

BOARD'S REPORT

Your Directors are pleased to present the Eleventh Board's Report of your Company together with the audited accounts for the financial year ended March 31, 2019.

1. BUSINESS HIGHLIGHTS

The highlights for the Financial Year ended March 31, 2019 are as under:

Particulars	(Rs in '000)	
	Financial Year 2018-19	Financial Year 2017-18
Gross Written Premium	94,70,157	75,44,715
Earned Premium	65,94,788	57,58,542
Investment Income	5,52,736	5,08,396
Other Income	2,997	27,433
Less: Claims Incurred (Net)	35,56,426	28,90,226
Less: Commission Paid (Net)	3,08,500	2,38,288
Less: Operating Expenses	35,74,727	29,05,561
Less: Other Expenses	35,066	31,898
Less: Provision for diminution in the value of investments	75000	-
Less: Provision for doubtful debts	84671	-
Profit/(Loss) before Tax	(4,83,869)	2,28,398
Key Business Parameters		
Solvency Ratio	1.77	2.11
Share Capital (Rs. crores)	981	926.00
Foreign Direct Investment(Rs. crores)	480.69	453.74
No. of Employees	2280	1,886
No. of offices	40	30
No. of Agents	31,555	25,376
No. of Policies	3,88,129	3,30,876

2. INDUSTRY OVERVIEW

With penetration of Health Insurance in the country still being low, the sector presents a huge opportunity of growth and thus continues to attract new players. Of the 48.2 crores lives covered through health insurance during FY18, the overwhelming majority

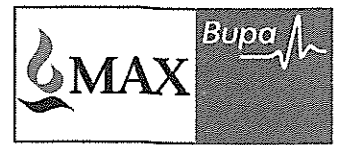
Max Bupa Health Insurance Company Limited

CIN - U66000DL2008PLC182918

Corporate Office: Block B1/I-2, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi - 110044, Tel.: + 91-11-29902000

Registered Office: Max House, 1 Dr. Jha Marg, Okhla, New Delhi - 110020





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was covered through government insurance (35.9 crores) with other group business (8.94 crores) and individual business (3.3 crores) contributing a much smaller proportion. The rise in lifestyle and chronic diseases like Cancer, Diabetes and Cardiovascular ailments over the past few years is contributing towards the increasing awareness about health insurance.

The Health Insurance industry continues to be dominated by 4 public sector companies, which together constitute 49% of the market share in FY19. In addition, there are 21 private general insurance players and 7 standalone health insurers. Reliance Health Insurance Ltd. is the new standalone health insurer which started operations in FY19.

3. STATE OF COMPANY'S AFFAIRS

Your Company posted a Gross Written Premium of Rs. 947 crores for the year thereby registering a 26% growth over previous year. The Company posted underwriting loss of Rs. 84.49 crores during the year as compared to underwriting loss of Rs. 27.55 crores during the previous year. The Net Loss for the year was Rs. 48.39 crores as compared to profit of Rs. 22.84 crores in the previous year.

Your Company aims to be the preferred family health insurer for retail customers and offers quality health insurance services through its comprehensive distribution network comprising of Agency, Bancassurance, & Alliances (NBFC's and brokers) & Direct & digital channel.

Key highlights of the year are as follows:

- Expanded agency to 12 new cities.
- Partnered with HDFC Bank and HDFC Securities
- New partners on-boarded throughout year- Karur Vysya bank, Ujjivan Small Finance Bank and RattanIndia.
- Three innovative products were developed during the year, strengthening our edge over competition - 'Health Recharge' (our top-up product), 'Max Health Plus' (new group product) and we also filed the entry level product 'Max Health Pulse' to cater to our expansion plans for tier-2 and tier-3 cities
- Multiple initiatives to drive higher employee engagement introduced throughout the year - buddy program for employees, strengthening the on-boarding process, training needs identification; E-Learning portal for all employees
- Won the 'The Economic Times Best Brands 2019' award, the only health insurance brand among 40 most preferred brands of Indian consumers
- Won the 'Digital Innovator of The Year' award, at the 'India Insurance Summit and Awards

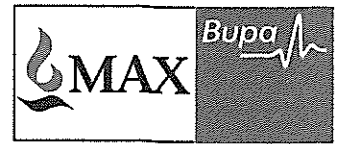
A. MULTI CHANNEL DISTRIBUTION SET-UP

Your Company's strategic priorities focus on profitable and sustainable growth led by agency and bancassurance. Your Company has relentlessly focused on building its distribution network by consistently improving the quality of its agency sales force, building bancassurance channel and strengthening its direct channels by evaluating a comprehensive 'digital' strategy.

1. Agency

Agency is the Company's largest distribution channel, spanning 39 branches across 30 cities. Your Company's agency force is one of the most productive agency force amongst SAHIs (Stand Alone Health Insurers). FY 18-19 saw the





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Agency channel focus on new agent recruitment, agent activation, digitization, process standardization, quality of new business and persistency.

2. Bancassurance & Alliances

Your Company is a leading player in the distribution of health insurance through financial institutions. Max Bupa works with various Bancassurance and Corporate Agency relationships in India; with reputed banks like Standard Chartered Bank, HDFC Bank, Federal Bank, Deutsche Bank, Karur Vysya Bank, Sarv UP Gramin Bank, South Indian Bank and Bank of Baroda as its Banca partners.

Your Company also has a tie up with the leading NBFC in the country, Bajaj Finance Limited, under the Alliances vertical. Your Company has also entered into Corporate Agency agreement with HDFC Securities Limited in the financial year.

Your Company will continue exploring new opportunities in Bancassurance and Alliances channel for potential profitable partners.

3. Direct channels (E-sales and Direct sales team)

Your Company has a captive telesales team in the health insurance equipped with state-of-the-art technology infrastructure (Dialler/CRM) within a secure environment. Your Company is carving a niche for itself by creating 'digital' opportunities in the Health insurance space in India, given that ~22% of retail sales are estimated to be directly/digitally influenced by 2025. You Company has also made deep inroads with likeminded digital platforms for showcasing our products on comparative platforms. Your Company aims to maintain profitable direct channels with a focus on building a comprehensive digital strategy.

4. Business to Business (B2B)& Rural business

Apart from the retail segment, your Company also has limited presence in the Group business where we focus on select and profitable business opportunities.

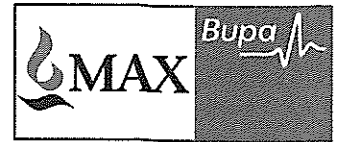
Your Company renewed rural business underwritten under the Rashtriya Swasthya Bima Yojna (RSBY) scheme of the Orissa Government. The RSBY scheme will soon be replaced by the newly announced Ayushman Bharat scheme and we are actively monitoring the requirements of this scheme to understand and build our approach towards this.

B. IMPROVED CUSTOMER MANAGEMENT

In line with your Company's commitment towards exemplar service and being transparent, customer focused, equitable and fair in its dealing with customers, your Company continued to focus on raising the standard of customer interaction at every touch point, right from pre-sales engagement to payment of claims.

Your Company proactively captures customer feedback through multiple formal and informal customer listening initiatives, including Customer Transactional Assessments (CTA) for key customer processes, online customer feedback through portals and blogs, Max Bupa's website, and welcome calling. Service excellence is key to your Company's success and therefore there is considerable focus on customer experience and related metrics.





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Your Company's 30 minutes pre – authorization service commitment, introduced in the Financial Year 2014 – 15, continues to be an industry leading promise in the industry for the Financial Year 2018-19.

C. COST MANAGEMENT

Your Company continues to drive profitable growth by focus on higher efficiency, improved productivity and cost optimization initiatives. We have leveraged best practices across the Max Group and the industry to optimize spends.

D. INVESTMENT PERFORMANCE

Your Company ensures management of investment assets in accordance with the asset liability management policy of the Company. The performance of the investments has been commensurate with the risk assumed.

The investment corpus is invested with 66% of the portfolio in highest safety instruments (viz. sovereign and AAA or equivalent instruments). Your Company's Assets under Management (AUM) stands Rs. 823.03 crores as on March 31, 2019 against Rs. 665.79 crores in previous year.

E. BUSINESS EXCELLENCE

As part of Max Quality System for Financial Year 2018 - 2019 cycle, your Company worked towards continuous improvement projects. Eighteen projects to further improve existing processes were delivered. These projects were done across different functions, and primarily, Operations and Renewals. Five of our process improvement projects got selected as finalists for ASQ World Quality Conference 2019, which is a significant recognition of process improvement efforts in your company. Projects focused on revenue generation, cost reduction and customer experience improvement.

F. AWARDS AND RECOGNITIONS

During the Financial Year 2018-19, the Company was felicitated with Awards and Recognitions across functional areas. Some of these were as follows:

- We were recognized as 'Digital Innovator of the Year 2018-19' by India Insurance Awards for pioneering industry first digital innovations like GoActive and AnyTimeHealth machines.
- We were felicitated with the Economic Times Brand Equity Award in 'Best Consumer Health & Fitness Campaign 2018-19' for GoActive
- We are amongst the most trusted and well known health insurance player in India consecutively in multiple consumer surveys including the coveted Superbrands in 2016, 2017 and 2018.
- We were recently conferred with the Economic Times Best Brands Award 2018-19.

4. PHILOSOPHY

Your Company's purpose is to help customer lead healthier, more successful lives. With an aim to build long-term healthcare partnerships for life, your Company is working towards helping people put their 'health first' through your comprehensive product and service portfolio.





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Your Company's vision is to become India's most admired health insurance Company by building a customer centric culture and investing in people, technology, and infrastructure to deliver high quality products and services to customers. Such vision has been reflected in our strategic priorities for the year ahead.

5. OPERATIONS

The New Business and Branch operations of the Company are supported by the state of art workflow management and CRM system ensuring that all key processes like policy issuance and customer queries are completely digitized. Such processes take the Company a step further where there is no physical form needed even at the point of sales.

Our customer service department enables the customer to have multiple accesses to get his / her queries resolved. With technologies like IVR in the call center, we have enabled various self-service options for the customer, which are available 24X7. CRM system gives us one view of the customer enabling a high rate of first time resolution for most queries. The dedicated in-house call center ensures that all queries and complaints are resolved within the timeline. The critical call centre metrics are internationally benchmarked and the results meet global standards. Our pre-authorisation turn-around time continues to outperform the industry standards with our 30 minute cashless proposition.

Your Company has invested extensively in building its Health Risk Management (HRM) capabilities. HRM aims to strike a balance between treating customers fairly, enabling product profitability and affordability of comprehensive health insurance products for the customers. Key operating decisions related to product design, underwriting & claims philosophy, choice of market segments as well product and geographical mix are guided by HRM principles and are enabled by strong health and clinical data analytics. It also includes partnering with health service providers (especially hospitals) to ensure quality of healthcare to your Company's customers. Your Company has significantly enhanced payment integrity, reducing overcharging by providers, fraud detection and control to ensure only genuine claims are paid by mobilizing claims leakage control measures.

Your Company brings together Bupa's global health insurance with Max India's understanding and experience of the Indian health and insurance sectors and customer service expertise. Your Company has developed a strong network of hospitals and services its customers directly through its in-house team of professionals, including doctors who process the claims.

Given the above practices, your Company's claim ratio is broadly in line with the expected experience for the maturity of the portfolio basis pricing assumptions.

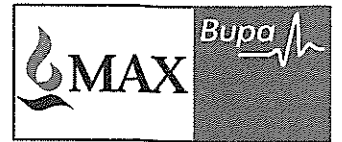
6. HEALTH INSURANCE PRODUCTS

Your Company offers both indemnity and fixed benefit category of products serving retail, affinity/bank groups and government sponsored health insurance programs. Your Company's indemnity product offerings including its flagship product Heartbeat and Health Companion continue to be well received in the market.

Your Company further fortified its existing line of retail products to strengthen its customer value proposition with the launch of GoActive in FY18.

Your Company has also launched a comprehensive 'Max Health Plus' in FY19. This product can be customized to come up with multiple propositions to meet the needs of Bancassurance & affinity partners.





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Your Company has also launched a super top-up product 'Health Recharge' in FY19 which would provide higher coverage at nominal premium.

In addition to the above, your Company also has a comprehensive bouquet of products in indemnity and fixed benefit segments which includes Group Personal Accident, Health Assurance, Group Health Insurance, Group Criticare, Group Health Secure, Employee First Health Insurance Plan, Swasth Parivar – Health Insurance Plan and Swasthya Pratham – Micro Insurance Product.

7. BOARD OF DIRECTORS AND ITS COMMITTEES

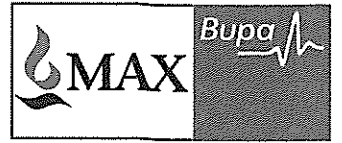
The Board of Directors is responsible for the approval of the overall corporate strategy and other Board related matters. The Board of Directors of your Company comprises of Twelve (12) members as on March 31, 2019.

1. During the year, Mr. John Howard Lorimer (DIN: 07138581) resigned from the directorship with effect from October 01, 2018.

The Company places on record its deep appreciation of the contribution made by Mr. John Howard Lorimer during his association with the Company.

2. During the year, Mr. Simeon Preston was appointed as an Additional Director of the Company with effect from October 01, 2018.
3. During the year, Mr. K. Narasimha Murthy was re-appointed as Independent Director of the Company with effect from 24th September 2018 for a fixed term of five years. Mr. Murthy is Chairman of Nomination & Remuneration Committee and Audit Committee and a member of Risk Committee of the Board.
4. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Rajesh Sud (DIN - 02395182), Ms. Joy Carolyn Linton (DIN -02630925), being liable to retire by rotation at the ensuing Annual General Meeting of your Company and being eligible, have offered themselves for reappointment.
5. In accordance with the requirements of the Companies Act 2013 and IRDAI's Corporate Governance Guidelines, following committees of the Board were re-constituted during the year:
 - a) The Risk Committee, Investment Committee, Asset Liability Management Committee and Policyholder Protection Committee of the Board were re-constituted by inducting Mr. Dinesh Kumar Mittal as a member of the Committee with effect from 8th May 2018.
 - b) The Risk Committee of the Board was re-constituted by inducting Mr. Simeon Preston as a member and Chairman of the Committee with effect from 1st October 2018.
 - c) The Policyholders Protection Committee of the Board was re-constituted by inducting Mr. Simeon Preston as a member of the Committee with effect from 1st October 2018.
 - d) The Corporate Social Responsibility (CSR) Committee was constituted during the year. The composition of the CSR committee comprises of Mr. Dinesh Kumar Mittal (Chairman & Independent Director), Ms. Marielle Theron (Non-executive





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Director) and Mr. David Fletcher (Non-executive Director). The constitution of the CSR Committee is in accordance with the provisions of section 135 of the Companies Act 2013 and as per IRDAI's Corporate Governance Guidelines, 2016.

6. Mr. Rahul Khosla, Co-Vice Chairman and Non-executive Director, resigned as Director of the Company with effect from 26th April 2019.

The Company places on record its deep appreciation of the contribution made by Mr. Rahul Khosla during his association with the Company.

7. Your Company is proposing to regularise the appointment of Mr. Simeon Preston (DIN: 03517416) being Additional Director as Director of your Company at the ensuing Annual General Meeting.

8. KEY MANAGERIAL PERSONNEL("KMP") U/S SECTION 203 OF THE COMPANIES ACT, 2013 AND IRDAI's CORPORATE GOVERNANCE GUIDELINES

In pursuance to Section 2(51) of Companies Act 2013, "Key managerial personnel", in relation to a company, means:-

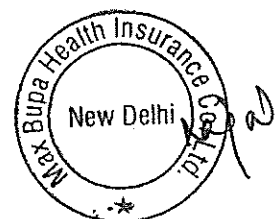
- i. the Chief Executive Officer or the Managing Director or the manager;
- ii. the Company Secretary;
- iii. the Whole-time Director;
- iv. the Chief Financial Officer;
- v. such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi. such other officer as may be prescribed

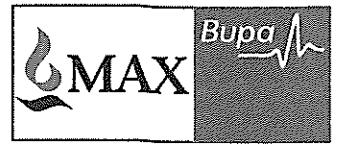
As on 31st March 2019, the following employees were holding the position of KMP duly appointed with approval of the Board:-

- a) Mr. Ashish Mehrotra, Chief Executive Officer and Managing Director;
- b) Mr. Rahul Ahuja, Chief Financial Officer;
- c) Mr. Rajat Sharma, Company Secretary;
- d) Mr. Partha Banerjee, Director & Head-Legal, Compliance & Regulatory affairs and Chief Compliance Officer
- e) Mr. Tarun Katyal, Director & Chief Human Resources Officer
- f) Mr. A.V. Ramanan, Appointed Actuary
- g) Mr. Vikas Gujral, Chief Operating Officer
- h) Ms. Anika Agarwal, SVP & Head-Marketing Digital and Direct Sales
- i) Mr. Anurag Gupta, SVP & Head-Agency Channel
- j) Mr. Aseem Gupta, SVP & Head-Portfolio Management & Affinity Channels
- k) Mr. Vikas Jain, Chief Investment Officer
- l) Mr. Satyanandan Atyam, Chief Risk Officer
- m) Ms. Priya Gilbile, SVP & Head – Health Risk Management
(left the services of the Company on account of resignation with effect from 11th October 2018)
- n) Mr. Atul Bhandari, SVP -Bancassurance
(left the services of the Company on account of resignation with effect from 26th March 2019)

9. CORPORATE GOVERNANCE

Your Company follows high standards of corporate governance and the Directors have embraced this belief and taken various steps to raise the bar for Corporate Governance.





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Your Company has an independent minded Board constituted of domain experts from diverse functional areas.

The Board of your Company as on March 31, 2019 comprises of seven (7) Non-Executive Directors, one (1) Executive Director and four (4) Independent Directors.

As per Corporate Governance Guidelines issued by IRDAI, the Chief Executive Officer is designated as Whole-time Director under the Companies Act. The Company has received Deed of Covenant and Declaration from Directors appointed during the year in accordance with the said Corporate Governance Guidelines.

Further, the Board has the following Committees, functioning in line with IRDAI Corporate Governance Guidelines:

- a) Audit Committee
- b) Investment Committee
- c) Asset Liability Management Committee
- d) Risk Committee
- e) Policyholders' Protection Committee
- f) Product and Actuarial Committee
- g) Nomination and Remuneration Committee
- h) Corporate Social Responsibility Committee

The disclosures, as per the IRDAI's Corporate Governance Guidelines, form part of the Directors' Report and are appended as Annexure - 1. The details regarding number of meetings of the Board and its Committees along with the attendance of Directors of the Company thereof, as required under Section 134(3) (b) of the Companies Act 2013 also form part of the aforesaid Annexure - 1.

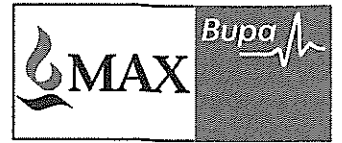
10. MATERIAL CHANGES AND COMMITMENT, IF ANY

- a) The Company had filed with IRDAI for forbearance towards exceeding the expenses of management over the allowable limit. Based upon the submission, the Authority in terms of regulation 11 of IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016 granted forbearance till FY 2022.

A sum of Rs. 136.50 crores which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

- b) During the FY 2018-19, the Company has continued with its additional quota share reinsurance arrangement by ceding 20% of its risk on the indemnity portfolio other than Employer/Employee schemes to a Reinsurer. This has led to an increase in the Company's underwriting capacity along with partially mitigating the claim aggregation risk in the event of any epidemic/pandemic situation.
- c) The Company has entered into Share Purchase Agreement and Shareholders Agreement dated 13th March 2019 with Bupa Singapore Holdings Pte. Ltd. and True North Fund VI LLP for transfer of 5,09,69,400 shares in the company.
- d) The Company has entered into Share Purchase Agreement dated 13th March 2019 with Max India Limited and True North Fund VI LLP for transfer of 51% stake in the company.





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11. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS THEREOF

Your Company did not have any Subsidiaries, Joint Ventures or Associate Companies during the year.

12. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status or Company's operations during the year as well as in the future.

However, IRDAI issued guidance on some of the inspection observations against the Company conducted for the financial year 2015-16 and 2016-17 vide its letter no. IRDA/Enf/2018/RSG_Adv dated 14.03.2019.

13. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year 2018-19.

14. DIVIDEND

The Directors do not recommend any dividend for the financial year 2018-19.

15. CAPITAL

The authorized share capital of the Company is Rs. 1500,00,00,000/- (Rupees One Thousand Five Hundred crores only) divided into 150,00,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. As of 31st March 2019, the paid up equity share capital of your Company was Rs. 981,00,00,000/- (Rupees Nine Hundred and Eighty One crores only).

16. SOLVENCY

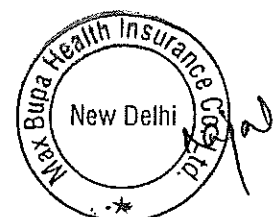
Your Company regularly monitors its solvency margins to ensure that the solvency margin is maintained in line with the requirements of IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016. As on March 31, 2019, the solvency ratio of your Company stood at 177% against required solvency of 150%.

17. RESERVES

Your Company has not transferred any amount to reserves, during the financial year 2018-19.

18. PARTICULARS OF DEPOSITS

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013.



19. IMPLEMENTATION OF INDIAN ACCOUNTING STANDARD (Ind AS) IN INSURANCE SECTOR

The Ministry of Corporate Affairs (MCA) has outlined the roadmap for implementation of Ind AS in the insurance sector from 1st April, 2018 onwards with one year comparatives. Consequently, IRDAI has set up various working groups to prepare a roadmap for implementation of Ind AS in the Insurance sector. However, implementation of Ind AS in the Insurance sector in India has been deferred for a period of two years and the same shall now be implemented effective 1st April 2020.

Your Company had initiated the process to ensure compliance with Ind AS in a time bound manner.

Your Company has submitted the Interim IND AS Proforma Financial Statement at each quarter end during the FY 2018-19 to IRDAI.

20. POLICY ON ALLOCATION & APPORTIONMENT OF EXPENSES OF MANAGEMENT

As per the Notification issued by IRDAI (Reg./12/124/2016 dated 27th April 2016), no Insurer carrying on Health Insurance Business in India shall spend in any Financial Year as Expenses of Management, an amount exceeding a certain allowable in relation to the following expenses:

- a) Commission or other remuneration paid to insurance agents and insurance intermediaries in respect of their business transacted in the financial year;
- b) Commission and expenses reimbursed on reinsurance inward; and
- c) Operating expenses.

The expense allowable limit is computed on the basis of percentages to Total Gross Premium Written in India during the financial year in respect of various segments of business. As per the notification, the Insurer shall ensure that their Expenses of Management are within the allowable limit on a segment wise basis. Where the Company has violated the limits of Expenses of Management for one or more segments but is compliant on an overall Company basis, the excess of such Expenses of Management shall be borne by the Shareholders.

Further, as required under the Regulation, the Company has prepared a Policy for the allocation and apportionment of expenses of Management amongst the various business segments. The Policy has been approved by the Board and is reviewed annually.

21. RURAL & SOCIAL SECTOR OBLIGATIONS

Disclosure of sector wise business based on Gross Direct Written Premium (GWP) as per IRDAI (Obligations of Insurers to Rural or Social Sectors) Regulations, 2015 is as under:

Business Sector	Year ended March 31, 2019	
	GWP Rs.'000s	% of GWP
Rural	553,262	9.056%
Social	1,631	0.002%
Urban	8,915,263	90.942%

The Company achieved a rural target of 5.47% of GWP against the prescribed obligation of 3.5% of GWP. Under the social sector, the Company covered 1,28,888 lives against the prescribed obligation of 1,23,414 lives thereby fulfilling the social sector obligation.



22. JOINT STATUTORY AUDITORS

M/s. Nangia & Co., Chartered Accountants, (ICAI FRN- 002391C), Statutory Auditors, shall retire at the conclusion of the ensuing 11th Annual General Meeting. Re-appointment of M/s. Nangia & Co., Chartered Accountants, as joint statutory auditors for the FY 2019-20, to hold the office from the conclusion of 11th Annual General Meeting until the conclusion of the 12th Annual General Meeting of the Company, has been proposed to the shareholders for their approval.

M/s. M.P. Chitale & Co, Chartered Accountants, (ICAI FRN- 101851W) was appointed for the term of two years at the 10th Annual General Meeting of the Company. It is proposed to ratify the appointment of M/s. M.P. Chitale & Co., as the Joint Statutory Auditor of the Company, to hold the office from the conclusion of 11th Annual General Meeting until the conclusion of the 12th Annual General Meeting of the Company.

Your Company has received certificates from M/s. M.P. Chitale & Co, Chartered Accountants, and M/s Nangia & Co., Chartered Accountants, that their appointment as Auditors, if made, shall be in accordance with the conditions laid down in the Companies (Audit and Auditors) Rules, 2014 and that they are not disqualified from appointment under Sections 141& 144 of the Companies Act, 2013, the Insurance Act 1938 and IRDAI's Corporate Governance Guidelines 2016.

Based on the recommendation of the Audit Committee, the Board has recommended the appointment of M/s. Nangia & Co., Chartered Accountants, and ratification of appointment of M/s. M.P. Chitale & Co, Chartered Accountants, as Joint Statutory Auditors of your Company.

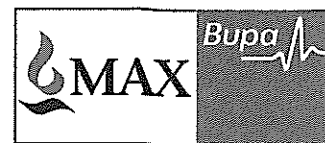
The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

23. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of your Company confirms that:-

1. In the preparation of annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the loss of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis;
5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.





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24. NUMBER OF CASES FILED AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013)

Your Company is very sensitive towards any complaints related to sexual harassment and has a well defined Policy on Prevention of Sexual Harassment against Women at the workplace.

The Company has an Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013. One complaint was established by the Sexual Harassment Committee during the Financial Year 2018-19 and proper actions were taken.

25. ANNUAL PERFORMANCE EVALUATION

As per the requirements of the Companies Act, 2013, formal Annual Performance Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors.

The performance evaluation was carried out by obtaining feedback from all directors through a confidential online survey mechanism. The outcome of this performance evaluation was placed before the Nomination and Remuneration Committee on May 22, 2019 and further placed before the Board in the meeting held on May 23, 2019.

26. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company's internal control system is commensurate with the size and scale of the business operations.

Your Company has developed and strengthened its internal financial controls framework over the years. Your Company strives to create and sustain control conscious culture by creating 'tone at the top' appropriately. The risk and internal controls environment is governed by two specialized sub-committees of the Board i.e. Audit Committee and Risk Committee. There are well defined charters for each committee making them responsible for institutionalizing and providing oversight to risk assessment and the controls evaluation processes. The Audit Charter and the Risk Management Policy are reviewed annually and a quarterly reporting structure to the respective Committees of the Board is in place. To ensure independence, the Internal Audit department reports to the Chairperson of the Audit Committee of the Board.

Further, a risk based Internal Audit mechanism is in place, wherein various processes and functions (including finance and accounts) are audited on an annual basis. Internal audits are carried out at two levels:

1. Processes are reviewed to ascertain their completeness and the adequacy of controls in mitigating risks (design); and
2. Compliance of documented processes are reviewed (effectiveness).

Further, detailed financial Standard Operating Procedures (SOPs) are defined for key processes and vital controls are mapped in the finance manual. A limited review is conducted by the Statutory Auditors on the quarterly financial statements and a detailed annual audit is conducted at the end of each financial year.

A framework for monitoring of internal controls on financial reporting has been documented, including structure for governance around Financial Reporting controls



during the year. Risk and Control matrices have been defined for all identified internal controls on financial reporting.

A quarterly Director's questionnaire is furnished to the Audit Committee to certify that, to the best of management's knowledge and belief, the financial results for the quarter do not contain any false or misleading statements or figures and nothing material has been concealed or suppressed. The document is certified by Chief Financial Officer, Appointed Actuary and Director – Legal and Compliance. This document covers the following aspects:

- Part 1 : Accounting
- Part 2 : Taxation
- Part 3 : Actuarial
- Part 4 : Risk & Compliance
- Part 5 : Banking Operations

27. CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

All related party transactions that were entered into during the financial year 2018-19 were on an arm's length basis and in the ordinary course of business. Details of the transactions are enclosed herewith in the prescribed format i.e. Form AOC - 2 as Annexure No - 2.

Your Company has a Board approved Related Party Transaction Policy and SOP.

The requisite disclosure of the Related Party Transaction has been made in the Notes to Accounts of your Company.

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

In accordance with Section 186(11)(a) of the Companies Act 2013 together with the clarification issued by Ministry of Corporate Affairs on February 13, 2015, Section 186 does not apply to an Insurance Company. Your Company does not have any loan given, investment made or guarantee given or security provided as required under Section 186 of the Companies Act, 2013.

29. THE EXTRACT OF THE ANNUAL RETURN U/S 92 OF THE COMPANIES ACT, 2013

The extract of the Annual Return in the prescribed format i.e. form MGT - 9 as per the requirements of Section 92 of the Companies Act, 2013 is annexed as Annexure No - 3 and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/financialreports.aspx>

30. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. The NRC has at least 50% of its members as Independent Directors.





HEALTH INSURANCE

Your Company has put in place the relevant framework and a Nomination & Remuneration Policy as required in section 178 of the Companies Act 2013. Any shareholder, interested in obtaining a copy of the Policy, may write to the Company Secretary at the Registered Office of Company, which is also displayed on your Company's website. The Policy is also attached herewith as Annexure - 4 and also published in the website of the Company i.e. and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/index.aspx>.

31. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013. The Independent directors have duly complied with the Code for Independent Directors prescribed in Schedule IV to the Act and other requirements of IRDAI's Corporate Governance Guidelines.

32. CODE OF CONDUCT & WHISTLE BLOWER POLICY

In order to uphold the highest standards of ethical behavior, your Company has a Code of Conduct which is applicable across the organization.

Your Company also has a Whistle Blower Policy approved by the Board which empowers and provides a channel to employees for communicating any breaches of your Company's Values, Code of Conduct, Anti Money Laundering Policy and other regulatory and statutory requirements. Appropriate disciplinary actions are taken against any violation. During the FY 2018-19, actions against 73 employees were taken by the Company as per Employee Disciplinary Action Plan. 14 complaints were received under the Whistle Blower Policy in the Financial Year 2018-19 which were duly investigated and 11 were closed. All the investigations and proceedings are conducted through Code & Ethics Committee meetings. The Management provides assurance on the effectiveness of the Anti-fraud and Whistle Blower Policy to the Risk Committee/Board through the Code & Ethics Committee updates.

33. CORPORATE SOCIAL RESPONSIBILITY

The Company had constituted a CSR Committee as per the provisions of section 135 of the Companies Act 2013 and IRDAI's Corporate Governance Guidelines on July 31, 2018. As per the provisions, Mr. Dinesh Kumar Mittal (Independent Director) is Chairman of the CSR Committee. Further, Ms. Marielle Theron and Mr. David Martin Fletcher are the members of the Committee. The Committee met once during the year on January 30, 2019.

The purpose of the Committee is to formulate and monitor the CSR policy of the Company. The Company has adopted a CSR Policy in its meeting held on January 30, 2019. The Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining and monitoring CSR Projects.

Annual Report on Corporate Social Responsibility (CSR) activities is attached herewith as Annexure 5.

Even though the Company was not required to mandatorily comply with the CSR requirements in previous years, the Company has been taking initiatives to enable its people, customers, partners and public at large lead healthier, more successful lives.



The "Max Bupa Walk for Health" initiative of the Company has been time and again recognized as one of the best CSR initiative in the country.

Alongside, Max Bupa also runs cause-led campaigns on its social platforms to contribute to societal well-being. This year, Max Bupa introduced a unique #Donateyourweight initiative on social media, in partnership with Cuddles NGO, to encourage employees and the community at large to get healthier and make a difference to the lives of underprivileged children battling cancer. Max Bupa made a promise to contribute an amount equivalent to the number of kilos pledged by people as a part of the challenge. Over 500 employees participated in the drive and the campaign went gained significant traction on social media.

34. SECRETARIAL AUDIT

Your Company in the meeting held on July 31, 2018 has appointed M/s. Chandrasekaran Associates, Company Secretaries, New Delhi to conduct Secretarial Audit for the Financial Year 2017-18 as per the requirements of Section 204 of the Companies Act, 2013.

M/s. Chandrasekaran Associates, Company Secretaries, New Delhi have submitted their report for the financial year 2018-19 in the prescribed format MR-3 which is annexed as Annexure No - 6.

35. DIRECTORS' COMMENTS ON QUALIFICATIONS, RESERVATIONS, DISCLAIMERS AND ADVERSE REMARKS

a) STATUTORY AUDIT

Joint Statutory Auditors of your Company for the financial year 2018-19 i.e. M/s. M.P. Chitale & Co. and M/s. Nangia & Co. Llp. in their Audit Report for FY 2018-19 have given no qualifications, reservations, disclaimers, comments and/or adverse remarks.

b) SECRETARIAL AUDIT

M/s. Chandrasekaran Associates, Secretarial Auditors of your Company for the Financial Year 2018-19 have given no qualifications, reservations, disclaimers, comments and adverse remarks in its report.

36. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

37. RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK THAT MAY THREATEN THE EXISTENCE OF THE COMPANY

Your Company's overall approach to managing risk is based on the 'three lines of defense' model with a clear segregation of roles and responsibilities for all the lines. Business Managers are part of the first line of defense and have the responsibility to evaluate their risk environment and put in place appropriate controls to mitigate such risks or avoid them. The Risk Management Function, along with the Compliance





HEALTH INSURANCE

Function, Fraud & Risk Control Unit and Chief Information Security Officer, forms the second line of defense. The Internal Audit Function guided by the Audit Committee is the third line of defense and provides an independent assurance to the Board. The Statutory Auditors and regulatory oversight aided by the Appointed Actuary and Panel Actuary in his/her fiduciary capacity are also construed to provide an additional line of defense.

Risk management activities are supervised on behalf of the Board by the Risk Committee, whose responsibilities conform to those prescribed by the IRDAI. The Chief Risk Officer assists the Board Committee in overseeing the risk management activities across the Company.

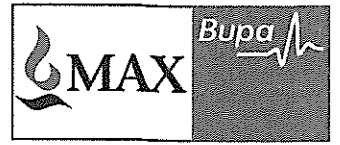
Your Company has an operationally independent Risk Management Function in place, headed by a Chief Risk Officer. The function is responsible for the supervision of all risk management activities in the Company, including developing the risk appetite, maintaining an aggregated risk view across the Company, monitoring the residual risks to ensure that they remain within tolerance levels. It also reviews the appropriateness and adequacy of the risk management strategy and develops recommendations to the Risk Committee as necessary. The Risk Management function also ensures that, through various management submissions, the Board is adequately informed on key emerging risk related issues and if necessary, provides supplementary advice to the Board through the Risk Committee. A Management Risk Committee has been constituted which is headed by the CEO and includes key members such as Chief Risk Officer, Chief Financial Officer, Chief Operating Officer, Director – Legal, Compliance and Secretarial, etc. All important risk related matters are discussed, reviewed and monitored by this Committee on a periodic basis.

Your Company has developed a risk management framework which defines its approach to enterprise wide risk management. The implementation is a continuous cycle of improvement over the Company's existing risk management elements which are progressively integrated into the framework. The Company has the vision of a matured state of risk culture whereby every individual takes responsibility of risks and has a thorough understanding of all risk tolerances.

Within the framework, a Risk Appetite Statement is in place which identifies and addresses each material risk to which the Company is exposed and establishes the degree of risk that the Company is willing to accept in pursuit of its strategic objectives, business plans and the interest of the policyholders. These material risks have been categorized in the areas of Strategic, Insurance, Financial, Operational, Legal & Regulatory Compliance and Reputational Risks. The Risk Management Strategy has been developed which defines the Company's approach to manage the identified material risks through acceptance, avoidance, transfer and/ or mitigation. The degree and intensity of the management action are guided by comparing the risk appetite with the potential impact of the risk, likelihood of its occurrence and the costs of implementing the controls. This is supplemented by various policies and procedures in respective operating areas which help to identify, mitigate and monitor risks. The Operational risk incident management process provides an intervention with employees of the organization to become risk ambassadors and report risk incidents in the organization. The reporting of risk incidents enable organization to understand the areas of weaknesses in processes and related mitigation actions are then discussed reviewed and monitored on a periodic basis.

The risk management framework also ensures that the level of risk accepted is within the Company's risk capacity and the level of capital adequacy is in excess of the level prescribed in the public interest via legislation.





HEALTH INSURANCE

The risk management framework also ensures that the level of risk accepted is within the Company's risk capacity and the level of capital adequacy is in excess of the level prescribed in the public interest via legislation.

38. ADDITIONAL INFORMATION

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 together with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and IRDAI's Corporate Governance Guidelines is annexed herewith as an Annexure -7.

The information in accordance with the provision of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is provided hereunder:

CONSERVATION OF ENERGY

- (i) the steps taken or impact on conservation of energy;
- (ii) the steps taken by the Company for utilizing alternate sources of energy
- (iii) the capital investment on energy conservation equipments;

As your Company is not a manufacturing Company, the provisions relating to conservation of energy is not applicable to your Company.

Your Company has installed solar panels which are used for office lighting as proactive measure to reduce the carbon footprint.

TECHNOLOGY ABSORPTION

1) The efforts made towards technology absorption:

Max Bupa has made significant strides in the areas of technology enablement and technology leverage across business functions. One of the key enablers has been the successful launch of a fully automated platform for managing Group business. Max Bupa also launched a new responsive portal to provide seamless access to the new group policy admin system and acts as a chassis for all Bancassurance (affinity) relationships and provides full integration capabilities via robust web services (API) framework. We have also enhanced our existing CRM platform to build capabilities for agent on-boarding and agent registration, marketing campaigns, outbound calling and claims servicing. Basis this, the old platform has been decommissioned and is no more in use. This initiative also completed overall CRM automation roadmap which was undertaken 3 years ago.

We launched a new mobile application for our customers (Android and iOS version) to enable product information, policy information, OPD services, pharmacy services, medical records storage (health locker), wellness ecosystem capabilities and information nuggets etc. to improve customer experience and connect.

Multiple enhancements have been made across core applications and systems to improve productivity and seamless automation capabilities for our platforms based on business needs, regulatory requirements etc. We have launched Fraud & Investigation capabilities for Group business (this was already available for retail channel). We also enabled capabilities for cross sell and upsell across chosen product and benefit combinations thereby improving the connect and spread across customers. Upsell and cross sell has been enabled on website, physical form, mobile app and TPD sourcing channels.



2) The benefits derived from technology improvement, cost reduction, new technological development and import substitution:

Our mobile app offerings for sales teams to enable the buying journey are now trending at high levels of adoption for Agency leading to more online payments, lesser documentation and thus helping improve customer experience. Banca platform which is leveraged for automating selling for bancassurance tie ups saw an upward adoption of business sourcing.

CRM platform has been extended to renewals and branch operations teams, thereby increasing functional usage and benefits.

Our analytics landscape comprising of business intelligence (BI) solution has been significantly enhanced and availability of business insights to decision makers has been improved through addition of analytics BI reports.

We have enabled dashboards for monitoring key processes such as Pre Authorization, claims performance etc. which enable faster visibility, decision making and process improvements for core operations teams and thereby help service customers better.

3) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- i) the details of technology imported – Not Applicable
- ii) the year of import – Not Applicable
- iii) whether the technology been fully absorbed – Not Applicable

4) The expenditure incurred during the year on Research and Development:

Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

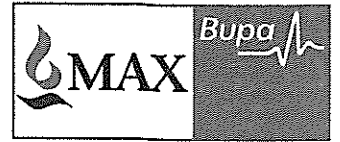
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(Rs. in thousands)			
#	Particular	For the year ended March 31, 2019	For the year ended March 31, 2018
i)	Foreign Exchange Earnings	Nil	Nil
ii)	Foreign Exchange Outgo		
	CIF Value of Imports		
	- Capital Goods	43,697	22,727
	- Trading Goods	Nil	Nil
	Others	10,030	3,080

39. COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

During the year, the Company has complied with the applicable provisions of the Secretarial Standard on meetings of the Board of Directors ('SS-1') and the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India.





HEALTH INSURANCE

40. ACKNOWLEDGEMENTS

The Directors wish to place on record their deep appreciation for the hard work, dedicated efforts, teamwork and professionalism shown by the employees and the agent advisors, which have enabled your Company to establish itself amongst the leading Health Insurance companies in India.

Your Directors take this opportunity to express their sincere thanks to valued customers for their continued patronage.

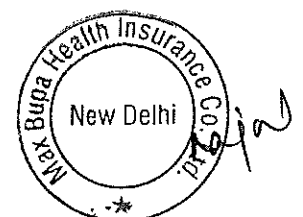
Your Directors also express gratitude to the Insurance Regulatory and Development Authority of India, the Reserve Bank of India, Central and State Governments and the joint venture partners, Max India Limited and Bupa Singapore Holdings Pte. Ltd. for their continued cooperation, support and assistance.

For and on behalf of the Board of Directors

Rajesh Sud
Chairman of the Board and
Director
DIN - 0002395182

Ashish Mehrotra
Chief Executive Officer &
Managing Director
DIN - 0007277318

Place: New Delhi
Date: May 23, 2019



LIST OF ANNEXURES

S.No	Particulars	Relevant Rules	Relevant form	Annexure No.
1.	Disclosures for the Financial Year 2018-19 as per Corporate Governance Guidelines	IRDA Corporate Governance Guidelines	NA	1
2.	Contracts and arrangements with Related Parties	Section 188 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	Form AOC-2	2
3.	Extract of Annual Return	Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014	Form MGT-9	3
4.	Nomination and Remuneration Policy	Section 134 (3)(e) of the Companies Act, 2013	Policy Copy	4
5.	CSR Report	Section 134 (3)(o) of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014)	NA	5.
6.	Secretarial Audit Report	Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Form MR -3	6
7..	Particulars of Employees	Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NA	7



ANNEXURE 1. Disclosures for the Financial Year 2018-19 as per IRDA Corporate

Governance Guidelines

1) During the Financial Year 2018-19, the following Committee and Board Meetings were held:-

S. No	Name of the Committee and Board	Date of Holding the Meetings								
		April 24, 2018	May 21, 2018	July 05, 2018	July 31, 2018	October 05, 2018	October 25, 2018	January 08, 2019	January 30, 2019	
1.	Audit Committee Meeting	April 24, 2018	May 21, 2018	July 05, 2018	July 31, 2018	October 05, 2018	October 25, 2018	January 08, 2019	January 30, 2019	N.A
2.	Investment Committee Meeting	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 25, 2018	N.A	January 31, 2019	N.A
3.	Asset Liability Management Committee	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 25, 2018	N.A	January 31, 2019	N.A
4.	Policyholder's Protection Committee Meeting	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 25, 2018	N.A	January 30, 2019	N.A
5.	Product and Actuarial Committee Meeting	N.A	May 21, 2018	N.A	July 30, 2018	N.A	October 26, 2018	N.A	January 30, 2019	N.A
6..	Risk Committee Meeting	N.A	May 21, 2018	N.A	July 31, 2018	N.A	October 26, 2018	N.A	January 30, 2019	N.A
7.	Nomination and Remuneration Committee Meeting	N.A	May 21, 2018	N.A	July 31, 2018	N.A	October 26, 2018	N.A	January 30, 2019	February 26, 2019
8.	Board Meeting	N.A	May 22, 2018	N.A	July 31, 2018	N.A	October 26, 2018	N.A	January 31, 2019	February 26, 2019
9.	Corporate Social Responsibility Meeting	N.A	N.A	N.A	N.A	N.A	N.A	N.A	January 30, 2019	N.A

2) Constitution of the Board, number of meetings held and attendance by Directors during the year 2018-2019

S.No.	Name of the Director	No. of Board Meetingsheld	No. of Board Meetings attended
1.	Rahul Khosla*	5	3



2.	Rajesh Sud	5	5
3.	David Martin Fletcher	5	4
4.	Mohit Talwar	5	3
5.	Marielle Theron	5	5
6.	Joy Linton	5	5
7.	John Lorimer**	5	2
8.	K Narasimha Murthy	5	4
9.	Pradeep Pant	5	4
10.	Burjor P. Banaji	5	1
11.	Dinesh Kumar Mittal	5	3
12.	Simeon Preston***	3	3
13.	Ashish Mehrotra	5	5

* Ceased as member of the Board w.e.f. April 26, 2019

** Ceased as member of the Board w.e.f. October 01, 2018.

*** Appointed as member of the Board w.e.f. October 01, 2018

Leave of absence was granted to the Members who could not attend Board meetings.

- 3) Constitution of the Audit Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
K. Narasimha Murthy	8	8
Pradeep Pant	8	7
David Martin Fletcher	8	7

Leave of absence was granted to the Members who could not attend Audit Committee meetings.

- 4) Constitution of the Investment Committee, number of meetings held and attendance by the Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Joy Linton	4	4
Marielle Theron	4	4
Ashish Mehrotra	4	4
Dinesh Kumar Mittal	4	2
Rahul Ahuja	4	4
Vikas Jain	4	4
Ramanan AV*	1	1
Satyanandan Atyam**	1	1

*Mr. Ramanan AV attended the meeting as the member of the Investment Committee w.e.f. January 31, 2019.

**Mr. Satyanandan Atyam became the member of the investment committee w.e.f. October 26, 2018.

Leave of absence was granted to the Members who could not attend Investment Committee meetings.



- 5) Constitution of the Asset Liability Management Committee, number of meetings held and attendance by the Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Joy Linton	4	4
Marielle Theron	4	4
Ashish Mehrotra	4	4
Dinesh Kumar Mittal	4	2
Rahul Ahuja	4	4
Vikas Jain	4	4
Satyanandan Atyam*	1	1
Ramanan AV**	1	1

*Mr. Satyanandan Atyam became the member of the asset liability management committee w.e.f. October 26, 2018.

**Mr. Ramanan AV attended the meeting as the member of the Asset Liability Management Committee w.e.f. January 31, 2019.

Leave of absence was granted to the Members who could not attend Asset Liability Management Committee meetings.

- 6) Constitution of the Risk Committee, number of meetings held and attendance by the Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Simeon Preston*	2	2
John Howard Lorimer*	2	2
Mohit Talwar	4	2
Marielle Theron	4	4
K. Narasimha Murthy	4	4
Joy Linton	4	4
Dinesh Kumar Mittal	4	3

*Mr. Simeon Preston was appointed as the Chairman of the Risk Committee in place of Mr. John Howard Lorimer w.e.f. October 01, 2018 as Mr. John Howard Lorimer ceased from directorship of the Company w.e.f. October 01, 2018.

Leave of absence was granted to the Members who could not attend Risk Committee meetings.

- 7) Constitution of the Policyholders' Protection Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
David Martin Fletcher	4	3
Marielle Theron	4	4
John Howard Lorimer*	2	2
Burjor P. Banaji	4	3
Dinesh Kumar Mittal	4	3

Ashish Mehrotra	4	4
Vikas Gujral	4	4
Simeon Preston**	2	2

*Mr. John Howard Lorimer ceased to be a member of the Policyholders' Protection Committee w.e.f October 01, 2018

**Mr. Simeon Preston became the member of the Policyholders' Protection Committee w.e.f. October 01, 2018.

Leave of absence was granted to the Members who could not attend Policyholders' Protection Committee meetings.

- 8) Constitution of the Product and Actuarial Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Marielle Theron	4	4
David Martin Fletcher	4	3
Joy Linton	4	4
Ashish Mehrotra	4	4
Ramanan AV*	1	1

*Mr. Ramanan AV attended the meeting as the member of the Product and Actuarial Committee w.e.f. January 30, 2019.

Leave of absence was granted to the Members who could not attend Product and Actuarial Committee meetings.

- 9) Constitution of the Nomination and Remuneration Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
K. Narasimha Murthy	5	4
Pradeep Pant	5	4
David Martin Fletcher	5	3
Rajesh Sud	5	5

Leave of absence was granted to the Members who could not attend Nomination and Remuneration Committee meetings.

- 10) Constitution of the Corporate Social Responsibility Committee, number of meetings held and attendance by Members during the year 2018-2019

Name of the Member	No. of meetings held	No. of Meetings attended
Dinesh Kumar Mittal	1	1
David Martin Fletcher	1	1
Marielle Theron	1	1

11) Details of Directors and their status of Directorship and qualifications as on March 31, 2019:

S.No	Particular	Status of Directorship	Qualifications and specialization
1.	Rajesh Sud DIN - 0002395182	Chairman And Non Executive Director	MBA from FMS, Delhi University, Advanced Management Program from Wharton Business School, University of Pennsylvania, Philadelphia, USA
2.	Rahul Khosla DIN - 0003597562	Co-Vice Chairperson and Non Executive Director	Bachelor degree with honors in Economics from St. Stephen, New Delhi and Chartered Accountant
5.	David Martin Fletcher DIN - 0007004032	Co-Vice Chairperson and Non Executive Director	BA honors Modern History, Durhan University, UK
3.	Mohit Talwar DIN - 0002394694	Non Executive Director	Post Graduation in Arts from St. Stephen's College and Post Graduation in Hospitality Management from the Oberoi School.
4.	Marielle Theron DIN - 0002667356	Non Executive Director	BSC in Statistics and Actuary Science Fellow of society of Actuary
6.	Joy Carolyn Linton DIN - 0007630925	Non Executive Director	Bachelor of Commerce
7.	Simeon Preston DIN-03517416	Non Executive Director	Master of Business Administration
8.	K Narasimha Murthy DIN - 0000023046	Independent Director	B.SC, FCA, FCMA
9.	Pradeep Pant DIN -0000677064	Independent Director	Master in Management Studies
10.	Burjor P. Banaji DIN - 0001341783	Independent Director	Medical School Postgraduate
11.	Dinesh Kumar Mittal DIN - 00040000	Independent Director	Master's in Physics



12.	Ashish Mehrotra DIN - 0007277318	Managing Director and Chief Executive Officer	Graduate in Business Management and MBA
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- 12) Your Company did not pay any remuneration to the Directors other than sitting fees to Independent Directors.
- 13) There was no pecuniary relationships or transactions of the Non-Executive Directors with the Company during the Financial Year 2018-19.
- 14) Disclosure in respect of Remuneration or Commission, if any, received by Managing or Whole-Time Director of your Company from the Holding company or Subsidiary company, who is also in receipt of commission from the Company.

No remuneration or Commission were received by Managing Director or Whole Time Director of the Company from the Holding Company or Subsidiary Company during the year.

15) Sitting Fees

Your Company has paid sitting fees to its Non-Executive - Independent Directors namely Mr. K.Narasimha Murthy, Mr. Pradeep Pant, Dr. Burjor P. Banaji and Mr. Dinesh Kumar Mittal for attending the Committee & Board meeting during Financial Year 2018 - 2019.

Details of which is hereunder:

Mr. K Narasimha Murthy			
Board Meeting /Committee Meeting	Total Meetings attended	Total amount paid in INR	
Board Meeting	4	4,00,000/-	
Audit Committee	8	8,00,000/-	
Risk Committee	4	4,00,000/-	
Nomination and Remuneration Committee	4	4,00,000/-	
Independent Directors Meeting	1	1,00,000/-	
Mr. Pradeep Pant			
Board Meeting	4	4,00,000/-	
Audit Committee	7	7,00,000/-	
Nomination and Remuneration Committee	4	4,00,000/-	
Independent Directors Meeting	1	1,00,000/-	
Mr. Burjor P. Banaji			
Board Meeting	1	1,00,000/-	



HEALTH INSURANCE

Policyholders Protection Committee Meeting	3	3,00,000/-
Mr. Dinesh Kumar Mittal		
Board Meeting	3	3,00,000/-
Investment Committee	2	2,00,000/-
Asset Liability Management Committee	2	2,00,000/-
Policyholders protection Committee Meeting	3	3,00,000/-
Risk Committee	3	3,00,000/-
Corporate Social Responsibility Meeting	1	1,00,000/-
Independent Directors Meeting	1	1,00,000/-

For and on behalf of the Board of Directors

Ashish Mehrotra
Chief Executive Officer
& Managing Director

Address:-401, Ann Abode Apartments, St Martin Road, Bandra West, Mumbai, 400050, Maharashtra, India.

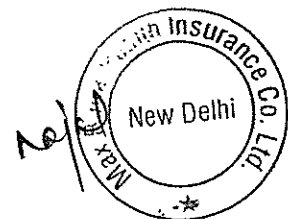
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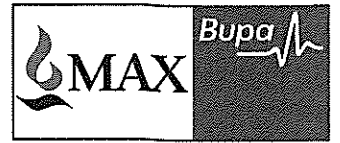
Rajesh Sud
Chairman and Director

Address - E-801, Central Park-1, Sector-42, Sector Road, Gurgaon - 122002

DIN - 02395182

Place: New Delhi
Date: May 23, 2019

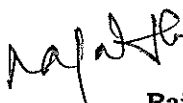





HEALTH INSURANCE

Certification from the Compliance Officer

I, Rajat Sharma, hereby certify that the Company has complied with the requirements of Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Rajat Sharma*

Company Secretary

Membership No - F7069

Address: B1/ I2, Mohan Co-operative Industrial Area,
Mathura Road, New Delhi 110044,
India.

Place: New Delhi

Date: May 23, 2019



HEALTH INSURANCE

Annexure-2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

I. Details of contracts or arrangements or transactions not at arm's length basis

NONE

- Name(s) of the related party and nature of relationship
- Nature of contracts/arrangements/transactions
- Duration of the contracts / arrangements/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Justification for entering into such contracts or arrangements or transactions
- date(s) of approval by the Board
- Amount paid as advances, if any:
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188

II. Details of material contracts or arrangement or transactions at arm's length basis

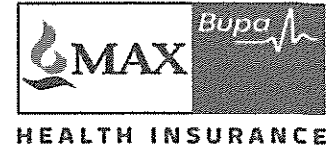
(1) Group Health Insurance Cover (Family Floater) to the employees of Max India Limited

- Name(s) of the related party and nature of relationship: -
 - Max India Limited, Holding Company
- Nature and duration of contracts/arrangements/transactions: -
 - Group Health Insurance Cover (Family Floater)
 - Max Bupa shall provide Group Health (Family Floater) for the employees of Max India Limited
 - Agreement shall be for the period commencing from May 13, 2018 to May 12, 2019
- Salient terms of the contracts or arrangements or transactions including the value, if any:
 - The total contract value is Rs. 21,94,800/- (including GST).
- Date of approval by the Audit Committee: 13.05.2018
- Amount paid in advance, if any: NIL

(2) Group Health Insurance Cover (Family Floater) to the employees of Max Financial Services Limited

- Name(s) of the related party and nature of relationship: -
 - Max Financial Services Limited (not a related party as the Companies Act, 2013)





- b) Nature and duration of contracts/arrangements/transactions:-
- Group Health Insurance Cover (Family Floater)
 - Max Bupa shall provide Group Health (Family Floater) for the employees of Max Financial Services Limited
 - Agreement shall be for the period commencing from May 13, 2018 to May 12, 2019.
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- The total contract value is Rs. 12,27,200/- (including GST).
- d) Date of approval by the Audit Committee: 13.05.2018
- e) Amount paid in advance, if any: NIL

(3) Group Health Insurance Cover (Family Floater) to the employees of Antara Purukul Senior Living Limited

- a) Name(s) of the related party and nature of relationship:-
- Antara Purukul Senior Living Limited, Fellow Subsidiary
- b) Nature and duration of contracts/arrangements/transactions:-
- Group Health Insurance Cover (Family Floater)
 - Max Bupa shall provide Group Health (Family Floater) for the employees of Antara Purukul Senior Living Limited.
 - Period of coverage commencing from June 16, 2018 to June 15, 2019.
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- The total contract value is Rs. 5,30,887/- (including GST).
- d) Date of approval by the Audit Committee: 16.06.2018
- e) Amount paid in advance, if any: NIL

(4) Group Health Insurance Cover (Family Floater) to the employees of Antara Senior Living Limited

- a) Name(s) of the related party and nature of relationship:-
- Antara Senior Living Limited, Fellow Subsidiary
- b) Nature and duration of contracts/arrangements/transactions:-
- Group Health Insurance Cover (Family Floater)
 - Max Bupa shall provide Group Health (Family Floater) for the employees of Antara Senior Living Limited
 - Period of coverage commencing from June 16, 2018 to June 15, 2019.
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- The total contract value is Rs. 10,60,820/- (including GST).





d) Date of approval by the Audit Committee: 16.06.2018

e) Amount paid in advance, if any: NIL

(5) Sales & Service Training to Employees, Agents and Staff of Bank Partners of Max Bupa Health Insurance Company Limited

a) Name(s) of the related party and nature of relationship: -

- Max Skill First Limited, Fellow Subsidiary

b) Nature and duration of contracts/arrangements/transactions: -

- Sales & Service Training to employees, agents and staff to bank partners of Max Bupa Health Insurance Company Limited
- Amendment proposed to the existing contract:
 - Due to expansion of business in Bancassurance and Agency functions, additional requirement of 7 trainers is proposed
 - Increase in commercials by INR 0.81 Crores (annual), distributed as follows:
 - INR 0.57 crores for expansion towards HDFC Bank relationship
 - INR 0.24 crores for expansion in Agency Function

c) Salient terms of the contracts or arrangements or transactions including the value, if any:

- The total contract value for FY 2018-19 will not exceed INR 6.64 Crores (inclusive of the revisions) and annual Bonus based on MOS achievement not exceeding INR 0.30 Crores.

d) Date of approval by the Audit Committee: October 05, 2018

e) Amount paid in advance, if any: NIL

(6) Reimbursement of cost of membership of Delhi Golf Club Limited

a) Name(s) of the related party and nature of relationship:-

- Max Financial Services Limited (not a related party as the Companies Act, 2013)

b) Nature and Duration of contracts/arrangements/transactions: -

- Reimbursement of cost of membership of Delhi Golf Club.
- Reimbursement of cost of membership of Delhi Golf Club Limited for the period July 03, 2018 to August 07, 2021 for Mr. Ashish Mehrotra (Chief Executive Office and Managing Director)

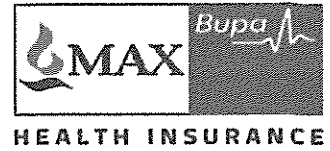
c) Salient terms of the contracts or arrangements or transactions including the value, if any:

- Max Financial Services Limited has bought a membership with Delhi Golf Club for CEO & MD of Max Bupa as part of his approved remuneration on cost basis and without any markup is to be reimbursed to Max Financial Services Limited.

d) Date of approval by the Audit Committee: October 05, 2018

e) Amount paid as advances, if any: NIL





(7) Functional Support Agreement with Max India Limited

- a) Name(s) of the related party and nature of relationship: -
- Max India Limited, Holding Company
- b) Nature and Duration of contracts/arrangements/transactions:-
- Functional Support Agreement
 - Max India shall provide Functional Support through its various departments to Max Bupa in respect of Max Bupa's business/operations, as mutually agreed upon between the Parties.
 - An addendum agreement for a period of 1 year commencing 1st April 2018 for a contract value not exceeding INR 10 crores.
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- The total contract value for the year 2018-19 will not exceed INR 10 Crores.
- d) Date of approval by the Audit Committee: 23.02.2019
- e) Amount paid as advances, if any: NIL





Annexure - 3	
Form No. MGT-9	
EXTRACT OF ANNUAL RETURN	
As on the financial year ended on March 31, 2019	
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]	
I REGISTRATION AND OTHER DETAILS	
(f) CIN - U66000DL2008PLC182918	
(g) Registration Date - September 5, 2008	
(h) Name of the Company - Max Bupa Health Insurance Company Limited	
(i) Category / Sub-Category of the Company - Public Unlisted Company	
(j) Address of the Registered office and contact details - Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020	
(k) Whether listed company - NO	
(l) Name, Address and Contact details of Registrar and Transfer Agent, if any - Name - MAS Services Limited. Address - T - 34, IInd Floor Okhla, Industrial area, Phase - II, New Delhi - 110020 Contact No. - 011-26387281. Email Address - info@masserv.com	

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

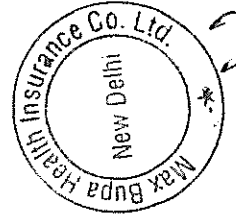
S.NO.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Stand Alone Health Insurance Company	6512 (NIC 2008)	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.NO.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Max India Limited Address - Bhaj Mohan Singh Neger, Roil Mejra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533	185100PB201SPIC 039155	Holding Company	51	2(46)

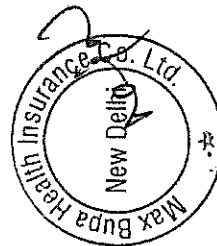
IV SHARE HOLDING PATTERN (Equity Share Capital Holding as percentage of Total Equity)

Category of Shareholders	No. of Shares held		No. of Shares held at the beginning of the year		No. of Shares held at the end of the year	
	Demat	Physical	Total	% of Total Shares	Physical	Total
A Promoters						
1 Indian						
a) Individual/HUF	NI	30	30	0.0000032	30	0.0000031
b) Central Govt	NI	NI	NI	NI	NI	NI
c) State Govt (s)	NI	NI	NI	NI	NI	NI
d) Bodies Corp.	408029970	64,230,000	472,259,970	50.9999968	500,309,970	50.9999969
e) Banks / FI	NI	NI	NI	NI	NI	NI
f) Any Other.....	NI	NI	NI	NI	NI	NI



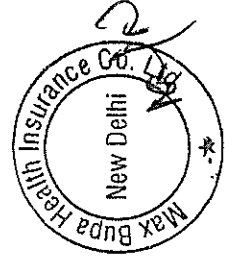
2	Sub-total (A)(1)	408029970	64,230,030	472,260,000	51	500,309,970	30	500,310,000	51	6%
a)	Foreign									
b)	Individuals									
c)	Other - Individuals									
d)	Bodies Corp.									
e)	Banks / FI									
f)	Any Other...									
	Total shareholding of Promoter (A)	206540000	247,200,000	453,740,000	49	480,689,970	30	480,690,000	49	6%
	Sub-total (A)(2)	614,569,970	311,430,030	926,000,000	100	980,999,940	30	981,000,000	100	6%
B	Public Shareholding									
1	Institutions									
a)	Mutual Funds									
b)	Banks / FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies									
g)	FIs									
h)	Foreign Venture Capital Funds									
i)	Others (specify)									
	Sub-total (B)(1)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	Non-Institutions									
a)	Bodies Corp.									
i)	Indian									
ii)	Overseas									
	Sub-total (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total Public Shareholding (B) = (B)(1) + (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C	Shares held by Custodian for CDRs & ADRs									
	Grand Total (A+B+C)	614,569,970	311,430,030	926,000,000	100	980,999,940	30	981,000,000	100	6%
(ii)	Shareholding of Promoter									
#	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year		% change in share holding during the year				
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares			
1	M/s Max India Limited	472,259,970	50.9999968%	NIL	500,309,970	50.9999969%	NIL	6%		
2	Mr. Mohit Talwar*	10		NIL	10		NIL			
3	Mr. Sujatha Ratnam*	10	0.0000032%	NIL	10	0.0000031%	NIL			
4	Mr. Jatin Khanna*	10		NIL	10		NIL			
5	M/s Bupa Singapore Holdings Pte. Ltd.	453,739,970	48.9999968%	NIL	480,689,970	48.9999969%	NIL	6%		
6	Mr. David Martin Fletcher**	10		NIL	10		NIL			
7	Mr. John Howard Lorimer**	10	0.0000032%	NIL	10	0.0000031%	NIL			
8	Ms. Joy Carolyn Linton**	10		NIL	10		NIL			
9	Mr. Simeon Preston**	10		NIL	10		NIL			
	Total	926,000,000	100%	NIL	981,000,000	100%	NIL	6%		
	* holding the shares as nominees of M/s Max India Limited in terms of Section 89 of the Companies Act, 2013									
	** holding the shares as nominees of M/s Bupa Singapore Holdings Pte. Ltd in terms of Section 89 of the Companies Act, 2013									
	Also, change in nomination of 10 equity shares of Rs. 10/- each from Mr. John Howard Lorimer to Mr. Simeon Preston w.e.f. January 10, 2019.									

(iii) Change in Promoters' Shareholding - please specify, if there is no change				
#	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year
		No. of shares	% of total shares of the company	No. of shares % of total shares of the company
1	At the beginning of the year			
i	Max India Limited	472,260,000	51%	472,260,000 51%
ii	Bupa Singapore Holdings Pte Ltd	453,740,000	49%	453,740,000 49%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).			
a)	Allotment during the Year			
	Allotment made on 27.09.2018			
	Max India Limited	7,650,000	51%	479,910,000 51%
	Bupa Singapore Holdings Pte Ltd	7,350,000	49%	461,090,000 49%
	Allotment made on 10.01.2019			
	Max India Limited	14,280,000	51%	494,190,000 51%
	Bupa Singapore Holdings Pte Ltd	13,720,000	49%	474,810,000 49%
	Allotment made on 26.02.2019			
	Max India Limited	6,120,000	51%	500,310,000 51%
	Bupa Singapore Holdings Pte Ltd	5,880,000	49%	480,690,000 49%
3	At the End of the year	981,000,000	100	981,000,000 100
(iv)	Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) - ENTIRE SHAREHOLDING IS HELD BY MAX INDIA LIMITED AND BUPA SINGAPORE HOLDINGS PTE LTD AS JOINT VENTURE PARTNERS AND PROMOTER OF THE COMPANY			
#	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year
		No. of shares	% of total shares of the company	No. of shares % of total shares of the company
1	At the beginning of the year	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			
2	At the beginning of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil
3	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil
(v)	Shareholding of Directors and Key Managerial Personnel in the Company - DIRECTORS OF THE COMPANY ARE HOLDING 10 EQUITY SHARES OF THE COMPANY AS A NOMINEE SHAREHOLDER OF JOINT VENTURE PARTNERS I.E. MAX INDIA LIMITED AND BUPA SINGAPORE HOLDINGS PTE LTD. FURTHER NO SHARE ARE HELD BY KMP DURING THE FY 2018-19			
#	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year
		No. of shares	% of total shares of the company	No. of shares % of total shares of the company
1	At the beginning of the year			
a)	Mr. Mohit Talwar	10	0.000001%	- 0.000001%
b)	Mr. David Martin Fletcher	10	0.000001%	10 0.000001%



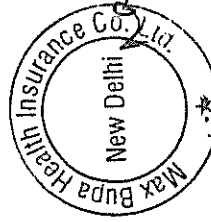
c)	Mr. John Howard Lormier*	10	0.000001%	Nil	Nil	Nil	Nil
d)	Ms. Joy Carolyn Linton	10	0.000001%	10	10	0.000001%	0.000001%
2	NO ALLOTMENT DURING THE YEAR TO THE NOMINEE SHAREHOLDERS. HENCE, NO CHANGE						
3	At the End of the year						
a)	Mr. Mohit Talwar	10	0.000001%	10	10	0.000001%	0.000001%
b)	Mr. David Martin Fletcher	10	0.000001%	10	10	0.000001%	0.000001%
c)	Mr. Simeon Preston*	10	0.000001%	10	10	0.000001%	0.000001%
d)	Ms. Joy Carolyn Linton	10	0.000001%	10	10	0.000001%	0.000001%
	*Change in nomination of 10 equity shares of Rs. 10/- each from Mr. John Howard Lormier to Mr. Simeon Preston w.e.f. January 10, 2019.						
(v)	INDEBTEDNESS (Indebtedness of the Company including interest on borrowings/accrued but not due for payment)						
	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness		
	Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil		
i	Principal Amount	Nil	Nil	Nil	Nil		
ii	Interest due but not paid	Nil	Nil	Nil	Nil		
iii	Interest accrued but not	Nil	Nil	Nil	Nil		
	Total (i+ii+iii)	Nil	Nil	Nil	Nil		
	Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil		
i	Addition	Nil	Nil	Nil	Nil		
ii	Reduction	Nil	Nil	Nil	Nil		
	Net Change	Nil	Nil	Nil	Nil		
	Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil		
i	Principal Amount	Nil	Nil	Nil	Nil		
ii	Interest due but not paid	Nil	Nil	Nil	Nil		
iii	Interest accrued but not	Nil	Nil	Nil	Nil		
	Total (i+ii+iii)	Nil	Nil	Nil	Nil		

(vi)	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
A	Remuneration to Managing Director, Whole-time Directors and/or Manager:	
	Particulars of Remuneration to Mr. Ashish Mehrotra	Total Amount (in Rs.)
1	Gross salary	
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,647,748
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	417,696
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission - a. as % of profit b. others, specify	0
5	Others, please specify	0
	Total (A)	50,065,444

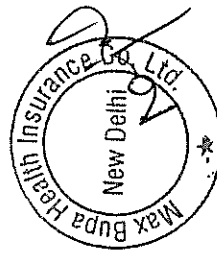


Ceiling as per the Companies Act, 2013 - THERE IS NO
LIMIT UNDER COMPANIES ACT, 2013 FOR
MANAGERIAL REMUNERATION, BEING AN INSURANCE
COMPANY, PAYMENT TO WHOLE TIME DIRECTOR
AND CHIEF EXECUTIVE OFFICER IS GOVERNED BY
INSURANCE ACT, 1938

B Remuneration to other directors					Total Amount
#	Particulars of Remuneration	Name of Directors	Mr. Burjor P. Bannaji	Mr. Dinesh Kumar Mittal	
	Independent Directors	Mr. K. Narasimha Murthy	Mr. Pradeep Pant	Mr. Dinesh Kumar Mittal	
	Fee for attending Board / Committee meetings	2,100,000	1,600,000	1,500,000	5,600,000
	Commission	Nil	Nil	Nil	Nil
	Others, please specify - Travelling Expenses	Nil	Nil	Nil	Nil
	Total (1)	2,100,000	1,600,000	1,500,000	5,600,000
	Other Non-Executive Directors	Nil	Nil	Nil	Nil
	Fee for attending Board / Committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	0	0	0	0
	Total (B)=(1+2)	2,100,000	1,600,000	1,500,000	5,600,000
	Total Managerial Remuneration under Companies Act 2013	2,100,000	1,600,000	1,500,000	4,400,000
	Overall Ceiling as per the Companies Act 2013 (for sitting fee per meeting)	100,000	100,000	100,000	100,000



Key Management Personnel ("KMP")															
#	Particulars of Remuneration	Mr. Ashish Malhotra (CEO/WTD)	Mr. Rajat Sharma (Company Secretary)	Mr. Rahul Ahuja (Chief Financial Officer)	Mr. Parthiv Bhatnagar (Director & Head Legal, Compliance & Regulatory Affairs and Chief Compliance Officer)	Mr. Tarun Kataria (Director & Chief Human Resource Officer)	Mr. A.V. Ramanna (Appointed Actuary)	Mr. Vikas Gulati (Chief Operating Officer)	Mr. Anshu Agrawal (SVP & Head Marketing, Digital and Direct Sales)	Mr. Anurag Gupta (Senior Vice President & Head Agency Channel)	Mr. Anant Gupta (SVP & Head Operations, Marketing & Affinity Channel)	Mr. Priya Ghille* (Senior Vice President & Head Back Office Management)	Mr. Atul Bhandari* (Senior Vice President & Head Business & Alliance)	Mr. Vinay Jain (Chief Investment Officer)	Mr. Sanyamada* (Chief Risk Officer)
	Gross Salary														
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,647,748	3,020,831	33,240,532	12,592,800	10,500,004	6,874,554	35,019,029	11,878,201	12,842,659	9,460,812	5,996,546	12,716,913	7,099,005	3,717,192
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	417,696	61,392	67,992	28,392	54,792	21,294	67,992	60,792	67,992	28,392	35,462	67,992	60,792	37,763
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Commission as % of profit earned, except:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	50,065,444	3,082,223	33,308,524	12,621,192	10,554,796	6,895,848	35,087,021	11,938,993	12,910,651	9,489,204	6,032,008	12,784,905	7,159,797	3,749,954
**Mr. Atul Bhandari resigned and left the services of the company w.e.f. October 11, 2019.															
**Mr. Priya Ghille resigned and left the services of the company w.e.f. October 11, 2019.															
**Mr. Atul Bhandari resigned and left the services of the company w.e.f. March 26, 2019.															
IX	PENALTIES / FURNISHMENT / COMPOUNDING OF OFFENCES														
	Type	Section of the Companies Act	Brief Description	Details of Penalty /Furnishment/ Compounding fees imposed	Authority [RD / RCLT/ COURT]	Appeal made, if any (give details)									
A	COMPANY														
	Furnishment	NI	NI	NI	NI	NI									
	Compounding	NI	NI	NI	NI	NI									
B	DIRECTORS														
	Penalty	NI	NI	NI	NI	NI									
	Furnishment	NI	NI	NI	NI	NI									
	Compounding	NI	NI	NI	NI	NI									
C	OTHER OFFICERS IN DEFAULT														
	Penalty	NI	NI	NI	NI	NI									
	Furnishment	NI	NI	NI	NI	NI									
	Compounding	NI	NI	NI	NI	NI									



NOMINATION AND REMUNERATION POLICY

Max Bupa Health Insurance Company Limited

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of Max Bupa Health Insurance Company Limited ("Max Bupa" or "Company") is required to constitute the Nomination and Remuneration Committee ("NRC" or "the Committee"). The Company has in place a NRC comprising of 4(four) non-executive Directors, of which 2(two) are Independent Directors as required under section 178 of the Companies Act, 2013. The said Committee is currently discharging all obligations of NRC.

This Committee and the Policy are formulated in compliance with Section 178 of the Companies Act, 2013 read along with Corporate Governance Guidelines for Insurance Companies issued by IRDAI, in this regard.

II. DEFINITIONS

"Board" means Board of Directors of the Company.

"Company" means "Max Bupa Health Insurance Company Limited."

"Director" means a director appointed to the Board of the Company.

"Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) means

- a) Chief Executive Officer or the Managing Director or the Manager,
- b) Company Secretary,
- c) Whole-time Director,
- d) Chief Financial Officer and
- e) Such other officer as may be prescribed.

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

"Policy or This Policy" means, "Nomination and Remuneration Policy."

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him / her and includes perquisites as defined under the Income-tax Act, 1961.

Internal



“Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Chief Executive Officer, Whole Time Director or Managing Director, including all the functional heads.

III. GUIDING PRINCIPLES

The Policy ensures that

- a) The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c) The Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Policy shall be disclosed in the Board’s Report.

IV. ROLE OF THE COMMITTEE

The role of the Committee shall be to ensure compliance of the relevant provisions of the Companies Act, 2013 and various other obligations as mentioned in the Charter of the Nomination and Remuneration Committee as approved by the Board of Directors from time to time.

V. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person being appointed as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the retirement age as per Company Policy.

Internal



VI. TERM AND TENURE

- a) **Managing Director/Whole-time Director (Managerial Person):** The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:**
- i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - ii) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
 - iii) For the purpose of determining the term of independent directors, the existing term of the Independent Directors as on April 1, 2014 shall not be counted a term for above clauses.

VII. EVALUATION

The Committee shall carry out evaluation of performance of every Director at a yearly interval, in accordance with Section 178 of the Companies Act, 2013, and present a report thereon to the Board of Directors.

VIII. REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

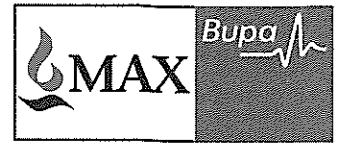
IX. RETIREMENT

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

X. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

Internal





HEALTH INSURANCE

- a) **Remuneration of CEO and Managing Director:** The remuneration of CEO, Whole Time Director and Managing Director inclusive of fixed pay, perquisites, allowances, short term/long-term incentives, retivals, and other components, will be determined by the Committee and recommended to the Board for approval. Wherever required, the remuneration of CEO, Whole Time Director and Managing Director shall be subject to the approval of the shareholders of the Company, Central Government and / or Insurance Regulatory Development Authority of India (IRDAI), in accordance with applicable provisions.

The remuneration and commission to be paid to CEO, Whole Time Director and Managing Director shall be as per the applicable statutory provisions of the Companies Act, 2013 read with the Insurance Act, 1938 and amendments and rules made there-under for the time being in force.

- b) **Remuneration to KMP and Senior Management:**

KMP (other than Whole Time Director and Managing Director) and Senior Management shall be eligible for a remuneration inclusive of fixed pay, perquisites, allowances, short term/ long term incentives, retivals and other components as may be approved by NRC and as per compensation strategy / framework of the Company from time to time.

XI. REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR:

- a) **Commission to Independent Director**

Subject to the approval of Board and Shareholders in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under, the Independent Directors may be paid profit linked commission from time to time.

Subject to the overall limit in this regard, the Board may, with mutual agreement with such director, determine and pay different commission, to each independent director.

- b) **Sitting Fees**

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- c) **Engagement for Professional Services**

The Company may, in line with applicable provisions of Companies Act, 1938, read with Insurance Act, 1938 and amendments and rules there under, wherever applicable, engage any non – executive director to provide professional services from time to time. Any such engagement for professional services shall be made if NRC of the Company is of the opinion that the Director possesses the requisite qualification for practice of profession.

Internal



XII. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary, in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

XIII. OWNER OF THE POLICY

The Policy is owned by Nomination and Remuneration Committee of the Company and shall be administered by the Director and Chief Human Resources Officer.

-----End of the document -----





HEALTH INSURANCE

Annexure-5

Annual Report on Corporate Social Responsibility (CSR) activities

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company shall undertake CSR Activities in all or any of the CSR Activities as per the Companies Act, however, it shall give primary importance to the Company's CSR Identified Sectors as follows.

- i. Health, Hygiene & Sanitation
 - a. Supporting and facilitating surgery and high-end treatment for underprivileged Indian patients
 - b. Preventive healthcare for underprivileged Indian patients in identified geographies
 - c. Health camps including immunization camps for underprivileged in identified geographies where Max Group has its presence
 - d. Blood donation camps in Max Bupa Insurance agency offices
 - e. Disability support including artificial limbs and polio callipers support
 - f. Health awareness, including cancer awareness prevention, screening and treatment support for the needy.
 - g. Personal hygiene training and support in those villages which have been adopted by the Company and in those locations where Health and Immunization camps are organized by the Company
 - h. Environmental awareness and care in and around the selected areas of operations of the Company. Propagation of a clean healthy environment to ensure good health. Encourage and facilitate plantation drives.
 - i. Waste management and correct waste disposal – awareness and implementation primarily in adopted villages and in identified locations where the Company has its offices
 - j. Clean drinking water primarily in adopted villages and schools for underprivileged children
 - k. Sewerage system and management in adopted villages.
- ii. Nutrition
 - a. Awareness on how to ensure true nutritious meal to family.
 - b. Vitamin A (children 0-5 years) and other supplements for underprivileged women and children.
 - c. Nutritional support through NGOs to underserved children.
- iii. Livelihood

Vocational training and creating & supporting Self Help Groups for women, adolescent girls and youth in villages adopted by the Company. The vocations for which training will be provided will be focused on health related issues where possible, identified basis





the inherent skill sets and commercial opportunities for those vocations in and around the adopted villages.

- iv. Health Insurance Awareness
 - a. Health insurance awareness for students in schools and colleges through simple to understand material in identified locations where Max Bupa Insurance has its offices.
 - b. Health insurance awareness to underprivileged in cities where Max Bupa Insurance has owned offices and villages adopted by Max Bupa Insurance.
 - c. Encourage households to enroll in Government promoted health insurance schemes.
- v. Education
 - a. Provide support to schools to promote education by providing books, education aids, black boards and equipment for sports & other extra-curricular activities and basic infrastructure.
 - b. Education support should be provided in villages adopted by the Company and volunteering activities under Pehal.
- vi. NGOs support in above mentioned areas
 - a. Provide support to existing activities of NGOs.
 - b. Involve employees in identifying NGOs in their geographical areas and create tailored volunteering programme within specified budget and timeline.
- vii. Disaster Support

Provide material and financial support to local communities in case of any disaster.

The Policy is published in the website of the Company i.e. and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/board-of-directors.aspx>

2. The Composition of the CSR Committee as on date of the Board Report:

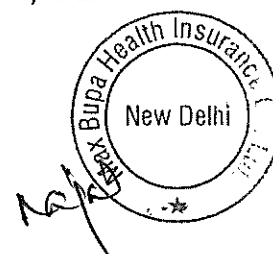
- i. Mr. Dinesh Kumar Mittal (Independent Director): Chairman.
- ii. Ms. Marielle Theron : Member
- iii. Mr. David Martin Fletcher: Member

3. Average net profit of the Company for last three financial years:

Details of net profits (Profit Before Tax) earned by Max Bupa during the three immediately preceding financial years are as under:

Financial Years	Profit Before Tax (in Rs. Lakhs)
2015-16	(6,850)
2016-17	(368)
2017-18	2,284
Average Profit	(1,645)
2% of Average Profit	(32.89)

4. Prescribed CSR Expenditure (two per cent of the average net profit): NIL



5. Details of CSR spend during the financial year 2018-19:

- a. Total amount to be spent for the financial year – 2018-19: Nil
- b. Amount unspent, if any: Not applicable
- c. Manner in which the amount was spent during the financial year is detailed below: Not Applicable


6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report:

It is to be noted that the Company registers a negative profit based on the preceding three years' average net profit and accordingly, the Company does not have to spend any amount on CSR activities for FY 2019.


7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the company.

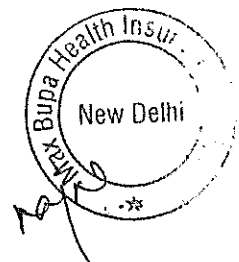
For and on behalf of the Board of Directors



Ashish Mehrotra
Chief Executive Officer
& Managing Director
DIN – 0007277318



Dinesh Kumar Mittal
Chairman of the
Committee
DIN – 00040000



SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

The Members

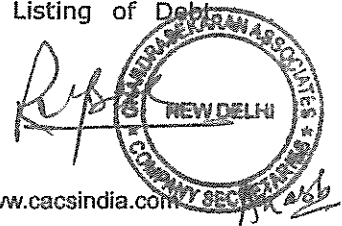
Max Bupa Health Insurance Company Limited
B 1/ 1-2, Mohan Co-Operative Industrial Area,
Mathura Road,
New Delhi 110044

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Max Bupa Health Insurance Company Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): Not Applicable
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:

1. Insurance Regulatory and Development Authority of India Act, 1999,
2. Insurance Act, 1938 and various Rules, Regulations & Guidelines issued thereunder, including circulars issued from time to time

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Not Applicable

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

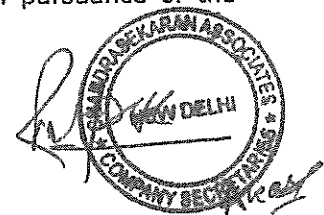
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

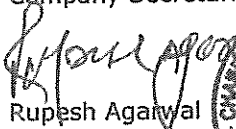
We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

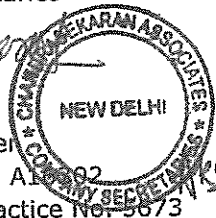
We further report that during the audit period the Company has the following specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:



1. Amendment in the Memorandum of Association of the Company for increase in the Authorized Share Capital from Rs. 1000 Crore divided in 100 Crore shares of Rs. 10 each to Rs. 1500 Crore divided in 150 Crore shares of Rs. 10 each at its Annual General Meeting held on 31.07.2018.
2. Issue of 4,80,00,000 Equity Shares of Rs. 10 each fully paid up for cash in one or more tranches on right issue basis approved in its Board meeting held on 31.07.2018 in proportion of 1 Equity Shares for every 19.291 Equity Shares.
3. Allotment of 1,50,00,000 Equity Shares at Rs.10 each fully paid up by way of right issue to the existing shareholders of the Company via Resolution by Circulation dated 27.09.2018.
4. Allotment of 2,80,00,000 Equity Shares at Rs.10 each fully paid up by way of right issue to the existing shareholders of the Company via Resolution by Circulation dated 10.01.2019.
5. Issue of 1,20,00,000 Equity Shares at Rs.10 each fully paid up for cash on right issue basis approved in its Board meeting held on 31.01.2019 in proportion of 1 Equity Shares for every 80.75 Equity Shares.
6. Allotment of 1,20,00,000 Equity Shares at Rs.10 each fully paid up by way of right issue to the existing shareholders of the Company in its Board Meeting held on 26.02.2019.

For Chandrasekaran Associates
Company Secretaries


Rupesh Agarwal
Managing Partner
Membership No. A100002
Certificate of Practice No. 5673



Date: 22.05.2019
Place: Delhi

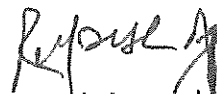
Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

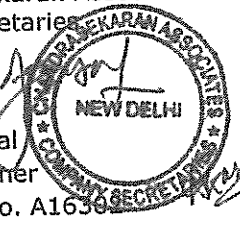
Annexure A

The Members
Max Bupa Health Insurance Company Limited
B 1/ 1-2, Mohan Co-Operative Industrial Area,
Mathura Road,
New Delhi 110044

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries


Rupesh Agarwal
Managing Partner
Membership No. A1630
Certificate of Practice No. 5673



Date: 22.05.2019
Place: Delhi

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

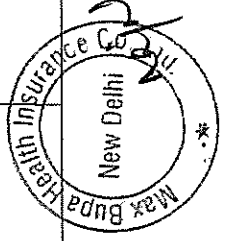
Annexure 7

PARTICULARS OF EMPLOYEES

Pursuant to provisions of section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of remuneration of the employees are given below:

Top 10 Employee in terms of remuneration who were Employed throughout the financial year:who were in the receipt of remuneration aggregating Rs. 1,02,00,000 or more per annum

S No	Name	Designation	Remuneration Received (INR)	Nature of employment	Qualification	Experience	Date of commencement of employment	Age (years)	Last employment before joining the Company	% of Equity Capital held	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:
1	Ashish Mehrotra	Managing Director & CEO	50,065,444	CEO	Master of Business Administration	23	04-Nov-15	49	Citibank N.A, Global Consumer Bank	Nil	Nil
2	Rahul Ahuja	Chief Financial Officer	33,308,524	Finance	Chartered Accountant, Bachelor of Commerce	21	01-Jun-15	46	Max India Ltd.	Nil	Nil



3	Vikas Gujral	Chief Operating Officer	35,087,621	Chief Operating Officer	Master of Business Administration	21	26-Jul-16	44	Max Life Insurance Co. Ltd.	Nil	Nil
4	Anurag Gupta	Senior Vice President & Head - Agency Channel	12,910,651	Sales and Distribution	Post Graduate Diploma in Business Management	20	18-May-15	44	Max Life Insurance Co. Ltd.	Nil	Nil
5	Partha Banerjee	Director & Head - Legal, Compliance & Regulatory Affairs	12,621,192	Legal, Compliance & Secretarial	LLB	23	26-Oct-16	48	Chhanda Legal Associate	Nil	Nil
6	Anika Agarwal	SVP & Head- Marketing Digital and Direct Sales	11,938,993	Marketing	Post Graduate Diploma in Marketing Management	15	01-Nov-11	38	Nokia Corporation	Nil	Nil
7	Tarun Katyal	Director & Chief Human Resource Officer	10,554,796	Human Resource	Master Degree in Personnel Management and Industrial relation from Punjab University	26	12-Mar-2018	27	Sistema Shyam Teleservices Limited	Nil	Nil

Top 10 Employee in terms of remuneration who were Employed for a part of the financial year: who were in the receipt of remuneration aggregating Rs. 8,50,000 per month.

No	Name	Designation	Remuneration	Nature of employment	Qualification	Experience	Date of commencement	Age (years)	Last employment	% of Equity
----	------	-------------	--------------	----------------------	---------------	------------	----------------------	-------------	-----------------	-------------



		(INR)			ment of employment	ment before joining the Company	Capital held
1	Atul Bhandari*	1,27,84,905	Sales and Distribution	Master of Business Administration (IIM) + BE	01-Aug-16	Citi Bank	Nil

*Mr. Atul Bhandari resigned and left the services of the Company w.e.f. March 26, 2019.

Employee who was in receipt of remuneration in excess of that drawn by the Managing Director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:

No	Name	Designation	Remuneration (INR)	Nature of employment	Qualification	Experience	Date of commencement of employment	Age (years)	Last employment before joining the Company	% of Equity Capital held
										NIL

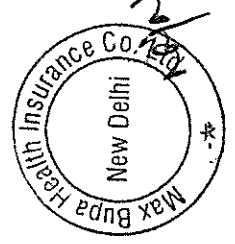
For and on behalf of the Board of Directors

Ashish Mehrotra
Ashish Mehrotra
Chief Executive Officer
& Managing Director
DIN - 07277318

Address:- 401, Ann Abode Apartments,
 St Martin Road, Bandra West,
 Mumbai, 400050, Maharashtra, India.

Rajesh Sud
Rajesh Sud
Chairman

DIN - 02395182
Address - E-801, Central Park-
 1, Sector-42, Sector Road,
 Gurgaon - 122002



Place: New Delhi
Date: May 23, 2019

M.P. Chitale & Co.
Chartered Accountants
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Amabalal Doshi Marg, Fort
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MAX BUPA HEALTH INSURANCE COMPANY LIMITED

Report on audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Max Bupa Health Insurance Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the related Revenue Account (also called the "Policyholders' Account", or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account", or "Non-Technical Account"), and the Receipts and Payments Account for the year ended March 31, 2019 and summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations") and the Companies Act 2013 ("the Act") to the extent applicable and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to Insurance Companies:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- (b) in the case of the Revenue Account, of the net surplus for the year ended on that date;
- (c) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report.



M.P. Chitale & Co.
Chartered Accountants
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Amabala Doshi Marg, Fort
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India
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Nangia & Co. LLP
Chartered Accountants
A-109, Sector-136,
Noida (Delhi – NCR) - 201304
India
Telephone +91 120 2598000
Fax+91 120 2598010

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Insurance Act, the IRDA Act and the Regulations, Companies Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We invite attention to:

- Note no 16 C (13b) regarding treatment of investments.

Our opinion is not modified in this matter.

Other Matter

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2019 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India ("the Authority") and the Actuarial Society of India in concurrence with IRDAI. We have relied upon the Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Our opinion is not modified in these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis report & Corporate Governance Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

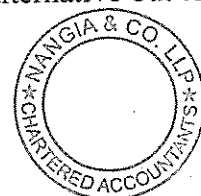
We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance and Receipts and Payments of the Company in accordance with the requirements of the Insurance Act read with IRDA Act, the Regulations orders/directions/circulars/guidelines issued by the Insurance Regulatory and Development Authority of India ('Authority'/'IRDAI') in this regard and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent applicable and in the manner so required.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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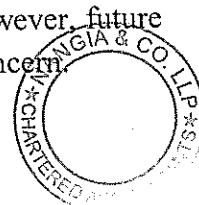
The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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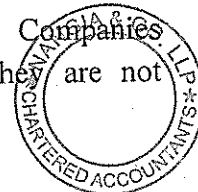
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Regulations, we have issued a separate certificate dated 23rd May 2019, certifying the matters specified in paragraphs 3 and 4 of Schedule C to these Regulations.
2. Further, to our comments in the Certificate referred to above, as required under the Regulations, read with Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company, so far as it appears from our examination of those books;
 - (c) As the Company's financial accounting system is centralised, no returns for the purposes of our audit are prepared at the branches of the Company;
 - (d) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;
 - (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016 to the extent they are not

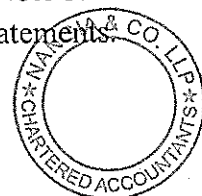


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inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by the IRDA in this regard;

- (f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and/or orders/directions issued by the Authority in this regard;
- (g) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013), and the Rules framed thereunder and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDAI in this regard
- (h) On the basis of the written representations received from the Directors, as on March 31, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
- (i) With respect to requirements of section 197(16) of the Act, as amended, we report that managerial remuneration is governed u/s 34A of the Insurance Act, 1938 and requires IRDAI approval. Accordingly, the provisions of Section 197 read with schedule V to the Act are not applicable, and hence reporting under Section 197 (16) is not required. However, sitting fees paid to the Directors is in compliance with Section 197 of the Companies Act, 2013.
- (j) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in the **Annexure A**;
- (k) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- (i) The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its financial statements – Refer Note schedule 16 note C-1 in the Notes to Accounts forming part of financial statements.



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(ii) The Company did not have any long-term contracts including derivative contracts.

(iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For M P Chitale & Co.
Chartered Accountants
Firm Registration No.: 101851W



Murtuza Vajihi
Partner

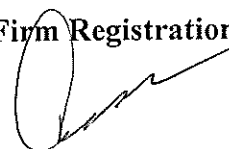
Membership No. 112555

Place: Mumbai

Date: May 23, 2019



For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C



Rakesh Nangia
Partner

Membership No. 070776

Place: Noida

Date: May 23, 2019



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“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(j) under ‘Report on Other Legal and Regulatory Requirements’ forming part of the Independent Auditors’ Report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

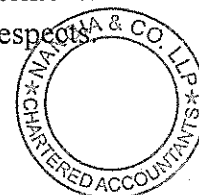
We have audited the internal financial controls with reference to financial statements **Max Bupa Health Insurance Company Limited (“the Company”)** as of March 31, 2019, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”), issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendments) Act, 2015 (“the Insurance Act”), the Insurance Regulatory and Development Authority Act, 1999 (“The IRDA Act”), the IRDA financial statement regulation order/directions issued by the Insurance Regulatory and Development Authority of India (“The IRDA”) in this regard.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements 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.



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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India".

Other Matter

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2019 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary, as mentioned in "Other Matter" paragraph of our audit report on the financial statements of the Company as at and for the year ended March 31, 2019. In view of this, we did not perform any procedures relating to internal financial controls over financial reporting in respect of the valuation and accuracy of the actuarial valuation of estimate of claims IBNR and claims IBNER..

For M P Chitale & Co.
Chartered Accountants
Firm Registration No.: 101851W

Murtuza Vajih
Partner
Membership No. 112555
Place: Mumbai
Date : May 23, 2019



For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C

Rakesh Nangia
Partner
Membership No. 070776
Place: Noida
Date: May 23, 2019



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**INDEPENDENT AUDITORS' CERTIFICATE TO THE MEMBERS OF
MAX BUPA HEALTH INSURANCE COMPANY LIMITED**

(Referred to in our 'Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report of even date)

This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C to be read with Regulation 3 of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "Regulations").

Management Responsibility

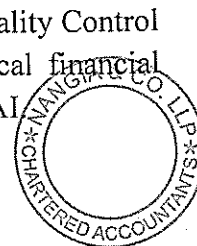
The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/FA/059/03/2015 dated March 31, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDA"), which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

Auditors' Responsibility

Our responsibility, for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the "ICAI"), which include the concepts of test checks and materiality.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform audits and reviews of historical financial information and other assurance and related services engagements issued by the ICAI



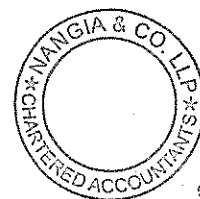
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Opinion

Based on our audit of financial statements for the year ended March 31, 2019 and in accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by Max Bupa Health Insurance Company Limited (“the Company”) for the year ended March 31, 2019, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2019, and on the basis of our review, there are no apparent mistakes in or material inconsistencies with the financial statements;
2. Based on the management representation and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDA;
3. We have verified the cash balances, to the extent considered necessary, and securities relating to the Company’s investments as at March 31, 2019, by actual inspection or on the basis of certificates/ confirmations received from the Custodian and/or Depository Participants appointed by the Company, as the case may be;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders’ Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, relating to the application and investments of the Policyholders’ Funds.



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Restriction on Use

This certificate has been issued solely in compliance with the requirements of Schedule C of the Insurance Regulatory and Development Authority (Presentation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002, ("the Accounting Regulations"), read with Regulation 3 of the Accounting Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care of for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing.

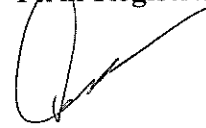
For M P Chitale & Co.
Chartered Accountants
Firm Registration No.: 101851W



Murtuza Vajih
Partner
Membership No. 112555
Place: Mumbai
Date : May 23, 2019



For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C



Rakesh Nangia
Partner
Membership No. 070776
Place: Noida
Date: May 23, 2019



FORM-B-RA

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Schedule	For the year ended	For the year ended
		Mar 31, 2019 (Rs.'000)	Mar 31, 2018 (Rs.'000)
1 Premiums earned (Net)	1	65,94,788	57,58,542
2 Profit/(Loss) on sale/redemption of Investments		22,289	19,899
3 Others		-	-
4 Accretion/Amortisation of (Premium)/Discount		43,975	38,687
5 Interest, Dividend & Rent – Gross		2,70,855	2,40,888
Total (A)		69,31,907	60,58,016
1 Claims Incurred (Net)	2	35,56,426	28,90,226
2 Commission (Net)	3	3,08,500	2,38,288
3 Operating Expenses related to Insurance Business	4	35,74,727	29,05,561
4 Premium Deficiency		-	-
Being Expenses of Management over the allowable limit transferred to Profit and Loss Account*		(13,65,000)	(10,77,713)
Total (B)		60,74,653	49,56,362
Operating Profit/(Loss) [C= (A - B)]		8,57,254	11,01,654
Appropriations			
Transfer to Shareholders' Account		8,57,254	11,01,654
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		8,57,254	11,01,654

Significant Accounting Policies and Notes to Accounts

16

The Schedules and accompanying notes referred to herein form an integral part of the Revenue Account

*As required by Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016, expenses of management incurred during the year ended March 31, 2019 in respect of Miscellaneous-"Health" & "PA" insurance business transactions in India by the Company have been fully recognized in the revenue account as expenses to the extent allowable as per regulations. As per the directions from IRDAI, expenses in excess of allowable limits, as per the Regulations have been transferred to Shareholders Accounts.

As per our Audit report of even date attached.

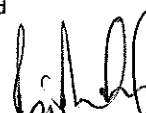
For Nangia & Co LLP
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ICAI Firm Registration No. 002391C

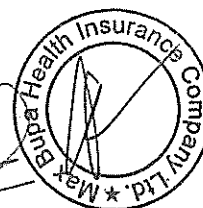
Rakesh Nangia
Partner
Membership No. 070776
Place: Noida



For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited


K. Narasimha Murthy
Director
DIN: 00023046



Rakesh Sud
Chairman & Director
DIN: 02395182



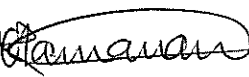
For M P Chitale & Co.
Chartered Accountants


Murtuza Vajih
Partner
Place: Mumbai




Rajat Sharma
Company Secretary
Mem No. FCS7069


Ashish Mehrotra
CEO & Managing Director
DIN: 07277318


Ramanan A V
Appointed Actuary
Mem No. 4992


Rahul Ahuja
Chief Financial Officer

Date: May 23, 2019

Date: May 23, 2019

CIN - U66000DL2008PLC182918

FORM-B-PL

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Schedule	For the year ended Mar 31, 2019 (Rs.'000)	For the year ended Mar 31, 2018 (Rs.'000)
1 Operating Profit/(Loss)			
(a) Miscellaneous Insurance		8,57,254	11,01,654
2 Income From Investments			
(a) Interest, Dividend and Rent – Gross		1,92,383	1,89,471
(b) Profit/(Loss) on sale/redemption of Investments		12,738	13,882
(c) Accretion/Amortisation of (Premium)/Discount		10,496	5,569
3 Other Income			
(a) Gain/(Loss) on Foreign Exchange Fluctuation		1,874	(5,464)
(b) Interest Income		746	968
(c) Provisions written back		377	31,929
Total (A)		10,75,868	13,38,009
4 Provisions (Other than Taxation)			
(a) For diminution in the value of investments		75,000	-
(b) For doubtful debts		84,671	5,505
(c) Penalty		-	-
(d) Others		-	-
5 Other Expenses			
(a) Expenses other than those related to Insurance Business		35,065	26,393
(b) Bad debts written off		-	-
(c) Being Expenses of Management over the allowable limit transferred from Revenue Account		13,65,000	10,77,713
Total (B)		15,59,736	11,09,611
Profit/(Loss) Before Tax		(4,83,868)	2,28,398
Provision for Taxation		-	-
Profit/(Loss) After Tax		(4,83,868)	2,28,398
Appropriations			
(a) Interim dividends		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer to any Reserves or Other Accounts		-	-
		-	-
Balance of Profit/(Loss) brought forward from last year		(67,01,566)	(69,29,963)
Balance carried forward to Balance Sheet		(71,85,434)	(67,01,566)
Basic Earning/ (Loss) per Share of Rs. 10/- each		(0.51)	0.25
Diluted Earning/ (Loss) per Share of Rs. 10/- each		(0.51)	0.25
(also refer note no 21 in Schedule 16)			

Significant Accounting Policies and Notes to Accounts

16

The Schedules and accompanying notes referred to herein form an integral part of the Profit and Loss Account

As per our Audit report of even date attached.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No. 002391C

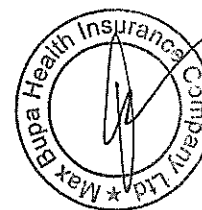
Rakesh Nangia
Partner
Membership No. 070776
Place: Noida



For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited

K. Narasimha Murthy
Director
DIN: 00023046

Rajesh Sud
Chairman & Director
DIN: 02395182



For M P Chitale & Co.
Chartered Accountants

Murtuza Vajithi
Partner
Place: Mumbai



Rajat Sharma
Company Secretary
Mem No. FCS7069

Ramanan A V
Appointed Actuary
Mem No. 4992

Ashish Mehrotra
CEO & Managing Director
DIN: 07277318

Rahul Ahuja
Chief Financial Officer

Date: May 23, 2019

Date: May 23, 2019

CIN - U66000DL2008PLC182918

FORM-B-BS

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedule	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
Sources of Funds			
Share Capital	5	98,10,000	92,60,000
Reserves and Surplus	6	-	-
Fair Value Change Account - Shareholders		229	1,040
Fair Value Change Account - Policyholders		177	35
Borrowings	7	-	-
Total		98,10,406	92,61,075
Application of Funds			
Investments - Shareholders	8	32,99,421	30,00,576
Investments - Policyholders	8A	48,56,322	36,57,308
Loans	9	-	-
Fixed Assets	10	3,21,019	3,68,833
Current Assets:			
Cash and Bank Balances	11	2,98,581	2,84,941
Advances and Other Assets	12	12,19,617	8,96,718
Sub-total (A)		15,18,198	11,81,659
Current Liabilities	13	36,59,108	26,73,645
Provisions	14	37,10,880	29,75,222
Sub-total (B)		73,69,988	56,48,867
Net Current Assets (C) = (A - B)		(58,51,790)	(44,67,208)
Miscellaneous Expenditure (To the extent not written off or adjusted)	15	-	-
Debit Balance in Profit and Loss Account		71,85,434	67,01,566
Total		98,10,406	92,61,075
Significant Accounting Policies and Notes to Accounts	16		

The Schedules and accompanying notes referred to herein form an integral part of the Balance Sheet

As per our Audit report of even date attached.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No. 002391C

Rakesh Nangia
Partner
Membership No. 070776
Place: Noida



For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited

K. Narasimha Murthy
Director
DIN: 00023046

Rajesh Súd
Chairman & Director
DIN: 02395182



For M P Chitale & Co.
Chartered Accountants

Murtuza Vajih
Partner
Place: Mumbai



Rajat Sharma
Company Secretary
Mem No. FCS7069

Ashish Mehrotra
CEO & Managing Director
DIN: 07277318

Ramanan A V
Appointed Actuary
Mem No. 4992

Rahul Ahuja
Chief Financial Officer

Date: May 23, 2019

Date: May 23, 2019

CIN - U66000DL2008PLC182918

MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

S.no	Particulars	For the year ended Mar 31, 2019 (Rs.'000)	For the year ended Mar 31, 2018 (Rs.'000)
A. Cash Flows from the Operating Activities:			
1	Premium received from Policyholders, including Advance Receipts	1,13,67,503	83,66,521
2	Other Receipts	-	-
3	Payment to the reinsurers, net of commissions and claims	(4,71,637)	(1,50,455)
4	Payments to co-insurers, net of claims recovery	(1,777)	-
5	Payments of claims	(40,42,432)	(37,08,505)
6	Payments of commission and brokerage	(11,01,390)	(7,90,511)
7	Payments of Other Operating Expenses	(40,86,200)	(26,55,644)
8	Preliminary and Pre-operative Expenses	-	-
9	Deposits, Advances and Staff Loans	(3,964)	(700)
10	Income Taxes Paid (Net)	-	-
11	Service tax & GST paid	(7,17,769)	(9,09,657)
12	Other Payments	-	-
13	Cash Flows before Extraordinary Items	9,42,334	1,51,049
14	Cash flow from extraordinary operations	-	-
15	Net Cash flows from operating activities	9,42,334	1,51,049
B. Cash flows from investing activities:			
1	Purchase of fixed assets	(1,27,615)	(2,00,312)
2	Proceeds from sale of fixed assets	35	276
3	Purchase of investments	(2,54,69,598)	(94,35,370)
4	Loans disbursed	-	-
5	Sales of investments	2,39,64,067	87,46,054
6	Repayments received from Investments	-	-
7	Rents/Interests/ Dividends received	4,32,915	4,62,400
8	Investments in money market instruments and in liquid mutual funds (Net)	-	-
9	Expenses related to investments	-	-
10	Net Cash flows from Investing activities	(12,00,196)	(4,26,952)
C. Cash flows from financing activities			
1	Proceeds from issuance of Share Capital	5,50,000	-
2	Proceeds from borrowing	-	-
3	Repayments of borrowing	-	-
4	Interest/dividends paid	-	-
5	Net cash flow from financing activities	5,50,000	-
D Effect of foreign exchange rates on cash and cash equivalents, net			
		-	-
E Net Increase/(decrease) in cash and cash equivalents			
		2,92,138	(2,75,903)
	Cash and cash equivalents at the beginning of the year	5,34,849	8,10,752
	Cash and cash equivalents at the end of the year	8,26,987	5,34,849
	Net Increase/(decrease) in cash and cash equivalents	2,92,138	(2,75,903)

Reconciliation of Cash and cash equivalents with the Balance Sheet at the end of the year

Cash and Bank Balances (Refer Schedule 11)	2,98,581	2,84,941
Short term liquid investments (Refer Schedule 8: Investments Shareholder's Fund)	2,25,045	2,26,622
Short term liquid investments (Refer Schedule 8 A Investments Policyholder's Fund)	1,75,362	23,286
Fixed Deposits having original maturity less than 90 days	1,28,000	-
Cash and cash equivalents at the end of the year	8,26,987	5,34,849

As per our Audit report of given date attached.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No. 002391C

Rakesh Nangla
Partner
Membership No. 070776
Place: Noida



For M P Chitale & Co.
Chartered Accountants

Murtuza Vajih
Partner
Place: Mumbai



Date: May 23, 2019

For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited

Director
K. Narasimha Murthy
DIN: 00023046

Chairman & Director
Rajesh Sud
DIN: 02395182

Company Secretary
Rajat Sharma
Mem No. FCS7069

CEO & Managing Director
Ashish Mehra
DIN: 0727318

Ramanan A V
Appointed Actuary
Mem No. 4992

Chief Financial Officer
Rahul Ahuja

Date: May 23, 2019

CIN - U66000DL2008PLC182918



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
 REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
 SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(Rs. '000)

Particulars	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
	SCHEDULE - 1	
PREMIUM EARNED [NET OF GST]		
Premium from direct business written	94,70,157	75,44,715
Add: Premium on reinsurance accepted	21,56,178	16,67,365
Less: Premium on reinsurance ceded	<u>73,13,979</u>	<u>58,77,350</u>
Net Premium	7,19,191	1,18,808
Less: Adjustment for change in reserve for unexpired risks	<u>65,94,788</u>	<u>57,58,542</u>
Total Premium Earned (Net)		

SCHEDULE - 2		
CLAIMS INCURRED [NET]		
Claims paid*	40,56,982	36,74,444
Direct	-	-
Add: Re-insurance accepted	8,82,974	7,75,017
Less: Re-insurance Ceded	<u>31,74,008</u>	<u>28,99,427</u>
Net Claims paid	9,04,423	5,22,005
Add: Claims Outstanding at the end of the year	5,22,005	5,31,206
Less: Claims Outstanding at the beginning of the year	<u>35,96,426</u>	<u>28,90,226</u>
Total Claims Incurred**		

*In case of in house TPA, IRDAI Expense of Management Requisitions, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 2,84,105 thousand (previous year ended 31st March 2018 Rs. 169,726 thousand) allocated to claim handling charges. This amount primarily includes employee and other related costs.

** Includes an amount of Rs. 116,231 thousand during the year ended 31st March 2019 (previous year ended 31st March 2018 Rs. 137,719 thousand) on account of expenses incurred towards product rebated benefit paid to policyholders

SCHEDULE - 3		
COMMISSION		
Commission paid	11,16,605	8,50,621
Direct	-	-
Add: Re-insurance accepted	8,09,105	6,12,333
Less: Commission on Re-insurance Ceded	<u>3,06,500</u>	<u>2,38,288</u>
Net Commission	5,02,605	3,74,045
*Includes an amount of Rs. 72,747 thousand during the year ended 31st March 2019 (previous year ended 31st March 2018 Rs. 11,561 thousand) towards Reward or Remuneration to Agents		

Break up of commission paid to procure business:		
Agents	6,00,357	5,19,865
Brokers	1,42,007	99,117
Corporate Agency	<u>3,74,241</u>	<u>2,31,639</u>
	<u>11,16,605</u>	<u>8,50,621</u>



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO:145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(Rs. '000)

Particulars	For the year ended			For the year ended		
	Mar 31, 2019			Mar 31, 2018		
	Health	Personal Accident	Others	Health	Personal Accident	Others
SCHEDULE - 1A						
PREMIUM EARNED [NET OF GST]						
Premium from direct business written	91,44,909	3,25,248	-	74,32,655	1,12,060	-
Add: Premium on reinsurance accepted	20,95,781	60,397	-	16,34,184	33,181	-
Less: Premium on reinsurance ceded	70,49,128	2,64,851	-	57,98,471	78,879	-
Net Premium	6,26,205	92,986	-	95,047	23,761	-
Less: Adjustment for change in reserve for unexpired risks	64,22,923	1,71,865	-	57,03,424	55,118	-
Total Premium Earned (Net)	34,86,747	61,679	-	28,61,285	28,941	-

Particulars	For the year ended			For the year ended		
	Mar 31, 2019			Mar 31, 2018		
	Health	Personal Accident	Others	Health	Personal Accident	Others
SCHEDULE - 2A						
CLAIMS INCURRED (NET)						
Claims paid*	40,44,310	12,672	-	36,62,262	12,183	-
Direct	-	-	-	-	-	-
Add: Re-insurance accepted	8,82,200	773	-	7,74,429	598	-
Less: Re-insurance Ceded	31,62,110	11,899	-	28,87,832	11,585	-
Net Claims paid	8,21,532	82,891	-	4,96,894	25,111	-
Add: Claims Outstanding at the end of the year	4,96,894	25,111	-	5,23,441	7,765	-
Less: Claims Outstanding at the beginning of the year	34,86,747	61,679	-	28,61,285	28,941	-
Total Claims Incurred**	13,71,223	168,781	-	13,71,223	168,781	-

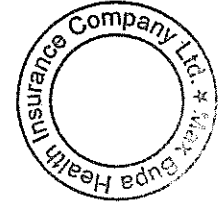
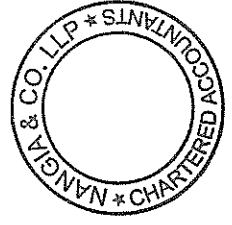
*In case of in house TPA, IRDAI Expense of Management Regulations, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 2,64,105 thousand (previous year ended 31st March 2018 Rs. 169,728 thousand) allocated to claim handling charges. This amount primarily includes employee and other related costs.

** Includes an amount of Rs. 116,231 thousand during the year ended 31st March 2019 (previous year ended 31st March 2018 Rs. 137,719 thousand) on account of expenses incurred towards product related benefit paid to policyholders

Particulars	For the year ended			For the year ended		
	Mar 31, 2019			Mar 31, 2018		
	Health	Personal Accident	Others	Health	Personal Accident	Others
SCHEDULE - 3A						
COMMISSION						
Commission paid	10,71,543	45,082	-	8,36,392	14,229	-
Direct	-	-	-	-	-	-
Add: Re-insurance accepted	7,94,960	13,145	-	6,04,773	7,560	-
Less: Commission on Re-insurance Ceded	2,76,683	31,917	-	2,31,619	6,669	-
Net Commission	8,44,817	13,228	-	6,03,153	10,810	-

*includes an amount of Rs. 72,747 thousand during the year ended 31st March 2019 (previous year ended 31st March 2018 Rs. 11,561 thousand) towards Reward or Remuneration to Agents

Particulars	For the year ended			For the year ended		
	Mar 31, 2019			Mar 31, 2018		
	Health	Personal Accident	Others	Health	Personal Accident	Others
Break Up of expenses incurred to procure business:						
Agents	5,92,244	8,113	-	5,13,949	6,016	-
Brokers	1,41,892	115	-	99,002	115	-
Corporate Agency	3,37,407	36,834	-	2,23,541	8,098	-
	10,71,543	45,082	-	8,36,392	14,229	-



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
 REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
 SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 4
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars	(Rs. '000)	
	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
1 Employees' remuneration and welfare benefits	15,75,034	13,63,966
2 Travel, conveyance and vehicle running expenses	55,726	71,762
3 Training expenses	69,161	83,609
4 Rents, rates and taxes	1,32,438	1,09,964
5 Repairs	1,70,484	1,25,449
6 Printing and stationery	23,139	31,009
7 Communication	70,282	78,764
8 Legal and professional charges	5,83,328	4,12,421
9 Auditors' fees, expenses etc		
(a) as auditor	3,592	3,180
(b) as adviser or in any other capacity, in respect of	-	-
(i) Taxation matters	150	25
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity	-	-
(i) Tax Audit Fees	200	150
(ii) Certification Fees	1,275	150
10 Advertisement and publicity	6,65,644	4,18,070
11 Interest and bank charges	34,235	24,555
12 Others		
(a) Business and Sales Promotion	4,733	2,682
(b) Membership and Subscription	4,264	2,725
(c) Insurance	3,472	2,530
(d) Siting Fee	5,600	4,400
(e) Board Meeting Expenses	3,151	1,625
(f) Miscellaneous Expenses*	583	4,805
13 Depreciation	1,63,878	1,58,762
14 Goods and Service Tax A/c	4,358	4,954
Total	35,74,727	29,05,561

* For FY 18-19, None of the items individually are higher than Rs. 500,000 or 1% of Net Written Premium.



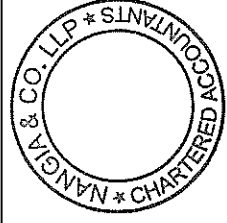
MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF CONDENSED FINANCIAL STATEMENTS

SCHEDULE - 4A
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs.'000)

Particulars	For the year ended				For the year ended			
	Mar 31, 2019				Mar 31, 2018			
	Health	Personal Accident	Others	Total	Health	Personal Accident	Others	Total
1 Employees' remuneration and welfare benefits	15,20,940	54,094	-	15,75,034	13,43,707	20,259	-	13,63,966
2 Travel, conveyance and vehicle running expenses	53,812	1,914	-	55,726	70,696	1,066	-	71,762
3 Training expenses	66,786	2,375	-	69,161	82,367	1,242	-	83,609
4 Rents, rates and taxes	1,27,889	4,549	-	1,32,438	1,08,331	1,633	-	1,09,964
5 Repairs	1,64,629	5,855	-	1,70,484	1,23,586	1,863	-	1,25,449
6 Printing and stationery	22,344	795	-	23,139	30,548	461	-	31,009
7 Communication	67,868	2,414	-	70,282	77,594	1,170	-	78,764
8 Legal and professional charges	5,63,294	20,034	-	5,83,328	4,06,295	6,126	-	4,12,421
9 Auditors' fees, expenses etc	-	-	-	-	-	-	-	-
(a) as auditor	3,469	123	-	3,592	3,133	47	-	3,180
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-
(i) Taxation matters	145	5	-	150	25	-	-	25
(ii) Insurance matters	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-
(i) Tax Audit Fees	193	7	-	200	148	2	-	150
(ii) Certification Fees	1,231	44	-	1,275	148	2	-	150
10 Advertisement and publicity	6,42,783	22,861	-	6,65,644	4,11,860	6,210	-	4,18,070
11 Interest and bank charges	33,059	1,176	-	34,235	24,190	365	-	24,555
12 Others	-	-	-	-	-	-	-	-
(a) Business and Sales Promotion	4,570	163	-	4,733	2,642	40	-	2,682
(b) Membership and Subscription	4,118	146	-	4,264	2,685	40	-	2,725
(c) Insurance	3,353	119	-	3,472	2,492	38	-	2,530
(d) Sitting Fee	5,408	192	-	5,600	4,335	65	-	4,400
(e) Board Meeting Expenses	3,043	108	-	3,151	1,601	24	-	1,625
(f) Miscellaneous Expenses*	563	20	-	583	4,734	71	-	4,805
13 Depreciation	1,58,250	5,628	-	1,63,878	1,56,404	2,358	-	1,58,762
14 Goods and Service Tax A/c	4,208	150	-	4,358	4,880	74	-	4,954
Total	34,51,955	1,22,772	-	35,74,727	28,62,405	43,156	-	29,05,561

* For FY 18-19, None of the items individually are higher than Rs. 500,000 or 1% of Net Written Premium.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF CONDENSED FINANCIAL STATEMENTS

**SCHEDULE – 5
SHARE CAPITAL**

Particulars	As at	As at
	Mar 31, 2019 (Rs.'000)	Mar 31, 2018 (Rs.'000)
1 Authorised Capital		
1,50,00,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 100,00,00,000 Equity Shares of Rs 10 each)	1,50,00,000	1,00,00,000
2 Issued Capital		
98,10,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 92,60,00,000 Equity Shares of Rs 10 each)	98,10,000	92,60,000
3 Subscribed Capital		
98,10,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 92,60,00,000 Equity Shares of Rs 10 each)	98,10,000	92,60,000
4 Called-up Capital		
98,10,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2018: 92,60,00,000 Equity Shares of Rs 10 each)	98,10,000	92,60,000
Less: Calls unpaid	-	-
Add: Equity Shares forfeited (Amount originally paid up)	-	-
Less: Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses	-	-
Less: Expenses including commission or brokerage on underwriting or subscription of shares	-	-
Total	98,10,000	92,60,000

Out of the above, 50,03,10,000 (Previous year ended as at 31st March, 2018: 47,22,60,000 Equity Shares of Rs. 10/- each are held by the holding company along with its nominees.

**SCHEDULE – 5A
PATTERN OF SHAREHOLDING
[As certified by the Management]**

Shareholders	As at Mar 31, 2019		As at Mar 31, 2018	
	Number of Shares	% of holding	Number of Shares	% of holding
Promoters				
- Indian	50,03,10,000	51.00%	47,22,60,000	51.00%
- Foreign	48,06,90,000	49.00%	45,37,40,000	49.00%
Others	-	-	-	-
Total	98,10,00,000	100.00%	92,60,00,000	100.00%



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at	As at
	Mar 31, 2019 (Rs.'000)	Mar 31, 2018 (Rs.'000)
SCHEDULE – 6		
RESERVES AND SURPLUS		
1 Capital Reserve	-	-
2 Capital Redemption Reserve	-	-
3 Share Premium	-	-
4 General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
5 Catastrophe Reserve	-	-
6 Other Reserves	-	-
7 Balance of Profit in Profit & Loss Account	-	-
Total	-	-
SCHEDULE – 7		
BORROWINGS		
1 Debentures/ Bonds	-	-
2 Banks	-	-
3 Financial Institutions	-	-
4 Others	-	-
Total	-	-



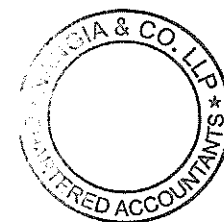
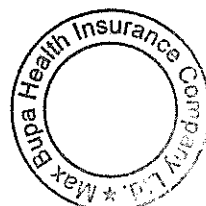
MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 8
INVESTMENTS - SHAREHOLDERS

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	4,00,406	3,52,607
2 Other Approved Securities	6,12,853	5,65,522
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	5,53,692	2,54,605
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	5,49,290	5,49,399
5 Other than Approved Investments	-	-
SHORT TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	-	1,03,100
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (refer note (b) below)	2,25,045	2,26,622
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	4,49,385	2,51,140
(e) Other Securities - Fixed Deposits	3,58,700	3,59,500
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	-	3,38,081
5 Other than Approved Investments	1,50,050	-
Total	32,99,421	30,00,576

Notes:

- a. Aggregate amount of shareholder's investments other than listed equity securities and derivative instruments is Rs. 32,99,421 thousand (Previous year ended as on 31st March, 2018 Rs. 30,00,576 thousand). Market value of such investments is Rs. 32,95,471 thousand (Previous year ended as on 31st March, 2018 Rs. 30,05,974 thousand)
- b. The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 2,24,816 thousand (Previous year ended 31st March 2018 Rs. 2,25,582 thousand).



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 8A
INVESTMENTS - POLICYHOLDERS

Particulars	As at Mar 31, 2019 (Rs.'000)	As at Mar 31, 2018 (Rs.'000)
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	10,92,447	11,06,587
2 Other Approved Securities	51,802	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	7,51,037	5,03,180
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	7,01,639	10,05,312
5 Other than Approved Investments (net of provision)	3,25,349	-
SHORT TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	3,93,555	-
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (refer note (b) below)	1,75,362	23,286
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	5,44,537	4,89,583
(e) Other Securities - Fixed Deposits	5,70,900	2,38,200
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	1,49,977	2,91,160
5 Other than Approved Investments	99,718	-
Total	48,56,322	36,57,308

Notes:

- a. Aggregate amount of policyholder's investments other than listed equity securities and derivative instruments is Rs. 48,56,322 thousand (Previous year ended as on 31st March 2018 Rs. 36,57,308 thousand). Market value of such investments is Rs. 49,37,991 thousand (Previous year ended as on 31st March 2018 Rs. 36,81,857 thousand).
- b. The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 175,184 thousand (Previous year ended 31st March 2018 Rs. 23,251 thousand).



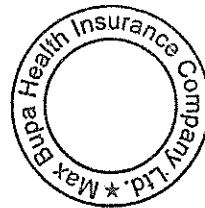
MAX BUPA HEALTH INSURANCE COMPANY LIMITED

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 9**LOANS**

Particulars	As at	As at
	Mar 31, 2019	Mar 31, 2018
	(Rs.'000)	(Rs.'000)
1 Security-Wise Classification		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others	-	-
Unsecured	-	-
Total	-	-
2 Borrower-Wise Classification		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
Total	-	-
3 Performance-Wise Classification		
(a) Loans classified as standard	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
Total	-	-
4 Maturity-Wise Classification		
(a) Short Term	-	-
(b) Long Term	-	-
Total	-	-
	-	-
	-	-

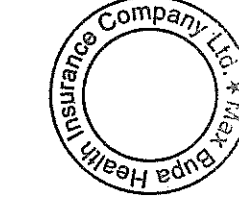
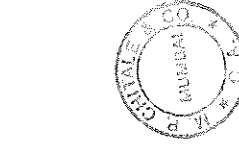


MAX BUPA HEALTH INSURANCE COMPANY LIMITED
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 10
FIXED ASSETS

SN	Particulars	Cost/ Gross Block			Depreciation			Net Block			
		As at Mar 31, 2018	Additions	Deductions	As at Mar 31, 2019	Upto Mar 31, 2018	For the period	On Sales/ Adjustments	Upto Mar 31, 2019	As at Mar 31, 2019	As at Mar 31, 2018
1	Goodwill	-	-	-	-	-	-	-	-	-	-
2	Intangibles	6,06,603	73,291	26,847	6,53,048	3,71,986	96,215	15,305	4,52,896	2,00,152	2,34,617
	a) Softwares	11,258	-	-	11,258	11,220	38	-	11,258	-	38
	b) Website	-	-	-	-	-	-	-	-	-	-
3	Land-Freehold	1,62,505	1,906	535	1,63,876	1,34,677	19,555	528	1,53,704	10,172	27,828
4	Leasehold Property	-	-	-	-	-	-	-	-	-	-
5	Buildings	29,903	2,956	20	32,839	26,617	2,686	19	29,284	3,555	3,286
6	Furniture & Fittings	1,31,244	5,272	(5,828)	1,42,344	84,041	19,479	85	1,03,435	38,909	47,203
7	Information Technology Equipment (Other Devices)	1,18,301	16,398	5,828	1,28,871	79,522	17,177	(34)	96,733	32,139	38,779
8	Information Technology Equipment (End User Devices)	68,151	8,391	240	76,302	51,070	8,727	188	59,609	16,693	17,081
9	Vehicles	-	-	-	-	-	-	-	-	-	-
10	Office Equipment	-	-	-	-	-	-	-	-	-	-
11	Others	-	-	-	-	-	-	-	-	-	-
	Total	11,27,966	1,08,215	27,642	12,08,539	7,59,133	1,63,878	16,091	9,06,919	3,01,620	3,68,833
12	Capital work in progress	-	19,399	-	19,399	-	-	-	-	19,399	-
	Grand total	11,27,966	1,27,614	27,642	12,27,938	7,59,133	1,63,878	16,091	9,06,919	3,21,019	3,68,833
	Previous Year	9,43,787	2,04,631	20,453	11,27,966	6,15,820	1,58,762	15,449	7,59,133	3,68,833	-

Note : Leasehold property consists of civil and other improvements at premises taken on long term lease by the Company.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at	As at
	Mar 31, 2019	Mar 31, 2018
	(Rs.'000)	(Rs.'000)
SCHEDULE – 11		
CASH AND BANK BALANCES		
1 Cash (including cheques, drafts and stamps)	33,827	21,227
2 Bank Balances*		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)	96,500	1,06,500
(bb) Others	-	-
(b) Current Accounts	1,68,254	1,57,214
(c) Others	-	-
3 Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
Total	2,98,581	2,84,941

*Balances with non-scheduled banks is Rs. 550 thousand (Previous year ended 31st March 2018 Rs. 189 thousand).

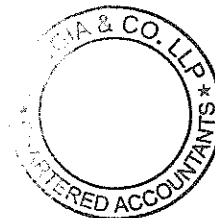
SCHEDULE – 12
ADVANCES AND OTHER ASSETS
ADVANCES

1 Reserve deposits with ceding companies	-	-
2 Application money for investments	-	-
3 Prepayments	34,814	31,548
4 Advances to Directors/Officers	-	-
5 Advance tax paid and taxes deducted at source	-	-
6 Others		
(a) Advance to Suppliers	41,280	53,508
Less: Provisions	(2,528)	(3,607)
Sub-total	38,752	49,902
Total (A)	73,566	81,450

OTHER ASSETS

1 Income accrued on investments	2,09,266	1,78,197
2 Outstanding Premiums*	76,234	85,598
Less: Provisions	(47,335)	(41,698)
Sub-total	28,899	43,900
3 Agents' Balances	1,078	168
Less: Provisions	(1,078)	(168)
Sub-total	-	-
4 Foreign Agencies Balances	-	-
5 Due from other entities carrying on insurance business	5,12,466	3,66,267
6 Due from subsidiaries/ holding company	-	-
7 Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	-	-
8 Others		
(a) Rent and other deposits	54,596	50,633
(b) GST unutilized credit	99,493	1,57,333
(c) Deposits against unclaimed amount of policyholders	16,000	17,999
(d) Interest accrued on deposits against unclaimed amount	330	939
(e) Other Receivables	3,06,451	-
Less: Provisions	(81,451)	-
Sub-total	2,25,000	-
Total (B)	11,46,051	8,15,268
Total (A+B)	12,19,617	8,96,718

* Includes Rs. 76,234 thousand (Previous year ended as on 31st March 2018 Rs. 74,273 thousand) receivable from Central / State Government on account of premium under RSBY Scheme against which provision of Rs. 47,335 thousand (Previous year ended as on 31st March 2018 Rs. 41,698 thousand) has been created.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDAI: FEBRUARY 15, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Particulars	As at	As at
	Mar 31, 2019	Mar 31, 2018
	(Rs.'000)	(Rs.'000)
SCHEDULE – 13		
CURRENT LIABILITIES		
1 Agents' balances	1,28,865	94,207
2 Balances due to other insurance companies	6,23,012	4,70,315
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	60,798	52,428
5 Unallocated premium	1,15,516	71,363
6 Sundry creditors	14,60,981	12,98,676
7 Due to subsidiaries/ holding company	1,08,000	24,300
8 Claims Outstanding*	9,04,423	5,22,005
9 Unclaimed amount of policyholders	10,731	13,676
10 Due to Officer/ Director	-	-
11 Others		
(a) Tax deducted at source	1,01,514	60,548
(b) Other statutory dues	12,949	9,708
(c) GST liability	95,015	42,764
(d) Advance from Corporate Clients	34,954	11,747
(e) Interest on unclaimed amount of Policyholders	2,350	1,907
Total	36,59,108	26,73,645

*includes IBNR and IBNER reserves

SCHEDULE – 14**PROVISIONS**

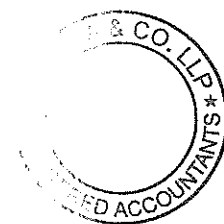
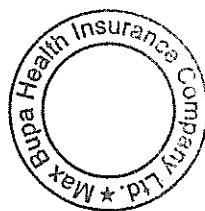
1 Reserve for Unexpired Risk*	36,58,808	29,39,618
2 For taxation (less advance tax paid and taxes deducted at source)	-	-
3 For proposed dividends	-	-
4 For dividend distribution tax	-	-
5 Others	-	-
(a) For Gratuity	16,322	10,975
(b) For Leave Encashment	35,750	24,629
(c) Premium Deficiency Reserve	-	-
Total	37,10,880	29,75,222

* Includes provision for freeloop cancellation Rs. 1,819 thousand (Previous year ended 31st March 2018 Rs. 943 thousand).

SCHEDULE – 15**MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

1 Discount Allowed in issue of shares/ debentures	-	-
2 Others	-	-
Total	-	-



SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2019

A. BACKGROUND

Max Bupa Health Insurance Company Limited ("The Company") was incorporated in India on 5th September, 2008 and received the Certificate of Commencement of Business on 23rd December 2008.

The Company is a joint venture between Max India Limited and Bupa Singapore Holding Pte, Singapore.

The Company underwrites primarily Health Insurance business which includes Personal accident and Critical illness.

The Company obtained regulatory approval to undertake Health Insurance business on 15th February 2010 from Insurance Regulatory and Development Authority of India (IRDAI) under section 3(2A) of the Insurance Act, 1938. The Company had started selling Policies in March 2010.

B. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has prepared the financial statements in compliance with the accounting standards notified under section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Amendments Rules 2016 as amended and Companies (Accounting Standards) Amendment Rules 2016 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed there under, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India. Accounting policies applied have been consistent with previous year except where differential treatment is required as per new pronouncements made by the regulatory authorities.

(b) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, Management believes that the estimated used in the preparation of financial statements are prudent and reasonable uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Actual results may differ from the estimates and assumption and any revision to accounting estimates is recognized in the year in which they actually materialize.



(c) Revenue Recognition

(i) Premium Income

Premium (net of Service tax and GST) is recognized as income on the commencement of risk after adjusting for unearned premium (unexpired risk). Any subsequent revision or cancellation of premiums are accounted for in the year in which they occur.

Unearned Premium Reserve

Unearned Premium Reserve (UPR) means an amount representing that part of the premium written (net of reinsurance ceded) which is attributable and to be allocated to the succeeding accounting periods. In accordance with IRDAI circular dated April 4, 2016 reserve for unexpired is calculated at 50% of the net premium of preceding twelve months.

Premium Deficiency

Premium Deficiency Reserve is recognized for the company at a segment level and means the reserve held in excess of the unearned premium reserve, which allows for any expectation that the unearned premium reserve will be insufficient to cover the cost of claims and related expenses incurred during the period of unexpired risk. Computation of unexpired premium risk for the purpose of premium deficiency is based on the 1/365 method. Assessment of expected claim cost and related expenses is certified by the Appointed/Panel Actuary in accordance with IRDAI (Assets, Liabilities and Solvency margin of General Insurance Business) Regulation, 2016.

(ii) Reinsurance ceded

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangement with the reinsurers. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.

(iii) Commission on Reinsurance Premium

Commission on reinsurance ceded is recognized as income on ceding of reinsurance premium.

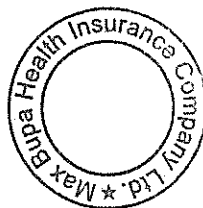
Profit commission under reinsurance treaties, wherever applicable, is recognized as income in the year of final determination of the profits and as intimated by the Reinsurer.

(iv) Interest / Dividend Income

Interest income is recognized on accrual basis. Dividend income is recognized when the right to receive the dividend is established.

(v) Premium/discount on purchase of investments

Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/maturity period on a constant yield to maturity method



(vi) Profit/Loss on Sale/Redemption of Investments

Profit and Loss on sale/redemption of investments, being the difference between sale consideration/redemption values and carrying value of investments (i.e weighted average value) is credited or charged to Revenue or/and Profit and Loss account as applicable. The profit/loss on sale of investment includes accumulated changes in the fair value previously recognized in 'Fair Value Change Account' in respect of a particular security. Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

(d) Acquisition Cost of Insurance Contracts

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

(e) Premium received in advance

Premium received in advance represents premium received in respect of those policies issued during the year where the risk commences subsequent to the balance sheet date.

(f) Claims/Benefits Incurred

Claims incurred comprises of claims/benefits paid, change in estimated liability for outstanding claims, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising legal and other directly attributable expenses.

Provision is made for estimated value of outstanding claims/benefits at the Balance Sheet date net of claims recoverable from reinsurance. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim/benefits, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

Claims/benefits (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on estimates from insured in the respective revenue accounts

IBNR and IBNER

The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) is estimated by the Appointed/Panel Actuary in compliance with guidelines issued by IRDAI vide circular No. 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005 and ALSM Regulation 2016 with applicable provisions of Actuarial Practice Standards 21 issued by the Institute of Actuaries of India. The Appointed/Panel Actuary uses generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed/Panel Actuary of the Company.



Provision is made for estimated value of outstanding claims which have not been reported to the Company at the Balance Sheet date net of reinsurance, and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

(g) Allocation of Investment Income

Investment income earned on policyholders' investments funds at Balance Sheet date have been credited to Revenue Account and Investment income earned on shareholders' investments funds at balance sheet date have been credited to Profit & Loss Account.

Investment income which is not directly identifiable has been allocated on the basis of the ratio of directly attributable investment income earned on shareholders' investments funds and policyholders' investments funds.

Investment income across segments within the Revenue account has also been allocated on the basis of segment-wise gross written premium.

(h) Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938, Insurance Regulatory & Development Authority (Investment) Regulations, 2000 & 2016 as amended and various other circulars/notifications issued by the IRDA in this context from time to time.

Investments are recorded at cost including acquisition charges (such as brokerage, transfer charges, stamps etc) if any and exclude interest accrued up to the date of purchase. Debt securities, including Government securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium or accretion of discount on constant yield to maturity basis in the Revenue Account and in the Profit and Loss Account over the period of maturity/holding.

Investment that are notionally earmarked, are allocated to policyholder's or shareholder's as applicable.

Listed and actively traded securities are stated at fair value as at the Balance Sheet date being the lowest of the last quoted closing price of the stock exchanges where the securities are listed. Unrealized gain/losses due to change in fair value of listed securities is credited/debited to 'Fair Value Change Account'.

Unlisted Securities are stated at cost. The realized gain or loss on the listed and actively traded securities and mutual funds is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a first in first out basis and includes the accumulated changes in the fair value previously taken to the fair value change account, in respect of the particular security; such loss or gain is transferred to Revenue account or/and Profit and Loss Account as applicable on the trade date.

The Company, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
 REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010
 SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Investments in units of Mutual funds are valued at Net Asset Value (NAV) as at Balance Sheet date. Unrealized gains/losses are credited/debited to the 'Fair Value Change Account'.

Investments maturing within twelve months from the balance sheet date and investments made with specific intention to dispose off within twelve months are classified as Short Term Investments. Other Investments are classified as Long Term Investments.

Investment Impairment Policy

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity, Investment property, units of mutual fund and bonds. The impairment loss if any, is recognized in the profit and loss account and the carrying value of such investment is reduced to its recoverable value, If on the assessment at the balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the Profit and Loss Account and the investment is restated to that extent.

(i) Fair Value Change Account

'Fair Value Change Account' represents unrealized gains or losses due to change in fair value of traded securities and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of policyholder's fund and shareholder's funds respectively basis on mutual fund mapped and not available for distribution as dividend. As per the IRDAI circular dated January 12, 2017 fair value changes has been bifurcated between shareholder and policyholder.

(j) Fixed Assets and Depreciation

Tangible assets and depreciation

Fixed assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of assets) and expenses directly attributable to bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment of assets, if any.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacement.

Nature of Fixed Assets	Management Estimate of Useful Life in Years	Useful Life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Furniture & Fixture	5	10
Information Technology equipment - End User Devices	3	3
Information Technology equipment - Servers and Networks	4	6
Office Equipments	5	5
Intangibles (including Software)	4	NA
Leasehold Improvements	Lease period	NA



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All assets including intangibles individually costing up to Rs 5,000 are fully depreciated/ amortized in the year in which they are acquired.

Intangibles

Intangible assets comprising software are stated at cost less amortisation. Significant expenditure on improvements to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortised over the remaining useful life of original software. Software expenses are amortised using SLM over a period of four years from the date of being ready to use

Capital work in progress

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

Impairment of Assets

The carrying values of assets forming part of any cash generating units at Balance Sheet date are reviewed for impairment at each Balance Sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

(k) Taxation

Income tax expense comprises current tax (i.e. amount of tax payable on the taxable income for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period) Current income tax is the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance sheet date. Deferred tax assets are recognized only to an extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future tax assets can be realized.



(I) Employee Benefits

Employees' benefits have been recognized in accordance with the relevant provisions of the Accounting Standard 15.

(i) Short Term Employee Benefits:-

All employee benefits payable within 12 months of rendering the services are classified as short term employee benefits. Benefits such as salaries, bonus and other short term benefits are recognized in the period which the employee rendered the services. All short term employee benefits are accounted on undiscounted basis.

(ii) Long Term Employee Benefits:-

The Company has both defined contribution and defined benefit plan. The plans are financed by the company and in the case of some defined contribution plans, by the company along with the employee.

(a) Defined Contribution Plan

The Company makes monthly contributions to the "Max Financial Services Ltd EPF Trust" which is based on a specified percentage of the covered employees' salary. The fund is administered through trustees and the Company's contribution thereto is charged to Revenue Account or Profit and Loss Account as applicable.

(b) Defined Benefit Plans

- a. The liability in respect of Gratuity is provided for on the basis of an actuarial valuation carried out at the year-end using the Projected Unit Credit Method. Actuarial gain and loss are recognized in full in the Revenue Account or/and Profit and Loss Account as applicable for the year in which they occur. The Company has a recognized Trust for Gratuity benefits, "Max Bupa Health Insurance Ltd Employees' Group Gratuity Fund" to administer the Gratuity funds. The Trust has taken master policy with the Max Life Insurance Company Limited" to cover its liabilities towards employees' Gratuity. The Gratuity obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of the gratuity fund.
- b. The liability in respect of long term accumulating leave encashment is provided for on the basis of actuarial valuation carried out at the yearend for long term compensated absences using Projected Unit Credit Method. Actuarial gains and losses are recognized in full in the Revenue Account or/and Profit and Loss Account, as applicable for the year in which they occur. Short term compensated absences are provided for based on estimates. Non-accumulated compensated absences are accounted for as and when availed / encashed.
- c. Deferred compensation, which is a long term employee benefit, is provided for based on the independent actuarial valuation carried out as at the Balance Sheet date and charged to Revenue Account or Profit and Loss Account, as applicable based on services rendered by employees.



(c) Long term incentive plan

Employee benefit in form of long term incentive plan is another long term employee benefit. The cost of providing benefit under his plan are determined on the basis of actuarial valuation at end of each year end using projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

(m) Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets and liabilities are not recognized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(n) Earnings per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on 'Earnings per Share' issued by the Institute of Chartered Accountants of India. Basic earnings per share are computed by dividing the net Profit and Loss for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net Profit and Loss for the year by the weighted average number of equity shares outstanding during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

(o) Leases

Lease of assets/software under which all the risks and benefits of ownership are effectively retained by the lessor is classified as Operating Leases. Operating Lease rentals including escalation are recognized in the Revenue account or/and Profit and Loss account, as the case may be, on a straight line basis over the period of the lease.

(p) Foreign Currency Transactions

Initial recognition: Foreign currency transactions are recorded in Indian Rupees, by applying to the foreign currency amount the exchange rate between the Indian Rupee and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences: Exchange differences are recognised as income or as expenses in the period in which they arise.



(q) Allocation of Operating Expenses

The Company has Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016. The expenses are segregated between those which can be directly attributed to a particular business segment and those which cannot be so attributed. Operating expenses which are directly attributable to a particular business segment and identifiable as such are allocated directly to that segment. In accordance with the Board Approved policy Operating expenses which are not directly identifiable to any business segment, are allocated in the proportionate of gross written premium, claim incurred and number of lives enrolled, depending on the nature and type of expenses there has to be allocated.

(r) Rationale of Expenses allocation between Revenue Account and Profit & Loss Account

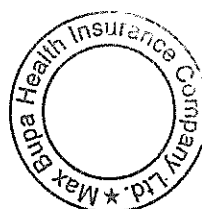
Expenses pertaining to Policyholders have been shown in Revenue Account as per the limit prescribed in Expenses of Management Regulations 2016 and excess over the limit has been debited in the Profit & Loss Account.

(s) GST

GST collected is considered as a liability against which GST paid for eligible inputs services or goods, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized credits, if any, are carried forward for adjustment in subsequent periods. GST paid for eligible input services not recoverable by way of credits are recognized in the Revenue account as expense.

(t) Receipts and Payments Account

- (i) Receipts and Payments Account is prepared and reported as per AS-3 Cash flow statements using the Direct Method, in conformity with para 2.2 of the Master Circular on Preparation of Financial Statements - General Insurance Business dated October 5, 2012, issued by the IRDA.
- (ii) Cash and cash equivalents for the purpose of Statement of Receipts and Payments include cash and cheques in hand, deposits with banks, bank balances, liquid mutual funds and other short term investments with original maturity of three months or less which are subject to insignificant risk of changes in value.
- (iii) The components of Cash and Cash Equivalents are presented with reconciliation of the amounts in its Cash Flow Statement with the equivalent items reported in the Balance Sheet.



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C. NOTES FORMING PART OF ACCOUNTS**1. Contingent Liabilities***(Rs. '000)*

Particulars	As at 31.03.2019	As at 31.03.2018
Partly Paid up Investments	-	-
Claims, other than those under Policies, not acknowledged as Debts by the Insurer	-	-
Underwriting Commitments Outstanding	-	-
Claims, under policies, not acknowledged as debts*	197,821	1,63,466
Guarantees given by or on behalf of the Insurer	-	-
Statutory Demands in Dispute, not provided for	1,61,470	84,818
Reinsurance Obligations to the Extent Not provided for in Accounts	-	-
Total	3,59,291	2,48,284

* Includes compensation raised by policyholders against rejected claims

Pending Litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2019. Refer note 1 for details on contingent liabilities.

2. Actuarial Assumptions

The Company's Appointed and mentor Actuary have determined valuation assumptions in respect of 'Reserve for Unexpired Risk' and 'Claims Incurred But Not Reported' (IBNR) amounting to Rs. 67 crore (Previous year Rs. 37.41 crore) that conform with Regulations issued by the IRDAI and professional guidance notes issued by the Institute of Actuaries of India.

- As at March 31, 2019, the Company has made a provision of Rs. 0.50 crore (Previous year Rs.0.53 crore) towards provider reconciliation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.
- As at March 31, 2019, the Company has made a provision of Rs.24.35 crore (Previous year Rs.16.22 crore) towards litigation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.

3. Encumbrances on Assets

The assets of the Company are free from all encumbrances. The Company has all assets within India.

4. Estimated Amount of Commitments made and Outstanding for:*(Rs. '000)*

Particulars	As at 31.03.2019	As at 31.03.2018
Loans	-	-
Investments	-	-
Fixed Assets (Net of advances)	1,09,233	81,076



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5. Claims, less Reinsurance paid to Claimants are as under*:

(Rs. '000)

Class of Business	In India		Outside India	
	Year Ended 31.03.2019	Year Ended 31.03.2018	Year Ended 31.03.2019	Year Ended 31.03.2018
Health	28,89,361	27,28,548	-	-
Personal Accident	11,020	11,039	-	-
Total	29,00,381	27,39,587	-	-

*Excluding claim handling expense

6. Age-wise Breakup of Claims Outstanding*:

(Rs. '000)

Class of Business	Outstanding for more than six months		Outstanding for six months or less	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Health	15,042	6,010	2,02,379	1,35,756
Personal Accident	-	190	16,659	5,981
Total	15,042	6,200	2,19,338	1,41,737

*Excluding IBNR provision.

7. There are no claims settled and remaining unpaid for a period of more than six months.

8. Number of Claims intimated, disposed of and pending:

Particulars	As at 31.03.2019			As at 31.03.2018		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Claims pending at the beginning	1,980	5	1,985	2,677	4	2,681
Claims intimated	91,912	277	92,189	83,320	126	83,446
Claims paid	79,010	21	79,031	76,296	21	76,317
Claims rejected	12,899	242	13,141	7,721	104	7,825
Claims pending at the closing	1,983	19	2,002	1,980	5	1,985

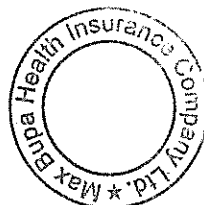
Ageing of Pending Claims

Particulars	As at 31.03.2019			As at 31.03.2018		
	Health	Personal Accident	Total	Health	Personal Accident	Total
30 days	1,426	12	1,438	1,853	3	1,856
30 days to 6 Months	531	7	538	126	1	127
6 months to 1 year	26	-	26	1	1	2
1 year to 5 years	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-
Total	1,983	19	2,002	1,980	5	1,985

9. (a) Premium less Reinsurance Written During the Year:

(Rs. '000)

Class of Business	In India		Outside India	
	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2019	Year ended 31.03.2018
Health	70,49,128	57,98,471	-	-
Personal Accident	2,64,851	78,879	-	-
Total	73,13,979	58,77,350	-	-



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10. Extent of Risk Retained and Reinsured:

Extent of risk retained and reinsured with respect to gross written premium is set out below:

Class of Business	Gross Premium	Year Ended 31.03.2019 (Rs. '000)			
		Risk Retained		Risk Reinsured	
		Amount	% age	Amount	% age
Health	91,44,909	70,49,128	77.08%	20,95,781	22.92%
Personal Accident	3,25,248	2,64,851	82.21%	60,397	17.79%

Class of Business	Gross Premium	Year Ended 31.03.2018 (Rs. '000)			
		Risk Retained		Risk Reinsured	
		Amount	% age	Amount	% age
Health	74,32,655	57,98,471	78.01%	16,34,184	21.99%
Personal Accident	1,12,060	78,879	70.39%	33,181	29.61%

11. As per IRDAI Master Circular on unclaimed amount of policyholders dated 25th July 2017.**Form A: Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on March 31, 2019***(Rs. in Lakhs)*

Particulars	Total Amount	Age-wise Analysis (in months)						
		0-6	7-12	13-18	19-24	25-30	31-36	36-120
Claims settled but not paid to the policyholders / beneficiaries due to any reasons except under litigation from the policyholders / beneficiaries.	(1.73)	(1.73)	(-)	(-)	(-)	(-)	(-)	(-)
Sum due to the policyholders / beneficiaries on maturity or otherwise	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Any Excess collection of the premium / tax or any other charges which is refundable to the policyholders / beneficiaries either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	0.87 (0.63)	(0.63)	0.87 (-)	(-)	(-)	(-)	(-)	(-)
Cheques issued but not encashed by the policyholder/ beneficiaries	106.43 (215.10)	3.45* (85.31*#)	0.79* (19.91)*	10.10* (4.59)*	5.68* (2.09)*	1.30* (6.33)*	3.19* (19.85)*	81.92* (93.48)*

Figures in brackets are for previous year,

* These are stale cheques disclosed in 'Unclaimed amount of policyholders/insured' in Schedule-13.

Include cheques issued amounting to Rs. 78.33 Lakhs which are within the validity period but not yet presented for payment by the policyholders/insured.



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Form C- Details of Unclaimed Amount with Investment Income*(Rs. in Lakhs)*

Particulars	Financial Year 2018-19	Financial Year 2017-18
Opening Balance	155.83	177.17
Add: Amount transferred to unclaimed amount	38.92	48.76
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (only stale cheques)	-	-
Add: Investment Income on unclaimed fund	13.15	12.83
Less: Amount of claims paid during the year	77.09	82.92
Less: Amount transferred to SCWF (net of claims paid in respect of amount transferred earlier)	-	-
Closing Balance of Unclaimed Amount*	130.81	155.83

*Separate Fixed Deposits has been earmarked for payment of unclaimed amount of policyholder disclosed under head Schedule 12- Advances and Other Assets. This amount includes Interest on unclaimed amount of Policyholders amounting to Rs. 23.50 Lakhs (previous year Rs.19.07 Lakhs).

12. Premium Deficiency Reserve

The Appointed and mentor Actuary has reviewed the Unearned premium reserve (UPR) posted in the Financial statements against the estimated liability of the Company under unexpired obligations (including claim, claim related expenses and unexpired loyalty points) towards policyholders (URR) for all business segments. The UPR provided in the financials is sufficient to cover the URR at company level thus; no premium deficiency reserve has been created.

13. Investments

- There are no contracts outstanding in relation to Purchases where deliveries are pending and Sales where payments are overdue respectively. The Company does not have any investment in Real Estate as at March 31, 2019 or March 31, 2018.
- All investments are made in accordance with Insurance Act, 1938 and IRDAI (Investment) Regulations, 2016. Except for commercial papers issued by ILFS Ltd aggregating to Rs. 30 Cr (Rs. 20 Cr due on Sep 14, 2018 and Rs. 10 Cr due on 26th Sep 2018) that remained unpaid as on 31st Mar' 2019 & bonds issued by IFIN aggregating to Rs. 30 crores, where interest due on 6th Dec'18 remained unpaid as on 31st Mar'2019, all other investments are performing investments. Considering the concept of prudence, the Company has made a provision of Rs. 15 crores i.e. 25% on the entire due amount. The commercial paper aggregating to Rs. 30 crores has been classified as "Other receivables" in Schedule 12 of financials. In accordance with IRDAI Regulations, IFIN Bonds aggregating to Rs. 30 crores and three other securities aggregating to Rs. 35.02 crores whose credit rating has declined have been classified as "Other than Approved Investments" and presented as Investments in Schedule 8 and 8A. Except for IFIN Bonds, the management is confident of the recovery of the full amount. Accordingly, no provision for the other three securities has been made in the financial statements.

14. Managerial Remuneration

The details of remuneration of MD & CEO as per the terms of appointment are as under:

(Rs. '000)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Salaries & Allowances	48,136	39,945
Contribution to Provident and other funds	1,512	1,264
Perquisites	418	184
Total	50,066	41,393



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Out of the above Rs. 15,000 thousand (previous year Rs. 15,000 thousand) remuneration for Managing Director has been charged to Revenue Accounts and balance has been transferred to Profit and Loss account. Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 and as per the terms of appointment of Company are as under:

(Rs. '000)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Salaries & Allowances	2,07,488	1,11,621
Contribution to Provident and other funds	7,120	4,499
Perquisites	1,086	544
Total	2,15,694	1,16,664

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

15. Expenditure in Foreign Currency

(Rs. '000)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Software License Fees	43,178	22,727
Software AMC	5,160	-
Travelling	871	850
Director Sitting Fees	1,600	1,699
Membership and Subscription	1,878	531
Reinsurance Premium	117	-
Awards Nomination	289	-
Total	53,093	25,807

16. Operating Lease Commitments

The Company has taken on lease office premises under various agreements with various expiration dates extending up to nine years. Lease payments made under operating lease agreements have been fully recognized in the books of accounts. The lease rental charged under operating leases during the current year and maximum obligation on such leases at the balance sheet date are as follows:

(Rs. '000)

Particulars	As at 31.03.2019	As at 31.03.2018
Payable not later than one year	1,16,308	83,720
Payable later than one year and not later than five years	3,04,626	2,29,899
Payable later than five years	51,031	10,486
Total	4,71,965	3,24,105

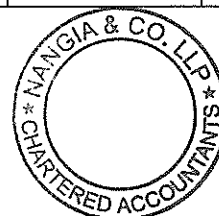
Aggregate lease rentals charged to Revenue Accounts is Rs. 95,977 thousand (previous year Rs. 91,195 thousand) and there are no sub leases.

17. Foreign Currency Exposures

Foreign currency exposures which are not hedged as at the Balance Sheet date are:

(Amount in. '000)

Particulars	As at 31.03.2019	As at 31.03.2018
Payable in USD	-	200
Payable in GBP	748	493



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18. Related Parties & Transactions:

- (i) As per the Accounting Standard (AS) 18 on 'Related Party Disclosures', the related parties of the Company are as follows:

SN	Description of Relationship	Name of Party
(a)	Holding Company	Max India Limited
(b)	Fellow Subsidiaries	Antara Senior Living Limited
		Antara Gurgaon Senior Living Limited
		Antara Purukul Senior Living Limited
		Max Ateev Limited
		Max UK Limited, UK
		Max Skill First Limited
		Max One Distribution and Services Limited
	Pharmax Corporation Limited	
(c)	Significant Influence	Bupa Singapore Holdings Pte Limited
(d)	Key Management Personnel (KMP)	Mr. Ashish Mehrotra, Managing Director and CEO Mr. Rahul Ahuja, Chief Financial Officer Mr. Rajat Sharma, Company Secretary

- (ii) Details of transaction with related parties for the year ended March 31, 2019 are given below:

(Rs. '000)

S.no	Transactions	Name of the Related Party	Description	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Legal & Professional Charges	Max India Limited	Holding company	1,18,000	1,05,525
2	Training Expenses	Max Skill First Limited	Fellow Subsidiaries	61,823	59,196
3	Premium Income	Max India Limited	Holding company	2,459	-
4	Premium Income	Antara Purukul Senior Living Limited	Fellow Subsidiaries	528	-
5	Premium Income	Antara Senior Living Limited	Fellow Subsidiaries	1,927	-
6	Employee's Remuneration	Mr. Ashish Mehrotra, MD & CEO Mr. Rahul Ahuja, CFO Mr. Rajat Sharma, CS	Key Management Personnel	86,457	72,849
7	Issuance of Share capital	Max India Limited	Holding company	2,80,500	-
8	Issuance of Share capital	Bupa Singapore Holdings Pte Limited	Significant Influence	2,69,500	-



(iii) Details of outstanding balances with related parties as at ended March 31, 2019 are given below:

(Rs. '000)

S.no	Outstanding Balances	Name of the Related Party	Description	As at 31.03.2019	As at 31.03.2018
1	Payables	Max India Limited	Holding company	1,08,000	24,300
2	Advance received against premium	Max India Limited	Holding company	59	-
3	Advance received against premium	Antara Purukul Senior Living Limited	Fellow Subsidiaries	53	-
4	Advance received against premium	Antara Senior Living Limited	Fellow Subsidiaries	20	-
5	Receivables	Max Skill First Limited	Fellow Subsidiaries	750	300
6	Equity Share Capital	Max India Limited	Holding company	50,03,100	47,22,600
7	Equity Share Capital	Bupa Singapore Holdings Pte Limited	Significant Influence	48,06,900	45,37,400

19. Segment Information

a) Business Segments

The Company's primary reportable segments are identified in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002. Segment revenue and segment results have been incorporated in the financial statements.

(Rs. '000')

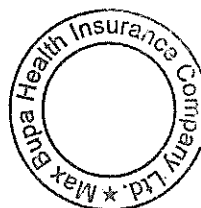
Year ended 31.03.2019				
Particulars	Health	Personal Accident	Unallocated	Total
Segmental Revenue	64,22,924	1,71,865	3,37,119	69,31,908
Segmental Result	(7,92,361)	(52,503)	17,02,118	8,57,254
Segmental Liabilities	50,46,699	2,35,297	20,87,993	73,69,988
Segmental Assets	5,36,603	4,763	89,21,756	99,94,961

(Rs. '000')

Year ended 31.03.2018				
Particulars	Health	Personal Accident	Unallocated	Total
Segmental Revenue	57,03,424	55,118	2,99,474	60,58,016
Segmental Result	(2,51,712)	(23,821)	13,77,187	11,01,654
Segmental Liabilities	35,01,965	12,086	21,34,816	56,48,867
Segmental Assets	43,900	-	81,64,476	82,08,376

b) Geographical Segment

Since the Company's entire business is conducted within India, there is no reportable Geographical Segmentation for the year.



20. Employee Benefits

A. Defined Contribution Plans – Provident and Pension Fund

During the year the Company has recognized the following amounts in the Revenue and/or Profit and Loss Account:

Provident Fund	(Rs. '000)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Employers Contribution to Provident and Pension Fund	57,118	45,853

B. Defined Benefit Plans – Gratuity

The gratuity liability arises on retirement, withdrawal, resignation or death of an employee. The aforesaid liability is calculated on the basis of actuarial valuation as per the projected unit credit method. The Gratuity plan has been funded through a policy taken from Max Life Insurance Company Limited. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

i. Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Interest/Discount Rate (Per Annum)	6.75% p.a.	6.95% p.a.
Rate of increase in compensation	7.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

ii. Changes in Present value of benefit obligation during the year:

Particulars	(Rs. '000)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Present value of obligations at the beginning of the year	46,664	36,685
Current Service Cost	10,315	8,904
Interest cost	3,007	2,328
Benefits Paid	(6,800)	(3,867)
Actuarial loss/(gain) on obligation	6,000	2,614
Benefits paid directly by the enterprise	161	-
Present value of obligations at end of year	59,347	46,664

iii. Change in Fair Value of Plan Assets during the year:

Particulars	(Rs. '000)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Fair Value of Plan Assets at beginning of year	34,552	27,671
Contributions	2,586	9,014
Expected Return on Plan Assets	12,111	2,026
Actuarial gain/(loss) on obligation	414	(292)
Benefits Paid	(6,800)	(3,867)
Benefits paid directly by the enterprise	161	-
Fair Value of Plan Assets at end of year	43,024	34,552



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iv. Amounts recognized in Revenue or/and Profit & Loss Account:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Current Service Cost	10,315	8,904
Interest Cost	3,007	2,328
Expected Return on Plan Assets	(2,586)	(2026)
Actuarial (Gain)/loss on obligation	5,586	2,906
Amount recognized in Revenue or/and Profit & Loss Account	16,322	12,112

v. Amounts recognized in Balance Sheet:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Present value of obligations at end of Year	59,347	46,664
Fair Value of Plan Assets at end of Year	43,024	34,552
Funded Status (Deficit)/Surplus	16,322	(12,112)
Net Asset/(Liability) recognized in the balance sheet	16,322	(12,112)

vi. Balance Sheet Reconciliation:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Opening Net Liability/(Asset)	12,112	9,014
Expenses recognized in Profit & Loss Account	16,322	12,112
Contribution Paid	(12,112)	(9014)
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	16,322	12,112

The Gratuity Fund is managed by Max Life Insurance Company Limited and it has been invested in Linked Group Gratuity- Balanced fund and Linked Group Gratuity-Conservative fund.

C. Compensated Absences:

The Company has recognized liability towards cost of accumulating compensated absences. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

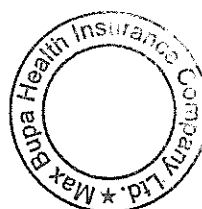
i. Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Interest/Discount Rate (Per Annum)	6.75% p.a.	6.95% p.a.
Rate of increase in compensation	7.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

ii. Changes in Present value of benefit obligation during the year:

(Rs. '000)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined Benefit Obligation, Beginning of year	24,629	25,477
Current Service Cost	8,079	9,639
Interest Cost	1,493	1,475



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Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	3,779	(5,051)
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	(6,286)	(6,911)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Defined Benefit Obligation at end of year	31,695	24,629

iii. Change in Fair Value of Plan Assets during the year:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Fair Value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actual Enterprise's Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
Fair Value of Plan Assets at end of year	-	-

iv. Amounts recognized in Revenue or/and Profit & Loss Account:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Current Service Cost	8,079	9,639
Interest Cost	1,493	1,475
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss	3,779	(5,050)
Amount recognized in Revenue or/and Profit & Loss Account	13,352	6,064

v. Amounts recognized in Balance Sheet:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined benefit obligations (DBO)	31,695	24,629
Fair Value of Plan Assets at end of Year	-	-
Funded Status (Deficit)/Surplus	31,695	24,629
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-
Net Asset/(Liability) recognized in the balance sheet	31,695	24,629

vi. Balance Sheet Reconciliation:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Opening Net Liability/(Asset)	24,629	25,477
Expenses recognized in Revenue or/and Profit & Loss Account	13,352	6,064
Actual Benefits Paid	(6,286)	(6,911)
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	31,695	24,629



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D. Sick Leave

The Company has recognized liability towards cost of accumulating sick leave. The Company has initiated recognition of actuarial liability towards sick leave from current financial year onwards. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

i. Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	-
Interest/Discount Rate (Per Annum)	6.75% p.a.	-
Rate of increase in compensation	7.00% p.a.	-
Withdrawal rate:	40% for frontline staff and 20% for other staff	-

ii. Changes in Present value of benefit obligation during the year:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined Benefit Obligation, Beginning of year	-	-
Current Service Cost	4,055	-
Interest Cost	-	-
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	-	-
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	-	-
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Defined Benefit Obligation at end of year	4,055	-

iii. Change in Fair Value of Plan Assets during the year:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Fair Value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actual Enterprise's Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
Fair Value of Plan Assets at end of year	-	-

iv. Amounts recognized in Revenue or/and Profit & Loss Account:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Current Service Cost	4,055	-
Interest Cost	-	-
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss	-	-
Amount recognized in Revenue or/and Profit & Loss Account	4,055	-



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v. Amounts recognized in Balance Sheet:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined benefit obligations (DBO)	4,055	-
Fair Value of Plan Assets at end of Year	-	-
Funded Status (Deficit)/Surplus	4,055	-
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-
Net Asset/(Liability) recognized in the balance sheet	4,055	-

vi. Balance Sheet Reconciliation:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Opening Net Liability/(Asset)	-	-
Expenses recognized in Revenue or/and Profit & Loss Account	4,055	-
Actual Benefits Paid	-	-
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	4,055	-

E. Long term Incentive Benefits

The Company has schemes for Long Term Performance incentive plan & Guaranteed Payout plan. The Company has determined the liability on the basis of Actuarial valuation as under:

Assumptions Used:

Particulars	As at 31.03.2019	As at 31.03.2018
Discount Rate	6.55%	6.55%
Individual Performance	G2: 30%, G3: 70%	G2: 30%, G3: 70%
Salary Escalation Rate	N/A	N/A
Employee Turnover Rate	10%	10%
Mortality Rates	Indian Assured Lives Mortality (2006-08) U1t.	Indian Assured Lives Mortality (2006-08) U1t.

Amounts recognized in Balance Sheet:*(Rs. '000)*

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Defined benefit obligations (DBO)	1,83,830	1,95,753
Fair Value of Plan Assets at end of Year	-	-
Net Asset/(Liability) recognized in the balance sheet	1,83,830	1,95,753



21. Earnings Per Share

Basic earnings per equity share have been computed by dividing net profit/(loss) after tax by the weighted average number of equity shares outstanding for the year.

	Particulars	Units	Year ended 31.03.2019	Year ended 31.03.2018
a.	Profit/(loss) available to equity shareholder's	Rs in '000s	(4,83,868)	2,28,398
b.	Weighted average of number of equity shares used in computing basic earnings per share	No. of shares in '000s	9,40,975	9,26,000
c.	Diluted Weighted average of number of equity shares used in computing diluted earnings per share	No. of shares in '000s	9,44,660	9,26,000
d.	Nominal Value per share	in Rs.	10	10
e.	Basic earnings per share (a/b)	in Rs	(0.51)	0.25
f.	Diluted earnings per share (a/c)	in Rs	(0.51)	0.25

22. Disclosures on other work given to Auditor's

As per the Corporate Governance Guidelines issued by IRDAI on May 18, 2016 the services of the statutory auditors are disclosed below:

		(Rs. '000)	
Name of the Auditor	Services Rendered	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Nangia & Co. LLP	Tax Audit fees	200	150
	Certification Fees	275	150
	Transfer Pricing Assessment	150	-
	Tax Consultancy	-	25
M.P. Chitale & Co.	Audit of Special Purpose Financials	600	-
	Certification Fees	50	-

23. In pursuant to Circular 067 dated 28th March, 2008 issued by IRDAI, following operating expenses are separately disclosed:

(Rs '000)		
Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Outsourcing Expenses*	13,40,713	4,99,412
Marketing Support	6,65,644	4,18,070
Business Development	4,733	2,682

*Outsourcing expenses have been calculated basis on the Outsourcing guidelines issued by IRDAI.

24. Expenses of Management

The Company has filed with IRDA on 15th Oct'2018, an application for forbearance for exceeding the Expenses of Management (EOM) over the allowable limit for FY 2018-19 along with a convergence plan. An approval for forbearance has been received for the FY 2018-19 to FY 2021-22 and in accordance with Expense of Management Regulations 2016, a sum of Rs.136.50 Cr which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account.



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25. Sector Wise Business

Disclosure as per Schedule B Part II Point c (3) of the Insurance Regulatory and Development Authority of India (preparation of financial statements and auditor's report of insurance companies) regulations, 2002.

The total Gross Written Premium for the financial year is Rs.94,70,157 thousands (Previous year Rs. 75,44,715 thousands), out of which the bifurcation of Rural and social sector business is as under:

Business Sector	Year ended 31.03.2019			Year ended 31.03.2018		
	GDP (Rs.'000s)	No of Policy	% of Policy	GDP (Rs.'000s)	No of Policy	% of Policy
Rural	5,53,262	35,150	9.06%	4,38,830	26,472	8.00%
Social	1,631	7	0.00%	4,582	2	0.00%
Total	94,70,157	3,88,129	100%	75,44,716	3,30,876	100%

The above is compiled on basis of numbers reported to IRDAI.

Social Sector	Year ended 31.03.2019	Year ended 31.03.2018
Number of lives	1,28,888	97,675

Disclosure as per Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 is as under:

Rural Sector

Financial Year	Gross Premium for the year (Rs.'000s)	Amount of Premium procured in Rural Sector (Rs.'000s)	Rural Sector Premium as % to Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
2018-19	94,70,157	5,17,845*	5.47%	3.50%	Yes
2017-18	75,44,715	3,96,326	5.25%	3.00%	Yes

*Does not include RSBY business as mentioned in IRDAI (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015.

Social Sector

Financial Year	Total Business (lives) in the Preceding Financial Year	Number of Lives covered under Social Sector in the Financial Year 2017-18	Social Sector Lives as % to the Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
2018-19	27,42,523	1,28,888	4.70%	4.50%	Yes
2017-18	24,00,283	97,675	4.07%	4.00%	Yes

26. Micro Small and Medium Enterprises

Certain suppliers have confirmed their registration under MSME Act. As on March 31, 2019, there is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days. In respect of MSME creditors, where there have been delays in payments during the year,



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

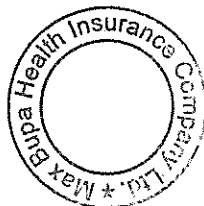
no interest is paid/payable as the payment was made within the agreed credit period. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

27. Penal Actions Details by Various Government Authorities

IRDAI circular no 005/IRDAI/F&A/CIR/MAY-09 requires disclosure as per given format in respect of penal actions taken by various Government Authorities.

SN	Authority	Non-Compliance/ Violation	Amount in Rs. Lakhs		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	- (-)	- (-)	- (-)	- (-)
2	Service Tax & Goods and service Tax Authorities	- (-)	- (-)	- (-)	- (-)
3	Income Tax Authorities	- (-)	- (-)	- (-)	- (-)
4	Any Other Tax Authorities	- (-)	- (-)	- (-)	- (-)
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	- (-)	- (-)	- (-)	- (-)
6	Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013.	- (-)	- (-)	- (-)	- (-)
7	Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding Compensation	- (-)	- (-)	- (-)	- (-)
8	Securities and Exchange Board of India	- (-)	- (-)	- (-)	- (-)
9	Competition Commission of India	- (-)	- (-)	- (-)	- (-)
10	Any other Central/State/local Government/ Statutory Authority	- (-)	- (-)	- (-)	- (-)

Bracket shows numbers related to previous year



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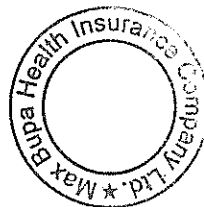
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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**28. Summary of Financial Statements is provided as under:***(Rs in Lakhs)*

SN	Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
OPERATING RESULTS						
1	Gross Direct Premiums	94,702	75,447	59,393	47,601	37,266
2	Net Premium Income (net of reinsurance)	73,140	58,774	56,392	45,155	35,344
3	Income from Investments (net)	3,371	2,995	3,369	2,548	1,795
4	Other Income	-	-	-	-	-
5	Total Income	76,511	61,768	59,761	47,703	37,139
6	Commission (Net) including brokerage	3,085	2,267	5,897	4,480	3,220
7	Operating Expenses (net of EOM impact)	22,097*	18,394	15,116	22,123	22,437
8	Net incurred claims	35,564	28,902	28,277	23,402	18,220
9	Premium Deficiency	-	-	-	-	(57)
10	Change in unexpired risk reserve	7,192	1,188	1,964	5,844	3,820
11	Operating Profit/(Loss)	8,573*	11,017	8,507	(8,147)	(10,501)
NON OPERATING RESULTS						
12	Total income under shareholder's account (net of expenses)	(13,411)	(8,733)	(8,875)	1,297	1,170
13	Profit/(loss) before tax	(4,839)	2,284	(368)	(6,850)	(9,331)
14	Provision for Tax	-	-	-	-	-
15	Profit/(Loss) after tax	(4,839)	2,284	(368)	(6,850)	(9,331)
MISCELLANEOUS						
16	Policyholder's Account:					
	a) Total funds	48,563	36,573	34,901	Not applicable being General Insurance Company	
	b) Total Investments	48,563	36,573	34,901		
17	Shareholder's Account					
	a) Total funds	32,994	30,006	27,863	Not applicable being General Insurance Company	
	b) Total Investments	32,994	30,006	27,863		
18	Paid Up Equity Capital	98,100	92,600	92,600	89,800	79,050
19	Net Worth	26,246	25,584	23,300	20,868	16,968
20	Total Assets	99,950	82,084	72,596	64,512	50,887
21	Yield on total investments	7.76%	7.90%	8.20%	8.60%	9.10%
22	Basic Earnings Per Share (Rs.)**	(0.51)	0.25	(0.04)	(0.82)	(1.28)
	Diluted Earnings Per Share (Rs.)**	(0.51)	0.25	(0.04)	(0.82)	(1.28)
23	Book value per Share (Rs.)	10	10	10	10	10
24	Total Dividend	-	-	-	-	-
25	Dividend Per share (Rs.)	-	-	-	-	-

*A sum of Rs.13,650 Lakhs (Previous year 10,777.13 Lakhs) which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

**Weighted average number of equity shares for Basic EPS is 9,408 Lakhs (previous year 9,260 Lakhs) and weighted average number of equity shares for Diluted EPS is 9,445 Lakhs (previous year 9,260 Lakhs) is used in computing earnings per share.



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

29. Accounting Ratios*is provided as under:

Performance Ratios	2018-19	2017-18	2016-17	2015-16	2014-15
Gross Direct Premium Growth Rate (Overall)	26%	27%	25%	28%	21%
Gross Direct Premium Growth Rate (Health)	23%	26%	24%	28%	21%
Gross Direct Premium Growth Rate (Personal Accident)	190%	274%	556%	-24%	-55%
Gross Direct Premium to Net Worth Ratio	3.61 times	2.95 times	2.55 times	2.28 times	2.20 times
Growth Rate of Net Worth	3%	10%	12%	23%	19%
Net Retention Ratio (Overall)	77%	78%	95%	95%	95%
Net Retention Ratio (Health)	77%	78%	95%	95%	95%
Net Retention Ratio (Personal Accident)	81%	70%	82%	60%	69%
Net Commission Ratio (Overall)	4%	4%	10%	10%	9%
Net Commission Ratio (Health)	4%	4%	10%	10%	9%
Net Commission Ratio (Personal Accident)	12%	8%	13%	-	-
Expenses of Management to Gross Direct Premium Ratio	50%	50%	54%	57%	66%
Expenses of Management to Net written Premium Ratio	64%	64%	57%	60%	76%
Net incurred claims to Net earned premium	54%	50%	52%	60%	58%
Combined Ratio	107%	104%	108%	118%	130%
Technical Reserves to Net Premium Ratio	0.62 times	0.60 times	0.59 times	0.69 times	0.68 times
Underwriting Balance Ratios	(0.13) times	(0.05) times	(0.10) times	(0.27) times	(0.33) times
Operating Profit Ratio	-7.7%	0.42%	-4%	-21%	-28%
Liquid Assets to Liability Ratio	0.75 times	0.75 times	0.71 times	0.70 times	1.83 times
Net Earnings Ratio	-7%	4%	-1%	-15%	-26%
Return on Net Worth Ratio	-18%	9%	-2%	-33%	-55%
Reinsurance Ratio	23%	22%	5%	5%	5%
Available Solvency margin Ratio to Required Solvency Margin Ratio (times)*	1.77	2.11	2.01	2.16	2.10
NPA Ratio	NA	NA	NA	NA	NA

*Calculated as per IRDAI Master Circular on Preparation of Financial Statements 2012.

**Required Solvency Margin Ratio (times) is 1.50.

30. Corporate Social Responsibility

As required under Section 135 of the Companies Act, 2013 and IRDAI Corporate Governance Guidelines 2016, the Board of the Company has appointed "Corporate Social Responsibility Committee" (CSR Committee) which comprises of three members of the Board. The CSR Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining and monitoring CSR Projects. The Company has formulated Corporate Social Responsibility policy which has been adopted by the CSR Committee. As the Company has registered a negative profit based on the preceding three years' average net profit, the Company has no obligation towards CSR activities spend during FY 2018-2019.



31. Provision for Free Look period

The provision for Free Look period is Rs.1,819 thousand (previous year Rs.943 thousand), as certified by the Appointed and Mentor Actuary.

32. Risk Management Architecture

The Board and other stakeholders of Max Bupa get assurance on risk management processes and its effectiveness from external audit, internal audit, risk management, compliance and fraud investigation function. The Company's risk management framework comprises of the following elements:

- Risk Strategy and Appetite (including Risk Policy framework and Governance structure)
- Strategic Risk Assessment (Business Plan)
- Risk Categorization
- Risk Registers
- Risk Control and Assurance
- Risk Reporting
- Risk Management design and effectiveness review

Risk Management roles and responsibilities:

To improve coordination and eliminate duplication, Max Bupa has adopted 'Three Line of Defence' model. The model defines clear set of responsibilities for each group of risk and control professionals.

- a) First Line: Involved in day to day risk management, in accordance with agreed risk policies, appetite and controls, at the operational level. This role is performed by Functional Heads and Process owners.
- b) Second Line: Responsible for risk oversight, risk guidance and risk reporting. This role is performed by Risk Management team, Compliance & Fraud Investigation team.
- c) Third Line: Independent assurance to the Board and Senior Management of the effectiveness of risk management processes. This role is performed by Internal and External Auditors.

A Risk Management team headed by Chief Risk Officer is in place to support for and challenge on the completeness and accuracy of risk identification, measurement, management, monitoring and reporting, and adequacy of, and progress against, mitigation plans.

Risk Appetite Statements:

To help define the level of risk that Max Bupa is willing to take, a set of Risk Appetite Statements have been defined which state in both quantitative and qualitative terms the Max Bupa Board's desired risk profile. The statements are reviewed and approved annually by the Board. The risk appetite statements are aligned with risk strategy and the Business Plan approved by the Board.

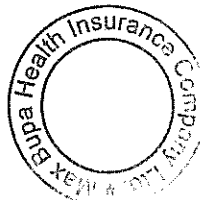
Status update against the defined risk appetites are monitored and reported to the Risk Committee on a quarterly basis.

Strategic Risk Assessment:

Max Bupa identifies the need for explicitly considering risk in the strategic and planning process. For the purpose, a strategic risk assessment process has been documented which will ensure that while developing business plans and/ or implementing major change initiatives, the business should include a "challenge phase", where the business including the risk team consider the impact of planned changes on the existing and future risk profile and the control environment.

Risk Identification and Assessment process:

Max Bupa has categorized risk into six (6) broad Level 1 categories – Strategic risk, Insurance risk, financial risk, Operational risk, Regulatory risk and Reputational risk. Each of such 6 categories is further broken down into 27 Level 2 sub risk categories. These risk categories are observed throughout the risk management journey.



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Company has documented functional risk registers to identify and assess inherent risks against such risk categories. Each identified risk is mapped to existing controls to mitigate such risk. After identification of existing (As is) controls, functional heads along with their teams assess the risk based on their impact and likelihood using the laid down parameters. Remediation actions are identified for control gaps, if any.

A consolidated risk register against the defined risk categories is prepared on a quarterly basis to include key risks for the quarter. A Management Risk Committee chaired by the CEO and attended by Senior Leadership Team reviews the risks in their respective domains on a quarterly basis and updates the consolidated register. CRO along with the Risk Management Team overviews and challenges the entire process of risk identification and rating.

Risk Reporting:

Status update on the remedial actions identified against the risks captured in the consolidated risk register is reported to Risk Committee on quarterly basis along with the Key Risk Summary and the Organizational Risk Heat Map.

The company has compiled the data for the purpose of disclosure in Note No. 33 from its risk management framework and policies and has been furnished by the management, which has been relied upon by the auditors.

33. Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under section 11 (3) of Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015)

Name of person in-charge	Mr. Ashish Mehrotra
Designation of person in-charge	Managing Director and Chief Executive Officer
Occupation of person in-charge	Service
Directorships held by the person In-charge during the year or at March 31, 2019	Max Bupa Health Insurance Company Limited

34. REPO/Reverse repo transactions

(Rs. '000)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on 31st March 2019
Securities sold under repo				
Government securities	-	-	-	-
Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo				
Government securities	-	6,02,591	49,360	-
Corporate Debt Securities	-	-	-	-

There were no transactions made under reverse repo in previous year.

35. Share Purchase Agreements

Promoters of the Company, Max India Limited and Bupa Singapore Holdings Pte Ltd have entered into separate Share Purchase Agreements with True North (a private equity firm) on 13-Mar-19 and signed a Term Sheet on 26-Mar-2019, pursuant to these agreements True North will acquire a 51% stake in the Company from Max India Limited and 5,09,69,400 shares (aggregating to 5.20% of paid up share capital as on 13 March 2019) in the Company from Bupa Singapore Holdings Pte Ltd. The proposed transaction is subject to requisite regulatory approvals.



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

36. Comparative Figures

Previous year figures have been regrouped/reclassified in the respective schedule and notes, wherever considered necessary, to conform to current year's classification.

Previous Year Statement/Schedule number, Line Item & Description	Amount Regrouped (000's)	Current Year Statement/ Schedule number, Line Item & Description	Amount Regrouped (000's)	Reason for Change
Schedule 4 Operating expenses related to Insurance Business – Others - Rewards & Remuneration	11,561	Schedule 3 Commission Net	11,561	This has been regrouped to align with the nature of expense.
Schedule 13 Current Liabilities – Sundry Creditors	24,300	Schedule 13 Current Liabilities – Due to subsidiaries/ holding company	24,300	In the previous year, it was classified in Sundry Creditors.

As per our report of even date

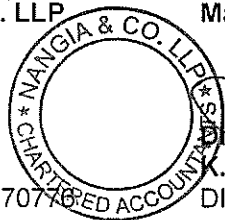
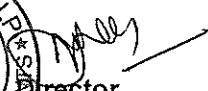
For and on behalf of the Board of Directors


For Nangia & Co. LLP

Max Bupa Health Insurance Company Limited

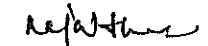

Rakesh Nangia
 Partner

Membership No:070776

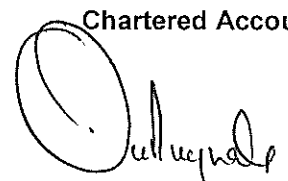


K. Narasimha Murthy
 Director
 DIN: 00023046

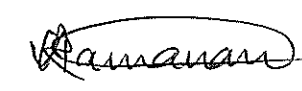

Rajesh Sud
 Chairman & Director
 DIN: 2395182

Place Noida

For M P Chitale & Co.
Chartered Accountants

Rajat Sharma
 Company Secretary
 Membership No. FCS 7069


Ashish Mehrotra
 CEO & Managing Director
 DIN: 07277318


Murtuza Vajih
 Partner


Ramanan A V
 Appointed Actuary
 Membership No. 4992

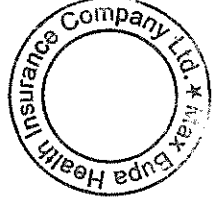

Rahul Ahuja
 Chief Financial Officer
Place: Mumbai
Date: May 23, 2019Place: New Delhi
Date: May 23, 2019

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

MANAGEMENT REPORT

In accordance with Part IV Schedule B of the Insurance Regulatory and Development Authority (IRDAI) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulation) the following Management Report for the year ended March 31, 2019 is submitted:

1. The Company obtained Regulatory approval to undertake Health & Personal Accident Insurance business on 15th Feb 2010 from the Insurance Regulatory and development Authority of India ("IRDAI") and holds a valid certificate of registration.
2. We certify that all the dues payable to the statutory authorities have been duly paid except Pension contribution of Rs. 80,604 of those employees whose Aadhaar could not be linked in PF UAN account despite making repeated attempts.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with the statutory and regulatory requirements.
4. The management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the required solvency margins under the Insurance Act, 1938.
6. We certify that the values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance sheet are shown in aggregate at amounts not exceeding their realizable or market value under the heading – "Loans", "Investments" (wherever applicable), "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "other Accounts".
7. The Investment Risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread the risk across a wide category of investee companies in line with regulatory requirements. The Company has constituted an Investment Committee, which acts as the policy making body for the Investment operations. The Investment Committee lays down various internal policies and norms governing the functioning of the Investment Department. The Investment Committee periodically discusses the Investment strategy, portfolio structures, performance of the portfolio and related issues. The Investment policy is reviewed semi annually in order to align the same with the Company business plans.
8. We confirm that there were no operations of the Company outside India during the year ended March 31, 2019.



9. Ageing analysis of claims outstanding(excluding provision for IBNR / IBNER and claims relating to inward re-insurance) is as under:

Particulars	FY 2018-19		FY 2017-18		FY 2016-17		FY 2015-16		FY 2014-15	
	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)
30 days	3,359	2542	3,484	1,732	2,419	1,475	1,843	1,248	2,737	1,984
30 days to 6 Months	538	572	127	220	213	208	284	226	192	161
6 months to 1 year	26	19	2	2	41	48	4	31	-	-
1 year to 5 years	-	-	-	-	8	65	1	1	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-

Above includes claim reserve for pre-auth given.

Average claims settlement time during the preceding five years is as under:

Line of Business	FY 2018-19		FY 2017-18		FY 2016-17		FY 2015-16		FY 2014-15	
	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)
Health	79,010	16	70,723	17 Days	57,588	18 Days	47,687	22 Days	40,889	16 Days
Personal Accident	21	13	10	11 Days	2	7 Days	9	10 Days	20	18 Days

10. As at March 31, 2019, the investments of the Company are mainly in Government Securities, Debt Securities including corporate bonds, Certificate of Deposits & Commercial Papers, Bank Deposits and Mutual Funds. As per the IRDA guidelines, all Debt securities are considered as held to maturity and valued at historical cost subject to amortization of premium/discount. Further, the market value for debt securities as at 31st March, 2019 has been calculated as per guidelines issued by SEBI approved rating agency (CRISIL)

Mutual funds Investments are stated at fair value, being the closing net assets value as at balance sheet date.

Acquisition cost of Debt Securities is Rs. 68,98,290 thousands (Previous year Rs. 58,09,500 thousands), amortized value is Rs. 69,00,736 thousands (Previous year Rs. 58,10,276 thousands) and market value at Rs. 69,03,455 thousands (Previous year Rs. 58,40,223 thousands).



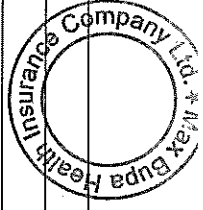
11. Investments are in accordance with the Insurance Act, 1938 and Insurance Regulatory & Development Authority (Investment) Regulations, 2000 and subsequent amendments. Investment Portfolio consists of Central and State Government Securities, Infrastructure Bonds (AAA), Housing Sector Bonds (AAA), Corporate Bonds (AAA, AA+, A+, AA- and D), Commercial Papers with A1+/P1+/PR1+ ratings, Certificate of Deposits with A1+ ratings, Liquid Mutual Funds and Deposits with various Scheduled Banks.

12. We also confirm:

- a. That the Financial Statements have been prepared in accordance with generally accepted accounting principles and policies, applicable accounting standards and current practices prevailing in the insurance industry and there are no material departures.
- b. That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating Profit or Loss and of the profit or loss of the company for the year.
- c. That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 and Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the management has prepared the financial statements on a going concern basis.
- e. Company actual solvency ratio is 1.77 against the required solvency ratio of 1.50.
- f. That there is an internal audit system commensurate with the size and nature of the business exists and is operating effectively.


13. Payments made to 'companies and organizations in which Directors are interested' are as under:


No	Name of the Director	Entity in which director is interested	Interested as	Payment made during FY 2018-19 (Rs. In Lakhs)
1	Mr. Rajesh Sud	Max Skill First Limited	Director and Chairman	622.73
2	Mr. Dinesh Kumar Mittal	Bharti Airtel Limited	Director	107.27
		Max Life Insurance Company Limited	Director	51.74
		Max Financial Services Limited	Director	38.86
		Max India Limited	Director	343.00




No	Name of the Director	Entity in which director is interested	Interested as	Payment made during FY 2018-19 (Rs. in Lakhs)
3	Ms. Marielle Theron	Max Life Insurance Company Limited	Non Executive Director	51.74
		Max India Limited	Business Advisor	343.00
		Max Skill First Limited	Non Executive Director	622.73
4	Mr. Mohit Talwar	Max Financial Services Limited	Managing Director & Member	38.86
		Max India Limited	Managing Director & Member	343.00
		Max Healthcare Institute Limited	Director	3.21
5	Mr. K. Narasimha Murthy	Max Life Insurance Company Limited	Director	51.74
		Max Healthcare Institute Limited	Director	3.21
		Max Life Insurance Company Limited	Director	51.74
		Max India Limited	Additional Director	343.00
6	Mr. Rahul Khosla	Max Life Insurance Company Limited	Chairman	51.74
		Max Healthcare Institute Limited	Chairman	3.21
		Max India Limited	Chairman	343.00
7	Mr. Pradeep Pant	Indian School of business	Director	4.33
		Max Life Insurance Company Limited	Additional Director	51.74


For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited


Director
K. Narasimha Murthy
DIN - 00023046


Company Secretary
Rajat Sharma
Membership No.- FCS7069

Place: New Delhi
Date: May 23, 2019


CEO & Managing Director
Ashish Mehrotra
DIN - 07277318


Chief Financial Officer
Rahul Ahuja