



February 11, 2019

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 021

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: **Board meeting for unaudited financial results for the quarter and nine months period ended December 31, 2018**

Please refer to our letter dated January 31, 2019, 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 standalone unaudited IND-AS financial results of the Company for the quarter and nine months period ended December 31, 2018, along with the Limited Review thereon by the Statutory Auditors.

The said financial results and the Limited Review Report by the Auditors for the quarter and nine months period ended December 31, 2018 are attached herewith.

The Board meeting commenced at 11.00 a.m. and concluded at 12.45 p.m.

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully
For **Max Financial Services Limited**

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

Sandeep Pathak
Company Secretary & Compliance Officer

Encl: As above.

MAX FINANCIAL SERVICES LIMITED

CIN: L24223PB1988PLC008031

Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110020 | P: + 91 11 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

1. We have reviewed the accompanying Statement of Standalone Unaudited Ind AS Financial Results of **Max Financial Services Limited** ("the Company"), for the quarter and nine months ended 31 December, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016.

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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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 Indian 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, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, 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)



Satpal Singh Arora
Partner
(Membership No. 98564)

New Delhi, 11 February, 2019

STATEMENT OF STANDALONE UNAUDITED IND AS FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

Particulars		(Rs. in Crores)				
		3 months ended 31.12.2018	3 months ended 30.09.2018	3 months ended 31.12.2017	9 months ended 31.12.2018	9 months ended 31.12.2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		See Note 1	See Note 1	See Note 1	See Note 1	See Note 1
1. Income						
(a) Revenue from operations (See note 6 and 7)		176.36	7.77	131.30	306.66	251.64
(b) Other income		0.21	0.36	0.13	0.72	0.59
2. Total income		176.57	8.13	131.43	307.38	252.23
3. Expenses						
(a) Employee benefits expense		12.34	11.80	11.36	35.96	46.51
(b) Depreciation and amortisation expense		0.42	0.43	0.48	1.30	1.43
(c) Finance cost (See note 8)		-	-	-	27.25	-
(d) Loss on fair value changes on derivative financial instruments (See note 7)		9.73	37.21	-	40.49	-
(e) Legal and professional expenses		11.24	10.38	16.18	32.03	32.58
(f) Other expenses		2.95	4.64	3.96	11.35	13.24
4. Total expenses		36.68	64.46	31.98	148.38	93.76
5. Profit / (loss) before tax (2-4)		139.89	(56.33)	99.45	159.00	158.47
6. Tax expense						
(a) Current tax		-	-	-	-	-
(b) Deferred tax		-	-	-	-	-
7. Total tax expense		-	-	-	-	-
8. Profit / (loss) after tax (5-7)		139.89	(56.33)	99.45	159.00	158.47
9. Other comprehensive income / (loss):						
Items that will not be reclassified to profit or loss:						
- Remeasurement of the defined benefit obligations		0.13	0.19	0.17	0.05	(0.17)
10. Total other comprehensive income / (loss)		0.13	0.19	0.17	0.05	(0.17)
11. Total comprehensive income / (loss) (8+10)		140.02	(56.14)	99.62	159.05	158.30
12. Paid-up equity share capital (Face value of Rs. 2)		53.80	53.68	53.46	53.80	53.46
13. Earnings per share (EPS) (Rs.) (not annualised)						
(a) Basic EPS		5.21	(2.10)	3.71	5.92	5.92
(b) Diluted EPS		5.20	(2.10)	3.69	5.90	5.88
See accompanying notes to the standalone unaudited Ind AS financial results						

Date : February 11, 2019
Place : New Delhi

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By Order of the Board

Handwritten signature of Mohit Talwar
Mohit Talwar
Managing Director
DIN : 02394694

Max Financial Services Limited
CIN: L24223PB1988PLC008031
Corporate Office: Max House, Okhla, New Delhi - 110020
Registered Office: Bhai Mohan Singh Nagar, Rail Majra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533
Website: www.maxfinancialservices.com

STATEMENT OF STANDALONE UNAUDITED IND AS FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

Particulars	(Rs. in Crores)				
	3 months ended 31.12.2018	3 months ended 30.09.2018	3 months ended 31.12.2017	9 months ended 31.12.2018	Corresponding 9 months ended 31.12.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Total income from operations (net)	176.57	8.13	131.43	307.38	252.23
Net Profit/(loss) for the period (before Tax, Exceptional and/or Extraordinary items)	139.89	(56.33)	99.45	159.00	158.47
Net Profit/(loss) for the period before tax (after Exceptional and/or Extraordinary items)	139.89	(56.33)	99.45	159.00	158.47
Net Profit/(loss) for the period after tax (after Exceptional and/or Extraordinary items)	139.89	(56.33)	99.45	159.00	158.47
Total comprehensive income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax))	140.02	(56.14)	99.62	159.05	158.30
Paid-up equity share capital (Face Value Rs. 2 Per Share)	53.80	53.68	53.46	53.80	53.46
Reserves excluding revaluation reserve as per balance sheet of previous accounting year	NA	NA	NA	NA	NA
Earnings per share (of Rs. 2 each) (not annualised)					
a) Basic (Rs.)	5.21	(2.10)	3.71	5.92	5.92
b) Diluted (Rs.)	5.19	(2.10)	3.69	5.89	5.88

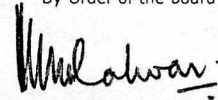
Note:

The above is an extract of the detailed format of unaudited financial results for the quarter and nine months ended December 31, 2018 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 nine 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.

Date : February 11, 2019
Place : New Delhi



By Order of the Board


Mohit Talwar
Managing Director
DIN : 02394694

Notes to the standalone unaudited Ind AS financial results:

1. The standalone unaudited Ind AS financial results of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS'). Beginning April 1, 2018 the Company has for the first time adopted Ind AS with a transition date of April 1, 2017. These financial results (including the period presented in accordance with Ind AS - 101 First time adoption of the Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

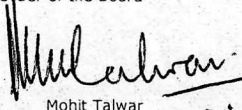
There is a possibility that these financial results for the current and previous period may require adjustments due to changes in financial reporting requirements arising from new standards, modifications to the existing standards, guidelines issued by the Ministry of Corporate Affairs or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS provisions permitted under Ind AS 101 which may arise upon finalisation of the financial statements as at and for the year ending March 31, 2019 prepared under Ind AS.

2. Reconciliation of net profit/(loss) between Indian GAAP as previously reported and total comprehensive income as per Ind AS is as follows:

S No.	Nature of adjustments	(Rs. in Crores)	
		9 months ended 31.12.2017	3 months ended 31.12.2017
	Net Profit / (loss) after tax as per erstwhile Indian GAAP (prior GAAP)	136.00	88.80
a)	Effect of fair value of investments in mutual funds	4.67	2.35
b)	Effect of measuring financial instruments at amortised cost	0.01	-
c)	Effect of recognising employee stock options and phantom stock options cost at fair value	(12.42)	(0.74)
d)	Effect of recognising actuarial (gain)/loss on employee defined benefit liability under other comprehensive income	0.17	(0.17)
e)	Effect of fair value of financial instrument carried at fair value through profit or loss (FVTPL)	30.04	9.21
	Net profit / (loss) after tax as per Ind AS (A)	158.47	99.45
	Other Comprehensive Income/(loss) (B)	(0.17)	0.17
	Total Comprehensive income / (loss) as per Ind AS (A+B)	158.30	99.62

3. During the quarter ended December 31, 2018, Max Financial Services Limited ('the Company') has acquired 14,170,817 equity shares of Max Life Insurance Company Limited (MLIC), subsidiary of the Company from Axis Bank Limited for a consideration of Rs. 162.96 crores, thereby increasing its equity stake in MLIC from 70.75% to 71.49%.
4. The Company is a Non-Systemically Important Core Investment Company, and is primarily engaged in growing and nurturing business investments and providing management advisory services to group companies in India. Accordingly, the Company views these activities as one business segment, therefore there are no separate reportable segments as per Indian Accounting Standard 108 (Ind AS) on Operating Segment.
5. During the quarter ended December 31, 2018, the Company has allotted 561,734 equity shares of Rs. 2 each arising from exercise of Employee Stock Options under the "Max Employee Stock Plan-2003".
6. Revenue from operations of the Company includes dividend income for the quarter ended December 31, 2018 Rs. 165.62 crores and December 31, 2017 Rs. 114.19 crores, nine months ended December 31, 2018 Rs. 281.01 crores and December 31, 2017 Rs. 200.17 crores received from Max Life Insurance Company Limited, a subsidiary of the Company.
7. Revenue from operations of the Company includes gain on fair value changes on derivative financial instruments for the quarter ended December 31, 2017 Rs. 9.20 crores and nine months ended December 31, 2017 Rs. 30.04 crores.
- Gain/(loss) on fair value changes on derivative financial instruments represents gain/(loss) arising out of the Option arrangements executed during the year ended March 31, 2016, amongst the Company, Axis Bank Limited and Mitsui Sumitomo Insurance Company Limited.
8. During the nine months ended December 31, 2018, the Company incurred finance cost aggregating to Rs. 27.25 crores towards underwriting fee and arrangers' fee in respect of firm commitments made by certain lenders to enable the Company to provide its portion of shareholders' contribution for a potential acquisition opportunity pursued by its subsidiary company. However, subsequently the subsidiary company decided not to pursue the said acquisition opportunity and hence no fund raising was done by the Company. As the Company has not accessed any public funds, it continues to be a non Systemically Important Core Investment Company under the Non-Banking Finance Company (NBFC) rules as defined under the Reserve Bank of India Act, 1934.
9. These standalone unaudited Ind AS financial results for the quarter and nine months ended December 31, 2018 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
DIN : 02394694

Date : February 11, 2019
Place : New Delhi

