**102.03**	**201.82**	**179.27**	**31,752.08**

* includes Rs. 19.02 lacs on account of de-recognition of government grant

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Capital work-in-progress	23,357.40	1,577.83	2,101.00
Total	**23,357.40**	**1,577.83**	**2,101.00**

Notes :

a) Property, plant and equipment (PPE) given as security

Refer note no 13 and 18 (i) for charge created on property, plant and equipment as security against borrowings.

b) Capitalised borrowing costs

The Group started the construction of a Thermal Line and Coating Line in financial year 2015-16. This project was completed in financial year 2016-17. Borrowing cost capitalised in Thermal and Coating line is Rs. Nil (March 31, 2017: Rs 60.41 Lakhs and Rs 21.10 Lakhs, April 1, 2016: Rs 60.68 Lakhs and Rs 62.93 Lakhs respectively)

The rate used to determine the amount of borrowing costs eligible for capitalisation was based on effective interest rate of the borrowing.

IND-AS 101 Exemption: The Company has availed the exemption available under Ind-AS 101, whereas the carrying value of property, plant and equipment has been carried forwarded at the amount as determined under Indian GAAP net of adjustment such as government grants. Regarding the application of deemed cost, the Company has disclosed the cost as at April 1, 2016 net of accumulated depreciation. However, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follow :

₹ in Lakhs

Particulars	Land (Freehold)	Building	Leasehold improvements	Plant and equipment	Furniture and fixture	Office equipment	Computers and data processing units	Motor vehicles	Total
Gross Block as on 1st April 2015	1,685.81	4,475.07	47.29	23,384.58	124.29	234.46	318.12	235.45	**30,505.07**
Accumulated depreciation as on 1st April 2016	-	227.21	2.59	3,198.69	37.01	122.22	145.59	104.08	**3,837.39**
Deemed cost as at April 1, 2016	1,685.81	4,247.86	44.70	20,185.89	87.28	112.24	172.53	131.37	**26,667.68**

c) Asset under construction as at March 31, 2018 comprises expenditure for the BOPP Line 5 plant in the course of construction. Total amount of CWIP is Rs. 23,382.54 Lakhs (March 31, 2017: Rs. 1,312.08 Lakhs, April 1, 2016: Rs. 2175.59 Lakhs). Borrowing cost capitalised in BOPP Line 5 is Rs. 1,200.51 Lakhs (March 31, 2017: Rs 145.41 Lakhs, April 1, 2016: Rs 24.37 Lakhs)

d) Assets held for sale: The Group has imported certain Plant & machinery without payment of import duties under EPCG scheme in the financial year 2008-09. However as on March 31, 2018, the Company has held those Plant & machinery for sale. The Company is also liable to pay custom duty saved at the time of import of capital goods along with interest. The asset has been revalued at estimated realisable value and carrying amount over and above of realisable value of asset has been booked as loss on asset held for sale in profit & loss account.

Particulars	Amount (₹ in Lakhs)
Carrying value of asset as on 31-03-2018	385.83
Less: Derecognition of government grant	(19.04)
Less: Estimated realisable value	(128.00)
Provision for diminution on asset held for sale	238.79
Duty payable	137.08
Total Loss on asset held for sale	**375.87**

e) Depreciation includes Rs. 0.52 lakhs (March 31, 2017 - Rs. 0.14 lakhs) is capitalised and part of inventory

4. INTANGIBLE ASSETS

₹ in Lakhs

	Computer software	Books - ISC	Goodwill	Total	Intangible assets under development
Deemed Cost as at April 1, 2016	**272.78**	**-**	**167.09**	**439.87**	**74.58**
Additions	193.72	-	-	193.72	43.41
Disposals	(4.66)	-	-	(4.66)	(61.64)
As at March 31, 2017	**461.84**	**-**	**167.09**	**628.93**	**56.35**
Additions	37.20	25.96	-	63.16	164.13
Disposals	-	-	-	-	13.52
As at March 31, 2018	**499.04**	**25.96**	**167.09**	**692.09**	**206.96**
Amortization					
Amortisation Charge for the year	112.87	-	-	112.87	-
Disposals for the year	(4.43)	-	-	(4.43)	-
As at March 31, 2017	**108.44**	**-**	**-**	**108.44**	**-**
Amortisation Charge for the year	109.13	6.52	-	115.65	-
Disposals for the year	-	-	-	-	-
As at March 31, 2018	**217.57**	**6.52**	**-**	**224.09**	**-**
Net Book Value					
As at March 31, 2018	**281.47**	**19.44**	**167.09**	**468.00**	**206.96**
As at March 31, 2017	**353.40**	**-**	**167.09**	**520.49**	**56.35**

IND-AS 101 Exemption: The Company has availed the exemption available under Ind-AS 101, whereas the carrying value of property, plant and equipment has been carried forwarded at the amount as determined under Indian GAAP net of adjustment such as government grants. Regarding the application of deemed cost, the Company has disclosed the cost as at April 1, 2016 net of accumulated depreciation. However, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follow :

₹ in Lakhs

Particulars	Computer software	Goodwill (Note 4.01)	Total
Gross Block as on 1st April 2016	436.21	278.49	**714.70**
Accumulated depreciation as on 1st April 2016	163.43	111.40	**274.83**
Deemed cost as at April 1, 2016	272.78	167.09	**439.87**

4.01 Goodwill acquired under business combination under Business Transfer Agreement (BTA) with Max Financial Services Limited (erstwhile Max India Limited) on July 10, 2013 for the purchase of its Speciality films business (manufacturing and selling of a wide range of sophisticated packaging unmetallised BOPP films and metallised BOPP films including High Barrier films, Thermal Lamination films and Leather finishing foils) by way of slump sale on going concern basis.

Impairment testing of goodwill

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non – financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill is not amortised but it 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. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

4.02 Deemed Cost:

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognized in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS. This exemption can be also used for intangible assets covered by Ind-AS 38.

The Group has elected to consider carrying value of its goodwill as its deemed cost on the date of transition to Ind AS.

4.03 Depreciation includes Rs. 0.08 lakhs (March 31, 2017 - Rs. Nil) is part of inventory

5. NON-CURRENT FINANCIAL ASSETS

i) Investments

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Investment in Equity Shares (valued at Fair value through profit and loss)			
FSN E-Commerce Ventures Private Limited	1,866.14	1,754.71	-
134,977 (March 31, 2017 - 269,955; April 1, 2016 - Nil) Equity Shares of Face Value Rs. 10 each fully paid up (Fair value per share, March 31, 2018 : Rs. 1,382.56, March 31, 2017 : Rs. 650.00, April 1, 2016 : Nil)			
Azure Hospitality Private Limited	0.04	0.04	-
Unquoted equity instruments (valued at cost unless stated otherwise)100 (March 31, 2017 - 100; April 1, 2016 - Nil) Equity Shares of Face Value Rs.10 each fully paid up (Fair value per equity share, March 31, 2018 : Rs. 44.01, March 31, 2017 : Rs. 43.99, April 1, 2016 : Nil))			
b) Investment in Debentures (valued at Fair value through profit and loss)			
Azure Hospitality Private Limited	-	3,349.97	-
Nil (March 31, 2017 - 7,615,947; April 1, 2016 - Nil) Series-B Compulsory Convertible Debentures (Fair value per debenture,March 31, 2018 : Nil, March 31, 2017: Rs. 43.99, April 01, 2016 : Nil)			
c) Investment in Preference Shares (valued at Fair value through profit and loss)			
Azure Hospitality Private Limited	7,144.95	-	-
16,234,829 (March 31, 2017 - Nil; April 1, 2016 - Nil) Series-C Preference Shares (Fair value per preference share, March 31, 2018 : Rs. 44.01, March 31, 2017: Nil, April 01, 2016 : Nil) of Face value of Rs. 10 each fully paid up *			
d) Investment in IAN Fund			
22,950.24 (March 31, 2017 - Nil; April 1, 2016 - Nil) at (Fair value per unit, March 31, 2018 : Rs.72.05, March 31, 2017: Nil, April 01, 2016 : Nil) of Face value of Rs. 10	16.54	-	
	9,027.67	**5,104.72**	**-**
Non-Current	**9,027.67**	**5,104.72**	**-**
Aggregate value of unquoted investments	**9,027.67**	**5,104.72**	**-**
Aggregate value of quoted investments	**-**	**-**	**-**

Note:

a) Series-B 0.01% Coupon Compulsory Convertible Debentures will be convertible into one equity share per debenture maximum upto fifteen years .

b) Series-C 0.01% Cumulative Dividend Preference Shares of Nominal will be convertible into one equity share per preference shares maximum upto fifteen years

* During the year, 7,615,947 Compulsory Convertible Debentures is converted into 16,234,829 Series C Compulsory Convertible Preference Shares

ii) Loans (amortized cost) (unsecured) considered good unless otherwise stated

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security deposits*	459.74	354.53	295.43
Loan to employees	2.60	1.77	3.80
	462.34	**356.30**	**299.23**

*Security deposits include due to related parties Rs. 77.31 Lakhs (March 31,2017 : Rs. 25.56 Lakhs, April 1, 2016: Rs. Nil)

iii) Other non current financial asset

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Insurance claim recoverable	747.56	-	0.76
	747.56	**-**	**0.76**

(iv) Other bank balances

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deposits with remaining maturity for more than 12 months	0.25	0.25	-
	0.25	**0.25**	**-**

6. NON-CURRENT TAX ASSETS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance Income Tax and Tax deducted at source	279.92	316.38	21.25
	279.92	**316.38**	**21.25**

7. OTHER NON CURRENT ASSETS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(i) Other non current assets (unsecured considered good unless otherwise stated)			
Capital advances	273.63	233.10	1,950.60
Excise duty deposited under protest	308.70	-	-
Prepaid expenses*	671.17	6.25	160.54
	1,253.50	**239.35**	**2,111.14**

*includes expenses of Rs. 286.92 lakhs (March 31, 2017: Nil, April 1, 2016: Nil) incurred towards proposed rights issue

8. INVENTORIES (AT COST OR NRV WHICHEVER IS LESS)

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw materials and Packing materials [including stock in transit Rs 1,295.94 Lakhs (March 31, 2017: Rs. 1,100.37 Lakhs, April 1, 2016: Rs. 582.50 Lakhs)]	4,375.62	3,819.99	2,858.96
Stores and spares	807.23	1,229.44	1,226.91

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Work in progress-			
Real Estate	62,430.01	5,057.57	-
BOPP Film	1,047.00	1,929.71	1,040.80
Finished goods [(including in transit Rs. 611.80 Lakhs (March 31, 2017: Rs. 648.47 Lakhs, April 1, 2016: Rs. 319.94 Lakhs)), (including trial run stock of Rs. Nil (March 31, 2017: Rs. Nil, April 1, 2016: Rs. 3.27 Lakhs))]	1,061.84	823.79	680.38
	69,721.70	**12,860.50**	**5,807.05**

* includes Rs. 57.06 lakhs (March 31, 2017 : Rs. 108.14 Lakhs; April 1, 2016 : Nil) of construction materials relating to real estate business

9. CURRENT FINANCIAL ASSETS

(i) Other investment

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Quoted mutual funds (valued at Fair value through profit and loss)			
UTI Money Market Fund - Institutional Plan - Direct Growth Plan - Face value Rs.1,000/- per unit fully paid (Units - 97,391.06, NAV - Rs. 1,949.74) (March 31, 2017 - Units - 11,064.87 , NAV -Rs. 1,824.22, April 1, 2016 - Nil)	1,898.88	201.85	-
DSP Black rock Liquidity Fund Plan - Direct Fund Growth - Face value Rs.1,000/- per unit fully paid (Units - Nil), (March 31, 2017 - Units - 110,369.86 , NAV - Rs. 2,325.78, April 1, 2016 - Nil)	-	2,566.96	-
Invesco India Liquid Fund Plan - Direct Fund Growth - Face value Rs.1,000/- per unit fully paid (Units - 71,625.62 , NAV - Rs. 2,392.07) (March 31, 2017 - Units - 114,668.99 , NAV - Rs. 2,238.10, April 1, 2016 - Nil)	1,713.33	2,566.41	-
JM High Liquidity Fund Plan - Direct Growth - Face value Rs.1,000/- per unit fully paid (Units - 2,102,450.37 , NAV - Rs. 47.57) (March 31, 2017 - Units - 5,767,025.53 , NAV - Rs. 44.51, April 1, 2016 - Nil)	1,000.19	2,567.13	-
Kotak Floater Short Term Fund Plan - Direct Fund Growth - Face value Rs.1,000/- per unit fully paid (Units - Nil) (March 31, 2017 - Units - 96,161.91 , NAV - Rs. 2,669.38, April 1, 2016 - Nil)	-	2,566.93	-

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Aditya Birla Sun Life Cash Plus	0.60	1,824.14	-
Plan - Growth Direct Plan - Face value Rs.1,000/- per unit fully paid			
(Units - 217.26 , NAV - Rs. 279.31) (March 31, 2017 - Units - 698,079.95 , NAV - Rs. 261.31, April 1, 2016 - Nil)			
Axis Mutual Fund	1,120.73	-	-
Plan - Direct Fund Growth - Face value Rs.1,000/- per unit fully paid			
(Units - 58,143.07 , NAV - Rs. 1,927.53, March 31, 2017- Nil, March 31, 2016- Nil)			
	5,733.73	**12,293.42**	**-**
Aggregate value of unquoted investments	**-**	**-**	**-**
Aggregate amount of quoted mutual fund	**5,733.73**	**12,293.42**	**-**

(ii) Trade receivables

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured :-			
Trade receivables - considered good	10,868.50	11,368.41	14,849.77
Trade receivables - considered doubtful	237.97	219.58	39.80
Trade receivables from related parties - considered good (refer note 40(b))	68.43	32.15	-
Less: Impairment allowance for trade receivable considered doubtful	(237.97)	(219.58)	(39.80)
	10,936.93	**11,400.56**	**14,849.77**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally on terms of 0 to 120 days.

For terms and conditions relating to receivables from related parties, refer note 40(b)

(iii) Loans (amortized cost) (unsecured considered good unless otherwise stated)

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loan to employee	16.28	16.01	19.66
Interest accrued on deposits and others	21.72	36.83	31.21
Security deposits	25.96	8.37	-
Security deposits to related parties (refer note 40 (b))	-	48.00	48.00
Advance to related parties	-	57.93	-
	63.96	**167.14**	**98.87**

(iv) Cash and cash equivalents

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks:			
On current accounts	627.65	191.25	485.80
Deposits with remaining maturity for less than 12 months	-	-	800.00
Cash on hand	5.62	1.83	2.21
	633.27	**193.08**	**1,288.01**

Changes in liabilities arising from financing activities

₹ in Lakhs

Particulars	1-Apr-17	Cash flows	others*	31-Mar-18
Current borrowings	12,045.62	30,985.07	125.31	43,156.00
Non- current borrowings (including current maturities)	20,467.83	2,105.14	2171.94	24,744.91

* Other includes Interest accrued during the financial year.

₹ in Lakhs

Particulars	1-Apr-16	Cash flows	others*	31-Mar-17
Current borrowings	7,724.36	3,505.00	816.26	12,045.62
Non- current borrowings (including current maturities)	19,648.43	(1,640.31)	2459.71	20,467.83

* Other includes Interest accrued during the financial year.

(v) Other bank balances ₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits:			
(i) Margin money deposits #	3.50	4.88	1.24
	3.50	**4.88**	**1.24**

 # Margin money deposits given as security

Margin money has been deposited with the bank as security for bills of exchange discounted without letter of credit.

(vi) Derivative instruments at fair value through profit or loss			₹ in Lakhs
Derivatives not designated as hedges			
Foreign exchange forward contracts	53.67	41.91	18.63
	53.67	**41.91**	**18.63**

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

(vii) Other financial assets			₹ in Lakhs
Other receivables #	94.15	108.81	109.01
Unbilled revenue	543.74	-	-
	637.89	**108.81**	**109.01**

other receivables includes Rs. 20.63 lakhs (March 31, 2017: 21.17 lakhs; April 1, 2016: Nil) from related parties. Refer note 40(b)

Break up of financial assets at amortised cost

₹ in Lakhs

Non-current financial assets			
Loans (refer note 5(ii))	462.34	356.30	299.23
Other bank balances (refer note 5(iv))	0.25	0.25	-

Current financial assets			₹ in Lakhs
Trade receivables (refer 9(ii))	10,936.93	11,400.56	14,849.77
Loans (refer 9(iii))	63.96	167.14	98.87
Cash and cash equivalents (refer 9(iv))	633.27	193.08	1,288.01
Other bank balances (refer note 9(v))	3.50	4.88	1.24
Other current financial assets (refer 9(vii))	637.89	108.81	109.01
	12,738.14	**12,231.02**	**16,646.13**

10. OTHER CURRENT ASSETS (UNSECURED CONSIDERED GOOD, UNLESS OTHERWISE STATED)

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other advances	913.42	993.88	440.42
Other advances - related party (refer note 40 (b))	231.66	-	-
Prepaid expenses	410.42	356.80	193.25
Excise duty recoverable on export goods	602.52	-	412.63
Balance with statutory authorities	2,536.65	381.75	679.52
Export benefits receivables	404.43	433.72	336.85
	5,099.10	**2,166.15**	**2,062.67**

11. SHARE CAPITAL AND OTHER EQUITY

(i) Equity share capital

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Authorized Share Capital			
150,000,000 (March 31, 2017 - 110,000,000; April 1, 2016 - 60,000,000) equity shares of Rs.10/- each	15,000.00	11,000.00	6,000.00
	15,000.00	**11,000.00**	**6,000.00**
Issued, subscribed and fully paid-up			
72,648,105(March 31, 2017 - 68,977,878; April 1, 2016 - 53,396,800) equity shares of Rs.10/- each fully paid up	7,264.81	6,897.79	5,339.68
Total issued, subscribed and fully paid-up share capital	**7,264.81**	**6,897.79**	**5,339.68**

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

₹ in Lakhs

	March 31, 2018		March 31, 2017		April 1, 2016	
Equity shares	**No. of shares**	**₹ in Lakhs**	**No. of shares**	**₹ in Lakhs**	**No. of shares**	**₹ in Lakhs**
At the beginning of the period	68,977,878	6,897.79	53,396,800	5,339.68	53,396,800	5,339.68
Add: Shares issued at incorporation of the Company	-	-	-	-	-	-
Add: Issued during the period under scheme of demerger	-	-	-	-	-	-
Add: Shares issued for stock options exercised during the year (Refer note no 36.3)	221,333	22.13	57,208	5.72	-	-
Add: Shares issued during the year/period (Refer note no. 46)	3,448,894	344.89	15,523,870	1,552.39	-	-
Outstanding at the end of the period	**72,648,105**	**7,264.81**	**68,977,878**	**6,897.79**	**53,396,800**	**5,339.68**

c) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company

₹ in Lakhs

Name of the Shareholder	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid-up						
New York Life International Holdings Limited	15,523,870	21.37%	15,523,870	22.51%	-	-
Max Ventures Investment Holdings Private Limited.	13,105,500	18.04%	13,105,500	19.00%	3,509,233	6.57%
Xenok Limited	-	-	-	-	4,815,940	9.02%
Maxopp Investments Limited	-	-	-	-	3,768,983	7.06%
Liquid Investment and Trading Company Private Limited	4,763,774	6.56%	4,763,774	6.91%	-	-
Siva Enterprises Private Limited	5,810,598	8.00%	2,361,704	3.42%	-	-
GS Mace Holdings Limited	-	-	-	-	3,439,276	6.44%

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

During the Financial year 2015-16, existing shareholders of Max Financial Services Limited (erstwhile Max India Limited) were allotted shares in the ratio of 1:5 in Max Ventures and industries Limited i.e. 53,300,555 equity shares under the scheme of demerger without any consideration in cash. The Company issued 96,245 Equity shares on exercise of options granted under the Employee Stock Option Plan 2006 of Max Financial Services Limited under the Corporate Restructuring plan.

The Company has issued 221,333 equity shares during the year ended March 31, 2018 and 57,208 Equity shares during the year ended March 31, 2017 on exercise of options granted under the Employee Stock Option Plan 2016 of Max Ventures and Industries Limited, for details refer note 36.3

f) Increase in Authorised Share Capital

Pursant to shareholders approval in December 2017, the company has increased its authorised share capital from Rs. 11,000 lakhs to Rs. 15,000 lakhs

12. OTHER EQUITY

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital reserve (refer note a below)	13,822.40	13,822.40	13,822.40
Securities premium account (refer note b below)	12,873.12	10,497.98	-
Employee stock options outstanding (refer note c below)	20.91	24.28	24.28
Retained earnings (refer note d below)	7,526.37	1,171.25	1,848.33
	34,242.80	**25,515.91**	**15,695.01**
Notes:			
a) Capital reserve			
At the beginning of the year/ period	13,822.40	13,822.40	13,822.40
	13,822.40	**13,822.40**	**13,822.40**
b) Securities premium			
At the beginning of the year/ period	10,497.98	-	-
Add: premium on Preferential issue of equity shares (refer note 46)	2,345.25	10,556.24	-
Add: Addition/deletion on equity shares	26.60	-	-
Add: additions on ESOPs exercised (refer note 36.3)	6.01	6.67	-
Less: share issue expenses	(2.72)	(64.93)	-
	12,873.12	**10,497.98**	**-**

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
c) Employee stock options outstanding			
At the beginning of the year/ period	24.28	24.28	24.28
Add: expense recognized during the year (refer note 36.3)	2.64	6.67	-
Less: transferred to securities premium on exercise of stock options	6.01	6.67	-
	20.91	**24.28**	**24.28**
d) Retained earnings			
At the beginning of the year/ period	1,171.25	1,848.33	1,848.33
Profit/(Loss) for the period/year	370.35	(669.50)	-
Non-controlling interest on stake purchase (refer note 47)	197.15	-	-
Gain on sale of subsidiary (refer note 47)	5,765.38	-	-
Items of other comprehensive income recognized directly in retained earnings			
Re-measurement of post employment benefit obligation (net of tax) (item of OCI)	22.24	(7.58)	-
	7,526.37	**1,171.25**	**1,848.33**

13. BORROWINGS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current borrowings :-			
Term loans (secured)			
From banks [refer note (i) to (vii) below]	20,067.49	13,067.52	12,361.48
From non-banking financial company [refer note (viii) below]	-	2,887.50	2,962.50
Others			
Buyers credit foreign currency (secured) [refer note (ix) below]	-	2,837.19	1,917.64
Vehicle loans (secured) [refer note (x) below]	51.51	78.32	58.66
Current borrowings :-			
Term loans (secured)			
From banks [refer note (i) to (vii) below]	1,371.43	947.50	846.34
From non-banking financial company [refer note (viii) below]	-	75.00	37.50
Others			
Buyers credit foreign currency (secured) [refer note (ix) below]	3,041.89	363.81	1,250.84
Vehicle loans (secured) [refer note (x) below]	46.77	49.91	37.26
Interest accrued and due on borrowings	-	114.60	168.59
Interest accrued but not due on borrowings	165.82	46.48	7.62
	24,744.91	**20,467.83**	**19,648.43**
Less: Amount disclosed under “other current financial liabilities” [refer note 18(iii)]	**4,625.91**	**1,597.30**	**2,348.15**
	20,119.00	**18,870.53**	**17,300.28**
Aggregate Secured loans	**24,744.91**	**20,467.83**	**19,648.43**
Aggregate Unsecured loans	-	-	-

Term loan from banks :-

i) Term loan from Yes Bank Limited amounting to Rs. 7,951.32 Lakhs (March 31, 2017: Rs. 8,063.92 Lakhs, April 1, 2016: Rs. 8,123.80 Lakhs) is secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan is repayable in 32 structured quarterly instalments commenced from 3rd December 2016 carrying interest rate ranging from 8.80% p.a. to 13.00% p.a..

ii) Term loan from Yes Bank Limited amounting to Rs. 3,845.00 Lakhs(March 31, 2017: Rs. 4,540.17 Lakhs, April 1, 2016: Rs. 4,768.92 Lakhs) is secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan is repayable in 20 structured quarterly instalments commenced from 3rd December 2016 carrying interest rate ranging from 8.70% p.a. to 12.35% p.a.

iii) Term loan from Yes Bank Limited amounting to Rs.1,498.89 Lakhs (March 31, 2017: Rs. 1,410.93 Lakhs, April 1, 2016: Rs. 315.10 Lakhs) is secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan is repayable in 20 structured quarterly instalments commenced from 28rd February 2019 carrying interest rate ranging from 8.70% p.a. to 9.30% p.a..

iv) Term loan from Indusind Bank Limited amounting to Rs. 3167.42 Lakhs (March 31, 2017: Rs. Nil, April 1, 2016: Rs. Nil) was secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan was repayable in 27 structured quarterly instalments to be commenced from 30st September 2018 carrying interest rate of 8.95% p.a..

v) Term loan from Yes Bank Limited amounting to Rs. 2800.06 Lakhs (March 31, 2017: Rs. Nil, April 1, 2016: Rs. Nil) was secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan was repayable in 28 structured quarterly instalments to be commenced from 1st December 2017 carrying interest rate of 8.70% p.a.

vi) Term loan from IDFC Bank Limited amounting to Rs. 600.00 Lakhs (March 31, 2017: Rs. Nil, April 1, 2016: Rs. Nil) is secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan is repayable in 27 structured quarterly instalments commenced from September 03, 2018 carrying interest rate of 9.15% p.a..

vii) Term loan from Axis Bank Limited amounting to Rs. 1576.23 Lakhs (March 31, 2017: Rs. Nil; April 1, 2016: Rs. Nil) was secured by way of first pari passu charge on the over area Land and Building (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and exclusive hypothecation charge over all assets both present and future .The loan is repayable at the end of 48th month from the date of first disbursement i.e. March 27, 2018

Term loan from non-banking financial company :-

viii) Term loan from Tourism Finance Corporation of India Limited amounting to Nil (March 31, 2017: Rs. 2,962.50 Lakhs; April 1, 2016: Rs. 3,000 Lakhs) is secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan is repayable in 32 structured quarterly instalments commenced from December 03, 2016 carrying interest rate ranging from 12.30% p.a. to 13.00% p.a..

Buyers credit foreign currency (secured)

ix) Buyer credit foreign currency facility from Yes Bank Limited amounting to Rs. 3,041.89 Lakhs (March 31, 2017: Rs. 3,201.00 Lakhs, April 1, 2016: Rs 3,168.48 Lakhs) is secured by way of first pari passu charge on the movable fixed assets (excluding assets/equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan is repayable next 2-3 years carrying interest rate ranging from 0.61% p.a. to 2.40% p.a.

Vehicle loan (secured) :-

x) Vehicle loans amounting to Rs. 98.28 Lakhs (March 31, 2017: Rs. 128.23 Lakhs; April 1, 2016: Rs. 95.92 Lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 3 to 5 years. The rate of interest varies between 8.75% p.a. to 11.50% p.a.

The Group has complied with all the covenants related to borrowings obtained by the Group.

Undrawn borrowings:

xi) Term loan from Indusind bank Rs. 17,600 Lakhs and IDFC bank Rs.1,400 Lakhs has been sanctioned against which Rs. 14,660 Lakhs and Rs. 600 Lakhs respectively has been disbursed as on March 31, 2018.

14. TRADE PAYABLES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues of micro enterprises and small enterprises*	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,391.32	2,033.42	-
	1,391.32	**2,033.42**	**-**

Trade payables include due to related parties. Refer note 40(b)

*** Details of dues to micro and small enterprises as per MSMED Act, 2006**

As per the Act, the Group is required to identify the Micro and small suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with such suppliers. Based on the information available with the Group, none of the creditors have confirmed the applicability of act on them. Hence, the liability of the interest and disclosure are not required to be disclosed in the restated financial statements.

15. LONG TERM PROVISION

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits			
Provision for gratuity (refer note 36.1)	513.01	470.13	353.26
	513.01	**470.13**	**353.26**

16. DEFERRED TAX LIABILITIES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Deferred tax liability			
Fixed Assets: Impact of differences in depreciation in block of fixed assets as per tax books and financial books	3,182.80	2,633.70	1,257.85
Difference in book base and tax base in investments	62.04	32.56	-
Impact on fair valuation of investments	315.88	-	
Gross deferred tax liability	**3,560.72**	**2,666.26**	**1,257.85**

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(ii) Deferred tax assets			
Impact of expenditure charged to the statement of profit and loss in the period but allowed for tax purposes on payment basis	563.43	475.35	471.23
Unabsorbed depreciation/ Business Losses	1,416.26	1,331.59	-
Others	536.33	134.68	24.88
Gross deferred tax assets	**2,516.02**	**1,941.62**	**496.11**
Mat Credit	934.27	698.64	467.61
Deferred Tax (Asset)/Liability	**110.43**	**26.00**	**294.13**

17. OTHER NON CURRENT LIABILITIES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Government grants	1,523.79	441.36	286.31
	1,523.79	**441.36**	**286.31**

Movement of government grant is as below:

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
At the beginning of the period	441.36	286.31	286.31
Received during the period	1,467.81	796.66	-
Released to the statement of profit and loss	(385.38)	(641.61)	-
At the end of the period	**1,523.79**	**441.36**	**286.31**

* Government grant is pertaining to duty saved under EPCG and advance license for import of capital goods and raw material.

18. CURRENT FINANCIAL LIABILITIES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Borrowings			
Cash credit from banks (secured) [refer note (i) below]	1,657.35	2,445.34	5,701.78
Packing credit foreign currency (secured) [refer note (iv) below]	-	0.28	225.15
Loan from related party (Unsecured interest free) [refer note (vii) below]	-	5,600.00	-
Packing credit (unsecured) [refer note (v) below]	-	-	1,500.00
Bills discounted from banks (unsecured) [refer note (vi) below]	-	-	297.43
Working capital demand loan (secured) [refer note (ii) below]	29,678.73	4,000.00	-
Buyers credit (secured) [refer note (iii) below]	11,819.92	-	-
	43,156.00	**12,045.62**	**7,724.36**

(i) Cash credit facilities from HDFC Bank Limited, Citi Bank Limited, Kotak Bank Limited, Indusind Bank Limited, Ratnagar Bank Limited, Yes Bank Limited and IDFC Bank Limited are repayable on demand and are secured by a first pari passu hypothecation charge on all current assets of the Company, both present and future. The rate of interest on cash credit varies between banks ranging from 8.75% p.a. to 11.80% p.a. and are repayable on demand.

(ii) a) Working capital demand loan from IDFC Bank Limited and HDFC Bank Limited are repayable on demand and are secured by a first pari passu hypothecation charge on all current assets of the Company, both present and future. The tenor of WCDL ranges between 30 to 180 days. The rate of interest on working capital demand loans varies between 8.10% p.a. to 9.70% p.a

b) Working capital demand loan from IDFC Bank Limited secured by way of First Pari Passu charge on Company's immovable and movable fixed assets on Delhi one project at Noida and pledge on 30% share of the Company and NDU for another 21% stake. The said loan is repayable on August 14, 2018. The rate of interest on working capital demand loans is 9.30% p.a

(iii) Buyer credit foreign currency facility from Yes Bank Limited and Indusind Bank Limited Rs. 11,425.02 Lakhs (March 31, 2017: Rs. Nil, April 1, 2016: Rs. Nil) and Yes Bank Limited Rs 394.90 Lakhs ((March 31, 2017: Rs. Nil, April 1, 2016: Rs. Nil) is secured by way of first pari passu charge on the movable fixed assets (excluding assets/ equipment/vehicles etc. specifically charged to other lenders) and immovable fixed assets both present and future. The loan is repayable within a year carrying interest rate ranging from 0.22% p.a. to 2.57% p.a.

(iv) Packing credit foreign currency facility from Yes Bank Limited is repayable on demand and are secured by a first pari passu hypothecation charge on all current assets of the Max Speciality Films Limited, subsidairy, both present and future. The rate of interest on packing credit foreign currency varies between 1.50% p.a. to 2.79% p.a.

(v) Packing credit facility from Deutsche Bank is repayable on demand carried interest rate of 9.50%.

(vi) Bills discounted Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs 297.43 Lakhs) represents debtors discount without Letter of credit from Ratnagar Bank Limited with a tenor of 3 to 4 months.

(vii) Interest free loan taken from related party and repayable on demand (refer note 40 (b))

Undrawn borrowings:

(viii) Cash credit \Working capital demand loan\Packing credit\Bill discounting facilities from Yes Bank Limited, Kotak Mahindra bank Limited, Indusind Bank Limited, IDFC Bank Limited, HDFC Bank Limited and Axis Bank limited has been sanctioned to the tune of Rs 3,000 Lakhs, Rs 5,000 Lakhs, Rs. 2,000 Lakhs, Rs 4,000 Lakhs, Rs. 3,000 Lakhs and Rs. 15,000 Lakhs respectively. The amount utilised against the sanction facility as on March 31, 2018 from Yes Bank Limited, Kotak Mahindra Bank Limited, Indusind Bank Limited, IDFC Bank Limited and HDFC Bank limited is Rs 459.05 Lakhs, Nil, Nil, Rs. 3,898.31 Lakhs , Rs. 2,000 Lakhs and Rs. 13,400 Lakhs respectively.

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises*	86.78	18.62	89.24
Total outstanding dues of creditors other than micro enterprises and small enterprises #	16,353.95	8,451.98	5,282.22
	16,440.73	**8,470.60**	**5,371.46**

*** Details of dues to micro and small enterprises as per MSMED Act, 2006**

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year.	86.78	Nil	22.58
The interest due on unpaid principal amount remaining as at the end of each accounting year	4.29	Nil	0.13
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	4.29	0.17	0.17
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	0.13	0.28	0.01

Trade payables include due to related parties. Refer Note 40 (b) for amount due to related parties.

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 0 - 180 day terms

(iii) Other current financial liabilities

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturity of long term borrowings (refer note 13)	4,625.91	1,597.30	2,348.15
Security deposits	115.26	154.68	127.19
Capital creditors	2,511.50	269.22	171.74
	7,252.67	**2,021.20**	**2,647.08**

*Capital creditors include due to related parties Rs.13.19 lakhs (March 31, 2017 - Rs. Nil, April 1, 2016 - Rs. Nil). Refer note 40(b)

19. SHORT TERM PROVISION

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for employee benefits			
- Provision for leave encashment (refer note 36.2)	215.20	182.48	147.91
- Provision for gratuity (refer note 36.1)	89.00	90.90	90.53
	304.20	**273.38**	**238.44**

20. OTHER CURRENT LIABILITIES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance from customers	14,209.71	863.57	162.76
Statutory dues	478.40	361.01	274.89
Dividend distribution tax payable	-	-	70.70
	14,688.11	**1,224.58**	**508.35**

21. REVENUE FROM OPERATIONS

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Sale of products		
Bi-axially oriented polypropylene film	67,140.65	70,267.63
Revenue from sale of constructed properties	2,609.69	-
Total	**69,750.34**	**70,267.63**
Revenue from services		
Income from shared services	131.36	200.51
Other operating Income		
Gain on sale of current investments	728.52	13.67
Net Gain on saleof non- current investments	1,077.36	-
Fair value gain on financial instruments at fair value through profit or loss	118.94	94.09
Fair value gain on non-current investments at fair value through profit or loss	989.39	-
Interest income on fixed deposits	-	3.94
Export benefits	328.39	284.98
Waste of plastic sale	382.05	447.38
Income from government grant	385.38	641.61
Total	**73,891.73**	**71,953.81**

Sale of products includes excise duty collected from customers of Rs. 1,402.25 Lakhs (March 31, 2017: Rs. 5,808.50 Lakhs). Sale of products net of excise duty is Rs. 68,348.09 Lakhs (March 31, 2017: Rs. 64,459.13 Lakhs).

According to the requirement of IND AS, revenue for the corresponding year ended March 31, 2017 were reported inclusive of excise duty. The Government of India has implemented Goods and Service Tax ("GST") from July 1, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. Accordingly, per IND AS 18, the revenue for the year ended March 31, 2018, is reported net of GST. Had the previously reported revenue shown net of excise duty, comparative income from operations of the Company would have been as follows:

Revenue from operations for periods up to June 30, 2017 includes excise duty. From July 1, 2017 onwards the excise duty and most indirect taxes in India have been replaced Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended March 31, 2018 is not comparable March 31, 2017.

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Revenue from sale of products (net of excise duty)	68,348.09	64,459.13

22. OTHER INCOME

Interest income on		
- on fixed deposits	0.03	-
- on security deposit	10.17	3.02
- others	252.20	147.77
Gain on mutual fund investments	48.73	-
Liabilities/provisions no longer required written back	12.18	16.48
Gain on foreign exchange fluctuation (net)	607.63	800.76
Net gain on disposal of property, plant and equipment	11.88	2.97
Scrap sale	167.37	207.04
Miscellaneous income	29.57	22.51
	1,139.76	**1,200.55**

23. COST OF RAW MATERIALS CONSUMED

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Inventories at beginning of year	3,819.99	2,858.96
Add: Purchases	58,995.60	53,596.86
Less: inventory at the end of year	4,375.62	3,819.99
Cost of raw materials consumed (refer note 50)	**58,439.97**	**52,635.83**

24. (INCREASE)/ DECREASE IN WORK-IN-PROGRESS AND FINISHED GOODS

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
a) Inventories at end of the year		
Work in progress-		
Real Estate	62,430.01	5,057.57
BOPP Film	1,047.00	1,929.71
Finished goods	1,061.84	823.79
	64,538.85	**7,811.07**
b) Acquisition adjustment- Real Estate	**50,615.99**	-
c) Inventories at beginning of the year		
Work in progress-		
Real Estate	5,057.57	-
BOPP Film	1,929.71	1,040.80
Finished goods	823.78	680.38
	7,811.06	**1,721.18**
Net (Increase)/ decrease in work-in-progress and finished goods (c+b-a)	**(6,111.79)**	**(6,089.89)**
Details of inventory		
Work-in-progress		
BOPP Film	1,047.00	1,929.71
Real Estate	62,430.01	5,057.57
	63,477.01	**6,987.28**
Finished goods		
BOPP Film	1,061.84	823.79
	1,061.84	**823.79**

25. EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Salaries, wages and bonus	3,575.54	3,637.22
Contribution to provident and other funds	215.97	202.05
Gratuity expense* (refer note 36.1)	113.10	101.66
Staff welfare expenses	216.23	230.09
	4,120.84	**4,171.02**

* excludes costs capitalised Rs. 4.86 lakhs (March 31, 2017 - Rs. 4.66 lakhs) in inventory and Capital work in progress

26. FINANCE COSTS

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Interest on term loan	2,433.02	2,364.16
Interest on others	125.31	816.27
Interest on delay in deposit of advance tax	8.00	0.09
Bank charges	897.25	313.05
	3,463.58	**3,493.57**
Less: Finance cost capitalisation	(1,161.59)	(217.58)
	2,301.99	**3,275.99**

27. DEPRECIATION AND AMORTIZATION EXPENSE*

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Depreciation of tangible assets (refer note 3)	2,172.93	1,915.55
Amortization of intangible assets (refer note 4)	115.57	112.88
	2,288.50	**2,028.43**

* Depreciation includes Rs. 0.60 lakhs (March 31, 2017 - Rs. 0.14 lakhs) is capitalised and part of inventory (work in progress)

28. OTHER EXPENSE

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
Consumption of stores and spares	672.20	812.32
(Increase) / decrease of excise duty on inventories	(82.08)	11.89
Power and fuel	4,493.63	4,437.00
Processing charges	37.92	21.71
Recruitment and training expenses	94.42	64.66
Rent (refer note no 34(c))	348.05	314.77
Insurance expenses	183.80	185.52
Rates and taxes	108.84	247.42
Repairs and maintenance:	-	
Building	105.79	135.16
Plant and equipments	418.91	462.07
Others	274.65	261.50
Printing and stationery	39.59	55.74
Travelling and conveyance	522.53	562.75
Communication costs	64.01	68.12
Legal and professional (refer note no 28.1)	851.31	701.09
Directors' sitting fees	158.12	158.00
Advertisement and sales promotion	40.77	145.37
Product development expenses	63.34	312.60
Commission to other than sole selling agents	110.09	86.03
Freight and forwarding charges	2,297.58	2,422.99
Allowances for doubtful debt	22.91	186.58
Provision for diminution on asset held for sale (net) (Refer note 3(d))	238.79	-
Provision for doubtful advances	-	8.26
Bad debts written off	-	202.15
Charity and donation	0.10	0.45
CSR expenditure (refer note no 41)	39.62	26.57
Shared Service charges	105.84	142.52
Provision of duty on assets discarded/ held for sale (Refer note 3 (d))	137.08	-
Miscellaneous expenses	126.92	122.65
	11,474.73	**12,155.89**

28.1 PAYMENT TO AUDITOR (INCLUDED IN LEGAL AND PROFESSIONAL FEE)

₹ in Lakhs

	for the year ended March 31, 2018	for the year ended March 31, 2017
As auditor:		
Audit fee	40.25	30.95
Other services (certification fees)*	73.94	4.00
Reimbursement of expenses	4.98	0.44
	119.17	**35.39**

* Fees of Rs. 54.40 lakhs towards right issue have been taken to other non current assets (refer note 7)

29. The subsidiary follows financial year as accounting year. However, the financial statements of Max Speciality Films Limited, Max Estates Limited, Max I. Limited, Max Learning Limited and Wise Zone Builders Private Limited has been consolidated from the date of incorporation/acquisition of the entities

Name of the Subsidiary	Principal activities	Country of Incorporation	Proportion of ownership as at		
			March 31, 2018	March 31, 2017	April 1, 2016
Subsidiary					
Max Speciality Films Limited	Manufacturing and selling of a wide range of sophisticated packaging unmetallised BOPP films and metallised BOPP films including High Barrier films, Thermal Lamination films and Leather finishing foils;	India	51%*	99%	99%
Max Estates Limited (refer note a)	Construction and development of residential and commercial properties	India	100%	100%	-
Max I. Limited (refer note b)	Making investments in various companies and primarily engaged in growing and nurturing these business investments	India	100%	100%	-
Max Learning Limited (refer note c)	Exploring opportunities/ establishing schools	India	100%	100%	-
Wise Zone Builders Private Limited (refer note d)	Construction and development of residential and commercial properties	India	100%	-	-

a) Incorporated on 22nd March 2016
b) Incorporated on 23rd June 2016
c) Incorporated on 23rd August 2016
d) It was acquired by Max Estates Limited on 29th April ,2017

* Refer note 47

30. INCOME TAXES

₹ in Lakhs

	for year ended March 31, 2018	for year ended March 31, 2017
(a) Income tax expense in the statement of profit and loss comprises :		
Current Income Tax		
Current income tax charge	645.43	95.09
Adjustment in respect of current income tax of previous year	5.49	4.61
Deferred Tax		
Relating to origination and reversal of temporary differences	128.52	(266.43)
Income tax expense reported in the statement of profit or loss	**779.44**	**(166.73)**

31. COMPONENTS OF OTHER COMPREHENSIVE INCOME

₹ in Lakhs

	for year ended March 31, 2018	for year ended March 31, 2017
Re-measurement (gains)/ losses on defined benefit plans (refer note: 36.1)	67.80	(9.37)
Income tax related to items recognized in OCI during the period/year	23.26	(1.72)
Income tax related to items recognized in OCI during the year	**44.54**	**(7.65)**

32. EARNING PER SHARE

₹ in Lakhs

	for year ended March 31, 2018	for year ended March 31, 2017
Basic EPS		
Profit after tax (Rs. in Lakhs)	370.35	(669.50)
Net profit/(loss) for calculation of basic EPS	370.35	(669.50)
Weighted average number of equity shares outstanding during the year (Nos.)	72,054,035	55,242,723
Basic earnings per share (Rs.)	**0.51**	**(1.21)**
Dilutive EPS		
Profit after tax (Rs. in Lakhs)	370.35	(669.50)
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)*	72,870,276	56,132,659
AntiDiluted/Diluted earnings per share (Rs.)	**0.51**	**(1.21)**
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)*		
Weighted average number of equity shares outstanding during the year (Nos.)	72,054,035	55,242,723
Add: ESOP/Warrants	816,241	889,936
	72,870,276	**56,132,659**

Note: The conversion effect of potential dilutive equity shares are anti dilutive in nature in year ended March 31, 2017, hence the effect of potential equity shares are ignored in calculating diluted earnings per share for the year ended March 31, 2017.

33. INCOME TAX

The major components of income tax expense for the year March 31, 2018, and March 31, 2017 are :

Statement of profit and loss :

Profit and loss section

₹ in Lakhs

Particulars	for year ended March 31, 2018	for year ended March 31, 2017
Current income tax :		
Current tax	645.43	95.09
Adjustment of tax relating to earlier years	5.49	4.61
Deferred tax :		
Relating to origination and reversal of temporary differences	128.52	(266.43)
Income tax expense reported in the statement of profit and loss	**779.44**	**(166.73)**

OCI section :

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

₹ in Lakhs

Particulars	for year ended March 31, 2018	for year ended March 31, 2017
Net loss/(gain) on remeasurements of defined benefit plans	23.26	(1.72)
Tax related to items recognized in OCI during the period/year	**23.26**	**(1.72)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017

₹ in Lakhs

Particulars	for year ended March 31, 2018	for year ended March 31, 2017
Accounting profit before tax	1,115.00	(831.41)
Accounting profit before income tax	**1,115.00**	**(831.41)**
At India's statutory income tax rate of 34.608 % (March 31, 2017: 34.608 %)	385.88	(287.73)
Non-Taxable Income for tax purposes:		
Others	(29.69)	-
Non-deductible expenses for tax purposes:		
Disallowances on account of exempt income u/s 14A	-	59.55
Disallowance on account of finance costs incurred on business investments	-	72.14
Other non-deductible expenses	139.97	206.96
Tax relating to earlier years	5.49	4.61
Others		
Losses of subsidiary not being considered for deferred tax	297.14	94.46
Income Taxable at Lower rate	(19.34)	-
Difference in Tax Base and Book Base of Investments	-	(316.72)
At the effective income tax rate	**779.44**	**(166.73)**
Income tax expense reported in the statement of profit and loss	779.44	(166.73)
Total tax expense	**779.44**	**(166.73)**

Deferred tax relates to the following:

₹ in Lakhs

	for year ended March 31, 2018	for year ended March 31, 2017
Deferred tax liabilities	**3,560.72**	**2,666.26**
Accelerated depreciation for tax purposes	3,182.80	2,633.70
Difference in book base and tax base in investments	62.04	32.56
Impact on fair valuation of investments	315.88	-
Gross deferred tax liabilities (a)	**3,560.72**	**2,666.26**
Deferred tax assets	**2,516.02**	**1,941.62**
Effect of expenditure debited to the statement of Profit and Loss in the current year/earlier years but allowed for tax purposes in following years	563.43	475.35
Unabsorbed depreciation/ Business Losses	1,416.26	1,331.59
Others	536.33	134.68
Gross deferred tax assets (b)	**2,516.02**	**1,941.62**
Mat Credit (c)	934.27	698.64
Deferred tax liabilities (net)	**110.43**	**26.00**

Reconciliation of deferred tax liabilities (net):

₹ in Lakhs

Particulars	for year ended March 31, 2018	for year ended March 31, 2017
Opening balance as of	26.00	294.12
Tax expense/(income) during the period recognised in the statement of profit or loss	296.80	(26.94)
Tax expense/(income) during the period recognised in OCI	23.26	(1.72)
Closing balance as at	**346.06**	**265.46**
Mat Credit	(235.63)	(239.46)
Closing balance as at	**110.43**	**26.00**

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

The Group has business losses of INR 303.09 lakhs for March 31, 2017 for that are available for offsetting against future taxable profits of the Company which will expire in March 2025 and unabsorbed depreciation of INR 4,081.05 lakhs for March 31, 2017 for that are available for offsetting. The permanent and temporary differences for the year ended March 31, 2018 are based on the draft tax computation for the said period.

34. A. COMMITMENTS AND CONTINGENCIES

A. Contingent liabilities not provided for

₹ in Lakhs

S. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i.	Claims against the group not acknowledged as debts (Refer note (a)) - Excise duty demands - Service tax demands	3,146.20	1,414.78
ii.	Contingent liability for pending C form's from customers (Refer note (b))	217.69	677.30
iii	Pending Legal Cases		

Note:

a. Contingent liability with respect to item (i) above represents disputed excise and service tax demands pertaining to various years ranging from Financial Year 2005-06 to 2014-15.

All these matters are pending with various judicial/appellate authorities and the Company believes that it has merit in these cases and more likely than not the Company will succeed in these cases.

b. Contingent liability for pending C forms from customers represent pending liability C forms liability from FY 2011-12 to FY 2017-18. The Company is under process of collecting the same from respective customers and the Company believes that the same would be collected before assessment of respective years.

c. (i) Suit No. – 148 OF 2003 SURINDER MADAN SINGH VS. DINESH KUMAR & OTHERS BEFORE ACJ (Sr. Director) DEHRADUN- A suit for injunction was filed by Sh. Surinder Madan Singh (ex-owner of property) against S. Dinesh Kumar and 25 Others from trespassing on the property. The Court passed an interim order restraining Mr. Dinesh Kumar & Others from trespassing into the property and not to disturb peaceful possession of the Plaintiff which is still in force. An application was filed by the Trophy Estates Private Limited, Mr. Analjit Singh and Analjit Singh (HUF) for becoming a party in the matter. The matter is pending adjudication.

(ii) A Suit no. 565 of 1993 titled RK VERMA vs. SM SINGH was filed for cancellation of sale deed before Civil Judge (Snr. Div.) Dehradun. The Court dismissed the said suit on the basis of the submission made by co- Plaintiff that his lease deed is not of property no 226, Dehradun and that the said property no. 226 belongs to the Defendant and dismissed the suit against R.K. Verma on the ground of non- appearance. In the year 2012, R.K. Verma filed an application for restoration of suit before Civil Judge Snr. Div as well as an appeal. The matter is pending adjudication.

(iii) CASE NO. 3 OF 2011-12 before Assistant Collector Class I, Dehradun- R. K. Verma filed a case before Assistant Collector class I, Dehradun for declaration of the Sale Deeds as null and void. The Court vide order dated 23rd July, 2012 quashed the said suit as the land is an abadi land and the court has no jurisdiction. On 22nd August, 2012 an appeal was filed by Dr. R. K. Verma before Additional Commissioner, Garhwal Division, Uttarakhand. The appeal was dismissed on ground of non-appearance on 24 July, 2013. In September, 2013 application was moved by the Dr. R. K. Verma for restoration of appeal. This was also dismissed on 16th January 2015 on the ground of jurisdiction (i.e. abadi land). Thereafter, Second Appeal was filed by Dr. R. K. Verma before additional Commissioner / Chief Revenue Commissioner. The Court dismissed the appeal on 13th August 2015 on the ground that the property is abadi property and hence the court has no jurisdiction to hear the said appeal. Dr. R.K. Verma filed a Civil Miscellaneous Writ Petition no. 2159 of 2015 before High Court of Nainital challenging the order dated 13th August 2015 passed by additional Commissioner /Chief Revenue Commissioner on the ground that no opportunity of hearing was granted by the Chief Revenue Commissioner. The matter is pending adjudication.

B Capital and other commitments

A. Capital commitment

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	10,730.12	12,769.93
Less: Capital advances	273.63	233.10
Net capital commitment for acquisition of capital assets	**10,456.49**	**12,536.83**

C Operating lease commitments - Company as lessee

The Group has entered into operating leases for its office spaces under operating lease agreements. The lease rental expense recognised in the statement of profit and loss for the year is Rs. 348.05 lakhs (March 31, 2017: Rs. 314.77 Lakhs).

(i) Future minimum lease rentals payable under non cancellable operating leases as at 31st March are as follows :

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
- Within one year	325.94	325.95
- After one year but not more than 5 years	780.22	1,106.16
- More than 5 years	494.48	445.62

D Other Commitments

The Group has entered into an agreement to sell dated July 14, 2017 ("Agreement to Sell") with Pharmax Corporation Limited for the purchase of built-up area of the first floor of the building and 50% of the built up area of the second floor of the building along with an undivided interest equivalent to 50% of the underlying parcel of land and pro rata allocation of the common areas, along with the rights, easements, privileges appurtenant thereto, including but not limited to, any further increase in FAR area if and when allowed by the authorities at Max House for the development of the Okhla Project currently being held by Pharmax Corporation Limited for an aggregate consideration of Rs. 2,750 lakhs. Subsequently, by an Amendment Agreement to the Agreement to Sell dated March 1, 2018, the consideration was revised to Rs. 2,700 lakhs.

Annexure- V
Notes forming part of the financial statements

35. OTHER NOTES TO ACCOUNTS

A) Acquisition of Wise Zone Builders Private Limited (Wise)

On April 29th 2017,the Group has acquired 100% stake in Wise Zone Builders Private Limited (Wise), a non-listed entity in India. The identifiable assets and liabilities of Wise as at the date of acquisition were:-

₹ in Lakhs

Assets	
Inventories (Refer note (i))	50,615.99
Cash and cash equivalents	0.87
	50,616.86
Liabilities	
Other non-current liabilities	4,825.48
Short term borrowings	6,315.00
Other current liabilities	39,475.72
	50,616.20
Total identifiable net assets at fair value	**0.66**
Purchase consideration transferred	**1.00**
Net Cash flows on acquisition	**1.00**

(i) The Group has got 3352 sqmt of land in Delhi one Project situated at Plot no C 001/A, Sector 16, Noida

(ii) The Group has taken over the liabilities payable to Piveta Estates Private Limited, related party and to the Noida Authority .

(B) Approval from shareholders for cancellation of area purchase agreement

Noida Authority had leased Plot No. C-001/A, Sector 16B, Noida admeasuring 40,056.72 square meters (Forty thousand fifty six point seventy two) (hereinafter referred to as the "Land") in favour of Boulevard Projects Private Limited ("BPPL"),the special purpose company of Vistar Constructions Private Limited, Three C Developers Private Limited, Advance eGraphics Complogic Solutions Private Limited and Jaksons Limited for a term of ninety (90) years commencing from June 29, 2010 ("Lease Deed"). In terms of the said Lease Deed and after obtaining requisite approvals, BPPL initiated the process of constructing a commercial complex for commercial activities including hotel, commercial areas, office, retail outlets etc. by the name of 'Delhi One' ("Complex") on the Land.

Piveta Estates Private Limited ('Piveta'), an entity forming part of the Promoter group is a customer of BPPL who had executed an Agreement dated September 4, 2013 and an addendum thereto dated July 27, 2016 with BPPL for purchase of Super Built Up Area admeasuring 5,91,104 square feet (Five lakh ninety one thousand one hundred and four) alongwith car parking area, all passageways and other facilities at the Complex (referred as 'Piveta's Tower'). BPPL obtained an in-principle approval from Noida Authority dated February 3, 2017 for the sub-division of the Plot No. C-001/A, Sector-16B, Noida into sub plot no. C-1A/1, Sector 16B, Noida admeasuring 3,352 square meters (Three thousand three hundred fifty-two) containing Piveta's Tower ("Sub-Divided Plot") in favour of Wise Zone Builders Private Limited (then a wholly owned subsidiary of BPPL) ("Wise"). Subsequently, BPPL, Wise and the Noida Authority entered into a Sub-Lease Deed dated April 28, 2017 by which BPPL demised the Sub-Divided Plot on lease to Wise.

In the year 2013, Piveta sold out 115,000 sqft. collectively to (i) Max India Limited, now renamed as Max Financial Services Limited ('MFSL') and (ii) Max Life Insurance Company Limited ("MLIC") for Rs. 140.30 Crores.

Upon obtaining consent from Piveta, BPPL and Wise entered into a Novation Agreement dated April 29, 2017 under which BPPL novated its rights and obligations for development, further construction and conveyance of Piveta's Tower, and assets/area under construction in favour of Wise. Thereafter, Max Estates Limited, a wholly owned subsidiary of the Company purchased 100% of the share capital of Wise by executing a share purchase agreement dated April 29, 2017. Basis the above, Wise became a step down wholly owned subsidiary of the Company w.e.f. April 29, 2017. Further, Noida Authority also recognized the change in shareholding pattern of Wise vide their letter dated October 26, 2017. Piveta requested Wise to cancel the entire Area Purchase Agreement dated September 4, 2013, addendum agreement dated July 27, 2016, and all other related agreements executed by it for purchase of aggregate Super Built Up Area admeasuring 591,104 square feet along with car parking area, all passageways and other facilities at the Complex.

Piveta requested Wise to cancel the entire Area Purchase Agreement dated September 4, 2013, addendum agreement dated July 27, 2016, and all other related agreements executed by it for purchase of aggregate Super Built Up Area admeasuring 591,104 square feet along with car parking area, all passageways and other facilities at the Complex.

The shareholders of Company on December 19, 2017, through a postal ballot process on November 7, 2017, approved the cancellation of area purchase agreement dated September 4, 2013, addendum agreement dated July 27, 2016, and agreement dated July 27, 2016 and all other related agreements executed by Company for the purchase of aggregate super built up area admeasuring 591,104 square feet along with car parking area, all passageways and other facilities at the complex between Piveta and Boulevard Projects Private Limited, erstwhile holding company of Wise. Consequent to above approval, rights and obligations of Piveta towards sale of 115,000 square feet area to Max Financial Services Limited and Max Life Insurance Company Limited aggregating to ₹ 14,030 lakhs will be assigned/novated in favour of Wise.

On February 5, 2018, Wise availed a loan of ₹ 25,000 lakhs from IDFC Bank Limited to finance its payment made for the transfer of rights for commercial towers situated at Max Towers located in the Delhi One campus, Noida.

36.1 GRATUITY

The Group has a defined benefit gratuity plan. Under Gratuity Plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Max Speciality Films Limited has purchased insurance policy, which is basically a year - on - year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

ii) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

iii) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

iv) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

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

₹ in Lakhs

	March 31, 2018	March 31, 2017	April 1 2016
a) **Reconciliation of opening and closing balances of defined benefit obligation**			
Defined benefit obligation at the beginning of the period/year	691.85	670.76	670.76
Interest costs	50.53	52.32	-
Current service cost	76.98	71.70	-
Benefit paid	(92.04)	(110.77)	-
Acquisition adjustment	-	1.55	-
Remeasurement of (Gain)/loss in other comprehensive income	(69.44)	6.29	-
Defined benefit obligation at period/year end	**657.88**	**691.85**	**670.76**
b) **Reconciliation of opening and closing balances of fair value of plan assets**			
Fair value of plan assets at beginning of the period/year	130.80	226.97	226.97
Interest Income	9.55	17.70	-
Benefits paid	(82.84)	(110.77)	-
Remeasurement of (Gain)/loss in other comprehensive income	(1.64)	(3.08)	-
Fair value of plan assets at year end	**55.87**	**130.82**	**226.97**
c) **Net defined benefit asset/ (liability) recognized in the balance sheet**			
Fair value of plan assets	55.87	130.82	226.97
Present value of defined benefit obligation	657.88	691.85	670.76
Amount recognized in balance sheet- asset / (liability)	**(602.01)**	**(561.03)**	**(443.79)**

₹ in Lakhs

d) Other comprehensive income	March 31, 2018	March 31, 2017	April 1 2016
Actuarial changes arising from changes in demographic assumptions	(5.77)	-	-
Actuarial changes arising from changes in financial assumptions	(47.49)	27.61	-
Actuarial changes arising from changes in experience adjustments	(16.18)	(21.32)	10.43
	(69.44)	**6.29**	**10.43**

e) Net defined benefit expense (recognized in the statement of profit and loss for the period/year			
Current service cost	76.98	71.70	
Interest cost on benefit obligation	40.98	34.62	
Net defined benefit expense debited to statement of profit and loss	**117.96**	**106.32**	

* capitalised Rs.4.86 lakhs (March 31, 2017 - Rs. 4.66 lakhs) in inventory

f) Broad categories of plan assets as a percentage of total assets			
Insurer managed funds in Max Speciality Films Limited , Subsidiary	100%	100%	100%

g) **Principal assumptions used in determining defined benefit obligation**

₹ in Lakhs

Assumption particulars	As At March 31, 2018	As At March 31, 2017	As At April 1 2016
Discount rate	7.3%-7.8%	7.3% - 7.9%	7.3% - 8%
Future Salary Increases	8% - 10%	9% - 10%	9% - 10%
Mortality Rate (% of IALM 06-08)	100.00%	100.00%	100.00%

h) Quantitative sensitivity analysis for significant assumptions is as below:	March 31, 2018	March 31, 2017	April 1 2016
Increase / (decrease) on present value of defined benefits obligations at the end of the period/year			
Discount rate			
Increase by 0.50%	(44.31)	(56.47)	(48.18)
Decrease by 0.50%	49.95	67.16	54.71
Salary growth rate			
Increase by 0.50%	48.25	65.56	53.53
Decrease by 0.50%	(43.87)	(56.17)	(48.08)

i) Maturity profile of defined benefit obligation (valued on undiscounted basis)	March 31, 2018	March 31, 2017	April 1 2016
Within the next 12 months (next annual reporting period)	43.15	36.13	
Between 2 and 5 years	195.54	162.35	
Beyond 5 Years	419.19	493.36	
Total expected payments	**657.88**	**691.84**	**670.76**

j) The average duration of the defined benefit plan obligation at the end of the reporting period is 12 - 21 Years (March 31, 2017 : 12 -20 years)

k) The Group expects to contribute Rs 88.72 Lakhs (March 31, 2017: Rs.90.94 Lakhs March 31, 2016 : Rs.90.54 Lakhs) to the planned assets during the next financial year.

l) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

m) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

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

o) **Risk Exposure**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

36.2 Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit & Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit & Loss and the Leave encashment liability at the beginning and at the end of the year :

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Liability at the beginning of the period	182.48	147.91
Benefits paid during the period	30.85	30.50
Acquisition adjustment during the period/year	-	1.90
Provided during the period	63.57	63.17
Liability at the end of the period	**215.20**	**182.48**

36.3 Employee Stock Option Plan

Employee Stock Option Plan – 2006 ("the 2006 Plan"):

1) Pursuant to the Scheme of Demerger, with respect to the employee's stock options granted by the De-Merged company i.e. Max Financial Services Limited (MFS) to its employees (irrespective of whether they continue to be employees of MFS or become employees of the Company) shall be allotted one stock option by the Company under the new ESOP scheme for every five stock option held in MFS. Accordingly, ESOP outstanding as on the effective date in MFS shall be allocated between the demerged company and resulting companies. Accordingly, 500,712 stock options were granted to the employees of MFSL and outstanding as on Effective date i.e. January 15, 2016 are eligible for stock options under new ESOP scheme on similar terms and conditions.

The details of activity under the Scheme are summarized below:

Particulars	March 31, 2018		March 31, 2017		April 01, 2016	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	**443,504**	**10.00**	500,712	10.00	-	
Option grant during the year	**-**	**10.00**	-	-	627,757	10.00
Forfeited during the year	**-**	**10.00**	-	-	30,800	10.00
Exercised during the year	**221,333**	**10.00**	57,208	10.00	96,245	10.00
Outstanding at the end	**222,171**	**10.00**	443,504	10.00	500,712	10.00
Exercisable at the end	**1,130**	**10.00**	1,130	10.00	1,000	10.00

For options exercised during the year, the weighted average share price at the exercise date was Rs.10.00 per share (March 31, 2017 : Rs 10.00) per share.

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2018 are as follows:

Date of grant	March 31, 2018		March 31, 2017		April 01, 2016	
	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years
21-Jan-16	**222,171**	**1.87**	443,504	2.61	500,712	3.61

During the year ended March 31, 2018, 221,333 (March 31, 2017 - 57,208) nos of stock options were allotted to the aforesaid option holders by the Company.

2) The Company has constituted an Employee Stock Option Plan - 2016 which have been approved by the Board in the meeting held on 9th August 2016 and by shareholders of the Company in its annual general meeting held on September 27, 2016 based on similar terms and conditions to the relevant ESOP plan of MFSL. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee constituted by the Board of Directors. The 2016 Plan gives an option to the employee to purchase the share at a price determined by Nomination and Remuneration committee subject to minimum par value of shares (Rs. 10/-). The Company has valued Employee Stock Option outstanding as at year end presuming all the employees will exercise their option in favor of cash settlement or equity settlement based on trend. 193,570 options were granted during the year w.e.f April 01, 2018 under this plan.

36.4 Phantom Stock Policy (Cash Settled)

During the current year, Nomination & Remuneration Committee has approved the Phantom stock policy where during the year, Group has granted 94,761 units to its employees that entitle them to a cash payment after exercise of option on its vesting date. The amount of cash payment is determined based on the increase in the share price of the Group between grant date and the time of exercise. NRC has approved conversion of unvested phantom stock option of its employees into ESOP w.e.f April 1, 2018 where unvested Phantom stock options (cash settled) i.e. 144,333 units will get converted into Employee stock option (equity settled) and employees will be entitled for 193,570 employee stock options under Employee Stock Option Plan - 2016. Total ESOP grant value is determined based on estimated benefit value for unvested PSPs as originally anticipated at time of PSP grant, plus a top up benefit to compensate for delayed vesting. However, the liability recognised under this PSP plan of Rs. 23.12 lakhs doesn’t have the material impact on conversion of plan.

₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
Opening Balance	-	-
Expenses during the period/ year	23.12-	-
Closing Balance	23.12-	-

36.5 Provident Fund

The Company and Max Speciality Films Limited, subsidiary of the Company is participating in a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its affiliates, which is managed by Max Financial Services Limited. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan as per Ind AS-19.

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Group.

The Actuarial Society of India has issued the final guidance for measurement of provident fund liabilities. The actuary has accordingly provided a valuation for "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max Financial Services Limited and its affiliates based on assumptions provided below.

The details of fund and plan asset position as at March 31, 2018 as per the actuarial valuation of active members are as follows:

₹ in Lakhs

	March 31, 2018	March 31, 2017
Plan assets at year end at fair value	2,332.64	2,541.44
Present value of defined benefit obligation at year end	2,300.33	2,503.31
Surplus as per actuarial certificate	32.31	38.13
Shortfall recognized in balance sheet	**-**	**-**
Active members as at year end (Nos)	434	428

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

₹ in Lakhs

	March 31, 2018	March 31, 2017
Discount rate	7.18%	7.51%
Yield on existing funds	8.94%	8.79%
Expected guaranteed interest rate	8.55%	8.65%

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

₹ in Lakhs

	March 31, 2018	March 31, 2017
Employer's Contribution towards Provident Fund (PF)	58.58	61.37
	58.58	**61.37**

37. HEDGING ACTIVITIES AND DERIVATIVES

Derivative not designated as hedging instruments.

The Group uses foreign exchange forward contracts, to manage its foreign currency exposures. These contracts are not designated as cash flow hedges and are entered into for periods consistent with underlying transactions exposure with general tenure of 1 to 5 months.

38. FAIR VALUE OF FINANCIAL INSTRUMENTS

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

₹ in Lakhs

Category	Carrying value					
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Financial asset at amortized cost						
Non-Current						
Loans (refer note no 5 (ii))	462.34	356.30	299.23	462.34	356.30	299.23
Financial assets (refer note no 5 (iii))	747.56	-	0.76	747.56	-	0.76
Current						
Loans (refer note no 9(iii))	63.96	167.14	98.87	63.96	167.14	98.87
Other-current financial assets (9(vii))	637.89	108.81	109.01	637.89	108.81	109.01
Financial asset measured at fair value						
Non-Current						
Investments (refer note no 5(i))	9,027.67	5,104.72	-	9,027.67	5,104.72	-
Current						
Current derivative instruments (refer note no 9(vi))	53.67	41.91	18.63	53.67	41.91	18.63
Current investments (refer note no 9(i))	5,733.73	12,293.42	-	5,733.73	12,293.42	-
Financial liabilities at amortized cost						
Non-Current borrowings including current maturities (refer note 13 and (18(iii))	24,744.91	20,467.83	19,648.43	24,744.91	20,467.83	19,648.43
Current borrowings (refer note 18(i))	43,156.00	12,045.62	7,724.36	43,156.00	12,045.62	7,724.36

The Group's management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors and other current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of loan taken, other non current financial assets and other non current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable inputs in the model, of which the significant observable inputs are market rate of interest which is 9-11% approximately. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value.

The fair value of investment in unquoted equity shares/ debt instruments and preference shares have been estimated using a discounted cash flow model. The valuation requires the management to make certain assumptions about the model inputs, including growth rate , discount rate etc. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments

The Group has investment in quoted mutual funds being valued at quoted market price in active markets.

The Group enters into derivative financial instruments such as foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market provided by Bank for valuation of these derivative contracts.

The fair values of the Group's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2018 was assessed to be insignificant.

Fair value hierarchy

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

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

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

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

(i) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2018

₹ in Lakhs

Particulars	Carrying value March 31, 2018	Fair value		
		Level 1	Level 2	Level 3
Loans (refer note no 5 (ii))	462.34	-	462.34	-
Non-Current financial assets (refer note no 5 (iii))	747.56	-	747.56	-
Current Loans (refer note no 9(iii))	63.96	-	63.96	-
Other-current financial assets (9(vii))	637.89	-	637.89	-
Current derivative instruments (refer note no 9 (vi))	53.67	-	53.67	-
Non-Current investments (refer note no 5(i))	9,027.67	-	-	9,027.67
Current investments (refer note no 9(i))	5,733.73	5,733.73	-	-

(ii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2017

₹ in Lakhs

Particulars	Carrying value March 31, 2017	Fair value		
		Level 1	Level 2	Level 3
Loans (refer note no 5 (ii))	356.30	-	356.30	-
Current Loans (refer note no 9(iii))	167.14		167.14	-
Other-current financial assets (9(vii))	108.81	-	108.81	-
Current derivative instruments (refer note no 9(vi))	41.91	-	41.91	-
Non-Current investments (refer note no 5(i))	5,104.72	-	-	5,104.72
Current investments (refer note no 9(i))	12,293.42	12,293.42	-	-

(iii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on April 1, 2016

₹ in Lakhs

Particulars	Carrying value April 1, 2016	Fair value		
		Level 1	Level 2	Level 3
Loans (refer note no 5 (ii))	299.23	-	299.23	-
Current Loans (refer note no 9(iii))	98.87	-	98.87	-
Current derivative instruments (refer note no 9(vi))	18.63	-	18.63	-
Other-current financial assets (9(vii))	109.01	-	109.01	-

(iv) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2018

₹ in Lakhs

Particulars	Carrying value March 31, 2018	Fair value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note 13, 18(iii))	24,744.91	-	24,744.91	-
Current borrowings (refer note 18(i))	43,156.00	-	43,156.00	-

(v) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2017

₹ in Lakhs

Particulars	Carrying value March 31, 2017	Fair value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note 13,18(iii))	20,467.83	-	20,467.83	-
Current borrowings (refer note 18(i))	12,045.62		12,045.62	-

(vi) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on April 1, 2016

₹ in Lakhs

Particulars	Carrying value March 31, 2017	Fair value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note 13,18(iii))	19,648.43	-	19,648.43	-
Current borrowings (refer note 18(i))	7,724.36	-	7,724.36	-

Reconciliation of fair value measurement of investment in unquoted equity shares/debentures/preference shares/ venture capital fund measured at FVTPL: (Level III)

Particulars	₹ in Lakhs
As at April 01, 2016	**-**
Purchase	5,104.72
Impact of fair value movement	-
sales	-
As at March 31, 2017	**5,104.72**
Purchase	3,722.94
Impact of fair value movement	989.39
sales	(789.38)
As at March 31, 2018	**9,027.67**

The significant unobservable inputs used in the fair value measurement categorised with Level 3 of the fair value hierarchy together with quantitative sensitivity analysis as on March 31, 2018 and March 31, 2017.

Description of significant unobservable inputs to valuation:

Particulars	Valuation technique	Significant unobservable inputs	Increase/ decrease in rate	March 31, 2018	March 31, 2017
Unquoted debentures, Preference shares and Equity Shares of Azure Hospitality Private Limited	DCF	Growth Rate	1%	Increase in Growth rate by 1% leads to profit higher by Rs. 2,394 lakhs and decrease in growth rate by 1% leads to profit lower by Rs. 1,596 lakhs	Increase in Growth rate by 1% leads to profit higher by Rs. 1,123 lakhs and decrease in growth rate by 1% leads to profit lower by Rs. 749 lakhs
Unquoted debentures, Preference shares and Equity Shares of Azure Hospitality Private Limited	DCF	Discount rate	1%	Increase in Discount rate by 1% leads to profit lower by Rs. 339 lakhs and decrease in growth rate by 1% leads to profit higher by Rs. 355 lakhs	Increase in Discount rate by 1% leads to profit lower by Rs. 160 lakhs and decrease in growth rate by 1% leads to profit higher by Rs. 166 lakhs
Unquoted equity shares of FSN E-Commerce Ventures Private Limited	DCF	Growth Rate	1%	Increase in Growth rate by 1% leads to profit higher by Rs. 192 lakhs and decrease in growth rate by 1% leads to profit lower by Rs. 151 lakhs	Increase in Growth rate by 1% leads to profit higher by Rs. 286 lakhs and decrease in growth rate by 1% leads to profit lower by Rs. 214 lakhs
Unquoted equity shares of FSN E-Commerce Ventures Private Limited	DCF	Discount rate	1%	Increase in Discount rate by 1% leads to profit lower by Rs. 203 lakhs and decrease in discount rate by 1% leads to profit higher by Rs. 259 lakhs	Increase in Discount rate by 1% leads to profit lower by Rs. 264 lakhs and decrease in discount rate by 1% leads to profit higher by Rs. 356 lakhs

The IAN Fund is holding units in seed and very early stage start-up companies and many of the companies has recently started operations. The Group has invested Rs. 22.98 lakhs in Fund and the fair value of the investment in IAN fund as on March 31, 2018 is Rs. 16.54 lakhs. The change in the valuation by 1% may not have material impact on the group.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses forward covers to hedge foreign currency risk exposures. Financial risk management is carried out by Banking and Forex department under policies approved by the Board of Directors from time to time. The Banking and Forex department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The Board of Directors approves written principles for overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Group is exposed to market risk, credit risk and liquidity risk. These risks are managed pro-actively by the Senior Management of the Group, duly supported by various Groups and Committees.

a) Liquidity risk

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

The table below represents the maturity profile of Group's financial liabilities at the end of March 31, 2018, March 31, 2017 and April 01, 2016 based on contractual undiscounted payments :-

₹ in Lakhs

April 1, 2016	**0-1 Years**	**1-5 Years**	**More than 5 Years**	**Total**
Interest bearing borrowings	10,072.53	9,598.59	8,497.50	28,168.62
Trade payable	5,371.46			5,371.46
Other financial liabilities	298.93			298.93
March 31, 2017				
Interest bearing borrowings	13,642.92	13,098.57	6,445.79	33,187.28
Trade payable	8,470.60	2,033.42	-	10,504.02
Other financial liabilities	423.90	-	-	423.90
March 31, 2018				
Interest bearing borrowings	47,781.91	15,524.57	5,141.17	68,447.65
Trade payable	16,440.73	1,391.32	-	17,832.05
Other financial liabilities	2,626.76	-	-	2,626.76

Interest bearing borrowings *

Excludes interest cash outflow as borrowings are on floating rate of interest.

Reconciliation of Interest bearing borrowings ₹ in Lakhs

	Schedule no	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
(i) Non-Current borrowings	13	20,119.00	18,870.53	17,300.28
(ii) Short-term borrowings	18	43,156.00	12,045.62	7,724.36
(iii) Current maturity of long term borrowings	18	4,625.91	1,597.30	2,348.15
Processing fees adjusted from borrowings		546.74	673.83	795.83
		68,447.65	**33,187.28**	**28,168.62**

Reconciliation of other financial liability ₹ in Lakhs

	Schedule no	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Other financial liabilities	18	7,252.67	2,021.20	2,647.08
Less: Current maturities of long term borrowings	18	(4,625.91)	(1,597.30)	(2,348.15)
		2,626.76	**423.90**	**298.93**

b) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) , including deposits with banks, foreign exchange transactions and other financial assets.

(i) Trade receivables

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management team assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. An impairment analysis is performed at each reporting date on group\category basis. The calculation is based on exchange losses historical data and available facts as on date of evaluation. Trade receivables comprise a widespread customer base. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Group. The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2018, March 31, 2017 is the carrying amounts as illustrated in note 5 and 9.

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2018, and March 31, 2017.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro, Rand and GBP exchange rates, with all other variables held constant. The impact on the Group profit before tax is due to changes in the fair value of monetary assets and liabilities.

Unhedged foreign currency exposures recognized by the Group are as under:

₹ in Lakhs

Currency	March 31, 2018 Foreign currency	March 31, 2018 Indian rupees	Currency	Increase/ decrease in rate	Impact on profit before tax (Decrease in rate)	Impact on profit before tax (Increase in rate)
Trade payables	2.31	188.52	Euro	1%	1.89	(1.89)
Capital trade payables	22.91	1,867.17	Euro	1%	18.67	(18.67)
Buyers credit-Short term borrowings	57.55	4,691.00	Euro	1%	46.91	(46.91)
Buyers credit-Long term borrowings	15.01	1,223.31	Euro	1%	12.23	(12.23)
Trade receivables	15.10	1,137.60	Euro	1%	(11.38)	11.38
Trade payables	1.36	126.47	GBP	1%	1.26	(1.26)
Trade receivables	0.49	44.85	GBP	1%	(0.45)	0.45
Buyers credit-Short term borrowings	0.03	2.59	GBP	1%	0.03	(0.03)
Trade payables	23.31	1,523.20	USD	1%	15.23	(15.23)
Trade receivables	22.58	1,456.28	USD	1%	(14.56)	14.56
Buyers credit-Long term borrowings	0.72	46.76	USD	1%	0.47	(0.47)
Buyers credit-Short term borrowings	3.49	227.50	USD	1%	2.27	(2.27)

₹ in Lakhs

Currency	March 31, 2017 Foreign currency	March 31, 2017 Indian rupees	Currency	Increase/ decrease in rate	Impact on profit before tax (Decrease in rate)	Impact on profit before tax (Increase in rate)
Trade payables	3.90	275.70	Euro	1%	2.76	(2.76)
Buyers credit-Long term borrowings	14.96	1,058.72	Euro	1%	10.59	(10.59)
Interest Accrued but not due on Buyers Credit	0.06	4.58	Euro	1%	0.05	(0.05)
Trade receivables	3.39	229.79	Euro	1%	(2.30)	2.30
Trade payables	0.50	41.34	GBP	1%	0.41	(0.41)
Buyers credit-Short term borrowings	3.14	259.63	GBP	1%	2.60	(2.60)
Interest Accrued but not due on Buyers Credit	0.04	3.44	GBP	1%	0.03	(0.03)
Trade payables	0.78	3.74	Rand	1%	0.04	(0.04)
Trade payables	20.69	1,362.14	USD	1%	13.62	(13.62)
Trade receivables	11.80	753.93	USD	1%	(7.54)	7.54
Buyers credit-Short term borrowings	1.58	104.18	USD	1%	1.04	(1.04)
Buyers credit-Long term borrowings	28.49	1,875.18	USD	1%	18.75	(18.75)
Packing credit	0.00	0.28	USD	1%	0.00	(0.00)
Interest Accrued but not due on Buyers Credit	0.07	4.51	USD	1%	0.05	(0.05)

The Group has derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. The details of the outstanding foreign exchange forward are as follows:

₹ in Lakhs

Particulars	Currency	March 31, 2018		March 31, 2017	
		Foreign currency	Indian Rupee	Foreign currency	Indian Rupee
Receivables (Forward contract Sell)	USD	0.84	54.32	8.45	539.63
Receivables (Forward contract Sell)	Euro	-	-	14.94	1,011.31
Receivables (Forward contract Sell)	GBP	0.94	85.28	0.84	66.97
Payables (Forward contract Buy)	USD	27.84	1,819.18	-	-
Payables (Forward contract Buy)	Euro	81.81	6,668.33	-	-
Payables (Forward contract Buy)	GBP	3.14	291.49	-	-

(ii) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligation at floating interest rates

₹ in Lakhs

Year	Increase/decrease in interest rate	Effect on profit before tax (Decrease)	Effect on profit before tax (Increase)
March 31,2018	0.50%	(139.46)	139.46
March 31,2017	0.50%	(99.77)	99.77

* excludes short term borrowings i.e. Cash credit, packing credit and working capital demand loan.

iii) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activates require the ongoing purchase of raw material and therefore requires a continues supply. The Company operations may impact due to changes in prices of those raw materials.

Commodity price sensitivity of Raw material

₹ in Lakhs

Nature	Change in year end price	Effect on profit before tax
For the year ended March 31, 2018	10%	(5,232.82)
For the year ended March 31, 2018	-10%	5,232.82
For the year ended March 31, 2017	10%	(4,654.59)
For the year ended March 31, 2017	-10%	4,654.59

40. RELATED PARTY DISCLOSURES

Names of related parties where control exists irrespective of whether transactions have occurred or not	
Subsidiary companies	Max Speciality Films Limited Max Estates Limited Max I. Limited Max Learning Limited
Step down subsidiary	Wise Zone Builders Private Limited
Names of other related parties with whom transactions have taken place during the year	
Key management personnel	Mr. Sahil Vachani (Managing Director) Mr. Analjit Singh (Director) Mr. Nitin Kumar Kansal (Chief Financial Officer) w.e.f August 9, 2016 Mr. Gopalakrishnan Ramachandran (Company Secretary) w.e.f January 15, 2018 Mr. Alok Goel (Company Secretary) upto October 3, 2017 Mr. Mohit Talwar Mr. K.N Murthy Mr. D.K Mittal Ms. Sujata Keshavan w.e.f. March 17, 2017 Mr. Ashok Kacker w.e.f. January 15, 2016 Ms. Sujatha Ratnam upto June 28, 2017 Mr. S.K Bijlani upto March 8, 2017 Mr. N.C Singhal upto August 10, 2016
Relatives of Key Management personnel	Mr. Veer Singh (Son of Mr. Analjit Singh - Director) Ms. Piya Singh (Daughter of Mr. Analjit Singh - Director)
Entities controlled or jointly controlled by person or entities where person has significantly influence	Max Ventures Private Limited Piveta Estates Private Limited Siva Realty Ventures Private Limited New Delhi House Services Limited Vana Enterprises Limited Four Season Foundation Lake View Enterprises Siva Enterprises Private Limited Leeu Collections South Africa Pty Limited Pharmax Corporation Limited Azure Hospitality Private Limited Max Healthcare Institute Limited Max Life Insurance Company Limited Max Bupa Health Insurance Company Limited Antara Purukul Senior Living Limited Icare Health Projects And Research Private Limited Max India Limited Max India Foundation Max Financial Services Limited Riga Foods LLP M/s Analjit Singh (HUF) Trophy Estates Private Limited Max UK Limited
Employee benefit Trust	Max Financial Services Limited Employees' Provident Fund Trust Max Speciality Films Limited Employees Group Superannuation Trust

40 (a) Details of transactions and balance outstandings with related parties

₹ in Lakhs

S.No	Nature of transaction	Particulars	March 31, 2018	March 31, 2017
1	**Reimbursement of expenses (Received from)**	Piveta Estates Private Limited	11.26	2.79
		Four Season Foundation	0.03	12.60
		New Delhi House Services Limited	-	0.29
		Max Ventures Private Limited	3.34	33.95
		Max Financial Services Limited	2.50	-
		Max India Limited	0.14	-
		Max Healthcare Institute Limited	0.16	-
		Siva Realty Ventures Private Limited	0.08	0.75
		Total	**17.51**	**50.38**
2	**Reimbursement of expenses (Paid to)**	Max Financial Services Limited	159.68	151.33
		Max India Limited	0.13	-
		New Delhi House Services Limited	34.05	26.24
		Max Ventures Private Limited	7.08	13.56
		Leeu Collections South Africa Pty Limited	7.77	-
		Max Life Insurance Company Limited	4.65	-
		Max Healthcare Institute Limited	0.65	-
		Vana Enterprises Limited	0.27	-
		Icare Health Projects & Research Private Limited	14.95	82.23
		Piveta Estates Private Limited	0.38	1.54
		Riga Foods LLP	0.76	
		Total	**230.37**	**274.90**
3	**Shared Services rendered (to)**	Max Ventures Private Limited	55.51	53.37
		Piveta Estates Private Limited	7.27	10.40
		Antara Purukul Senior Living Limited	14.01	39.71
		Pharmax Corporation Limited	49.38	46.46
		Four Season Foundation	2.19	47.85
		Siva Realty Ventures Private Limited	-	2.72
		Max Financial Services Limited	1.59	-
		Max India Limited	1.41	-
		Total	**131.36**	**200.51**
4	**Purchases of materials**	Siva Realty Ventures Private Limited	-	15.61
		Total	**-**	**15.61**
5	**Insurance expense**	Max Life Insurance Company Limited	18.13	2.71
		Max Bupa Health Insurance Company Limited	32.86	-
		Total	**50.99**	**2.71**
6	**Travelling and conveyance**	Max Ventures Private Limited	1.22	2.10
		Piveta Estates Private Limited	1.88	1.38
		Siva Realty Ventures Private Limited	3.86	15.42
		Total	**6.96**	**18.90**
7	**Legal and professional**	Max UK Limited	5.86	5.59
		Total	**5.86**	**5.59**
8	**Rent expense (Paid to)**	Veer Singh	-	29.28
		Lakeview Enterprises	57.98	52.56
		Piya Singh	96.63	58.56
		Pharmax Corporation Limited	-	-
		Max Ventures Private Limited	-	28.05
		Max Financial Services Limited	4.80	32.76
		Total	**159.41**	**201.21**
9	**Expenditure on corporate social responsibility**	Max India Foundation	-	19.30
		Total	**-**	**19.30**

₹ in Lakhs

S.No	Nature of transaction	Particulars	March 31, 2018	March 31, 2017
10	**Purchase of Tangible Assets**	Max Ventures Private Limited	0.98	3.90
		Trophy Estates Private Limited	-	-
		Piveta Estates Private Limited	9.54	2.48
		Siva Realty Ventures Private Limited	24.34	16.94
		Total	**34.86**	**23.32**
11	**Contribution to employee benefit Trust**	Max Financial services Limited Employees' Provident Fund Trust	117.16	122.73
		Max Speciality Films Limited Employees Group Superannuation Trust	15.41	14.85
		Total	**132.57**	**137.58**
12	**Key managerial remuneration - Short term employement benefits**	Sahil Vachani	214.98	224.45
		Alok Goel	46.21	56.46
		Nitin Kumar Kansal	65.01	36.33
		Gopalakrishnan Ramachandran	10.92	-
		Total	**337.12**	**317.24**
13	**Key managerial remuneration - Post employement benefits***	Sahil Vachani	6.07	5.52
		Alok Goel	2.10	3.50
		Nitin Kumar Kansal	4.21	2.43
		Gopalakrishnan Ramachandran	0.48	-
		Total	**12.86**	**11.45**
14	**Sitting Fees to Directors**	Analjit Singh	3.00	6.00
		Mohit Talwar	31.00	25.00
		K.N Murthy	39.00	40.00
		D.K Mittal	22.00	24.00
		Sujata Keshavan	4.00	1.00
		Ashok Kacker	38.00	35.00
		Sujatha Ratnam	1.00	7.00
		S.K Bijlani	17.00	15.00
		N.C Singhal	-	4.00
		Total	**155.00**	**157.00**
15	**Loan taken**	Analjit Singh	-	6,100.00
		Total	**-**	**6,100.00**
16	**Loan repaid**	Analjit Singh	5,600.00	500.00
		Total	**5,600.00**	**500.00**
17	**Security deposit (given)**	Lakeview Enterprises	2.93	25.56
		Trophy Estates Private Limited	-	149.19
		Mr Analjit Singh	-	222.88
		Mr Analjit Singh HUF	-	30.23
		Total	**2.93**	**427.86**
18	**Land development rights taken**	Trophy Estates Private Limited	70.52	1,264.68
		Mr Analjit Singh	33.54	1,475.97
		Mr Analjit Singh HUF	14.29	256.25
		Total	**118.35**	**2,996.90**
19	**Interest on Initial Capex Pay Back**	Trophy Estates Private Limited	64.98	37.95
		Mr Analjit Singh	75.84	44.29
		Mr Analjit Singh HUF	13.17	7.69
		Total	**153.99**	**89.93**
20	**Issue of share warrants**	Siva Enterprises Private Limited	2,017.60	672.53
		Total	**2,017.60**	**672.53**

₹ in Lakhs

S.No	Nature of transaction	Particulars	March 31, 2018	March 31, 2017
21	**Purchase of stake in subsidiary**	Pharmax Corporation Limited	352.80	-
		Total	**352.80**	**-**
22	**Advance against land purchase**	Pharmax Corporation Limited	202.02	-
		Total	**202.02**	**-**
23	**Advances recoverable in cash or in kind**	Pharmax Corporation Limited	186.03	-
		Total	**186.03**	**-**
23	**Purchase of investments**	Azure Hospitality Private Limited	3,794.98	3,349.50
		Total	**3,794.98**	**3,349.50**
24	**Refund of Advance from Customers on Area Cancellation**	Piveta Estates Private Limited	24,510.00	-
		Total	**24,510.00**	**-**
25	**Advance from customers on area cancellation**	Max India Limited	7,320.00	-
		Max Life Insurance Company Limited	6,710.00	-
		Total	**14,030.00**	**-**

40. (b) Balances outstanding at year end

₹ in Lakhs

S.No	Nature of transaction	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	**Statutory dues payable**	Max Speciality Films Limited Employees Group Superannuation Trust	1.19	0.97	1.17
		Max Financial Services Limited Employees' Provident Fund Trust	9.58	3.38	9.12
		Total	**10.77**	**4.35**	**10.29**
2	**Trade Receivables**	Max Ventures Private Limited	62.45	-	-
		Piveta Estates Private Limited	1.73	1.93	-
		Antara Purukul Senior Living Limited	-	8.83	-
		Max Financial Services Limited	1.69	-	-
		Four Season Foundation	0.64	18.44	-
		Max India Limited	1.92	-	-
		Siva Realty Ventures Private Limited	-	2.95	-
		Total	**68.43**	**32.15**	**-**
3	**Other Receivables**	Max Ventures Private Limited	9.82	6.31	-
		Piveta Estates Private Limited	9.65	1.26	-
		Four Season Foundation	0.03	12.60	-
		Max India Limited	0.17	0.25	-
		Max Life Insurance Co. Limited	0.78	-	-
		New Delhi House Services Limited	0.09	-	-
		Siva Realty Ventures Private Limited	0.09	0.75	-
		Total	**20.63**	**21.17**	**-**

₹ in Lakhs

S.No	Nature of transaction	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
4	**Security Deposit (Receivable)**	LakeView Enterprises	28.99	43.56	18.00
		Veer Singh	-	30.00	30.00
		Piya Singh	48.32	-	-
		Total	**77.31**	**73.56**	**48.00**
5	**Trade payables**	New Delhi House Services Limited	4.80	3.23	0.94
		Lakeview Enterprises	-	11.71	7.19
		Max Life Insurance Company Limited	-	-	6.72
		Piya Singh	-	52.57	-
		Max Ventures Private Limited	1.07	-	26.22
		Piveta Estates Private Limited	8.60	3.47	0.45
		Siva Realty Ventures Private Limited	21.29	15.69	3.27
		Max UK Limited	8.81	5.59	5.42
		Max Healthcare Institute Limited	0.02	-	-
		Max India Limited	-	0.25	58.52
		Max Financial Services Limited	81.48	68.25	96.13
		Four Season Foundation	0.18	0.18	-
		Riga Foods LLP	0.75	-	-
		Icare Health Projects & Research Pvt Ltd	-	75.08	-
		Total	**127.00**	**236.02**	**204.86**
6	**Loan outstanding**	Analjit Singh	-	5,600.00	-
		Total	**-**	**5,600.00**	**-**
7	**Advances recoverable in cash or kind**	Max India Foundation	-	0.37	-
		Max Bupa Health Insurance Company Limited	0.89	-	1.64
		Pharmax Corporation Limited	231.66	-	-
		Max Life Insurance Company Limited	-	-	1.24
		Total	**232.55**	**0.37**	**2.88**
8	**Development rights payable #**	Trophy Estates Pvt Ltd	154.07	1,115.49	-
		Mr Analjit Singh	90.47	1,253.09	-
		Mr Analjit Singh HUF	31.21	226.02	-
		Total	**275.75**	**2,594.60**	**-**
9	**Interest Liability on Initial Capex Pay Back**	Trophy Estates Pvt Ltd	92.63	34.16	-
		Mr Analjit Singh	77.43	28.55	-
		Mr Analjit Singh HUF	18.76	6.92	-
		Total	**188.82**	**69.63**	**-**
10	**Advance from customers on area cancellation**	Max India Limited	7,320.00	-	-
		Max Life Insurance Company Limited	6,710.00	-	-
		Total	**14,030.00**	**-**	**-**
11	**Initial Pay Back (Construction & Development Work)**	Trophy Estates Pvt Ltd	426.22	426.22	-
		Mr. Analjit Singh	497.43	497.43	-
		Mr Analjit Singh HUF	86.36	86.36	-
		Total	**1,010.01**	**1,010.01**	**-**

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

During the year ended March 31, 2017 Max Estates Limited, Subsidiary of the Company has entered into Joint Development Agreement (JDA) with Land Owners (i.e. Trophy Estates Pvt. Ltd, Mr. Analjit Singh, Analjit Singh(HUF) for development of 1,11,060 Sq. Ft. (Built up area) vide agreement date 25th July 2016.

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period / year-end are unsecured and interest free and settlement occurs in cash\kind. There have been no guarantees provided or received for any related party receivables or payables. There is no impairment of receivables relating to amounts owed by related parties (March 31, 2017: Rs. Nil). 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.

41. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES :

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been framed by the Group. The areas for CSR activities are promoting preventive health care, promoting education, promoting gender equality and empowering women, ensuring environment sustainability and protection of flora and fauna, training to promote rural sports and rural development projects.

(a) Gross amount required to be spent by the Group for the year ended March 31, 2018 is Rs. 29.56 Lakhs (March 31, 2017: Rs.26.38 Lakhs)

(b) Amount spent during the year on :

₹ in Lakhs

Particulars	For the year ended March 31, 2018			For the year ended March 31, 2017		
	In cash (Rs. in Lakhs)	Yet to be paid in cash	Total (Rs. in Lakhs)	In cash (Rs. in Lakhs)	Yet to be paid in cash	Total (Rs. in Lakhs)
i) Construction/acquisition of any asset	-	-	-	-	-	-
ii) **On Purposes other than (i) above :**						
a) Promoting education	3.16	-	3.16	4.88	-	4.88
b) Ensuring environment sustainability and protection of flora and fauna	-	-	-	0.34	-	0.34
c) Health care services	0.03	-	0.03	0.20	-	0.20
d) Rural development projects	0.08	-	0.08	19.30	-	19.30
e) Training to promote rural sports	-	-	-	1.74	-	1.74
f) Promoting gender equality and empowering women	-	-	-	-	-	-
g) Contribution to Skill development programms	36.35	-	36.35	-	-	-
h) Others				0.11	-	0.11
Total	**39.62**	**-**	**39.62**	**26.57**	**-**	**26.57**

42 **A. Reconciliation statement of equity as previously reported under IGAAP to IND AS**

₹ in Lakhs

	Footnotes	Balance sheet as at April 1, 2016		
		IGAAP	Adjustment	IND AS
ASSESTS				
Non-current assets				
Property, plant and equipment	9,13	26,528.93	138.75	26,667.68
Capital work-in-progress	9	2,104.57	(3.57)	2,101.00
Goodwill		167.09	-	167.09
Other Intangible assets		272.78	-	272.78
Intangible assets under development		74.58	-	74.58
Financial assets			-	
(i) Loans		299.23	-	299.23
(ii) Other non current financial assets		0.76	-	0.76
Non-current tax assets		22.03	(0.78)	21.25
Other non current assets	14,1	2,738.11	(626.97)	2,111.14
		32,208.08	**(492.57)**	**31,715.51**
Current assets				
Inventories	13	5,584.47	222.58	5,807.05
Financial assets				
(i) Trade receivables		14,849.77	-	14,849.77
(ii) Cash and cash equivalents		1,288.01	-	1,288.01
(iii) Other bank balances		1.24	-	1.24
(iv) Loans		98.87	-	98.87
(v) Derivative instruments	11	88.24	(69.61)	18.63
(vi) Other financial assets		109.01	-	109.01
Other current assets		2,062.67	-	2,062.67
		24,082.28	**152.97**	**24,235.25**
TOTAL ASSETS		**56,290.36**	**(339.60)**	**55,950.76**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		5,339.68	-	5,339.68
Other equity	19	15,654.14	40.87	15,695.01
Non- controlling interest	19	157.69	34.71	192.40
Total Equity		**21,151.51**	**75.58**	**21,227.09**
Non-current liabilities				
Financial liabilities				
(i) Borrowings	14	18,096.10	(795.82)	17,300.28
Long term provisions		353.26	-	353.26
Deferred tax liabilities (net)	8	182.00	112.13	294.13
Government grant	9, 20	-	286.31	286.31
		18,631.36	**(397.38)**	**18,233.98**
Current liabilities				
Financial Liabilities				
(i) Borrowings		7,724.36	-	7,724.36
(ii) Trade payables		5,372.02	(0.56)	5,371.46
(iii) Other curent financial liabilities		2,647.08	-	2,647.08
Short term provisions		238.44	-	238.44
Other current liabilities	7	525.59	(17.24)	508.35
		16,507.49	**(17.80)**	**16,489.69**
TOTAL LIABILITIES		**35,138.85**	**(415.18)**	**34,723.67**
TOTAL EQUITY AND LIABILITIES		**56,290.36**	**(339.60)**	**55,950.76**

42. B. Reconciliation statement of equity as previously reported under IGAAP to IND AS

₹ in Lakhs

	Footnotes	Balance sheet as at March 31, 2017		
		IGAAP	Adjustment	IND AS
ASSESTS				
Non-current assets				
Property, plant and equipment	9,13	31,419.88	332.20	31,752.08
Capital work-in-progress	9	1,626.80	(48.97)	1,577.83
Goodwill	10	111.40	55.69	167.09
Other Intangible assets		353.40	-	353.40
Intangible assets under development		56.35	-	56.35
Financial assets				
(i) Investments	15	5,144.78	(40.06)	5,104.72
(ii) Loans	1	406.08	(49.78)	356.30
(iii) Other bank balances		0.25	-	0.25
Non-current tax assets		317.16	(0.78)	316.38
Other non current assets	14,1	854.93	(615.58)	239.35
		40,291.03	**(367.28)**	**39,923.75**
Current assets				
Inventories	13,18	10,133.04	2,727.46	12,860.50
Financial assets				
(i) Investments	5	12,199.32	94.10	12,293.42
(ii) Trade receivables		11,400.56	-	11,400.56
(iii) Cash and cash equivalents		193.08	-	193.08
(iv) Other bank balances		4.88	-	4.88
(v) Loans		167.14	-	167.14
(vi) Derivative instruments	11	93.73	(51.82)	41.91
(vii)Other current financial assets		108.81	-	108.81
Other current assets	18,1	2,543.55	(377.40)	2,166.15
		36,844.11	**2,392.34**	**39,236.45**
TOTAL ASSETS		**77,135.14**	**2,025.06**	**79,160.20**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		6,897.79	-	6,897.79
Other equity	19	25,479.68	36.23	25,515.91
Money received against share warrants		672.53	-	672.53
Non- Controlling interest	19	162.68	34.47	197.15
Total Equity		**33,212.68**	**70.70**	**33,283.38**
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	14	19,708.25	(837.72)	18,870.53
(ii) Trade payables	18	-	2,033.42	2,033.42
Long term provisions		470.13	-	470.13
Deferred tax liabilities (net)	8	(4.55)	30.55	26.00
Government grant	9,20	-	441.36	441.36
Other non-current liabilities	7	10.26	(10.26)	-
		20,184.09	**1,657.35**	**21,841.44**

₹ in Lakhs

	Footnotes	Balance sheet as at March 31, 2017		
		IGAAP	Adjustment	IND AS
Current liabilities				
Financial Liabilities				
(i) Borrowings		12,045.62	-	12,045.62
(ii) Trade payables	18	8,318.37	152.23	8,470.60
(iii) Other current financial liabilities	14	1,860.12	161.08	2,021.20
Short term provisions		273.38	-	273.38
Other current liabilities	7	1,240.88	(16.30)	1,224.58
		23,738.37	**297.01**	**24,035.38**
TOTAL LIABILITIES		**43,922.46**	**1,954.36**	**45,876.82**
TOTAL EQUITY AND LIABILITIES		**77,135.14**	**2,025.06**	**79,160.20**

42. C. Reconciliation statement of profit and loss as previously reported under IGAAP to IND AS

₹ in Lakhs

	Footnotes	Year ended March 31, 2017		
		IGAAP	Adjustment	IND AS
INCOME				
Revenue from operations	12.16,5	71,446.93	506.88	71,953.81
Other income	1,11	1,179.39	21.16	1,200.55
Total income		**72,626.32**	**528.04**	**73,154.36**
Expenses				
Cost of raw materials consumed	17,6	47,150.17	5,485.66	52,635.83
Change in inventories of finished goods, traded goods and work in progress	18	(3,532.82)	(2,557.07)	(6,089.89)
Excise duty on sale of goods		5,808.50	-	5,808.50
Employee benefits expense	2,3	4,180.40	(9.38)	4,171.02
Finance costs	14	3,200.96	75.03	3,275.99
Depreciation and amortization expense	10,20	2,070.83	(42.40)	2,028.43
Other expenses	7,13,15, 16,17	14,703.52	(2,547.63)	12,155.89
Total expense		**73,581.56**	**404.21**	**73,985.77**
Profit/(Loss) before tax		**(955.24)**	**123.83**	**(831.41)**
Tax expenses	8,9	(222.87)	56.14	(166.73)
Profit/(Loss) for the year		**(732.37)**	**67.69**	**(664.68)**
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement losses on defined benefit plans	2,3	-	(9.37)	(9.37)
Income tax effect		-	(1.72)	(1.72)
Other comprehensive income for the year, net of tax		-	(7.65)	(7.65)
Non- controlling interest		4.99	(0.25)	4.74
Total comprehensive income for the year, net of tax attributable to Equity shareholder		**(737.36)**	**60.29**	**(677.07)**

43 FOOTNOTES TO THE RECONCILIATION OF EQUITY AS AT MARCH 31, 2016 AND MARCH 31, 2017 AND PROFIT OR LOSS FOR THE YEAR ENDED MARCH 31, 2017.

Remarks for adjustments

1) Security deposits

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

2) Remeasurements of post-employment benefit obligations

Both under previous GAAP and Ind AS, the Group recognized costs related to its post employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, measurements (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 liability) are recognized in balance sheet through other comprehensive income.

3) Other comprehensive Income

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

4) Statement of cash flows

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

5) Mutual Fund investments

Under Indian GAAP, All current investments including mutual funds are measured at lower of cost or market value. As per Ind AS 109, Investments in mutual funds are required to be recognized at their fair value, for which changes in fair value being recognized in profit & loss.

6) Advance license of import of goods

The Group has imported raw material at Zero Duty under advance licence scheme subject to an export obligation. As per IND AS-20, the Group has inventorised the duty saved on import of raw material and recognised Government grant as liability. Deferred income is recognised in statement of profit and loss as and when export obligations are fulfilled and government grant is reduced by deferred income recognised.

7) Straight lining of lease escalation

Indian GAAP mandated straight lining of lease escalation in case of non cancellable leases. Ind AS 17 does not mandate straight lining of lease escalation, if they are in line with the expected general inflation compensating the lessor for expected inflationary cost. Accordingly, the Group has reversed Lease equalisation reserve created in books

8) Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences.

9) EPCG

As per Ind AS 20, accounting for government grants and disclosure of government assistance, the Group has already deducted the amount of grant from the cost of the fixed assets and it has recognised the amount of unamortised deferred income as at the date of the transition in accordance with paragraph 10 of Ind AS 101. The corresponding adjustment has been made to the carrying amount of property, plant and equipment (net of cumulative depreciation impact) and retained earnings, respectively, as the grant is directly linked to the property, plant and equipment.

Further, the deferred income is recognised as income on the basis of fulfilment of corresponding export obligations with respect to the grant availed.

10) Goodwill/ Business combination

Under Indian GAAP, goodwill was amortised over the life of 5 years. The Group has opted for optional exemption under IND AS 101 which provides exemption from application of business combination retrospectively. Thus the carrying amount of goodwill as on transition date i.e. April 01, 2016 has been considered at cost and tested for impairment at each balance sheet date under IND-AS.

11) Derivative instruments through P&L

The fair value of derivative instruments (i.e. forward contracts) is recognized under Ind AS whereas the same was not recognized under Indian GAAP. The Group has not designated these derivative instruments as hedging instruments under Indian GAAP as well as under Ind AS. Accordingly, difference on account of fair valuation of these instruments has been adjusted in retained earnings.

12) Sale of goods

Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss.

13) Stores, major spares

As per paragraph 8 of Ind AS 16, Property, plant and equipment, items such as spare parts are to be recognised as property, plant and equipment in accordance with Ind AS 16, when they meet the definition of 'property, plant and equipment'. Otherwise such items are classified as inventory. Accordingly Group has reclassified certain existing inventory as on date of transition to property, plant and equipment and depreciate them over the period of their respective useful life.

14) Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

15) Legal and Professional

Under Ind AS 109, at the time of initial recognition of financial instruments measured at Fair Value through Profit and Loss, transaction costs incurred in respect of these financial instruments are charged to Profit and Loss. Under Indian GAAP, transaction cost on acquisition of investment forms part of the cost of investment.

16) Cash Discount

As per Ind AS 1, cash discount paid to customers were netted off from respective sales resulting in decrease in expense and corresponding decrease in sales for financial year ended March 2017 and March 2016.

17) Packing Material

As per Ind AS 1, on basis of nature of expense classification we have reclassified the same from other expense to cost of material consumed.

18) Land Development Rights

As per Guidance Note on accounting for Real Estate Transactions for entities to whom Ind AS is applicable issued by The Institute of Chartered Accountants of India in 2016, development rights are acquired by way of direct purchase or on development or construction of built- up area and cost of acquisition would be the cost of purchases or amount spent on development or construction of built-up area, respectively in such cases. Accordingly group has recognised cost of development in inventory and trade payables.

19) Retained earnings

Retained earnings as at March 31, 2017 has been adjusted consequent to the Ind AS transition adjustments mentioned herewith

20) Government Grants

As per Ind AS 20, accounting for government grants and disclosure of government assistance, the Company has already deducted the amount of grant from the cost of the fixed assets and it has recognised the amount of unamortised deferred income as at the date of the transition in accordance with paragraph 10 of Ind AS 101. The corresponding adjustment has been made to the carrying amount of property, plant and equipment (net of cumulative depreciation impact) and retained earnings, respectively, as the grant is directly linked to the property, plant and equipment.

Further, the deferred income is recognised as income on the basis of fulfilment of corresponding export obligations with respect to the grant availed.

44. FIRST-TIME ADOPTION OF IND AS (EXCEPTION AND EXEMPTION AVAILED)

These financial statements, for the year ended March 31, 2018, are the first financial statements which have been prepared in accordance with IND AS notified under the Companies Indian Accounting Standard Rules, 2015.

The Group has elected to present all two years as per IND AS/ Proforma IND AS, instead of Indian GAAP. Accordingly, the Group has prepared financial statements which comply with IND AS applicable for year ended on March 31, 2018, together with the comparative year data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 1, 2016, the Group's date of transition to IND AS. This note explains the Ind- AS mandatory exceptions and exemptions made by the Group in restating its Indian GAAP financial statements, including the Balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

Exemption applied

(i) IND AS optional exemption

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

Deemed cost

IND AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognized in financial statements as at the date of transition to IND AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of IND AS retrospectively. IND AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to IND AS. This exemption can be also used for intangible assets covered by Ind-AS 38.

The Group has elected to consider carrying value of its property, plant and equipment and intangible assets as its deemed cost on the date of transition to IND AS.

Share based payment transactions

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

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

Business Combination

IND AS 103 Business Combinations has not been applied to business combinations, which are considered businesses under IND AS that occurred before 1 April 2016. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under IND AS, is their deemed cost at the date of the acquisition after considering specific adjustments as required by paragraph C4 of Appendix C of IND AS 101. The Group has applied the exemption on the date of transition (i.e. April 1, 2016) and no retrospective assessment/ adjustments have been made except as those required by Para C4 of Appendix C of IND AS 101.

(ii) IND AS mandatory exceptions

Estimates

An entity estimates in accordance with IND AS at the date of transition to IND AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. IND AS estimates at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Derecognition of financial assets and financial liabilities

IND AS 101 requires a first time adopter to apply the derecognition provisions of IND AS 109 prospectively for transactions occurring on or after the date of transition to IND AS. Accordingly, the Group has applied the derecognition requirement for financial assets and financial liabilities in IND AS 109 prospectively for transactions occurring on or after date of transition to IND AS.

Classification of financial assets and liabilities

IND AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to IND AS. Accordingly, the Group has applied the above requirement prospectively.

Impairment of financial assets

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

Fair value measurement of financial assets or financial liabilities (IND AS 101.D20)

First-time adopters may apply IND AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to IND AS. Therefore, unless a first-time adopter elects to apply IND AS 109 retrospectively to day one gain or loss transactions, transactions that occurred prior to the date of transition to IND AS do not need to be retrospectively restated.

45. SEGMENT REPORTING

For management purposes, based on the guiding principles given in IND AS 108 on "Segment Reporting" the Group's business segments include: Packaging film, real estate, education and Business investments

No operating segments have been aggregated to form the above reportable operating segments

The Management reviews the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, the Group's financing (including finance costs and finance income) income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

₹ in Lakhs

PARTICULARS	Packaging Films		Real Estate		Education		Business investments		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
1. REVENUE										
External sales (Gross)	67,140.65	70,267.63	2,609.69	-	-				69,750.34	70,267.63
Other Operating Income	1,095.82	1,373.97	63.02	86.17			2,982.55	226.04	4,141.39	1,686.18
Inter segment sales		-	44.71	5.98	-		1,971.33	1,265.35	2,016.04	1,271.33
Total Revenue	**68,236.47**	**71,641.60**	**2,717.42**	**92.15**	**-**		**4,953.88**	**1,491.39**	**75,907.77**	**73,225.14**
Less: Inter Segment sales	-	-	44.71	5.98	-		1,971.33	1,265.35	2,016.04	1,271.33
Total revenue	**68,236.47**	**71,641.60**	**2,672.71**	**86.17**	**-**	**-**	**2,982.55**	**226.04**	**73,891.73**	**71,953.81**
2. RESULTS										
Segment results	2,211.27	3,428.67	(265.18)	(273.22)	(585.76)	(303.45)	2,056.66	(407.42)	3,416.99	2,444.58
Unallocated expenses (net of income)									-	-
Operating profit	**2,211.27**	**3,428.67**	**(265.18)**	**(273.22)**	**(585.76)**	**(303.45)**	**2,056.66**	**(407.42)**	**3,416.99**	**2,444.58**
Interest expense and finance cost	-	-	-	-	-	-	-	-	2,301.99	3,275.99
Profit before tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,115.00**	**(831.41)**
Provision for taxation	-	-	-	-	-	-	-	-	779.44	(166.73)
Net (Loss)/Profit before minority interest	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**335.56**	**(664.68)**
-Minority interest	-	-	-	-	-	-	-	-	(34.79)	4.82
Net Loss/(Profit)	**-**		**-**	**-**	**-**	**-**	**-**	**-**	**370.35**	**(669.50)**

₹ in Lakhs

PARTICULARS	Packaging Films		Real Estate		Education		Business investments		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
3. OTHER INFORMATION										
A. ASSETS										
Segment assets	77,879.75	55,247.73	66,596.68	5,807.11	322.62	100.05	14,186.54	17,687.43	158,985.59	78,842.32
Unallocated assets									280.21	317.88
Total assets	**77,879.75**	**55,247.73**	**66,596.68**	**5,807.11**	**322.62**	**100.05**	**14,186.54**	**17,687.43**	**159,265.80**	**79,160.20**
B. LIABILITIES										
Segment liabilities	11,408.45	8,683.57	25,310.82	4,344.92	158.08	100.30	610.41	355.69	37,487.76	13,484.48
Unallocated liabilities									68,011.50	32,392.34
Total liabilities	**11,408.45**	**8,683.57**	**25,310.82**	**4,344.92**	**158.08**	**100.30**	**610.41**	**355.69**	**105,499.26**	**45,876.82**
C. OTHERS										
Capital expenditure	23,073.04	6,112.00	16.79	326.15	181.49	75.51	46.43	34.61	23,317.75	6,548.27
Depreciation and amortisation expense	2,250.97	2,013.70	11.91	7.64	12.44	1.87	13.18	5.22	2,288.50	2,028.43
Non cash expenses other than Depreciation	261.70	396.99	-	-	-	-	-	-	261.70	396.99

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Group basis. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis. Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties including assets from the acquisition of subsidiaries.

The following table shows the distribution of the Group's consolidated revenue by geographical market, regardless of where the goods were produced.

Gross Revenue ₹ in Lakhs

	for year ended March 31, 2018	for year ended March 31, 2017
i. within India	58,961.58	54,961.28
ii. Outside India	14,930.15	16,992.53
	73,891.73	**71,953.81**

The revenue from external customer includes revenue from one customer which is equal to 10% or more of entity's revenue. Gross amount of revenue amounts to Rs. 14,605.10 Lakhs. (March 31, 2017: Rs. 13,706.58 Lakhs)

Trade receivables ₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
i. within India	8,304.09	8,147.20
ii. Outside India	2,870.81	3,472.94
Total Trade receivables (Gross)	**11,174.90**	**11,620.14**
Less: Provision for doubtful receivables	237.97	219.58
Trade receivables	**10,936.93**	**11,400.56**

The Group has common fixed assets for manufacturing goods for domestic market and overseas market. Hence, separate figures for fixed assets/additions to fixed assets cannot be furnished.
b) Non-current assets other than investments ,tax assets, net defined benefit assets (relating to post-employment benefit plans), and rights arising under insurance contracts:

	As at March 31, 2018	As at March 31, 2017
i. within India	56,198.65	34,502.40
ii. Outside India	-	-
	56,198.65	**34,502.40**

46. a) During the year ended March 31, 2017, Max Ventures and Industries Limited has issued 15,523,870 equity shares of Rs. 10/- each at security premium of Rs. 68/- per share determined in accordance with SEBI (issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("ICDR Regulations); to New York Life International Holdings Limited (the "Investor") for the consideration of Rs. 12,108.62 Lakhs on preferential basis.

b) Further, during the year ended on March 31, 2017, Max Ventures and Industries Limited received Rs.672.53 Lakhs (25% of total value of consideration) against the issue of 3,448,894 share warrants ("Warrants") to Siva Enterprises Private Limited, forming part of the Promoter Group at a price of Rs.78 per share determined in accordance with ICDR regulations. The Company has received Rs.2,017.60 Lakhs against the balance 75% outstanding of total value on conversion of share warrants ("Warrants") into equity shares.

c) The Company's subsidiary, Max Speciality Films Limited ("MSF") on April 06, 2017 issued and allotted 5,118,407 equity shares (representing 13.16% on fully diluted basis of equity shares as at March 31, 2017) of face value of Rs. 10 each at a premium of Rs. 94.27 (per share), i.e. at an aggregate price of Rs. 104.27 to Toppan, Japan for an aggregate consideration of Rs. 5,336.96 Lakhs on a private placement basis, free of all liens or other encumbrances or rights of third parties. Further, the Company, also transferred 13,945,659 equity shares (representing 35.84% on fully diluted basis of equity shares as at March 31, 2017) of the subsidiary company (MSF), to Toppan, thereby Toppan holding 19,064,066 equity shares representing 49% (on a fully diluted basis) of the equity shares of the Company post share issuance.

d) Given below are the details of utilisation of proceeds through preferential issue

₹ in Lakhs

	March 31, 2018	March 31, 2017
Unutilised amount at the beginning of the year	12,036.15	-
Proceeds received during the year	7,354.56	12,781.15
Less: amount utilised during the year		
- Repayment of Loan	10,936.96	500.00
- Loan given to subsidiary companies	3,713.00	245.00
- Investments in debentures issued by subsidiary companies	4,387.95	-
- Investment in equity shares of subsidiary company	352.80	-
Unutilised amount at the end of the year	**-**	**12,036.15**

Details of short-term investments made from unutilized portion of Preferential issue raised during the period/year

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Investment in Debt based Mutual funds	-	12,036.15

47. a) On April 03, 2017, Max Ventures and Industries Limited has purchased 338,350 equity shares of Max Speciality Films Limited face value of Rs.10/- each from Pharmax Corporation Limited at a premium of Rs.94.27 per share aggregating to a total consideration of Rs.352.80 Lakhs.

b) On April 06, 2017, Max Ventures and Industries Limited divested 35.84% (on fully diluted basis of equity shares as at March 31, 2017) stake in Max Speciality Films Limited (MSF) by transferring 13,945,659 equity shares of Rs.10/- each at a premium of Rs.94.27 per share to Toppan Printing Co. Ltd. (Toppan) for a consideration of Rs.14,541.14 Lakhs. Further, MSF also issued and allotted 5,118,407 equity shares (representing 13.16% on fully diluted basis of equity shares as at March 31, 2017) of face value of Rs.10/- each at a premium of Rs. 94.27 per share to Toppan, for an aggregate consideration of Rs.5,336.96 Lakhs on a private placement basis, free of all liens or other encumbrances or rights of third parties. Post share issuance by MSF, Toppan holding is 49% and the Company holding is 51% in MSF. This has resulted into gain of Rs.7,500.32 Lakhs.

48. MATERIAL PARTLY OWNED SUBSIDIARIES

Max Speciality Films Limited is a material partly owned subsidiary. Financial information of non-controlling interests in it is provided below:

a) Proportion of equity interest held by non-controlling interests:

Country of Incorporation	March 31, 2018	March 31,2017
India	49%	1.001%

b) Information regarding non-controlling interest

₹ in Lakhs

	March 31, 2018	March 31,2017
Accumulated balances of material non-controlling interest	12,258.93	197.15
Profit/(loss) allocated to material non-controlling interest	(12.49)	4.74

The summarised financial information of the subsidiary are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss for the year ended March 31, 2018 and March 31,2017:

₹ in Lakhs

Particulars	March 31, 2018	March 31,2017
Revenue (including other incomes)	69,311.86	72,838.82
Cost of raw material and components consumed	48,910.27	47,578.26
Changes in inventories of finished goods, traded goods, stock in trade and work-in-progress	644.67	(1,032.33)
Excise duty on sale of goods	1,402.25	5,808.50
Employee benefits expense	3,121.37	3,355.65
Other expenses	10,771.06	11,686.33
Depreciation and amortization expense	2,250.97	2,013.70
Finance costs	2,293.81	3,115.48
Profit before tax	(82.54)	313.23
Less: Income tax	(11.55)	(169.04)
Profit for the year	(70.99)	482.27
Add/(Less): Other Comprehensive Income/loss	45.49	(8.51)
Total comprehensive income	(25.50)	473.76
Attributable to non-controlling interests	(12.49)	4.74
Dividends paid to non-controlling interests	-	-

Summarised balance sheet as at March 31, 2018 and March 31, 2017

₹ in Lakhs

Particulars	March 31, 2018	March 31,2017
Current assets, including cash and cash equivalents	21,874.37	21,212.90
Non-current assets	56,021.62	34,200.03
Assets classified as held for sale	128.00	-
Current liabilities, including tax payable	32,492.60	15,948.99
Non-current liabilities, including deferred tax liabilities	20,513.17	19,751.85
Total equity	25,018.22	19,712.09
Attributable to:		
Equity holders of parent	12,759.29	19,514.94
Non-controlling interest	12,258.93	197.15

Summarised cash flow information as at March 31, 2018 and March 31, 2017

₹ in Lakhs

Particulars	March 31, 2018	March 31,2017
Operating	4,255.68	8,115.70
Investing	(20,554.38)	(4,265.65)
Financing	16,694.59	(3,943.96)
Net increase/(decrease) in cash and cash equivalents	395.89	(93.91)

49. The Group has capitalized the following preoperative direct expenses to the cost of fixed assets/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Group.

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Opening balance	**324.85**	**353.26**
Opening stock of trial run		
- Finished Goods	-	3.27
Add: Expenses incurred during the year		-
Legal and professional (refer note 28)	301.72	59.93
Finance Cost (refer note 26)	1,161.59	217.58
Salaries, wages and bonuses (refer note 25)	279.47	149.49
Cost of raw materials consumed	-	305.85
Consumption of packing material	-	9.23
Travelling and conveyance (refer note 28)	49.42	16.04
Power and fuel (refer note 28)	38.06	32.78
Freight and forwarding expenses (refer note 28)	5.01	9.49
Insurance (refer note 28)	2.10	13.57
Rates and taxes (refer note 28)	15.03	25.49
Depreciation (refer note 27)	0.60	0.14
Miscellaneous expenses (refer note 28)	6.98	1.87
Less: Disposal of tested material	-	(226.29)
Less: Closing stock of trial run		
- Finished Goods	-	-
Less: Stock transferred on account of trial run		
- Finished Goods	-	(39.60)
Total	**2,184.83**	**932.10**
Less: Allocated to fixed assets	-	607.25
Closing balance included in capital work in progress	**2,184.83**	**324.85**

50. DETAILS OF EXPENDITURE ON RESEARCH AND DEVELOPMENT ACTIVITIES IS AS UNDER

₹ in Lakhs

	March 31, 2018	March 31, 2017
Revenue expenditures		
Salary & wages (including other employee benefits)	100.21	105.36
Raw material, stores and spare consumed	30.10	3.39
Total revenue expenditure	**130.31**	**108.75**
Capital expenditure (included in Property plant and equipment)		
Capital equipments	3.10	-
Total capital expenditure	**3.10**	**-**

51. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital attributable to the equity shareholders of the Group, securities premium and all other equity reserves. The primary objective of the Group's capital management is that it maintain an efficient capital structure and maximize the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, The Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 30% to 60%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, other bank balances.

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Borrowings	63,275.00	30,916.15
Other financial liabilities	7,252.67	2,021.20
Trade payables	17,832.05	10,504.02
Less: Cash and Cash equivalents	633.27	193.08
Other Bank Balances	3.75	5.13
Net Debt	87,722.70	43,243.16
Equity Share Capital	7,264.81	6,897.79
Other Equity	34,242.80	25,515.91
Non-controlling interest	12,258.93	197.15
Total Equity	**53,766.54**	**32,610.85**
Total Capital and net debt	**141,489.24**	**75,854.01**
Gearing ratio	62%	57%

52. ADDITIONAL INFORMATION:

Name of the Subsidiary	As at March 31, 2018				As at March 31, 2017			
	Net Assets i.e. total assets minus total liabilities #		Share in Total Comprehensive Income		Net Assets i.e. total assets minus total liabilities #		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs
Parent								
Max Ventures and Industries Limited	12.11%	5,027.55	115.61%	439.44	35.46%	11,733.93	60.36%	(405.84)
Subsidiary								
Max Speciality Films Limited	60.27%	25,018.22	-6.71%	(25.50)	59.58%	19,711.86	-70.43%	473.53
Max Estates Limited	21.98%	9,123.39	-103.67%	(394.06)	1.56%	517.45	42.03%	(282.55)
Max I. Limited	7.17%	2,975.59	261.56%	994.17	3.70%	1,223.10	22.66%	(152.36)
Max Learning Limited	-1.76%	(729.54)	-165.72%	(629.90)	-0.30%	(100.11)	45.38%	(305.11)
Wise Zone Builders Private Limited *	0.22%	92.40	-1.06%	(4.05)	0.00%	-	-	-
	100.00%	**41,507.61**	**100.00%**	**380.10**	**100.00%**	**33,086.23**	**100.00%**	**(672.33)**

* Step down subsidiary of Max Estates Limited
\# Net assets excluding non-controlling interests

53. REVENUE RELATED DISCLOSURES

Disclosure in respect of projects under the Guidance Note on Accounting for Real Estate Transactions for entities to whom IND AS is applicable issued by The Institute of Chartered Accountants of India in 2016.:

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Amount of project revenue recognised as revenue during the period	2,609.69	-
Aggregate amount of costs incurred and profits recognised to date	(2,773.23)	-
Amount of advances received	14,030.00	763.27
Amount of work-in-progress and value of inventories	62,430.01	5,057.57
Excess of revenue recognised over actual bills raised (unbilled revenue)	-	-

In compliance of Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by The Institute of Chartered Accountants of India. On "Percentage of Completion Method", the Group has recognised revenue during the year

54. - Max I Limited, subsidiary of the Company sold 1,34,978 equity shares of Rs. 10 each (represents 0.995% equity share capital of FSN E- Commerce Ventures Private Limited).- Max I Limited has increased its equity shareholding from 11.17% to 17.87% in Azure Hospitality Private Limited by making an non-current investment of ₹ 3,700 lakhs.

55. One of the subsidiary company of the Company, Max Estates Limited, had signed an agreement with Trophy Estates Private Limited, Mr. Analjit Singh and Analjit Singh HUF (collectively "land owners") on July 25, 2016 for development of land owners' land in Dehradun for which consideration payable to them was 27% of the sale proceeds of the developed property on such land by the subsidiary. As required by Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) ("Guidance Note"), development rights received from the land owner for development of land was required to be recognised in Inventory at Fair value, however, these rights were earlier recorded to the extent of non-refundable security deposit paid. The management has identified such adjustment only in current period together with certain other adjustments and hence figures in respect of 'Inventory' in Statement of Assets and Liabilities in the interim consolidated financial statements as at September 30, 2017 have been restated in accordance with Ind AS 8 and are Rs. 66,223.66 lakhs as against Rs. 63,254.46 lakhs in the Statement of Assets and Liabilities as per Consolidated Limited review results as at September 30, 2017, 'Non- Current Trade Payables' are Rs. 484.93 lakhs as against Nil, 'Current Trade Payables' are Rs. 21,109.60 lakhs as against Rs. 19,284.50 lakhs, 'Other Current Assets' are Rs. 4,827.48 lakhs as against 5,184.88 lakhs (approved by the Board of Directors on February 14, 2018).

56. Capital work in progress includes an amount of INR 1,407.93 lakhs representing the building under construction for the new BOPP line 5 of Max Speciality Films Limited, subsidiary of the Company on which a fire accident happened on March 15, 2018. The Group has estimated a loss of INR 123.50 lakhs which it expects to be recoverable from Insurance Co., hence the Group do not foresee making any provision for the same.

57. During the current year, the Board of the Company has approved raising of funds by way of offer and issue of equity shares to the existing members of the Company on rights basis (Rights Issue), at such price and right entitlement ratio as may be decided by the Board, for an amount aggregating up to Rs. 45,000 lakhs, subject to necessary approvals and consent as may be necessary / required for compliance of applicable laws, including the provisions of the SEBI (ICDR) Regulations, 2009, as amended, the SEBI (LODR) Regulations, 2015, as amended, and the Companies Act, 2013,as amended and Company has filed the Draft letter of offer with SEBI and stock exchanges.

58. The figures have been rounded off to the nearest Lakhs of rupees up to two decimal places. The figure 0.00 wherever stated represents value less than Rs. 50,000/-.

59. Note No.1 to 59 form integral part of the Balance sheet and Statement of profit and loss.

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

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date: 17th May , 2018

For and on behalf of the Board of Directors of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited)

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Sahil Vachani
(Managing Director & CEO)
DIN: 00761695

Nitin Kumar Kansal
(Chief Financial Officer)

Gopalakrishnan Ramachandran
(Company Secretary)

Place : New Delhi
Date: 17th May , 2018

ANNEXURE - 2

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 or associate companies or joint ventures

Part A - Subsidiaries

(Amount Rs. in Lakhs, except otherwise stated)

S. No.	Particulars	Max Speciality Films Limited	Max Estates Limited	Max I. Limited	Max Learning Limited	Wise Zone Builders Private Limited
1.	The date since when subsidiary was acquired/ incorporated	April 1, 2015	March 22, 2016	June 23, 2016	August 23, 2016	April 29, 2017
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	April 1, 2017 to March 31, 2018	April 1, 2017 to March 31, 2018	April 1, 2017 to March 31, 2018	April 1, 2017 to March 31, 2018	April 29, 2017 to March 31, 2018
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4.	Equity Share capital	3,890.63	800.00	5.00	205.00	1.00
5.	Other Equity	21,127.59	8,323.39	2,970.59	(934.55)	91.06
6.	Total Assets	78,023.99	19,679.38	9,044.60	322.86	57,148.55
7.	Total Liabilities	53,005.77	10,555.99	6,069.01	1052.41	57,056.49
8.	Investments	-	1,120.73	9,027.66	-	-
9.	Total income	69,311.86	2,766.15	2,066.78	11.90	-
10.	Profit before taxation	(82.54)	(390.70)	1,410.13	(628.76)	(4.05)
11.	Provision for taxation	(11.55)	5.08	415.96	-	-
12.	Profit after taxation	(70.99)	(395.78)	994.17	(628.76)	(4.05)
13.	Other Comprehensive income	45.49	1.71	-	(0.68)	-
14.	Total Comprehensive income	(25.50)	(394.07)	994.17	(629.44)	(4.05)
15.	Proposed Dividend	-	-	-	-	-
16.	Extent of shareholding (in %)	51%	100%	100%	100%	100%

Notes:

1. Names of subsidiaries which have been liquidated or sold during the year – On April ,2017, the Company transferred 1,39,45,659 equity shares (representing 35.84% on fully diluted basis of equity shares as at March 31, 2017) of the Company to Toppan, thereby Toppan holding 19,064,066 equity shares representing 49% (on a fully diluted basis) of the equity shares of the Company post share issuance.

PART – B – **Not Applicable** since there are no associates or joint ventures of the company.

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

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date: 17th May , 2018

For and on behalf of the Board of Directors of Max Ventures and Industries Limited (Formerly Capricorn Ventures Limited)

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Sahil Vachani
(Managing Director & CEO)
DIN: 00761695

Nitin Kumar Kansal
(Chief Financial Officer)

Gopalakrishnan Ramachandran
(Company Secretary)

Place : New Delhi
Date: 17th May , 2018