



November 4, 2016

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

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

Scrip Code : 500271

Name of Scrip : MFSL

Dear Sir/Madam,

Sub : **Financial results for the quarter and half year ended September 30, 2016**

Ref. : **Board meeting dated November 4, 2016**

Please refer to our letter dated October 24, 2016 on the above subject. In this regard, we would like to inform you that the Board of Directors of the Company, at its meeting held today, approved the unaudited financial results of the Company for the quarter and half year ended September 30, 2016 and the Limited Review thereon by the Auditors. The said financial results and Limited Review Report by the Auditors for the quarter and half year ended September 30, 2016 are attached herewith.

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully

For **Max Financial Services Limited**
(formerly Max India Limited)

A handwritten signature in blue ink, appearing to read "Sandeep Pathak", is written over the printed name.

Sandeep Pathak
Company Secretary & Compliance Officer

Encl: As above.

MAX FINANCIAL SERVICES LIMITED (Formerly Max India Limited)

CIN: L24223PB1988PLC008031

Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020 | P +91 11 26933610, 42598000 | F +91 11 26324126 | www.maxfinancialservices.com

Regd. Office: 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144 533, India

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

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

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

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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



A handwritten signature in blue ink, appearing to read "Satpal Singh Arora".

Satpal Singh Arora
Partner

(Membership No. 98564)

New Delhi, 4 November, 2016

Max Financial Services Limited (formerly known as 'MAX INDIA LIMITED')

CIN: L24223PB1988PLC008031

Corporate Office: Max House, Okhla, New Delhi - 110020

Registered Office: Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533

Website: www.maxfinancialservices.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016

Particulars	(Rs. in Crores)							
	3 months ended 30.09.2016	Preceding 3 months ended 30.06.2016	Corresponding 3 months ended in the previous year 30.09.2015 (Restated)	Corresponding 3 months ended in the previous year 30.09.2015 (As published)	Year to date figures for current period ended 30.09.2016	Year to date figures for previous period ended 30.09.2015 (Restated)	Year to date figures for previous period ended 30.09.2015 (As published)	Previous year ended 31.03.2016
			Refer note 2	Refer note 2		Refer note 2	Refer note 2	
	Column 1 (Unaudited)	Column 2 (Unaudited)	Column 3 (Unaudited)	Column 4 (Unaudited)	Column 5 (Unaudited)	Column 6 (Unaudited)	Column 7 (Unaudited)	Column 8 (Audited)
Total income from operations (net)	12.96	131.73	11.27	30.83	144.69	51.35	76.34	200.71
Net Profit/(loss) from ordinary activities after tax	(13.12)	107.12	(13.07)	2.74	94.00	11.66	27.33	115.20
Net Profit/(loss) for the period after tax (after Extrordinary items)	(13.12)	107.12	(13.07)	2.74	94.00	11.66	27.33	115.20
Paid-up equity share capital (Face Value Rs. 2 Per Share)	53.41	53.40	53.39	53.39	53.41	53.39	53.39	53.40
Reserves excluding revaluation reserve as per balance sheet of previous accounting year	-	-	-	-	-	-	-	1,616.53
Earnings per share (of Rs. 2 each) (before and after extraordinary items) (not annualised)								
a) Basic (Rs.)	(0.49)	4.01	(0.49)	0.10	3.52	0.44	1.02	4.32
b) Diluted (Rs.)	(0.49)	4.01	(0.49)	0.10	3.52	0.44	1.02	4.27

Note:

The above is an extract of the detailed format of quarter and six months ended unaudited financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The full format of the quarter and six months ended Unaudited Financial Results are available on the Stock Exchange website, www.nseindia.com and www.bseindia.com and on the Company's website www.maxfinancialservices.com.

By Order of the Board



Mohit Talwar
Managing Director

Date : November 4, 2016

Place : New Delhi

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CIN: L24223PB1988PLC008031

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016

								(Rs. in Crores)
Particulars	3 months ended 30.09.2016	Preceding 3 months ended 30.06.2016	Corresponding 3 months ended in the previous year 30.09.2015 (Restated)	Corresponding 3 months ended in the previous year 30.09.2015 (As published)	Year to date figures for current period ended 30.09.2016	Year to date figures for previous period ended 30.09.2015 (Restated)	Year to date figures for previous period ended 30.09.2015 (As published)	Previous year ended 31.03.2016
	Column 1	Column 2	Refer note 2 Column 3	Refer note 2 Column 4	Column 5	Refer note 2 Column 6	Refer note 2 Column 7	Column 8
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from operations								
(a) Revenue from operations	5.20	5.27	3.74	-	10.47	7.47	-	16.24
(b) Income from investment activities	7.76	126.46	7.53	30.83	134.22	43.88	76.34	184.47
Total income from operations (net)	12.96	131.73	11.27	30.83	144.69	51.35	76.34	200.71
2. Expenses								
(a) Employee benefits expense	8.97	8.21	7.09	9.30	17.18	13.24	19.81	32.66
(b) Depreciation and amortisation expense	0.49	0.51	0.53	0.77	1.00	1.05	1.56	2.22
(c) Legal and professional expenses	11.99	12.20	5.23	4.42	24.19	9.84	8.42	26.71
(d) Loss on sale of non current investments	-	-	-	-	-	-	-	6.05
(e) Other expenses	5.42	3.86	3.31	5.46	9.28	7.07	10.78	18.38
Total expenses	26.87	24.78	16.16	19.95	51.65	31.20	40.57	86.02
3. Profit/(loss) from operations before other income, finance costs (1-2)	(13.91)	106.95	(4.89)	10.88	93.04	20.15	35.77	114.69
4. Other income	0.79	0.17	0.11	0.15	0.96	0.22	0.27	0.51
5. Profit/(loss) before finance costs (3+4)	(13.12)	107.12	(4.78)	11.03	94.00	20.37	36.04	115.20
6. Finance costs	-	-	-	-	-	-	-	-
7. Profit/(loss) before tax (5-6)	(13.12)	107.12	(4.78)	11.03	94.00	20.37	36.04	115.20
8. Tax expense	-	-	8.29	8.29	-	8.71	8.71	-
9. Net Profit/(loss) after tax (7-8)	(13.12)	107.12	(13.07)	2.74	94.00	11.66	27.33	115.20
10. Paid-up equity share capital (Face Value Rs. 2 Per Share)	53.41	53.40	53.39	53.39	53.41	53.39	53.39	53.40
11. Reserves excluding revaluation reserve as per balance sheet of previous accounting year	-	-	-	-	-	-	-	1,616.53
12. Earnings per share (of Rs. 2 each) (before and after extraordinary items) (not annualised)								
a) Basic (Rs.)	(0.49)	4.01	(0.49)	0.10	3.52	0.44	1.02	4.32
b) Diluted (Rs.)	(0.49)	4.01	(0.49)	0.10	3.52	0.44	1.02	4.27
See accompanying notes to the standalone unaudited financial results								



Mohit Talwar
Managing Director

Notes to the Standalone unaudited financial results:

- 1 The Board of Directors of Max Financial Services Limited ('the Company'/erstwhile 'Max India Limited') in its meeting held on August 8, 2016 had approved the composite scheme of arrangement ("Scheme"), the share exchange ratios and execution of definitive agreements related to / ancillary to the Scheme, which inter alia contemplates (a) merger of its subsidiary, viz. Max Life Insurance Company Limited ("Max Life") with itself (with a share exchange ratio of one share of the Company for approximately five shares held in Max Life for shareholders other than the Company); (b) demerger of the life insurance undertaking of the Company and merger of the said undertaking with HDFC Standard Life Insurance Company Limited ("HDFC Life") (share exchange ratio of approximately seven shares of HDFC Life for every three shares held in the Company); and (c) merger of the Company (holding the non-life insurance business) with Max India Limited (with a share exchange ratio of one share of Max India Limited for 500 shares held in the Company). The proposed transaction shall be subject to receipt of all relevant shareholders, regulatory, corporate and third party approvals, if any.

The Scheme has since been filed with various regulatory authorities for their consideration and approval viz. Insurance Regulatory and Development Authority of India, Competition Commission of India and Stock Exchanges. Upon receipt of requisite approvals, the Company shall file the requisite petitions before Hon'ble High Court of Punjab and Haryana.
- 2 The Board of Directors of the Company in their meeting held on January 27, 2015 had approved the Corporate Restructuring plan to vertically split the Company through a Composite scheme of arrangement ('Scheme'), into three separate listed companies.

The Hon'ble High Court of Punjab and Haryana vide its order dated December 14, 2015, had sanctioned the Scheme under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 between Max Financial Services Limited ('MFSL') ('the Company'/ erstwhile Max India Limited), Max India Limited ('MAX' - erstwhile Taurus Ventures Limited) and Max Ventures and Industries Limited ('MVIL' - erstwhile Capricorn Ventures Limited) and their respective shareholders and creditors for transfer of all the assets and liabilities pertaining to each of the demerged undertakings (i.e MAX and MVIL) with effect from April 1, 2015 (Appointed date). The Scheme was effective from January 15, 2016 i.e. the date of filing of the certified copy of the order of the Hon'ble High Court of Punjab and Haryana with the Registrar of Companies, Chandigarh and Shimla.

The results for the quarter and six months ended September 30, 2015 (restated) as stated in columns 3 and 6 in the standalone unaudited financial results have been restated to reflect the effect of the Scheme and have been disclosed in a separate columns to facilitate comparison with standalone unaudited financial results for the quarter and six months ended September 30, 2016. Further, the figures for the quarter and six months ended September 30, 2015 as stated in columns 4 and 7 represent the amounts published in the standalone unaudited financial results for the quarter and six months ended September 30, 2015, prior to the Scheme being effective and do not accordingly include the effect of this Scheme.
- 3 Income from investment activities of the Company includes dividend income of Rs. 123.98 crores, Rs. 123.98 crore, Rs. 35.92 crore and Rs. 167.18 crore for the quarter ended June 30, 2016, six months ended September 30, 2016 and September 30, 2015 and year ended March 31, 2016 respectively received from Max Life Insurance Company Limited, a subsidiary of the Company.
- 4 In terms of Companies (Indian Accounting Standards) Rules 2015, as amended, the Non Banking Finance Companies (NBFCs), including Core Investment Companies (CIC), having a net worth of Rs 500 crores or more are required to prepare Ind-AS based financial statements for accounting periods beginning on or after April 1, 2018 with comparatives for the periods ending March 31, 2018 or thereafter. Hence, the current financials have been drawn in accordance with Indian GAAP as Ind-AS provisions are not applicable to the Company for the current accounting year, the Company being a Core Investment Company (non-systemically important CIC).
- 5 During the quarter ended September 30, 2016, the Company has allotted 11,432 equity shares of Rs. 2 each to an executive director arising from exercise of ESOPs under the "Max India Stock Plan-2003".
- 6 Being a holding company, the Company is having business investments and is primarily engaged in growing and nurturing the business investments and providing management advisory services to group companies. Accordingly, the Company views these activities as one business segment, therefore there are no separate reportable segments as per Accounting Standard 17 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 7 The previous period's figures have been regrouped / reclassified, wherever necessary to correspond with the current period's classification / disclosures.
- 8 These standalone unaudited financial results for the quarter and six months ended September 30, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held today. These results have been subjected to limited review by the statutory auditors of the Company.

By Order of the Board


Mohit Talwar
Managing Director

Date : November 4, 2016
Place : New Delhi

Max Financial Services Limited (formerly known as 'MAX INDIA LIMITED')

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2016

		(Rs. in Crores)	
	Particulars	As at 30.09.2016 (Unaudited)	As at 31.03.2016 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
a)	Share capital	53.41	53.40
b)	Reserves and surplus	1,713.08	1,616.53
	Sub-total - Shareholder's funds	1,766.49	1,669.93
2	Non-current liabilities		
a)	Long-term provisions	2.99	2.65
	Sub-total - Non-current liabilities	2.99	2.65
3	Current liabilities		
a)	Trade payables	16.31	8.88
b)	Other current liabilities	7.24	8.99
c)	Short-term provisions	1.69	48.83
	Sub-total - Current liabilities	25.24	66.70
	TOTAL - EQUITY AND LIABILITIES	1,794.72	1,739.28
B	ASSETS		
1	Non-current assets		
a)	Fixed assets	7.96	8.73
b)	Non-current investments	1,581.09	1,434.81
c)	Long-term loans and advances	6.54	8.62
d)	Other non-current assets	0.02	0.01
	Sub-total - Non-current assets	1,595.61	1,452.17
2	Current assets		
a)	Current investments	174.01	269.98
b)	Trade receivables	14.49	9.23
c)	Cash and cash equivalents	4.89	3.07
d)	Short-term loans and advances	5.72	4.83
	Sub-total - Current assets	199.11	287.11
	TOTAL - ASSETS	1,794.72	1,739.28



Mohit Talwar
Managing Director