

INDEPENDENT AUDITOR'S REPORT

To the Members of Max Estates Limited

Report on the audit of the Consolidated Ind AS Financial Statements**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Max Estates Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group 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 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 audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to note 45 of the consolidated Ind AS financial statements which states that the merger has been accounted from the Appointed date i.e. April 01, 2022 defined in the Composite Scheme of Amalgamation and Arrangement. However, being a common control business combination, Ind AS 103, Business Combinations requires the Company to account for the business combination from the combination date (i.e., the date on which control has been transferred) or from the earliest date presented in the financial statements, whichever is later. Therefore, comparative financial information for previous year ended March 31, 2022 has not been restated since the Scheme prevails over the applicable accounting requirements. Our opinion is not modified in respect of this matter.



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Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board's report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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,



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individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated Ind AS 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.



Other Matter

- (a) The comparative financial information for the year ended March 31, 2022, included in these consolidated Ind AS financial statements, have not been subjected to audit but have been approved by the Board of Directors of the Company.
- (b) We did not audit the financial statements and other financial information, in respect of six subsidiaries, whose financial statements include total assets of Rs. 69,021.97 lakhs as at March 31, 2023, and total revenues of Rs. 4,290.84 lakhs and net cash inflows of Rs. 251.80 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors. Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xx1) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;



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- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, , incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, , incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer note 34 to the consolidated Ind AS financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2023.
 - iv. a)The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, and as disclosed in the note 47 to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b)The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, and as disclosed in the note 47 to the consolidated Ind AS financial statements, no funds have been received by the respective Holding Company



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or any of such subsidiaries from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company and its subsidiaries, incorporated in India.
- vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 01, 2023, for the Holding Company and its subsidiaries incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Pravin Tulsyan

Partner

Membership Number: 108044

UDIN: 23108044BGYZJA6816

Place of Signature: Gurugram

Date: August 18, 2023



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Annexure 1 referred to in paragraph 1 of “Report on other legal and regulatory requirements” of our report of even date

Re: Max Estates Limited (the “Holding Company”)

According to the information and explanations given to us and procedures performed by us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements except for following where the respective auditors have reported qualifications or adverse remarks in their audit report:

S. No.	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Max Square Limited	U70200UP2019PLC118369	Subsidiary	Clause (xvii)
2	Max I Limited	U74999PB2016PLC045450	Subsidiary	Clause (xvii)
3	Max Estates 128 Private Limited	U55101DL2006PTC151422	Subsidiary	Clause (xvii)
4	Acreage Builders Private Limited	U70101HR2010PTC047012	Subsidiary	Clause (xvii)

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Pravin Tulsyan

Partner

Membership Number: 108044

UDIN: 23108044BGYZJA6816

Place of Signature: Gurugram

Date: August 18, 2023



Annexure 2 to the Independent auditor's report of even date on the consolidated financial statements of Max Estates Limited

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Max Estates Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.



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Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 consolidated 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to the subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Pravin Tulsyan**

Partner

Membership Number: 108044

UDIN: 23108044BGYZJA6816

Place of Signature: Gurugram

Date: August 18, 2023



Max Estates Limited
CIN:U70200PB2016PLC040200
Consolidated Balance Sheet as at March 31, 2023

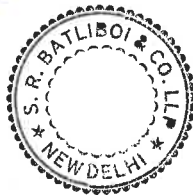
Particular	Notes	(Rs. in Lakhs)	
		As at March 31, 2023	As at March 31, 2022 (also refer note 46)
ASSETS			
Non-current assets			
Property, plant and equipment	3	582.66	116.48
Investment property	3a	1,40,508.93	89,672.35
Other intangible assets	4	333.05	3.45
Right-of-use assets	4b	1,317.55	-
Financial assets			
(i) Investments	5(i)	5,363.17	-
(ii) Trade receivables	5(ii)	968.61	63.78
(iii) Other bank balances	5(iii)	1,001.35	10.26
(iv) Other financial assets	5(iv)	2,997.87	245.06
Deferred tax assets	16	1,998.45	43.83
Non-current tax assets	6	1,552.71	793.33
Other non current assets	7	5,337.43	1,790.50
		1,61,961.78	92,739.04
Current assets			
Inventories	8	38,691.83	1,375.52
Financial assets			
(i) Investments	9(i)	10,596.36	1,274.28
(ii) Trade receivables	9(ii)	578.06	193.31
(iii) Cash and cash equivalents	9(iii)	1,762.70	272.20
(iv) Bank Balances other than (iii) above	9(iv)	2,374.31	4,566.40
(v) Other financial assets	9(v)	4,665.46	1,268.01
Other current assets	10	2,088.39	849.20
		60,757.11	9,798.92
Total assets		2,22,718.89	1,02,537.96
Equity			
Equity share capital	11	-	7,791.00
Shares pending for allotment		14,710.36	-
Other equity	12	1,06,410.14	53,095.73
Equity attributable to equity holders of parent company		1,21,120.50	60,886.73
Non-controlling interest	42	4,266.94	3,423.27
Total equity		1,25,387.44	64,310.00
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	75,081.26	28,335.38
(ii) Lease liabilities	4b	3,488.11	-
(iii) Other non current financial liabilities	14	4,536.85	3,742.96
Long term provisions	15	169.33	72.94
Deferred tax liabilities	16	1,083.41	391.19
		84,358.96	32,542.47
Current liabilities			
Financial liabilities			
(i) Borrowings	17(i)	7,358.04	3,176.68
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	17(ii)	501.79	96.52
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17(ii)	2,201.72	900.96
(iii) Lease liabilities	4b	236.66	-
(iv) Other current financial liabilities	17(iii)	1,655.24	762.99
Other current liabilities	18	767.41	633.89
Short term provisions	19	251.63	114.45
		12,972.49	5,685.49
Total liabilities		97,331.45	38,227.96
Total equity and liabilities		2,22,718.89	1,02,537.96

Summary of significant accounting policies 2
Other notes to accounts 3-47

As per our report of even date

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

per Pravin Tulsyan
Partner
Membership Number: 108044



Place : Gurugram

Date: 18/8/23

For and on behalf of the Board of Directors of
Max Estates Limited

Dinesh Kumar Mittal
(Director)

DIN: 00040000

Nitin Kumar Kansal
(Chief Financial Officer)

Place : Noida

Date: 18/8/23

Sahil Vachani
(Managing Director &
Chief Executive Officer)
DIN: 00761695

Abhishek Mishra
(Company Secretary)

Max Estates Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2023

	Notes	For the year ended March 31, 2023	(Rs. in Lakhs) For the year ended March 31, 2022 (also refer note 46)
INCOME			
Revenue from operations	20	10,734.20	6,928.87
Other income	21	2,393.63	464.60
Total income		13,127.83	7,393.47
EXPENSES			
Cost of land, plots, development rights, constructed properties and others	22	1,015.55	-
Change in inventories of constructed properties	23	1,138.84	1,850.94
Employee benefits expense	24	1,537.73	347.49
Finance costs	25	1,861.87	1,616.92
Depreciation and amortization expense	26	1,490.82	1,068.14
Other expenses	27	3,874.82	1,664.90
Total expenses		10,919.63	6,548.39
Profit before tax		2,208.20	845.08
Tax expenses			
Current income tax charge	30	2,050.11	-
Adjustment in respect of tax relating to earlier years	30	4.17	77.82
Deferred tax credit	30	(1,692.78)	275.06
Total tax expense		361.50	352.88
Profit after tax		1,846.70	492.20
Attributable to:			
Equity holders of the parent		1,901.49	499.89
Non-controlling interests		(54.79)	(7.69)
Other comprehensive income not to be reclassified to profit or loss in subsequent years:			
Re-measurement loss of defined benefit plans	30	0.02	3.93
Income tax effect		(0.01)	(0.99)
Net comprehensive income not to be reclassified to profit or loss in subsequent years:		0.01	2.94
Other comprehensive income for the year, net of tax		0.01	2.94
Total comprehensive income for the year		1,846.71	495.14
Attributable to:			
Equity holders of the parent		1,901.50	502.83
Non-controlling interests		(54.79)	(7.69)
Earnings per equity share (Nominal value of share Rs.10/-)			
Basic (Rs.)	32	1.29	1.30
Diluted (Rs.)	32	1.29	0.64
Summary of significant accounting policies			
Other notes to accounts	2 3-47		

As per our report of even date

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

per Pravin Tulsyan
Partner

Membership Number: 108044



For and on behalf of the Board of Directors of Max Estates Limited

Dinesh Kumar Mittal
(Director)

DIN: 00040000

Nitin Kumar Kansal
(Chief Financial Officer)

Sahil Vachani
(Managing Director &
Chief Executive Officer)
DIN: 00761695

Abhishek Mishra
(Company Secretary)

Place : Noida

Date: 18/8/23

Place : Gurugram

Date: 18/8/23

Max Estates Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2023

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022 (also refer note 46)
Operating activities		
Profit before tax	2,208.20	845.08
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	1,490.82	1,068.14
Expense recognised on employee stock option scheme	105.87	-
Fair value gain on financial instruments at fair value through profit or loss	(13.78)	-
Net gain on sale of non-current investments	(944.14)	-
Loss on disposal of property, plant and equipment	-	0.42
Profit on derecognition of right of use assets	(135.97)	-
Gain on sale of financial instruments	(101.82)	-
Liabilities/provisions no longer required written back	-	(30.57)
Revenue from Rental (Equilisation as pre INDAS)	-	(176.41)
Interest income	(25.25)	(338.37)
Unwinding of interest on security deposit	(319.88)	-
Finance costs	1,861.87	1,616.94
Operating profit before working capital changes	4,125.90	2,985.23
Working capital adjustments:		
Increase in trade and other receivables and prepayments	(436.37)	(296.64)
Decrease/(increase) in inventories	(37,299.88)	1,886.95
Increase/ (decrease) in provisions	-	17.92
Decrease/(increase) in current and non-current asset	(10,160.40)	(187.39)
(Decrease)/increase in current and non-current liability	(145.30)	1,640.74
Decrease in trade and other payables	1,505.44	(1,189.26)
Decrease in financial asset	-	(346.15)
Cash generated from operations	(42,410.61)	4,511.42
Income tax paid (net of refund)	(3,224.62)	(440.60)
Net cash flows from operating activities	(45,635.23)	4,070.82
Investing activities		
Proceeds from sale of property, plant and equipment	(2,096.87)	(10,841.98)
Purchase of property, plant and equipment and investment property (including intangible assets and capital advances)	(50,143.71)	(2,039.73)
Interest received	1,190.35	357.79
Net (investment)/redemption of deposits with remaining maturity for more than 3 months	38,933.62	464.19
(Purchase)/ sale of current investments (net)	(6,270.64)	(35.27)
Proceeds from sale of non-current investments	13,172.86	-
Net cash flows used in investing activities	(5,214.39)	(12,095.01)
Financing activities		
Proceeds from issuance of equity share capital including security premium	24.86	-
Proceeds from issue of equity shares of subsidiary	1,851.13	-
Repayment of lease liability (including interest)	886.26	-
Proceeds from short term borrowings	6,856.75	892.64
Proceeds from long-term borrowings	81,470.46	12,181.54
Repayment of long-term borrowings	(34,724.58)	(2,804.05)
Interest paid	(4,236.05)	(2,471.84)
Net cash flows from financing activities	52,128.83	7,798.29
Net increase/(decrease) in cash and cash equivalents	1,279.21	(225.90)
Add Merger adjustment	211.29	-
Cash and cash equivalents at the beginning of the year	272.20	498.10
Cash and cash equivalents at the end of the year	1,762.70	272.20



Max Estates Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2023

(Rs. in lakhs)

Components of cash and cash equivalents:

	As at March 31, 2023	As at March 31, 2022 <small>(also refer note 46)</small>
Balances with banks:		
On current accounts	1,705.68	268.91
Cash on hand	<u>57.02</u>	<u>3.28</u>
	<u>1,762.70</u>	<u>272.20</u>

Summary of significant accounting policies
Other notes to accounts

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3-47

The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of cash flow".

As per our report of even date

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

per Pravin Tulsyan
Partner

Membership Number: 108044



Place : Gurugram
Date: 18/8/23

For and on behalf of the Board of Directors of Max Estates Limited

Dinesh Kumar Mittal
(Director)

DIN: 00040000

Nitin Kumar Kansal

Nitin Kumar Kansal
(Chief Financial Officer)

Place : Noida

Date: 18/8/23

Sahil Vachani
Sahil Vachani
(Managing Director & Chief
Executive Officer)

DIN: 00761695

Abhishek Mishra
Abhishek Mishra
(Company Secretary)

Max Estates Limited
Consolidated Statement of changes in equity for the year ended March 31, 2023

a) Equity share capital

Particulars	Nos.	(Rs. in Lakhs)
Shares of Rs. 10/- each, issued, subscribed and fully paid		
As at April 01, 2021	7,79,10,000	7,791.00
Add: Shares issued for stock options exercised during the year (refer note 11)		
As at March 31, 2022*	7,79,10,000	7,791.00
Add: Merger effect	(7,79,10,000)	(7,791.00)
As at March 31, 2023	-	-

b) Other equity

(Rs. in Lakhs)

Particulars	Other equity					Non-controlling interest (refer note 42)	Total
	Capital reserve (refer note 12)	Securities premium (refer note 12)	Employee stock options outstanding (refer note 12)	Retained earnings (refer note 12)	Total other equity		
As at April 01, 2021	-	-	381.03	(4,965.43)	(4,584.39)	3,430.96	(1,153.43)
Profit for the year	-	-	-	499.89	499.89	(7.69)	492.19
Other comprehensive income for the year	-	-	-	(3.93)	(3.93)	-	(3.93)
Expense recognised during the year	-	-	20.17	-	20.17	-	20.17
As at March 31, 2022*	-	-	401.20	(4,469.47)	(4,068.27)	3,423.27	(645.00)
Add: Merger effect	13,042.52	50,084.05	(239.92)	45,759.07	1,08,645.72	1,013.91	1,09,659.63
As at April 01, 2022 (Post Merger Effect)	13,042.52	50,084.05	161.28	41,289.60	1,04,577.45	4,437.18	1,09,014.64
Profit for the year	-	-	-	1,901.49	1,901.49	(54.79)	1,846.70
Other comprehensive income for the year	-	-	-	0.01	0.01	-	0.01
Less: adjustment on account of capital reduction in PCL (refer note 42)	-	(183.66)	-	-	(183.66)	-	(183.66)
Net movement in Non controlling interest (refer note 42)	-	-	-	-	-	(115.45)	(115.45)
Forfeiture of share option under Employee stock option scheme	-	-	(8.49)	8.49	-	-	-
Exercise of share option under Employee stock option scheme	-	50.75	(41.58)	-	-	9.17	9.17
Expense recognised during the year	-	-	105.69	-	105.69	-	105.69
As at March 31, 2023	13,042.52	49,951.14	216.90	43,199.59	1,06,410.14	4,266.94	1,10,677.10

* also refer note 46

Summary of significant accounting policies 2
Other notes to accounts 3-47

As per our report of even date

P. S. R. Batliboi & Co. LLP
Chartered Accountants
CA Firm Registration Number: 301003E/E300005

per **Pravin Tulsyan**
Partner
Membership Number: 108044



For and on behalf of the Board of Directors of Max Estates Limited

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Nitin Kumar Kansal
(Chief Financial Officer)

Sahil Vachani
(Managing Director & Chief Executive Officer)
DIN: 00761695

Abhishek Mishra
(Company Secretary)

Place : Gurugram
Date: 18/8/23

Place : Noida
Date: 18/8/23

Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

1 Corporate Information

The Consolidated Ind AS financial statements comprise financial statements of Max Estates Limited (the Company) and its subsidiaries (collectively, the Group) for the year ended March 31, 2023. The Company is registered in India under Companies Act, 2013 and was incorporated on March 22, 2016.

Registered office of the Company is located at 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshehar, Punjab - 144533.

The Group is principally engaged in the business of:

- Construction and development of residential and commercial properties;
- Making investments in various companies and primarily engaged in growing and nurturing these business investments;
- Providing facility management services and managed office services.
- Providing shared services to its other group companies

During the year, the Company has completed the merger of Max Ventures and Industries Limited (‘Transferor Company’) (appointed date April 01, 2022). Pursuant to the scheme of merger filed under the provisions of Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. The Hon’ble National Company Law Tribunal, Chandigarh Bench (“Hon’ble NCLT”) vide its order dated July 03, 2023, approved the aforesaid Scheme. The comparative financial information for previous year ended March 31, 2022, has not been restated. Refer note 45 for further details related to merger.

The consolidated Ind AS financial statements were authorised for issue in accordance with a resolution by the Board of directors of the Company on August 18, 2023.

2 Significant accounting policies

2.1 a) Basis of preparation

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of division II of Schedule III to the Companies Act 2013 (Ind AS Compliant Schedule III).

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

- (i) Certain financial assets and liabilities (refer accounting policy regarding financial instruments)
- (ii) Defined benefit plans - plan assets

The Consolidated Ind AS Financial Statements are presented in INR and all values are rounded to nearest Lakhs (INR 00,000) except when otherwise stated

The accounting policies have been consistently applied by the Group.



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

b) Basis of Consolidation

The Consolidated Ind AS Financial Statements (CFS) comprises the financial statements of the Company and its subsidiaries as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ▶ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ▶ Exposure, or rights, to variable returns from its involvement with the investee, and
- ▶ The ability to use its power over the investee to affect its returns

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

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Ind AS financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

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

Consolidation procedure:

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated Ind AS financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

- (iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated Ind AS financial statements. IND AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- ▶ Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- ▶ Derecognises the carrying amount of any non-controlling interests
- ▶ Derecognises the cumulative translation differences recorded in equity
- ▶ Recognises the fair value of the consideration received
- ▶ Recognises the fair value of any investment retained
- ▶ Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

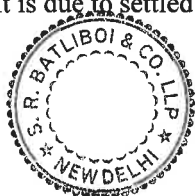
The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

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

b. Property, Plant and Equipment and Investment Property

(i) Property, Plant and Equipment

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

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

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

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

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

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

In respect of other assets, depreciation is calculated on pro rata basis on straight-line basis over estimated useful lives estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

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

(ii) Investment Property

Recognition and initial measurement:

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties are measured initially at their cost of acquisition including transaction costs. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Property held under lease is classified as investment property when it is held to earn rentals or for capital appreciation or for both, rather than for sale in the ordinary course of business or for use in production or administrative functions. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on investment properties is provided on the straight-line method, over the useful lives of the assets are as follows:

Asset category	Estimated life
Buildings and related equipment	15 to 60
Plant & Machinery & other equipment	6 to 10

Estimated useful life of Leasehold land is over the period of lease

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by the company applying a valuation model acceptable.

De-recognition

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

Depreciation on investment property has been provided on straight line method over the useful life of assets. Useful life of assets are as under



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

Building and related equipments	15 to 60 years
Plant & machinery, furniture & fixtures and other equipments	6 to 10 years

c. Intangible assets

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

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

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

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

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

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

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

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



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

d. Business combinations

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Company. Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. The pooling of interest method is considered to involve the following:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (iii) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- (iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

e. Impairment of non-financial assets

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

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

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

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses no longer exist or may have decreased. If such indication exists, the



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

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

Impairment testing of goodwill and intangible assets with indefinite lives

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

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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

f. Financial Instruments

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

(i) Financial assets

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

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

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset. The difference between the transaction amount and amortised cost in case of interest free loan to subsidiaries based on expected repayment period is considered as deemed investment.

Subsequent measurement



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

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

- (i) Debt instruments at amortized cost
- (ii) Debt instruments and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortized cost

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

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

(ii) Cash flow characteristics test: Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instruments at FVTPL

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

Equity investments of other entities

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

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

Derecognition

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

-the rights to receive cash flows from the asset have expired, or



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-the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

(a) the Group has transferred the rights to receive cash flows from the financial assets or

(b) the Group has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

Impairment of financial assets

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

- Financial assets measured at amortised cost; e.g. Loans, security deposits, trade receivable, bank balance.

- Financial assets measured at fair value through other comprehensive income (FVTOCI);

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12- months ECL.



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Reclassification of financial assets

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

(ii) Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Trade Payables

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

Financial liabilities at fair value through profit or loss

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

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment



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when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

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

Compound financial instruments

Compound financial convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the convertible instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

g. Revenue from contracts with customers

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Group has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the Ind AS financial statements. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Company performs; or
- b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. The following specific recognition criteria must also be met before revenue is recognized:



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Revenue is recognised over period of time in respect of rental services on an accrual basis, in accordance with the terms of the respective contract as and when the Company satisfies performance obligations by delivering the services as per contractual agreed terms.

Revenue from shared services

Revenue is recognised over period of time in respect of shares services on an accrual basis, in accordance with the terms of the respective contract as and when the Company satisfies performance obligations by delivering the services as per contractually agreed terms.

Revenue from project management consultancy / secondment

Revenue from project management consultancy / secondment is recognized as per the terms of the agreement on the basis of services rendered.

Gain on sale of investments

On disposal of an investment, the difference between the carrying amount and net disposal proceeds is recognised to the profit and loss statement.

Facility Management

Revenue from facility management is recognised as per the terms of the agreement on the basis of services rendered.

Revenue from constructed properties

Revenue is recognised over time if either of the following conditions is met:

- a. Buyers take all the benefits of the property as real estate developers construct the property.
- b. Buyers obtain physical possession of the property
- c. The property unit to be delivered is specified in the contract and real estate entity does not have an alternative use of the unit; the buyer does not have the discretion to terminate the contract and the entity has right to payment for work completed to date.

In case none of these conditions is met, revenue would be recognised at a point in time when the control of the property is passed on to the customer.

Contract balances

Contract assets

A contract asset is initially recognised for revenue earned from shared services because the receipt of consideration is conditional on successful completion of the contract. Upon completion of the contract and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section e) Financial instruments – initial recognition and subsequent measurement.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section e) Financial instruments – initial recognition and subsequent measurement.



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Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related services to the customer).

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

h. Inventories

Inventories in real estate business

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

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

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

i. Taxes

Current income tax

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

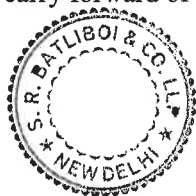
Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates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

Deferred tax

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

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

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



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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

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

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

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

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

j. Borrowing costs

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where fund are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred.

Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rate applicable to relevant general borrowing of the Group during the year. Capitalisation of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that



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an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (d) Impairment of non-financial assets.

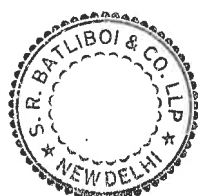
ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings.

iii) Short-term leases and leases of low-value assets



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The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l. Provision and Contingent liabilities

Provisions

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

Contingent liabilities

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

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

m. Retirement and other employee benefits

Provident fund

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

Gratuity

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



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Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with LIC is provided for as liability in the books.

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

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

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

(ii) Net interest expenses or income

Compensated absences

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

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

Short-term obligations

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

Long term incentive plan

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

n. Share-based payments

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



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Equity-settled transactions

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

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

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

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

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

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

o. Cash and cash equivalents

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

p. Earnings per share

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

q. Foreign currencies



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Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's consolidated Ind AS financial statements are presented in Indian rupee (Rs.) which is also the Group's functional and presentation currency.

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

Measurement of foreign currency items at the balance sheet date

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

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

r. Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

Disclosures for valuation methods, significant estimates and assumptions (note 36)

Quantitative disclosures of fair value measurement hierarchy (note 36)

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

t. Government Grants

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

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

2.3 Significant accounting judgements, estimates and assumptions

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

Judgements

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



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Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

(a) Operating lease commitments - Group as lessee

The Group has taken various commercial properties on leases. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Refer Note 4ii.

Estimates and assumptions

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

(a) Taxes

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

(b) Defined benefit plans

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long-term government bonds where remaining maturity if such bond corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates. Further details about the assumptions used, including a sensitivity analysis, are given in Note 31.

(c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The Group uses Net asset value for valuation of investment in mutual funds. Refer Note 36 related to Fair value disclosures.



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

2.4 RECENT ACCOUNTING PRONOUNCEMENTS:

A. Amended standards adopted by the company

(i) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

(ii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iii) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

These amendments had no impact on the financial statements of the Group as there were no modifications of the Group's financial instruments which were covered by amendment.

(iv) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.



Max Estates Limited

Notes forming part of the Consolidated Ind AS financial statements for the year ended March 31, 2023

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

B. Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Group is currently assessing the impact of the amendments.



3. Property, plant and equipment (PPE)

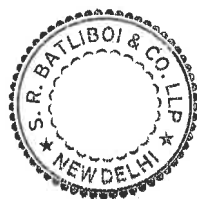
(Rs. in Lakhs)

	Leasehold improvements	Plant and equipment	Furniture and fixture	Office equipment	Computers and data processing units	Motor vehicles	Total
Gross Block							
April 1, 2021	-	-	1.02	9.79	38.51	95.65	144.98
Additions	-	-	-	-	20.82	35.61	56.43
Disposals	-	-	-	-	(22.67)	-	(22.67)
March 31, 2022*	-	-	1.02	9.79	36.67	131.27	178.74
Add Merger Effect	392.01	54.07	65.51	4.77	100.12	174.17	790.65
Additions	200.91	-	63.11	26.72	51.04	39.50	381.28
Disposals	(383.66)	-	(67.20)	(6.08)	(38.07)	-	(495.01)
Add: adjustment for investment in new subsidiaries (refer note 29)	-	15.36	2.81	-	1.70	-	19.87
March 31, 2023	209.26	69.43	65.25	35.20	151.46	344.93	875.53
Accumulated Depreciation							
April 1, 2021	-	-	0.28	6.49	28.31	23.90	58.97
Depreciation for the year	-	-	0.10	2.75	8.00	13.97	24.81
Disposals for the year	-	-	-	-	(21.52)	-	(21.52)
March 31, 2022*	-	-	0.38	9.24	14.79	37.87	62.28
Add Merger Effect	96.51	45.15	21.15	1.77	67.24	39.27	271.09
Depreciation for the year	39.84	0.37	9.77	4.78	26.03	37.84	118.63
Disposals for the year	(120.49)	-	(25.29)	(4.22)	(24.02)	-	(174.02)
Add: adjustment for investment in new subsidiaries (refer note 29)	-	12.45	2.08	-	0.36	-	14.90
March 31, 2023	15.86	57.97	8.09	11.57	84.39	114.98	292.86
Net carrying amount							
As at March 31, 2022*	193.40	11.45	57.16	23.63	67.07	229.95	582.66
As at March 31, 2023*	-	-	0.64	0.55	21.87	93.40	116.46

Notes:

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

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



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

3A Investment property Particulars				(Rs. in Lakhs)
	Investment property	Land	Investment property (under development)	Total
Gross Block				
April 1, 2021	56,680.60	-	15,894.84	72,575.44
Additions/ adjustments	2,097.25	-	17,871.65	19,968.90
Disposals/ adjustments	-	-	(99.40)	(99.40)
March 31, 2022*	58,777.85	-	33,667.10	92,444.95
Add Merger Effect	(3,228.49)	8,874.50	(5,612.37)	33.64
Additions/ adjustments	1,735.61	-	50,279.72	52,015.33
Disposals/ adjustments	-	-	(82.19)	(82.19)
March 31, 2023	57,284.97	8,874.50	78,252.26	1,44,411.73
Accumulated Depreciation				
April 1, 2021	1,732.03	-	-	1,732.03
Depreciation charge for the year	1,040.57	-	-	1,040.57
Disposals/ adjustments	-	-	-	-
March 31, 2022*	2,772.60	-	-	2,772.60
Add Merger Effect	31.37	-	-	31.37
Depreciation charge for the year	1,098.82	-	-	1,098.82
Disposals/ adjustments	-	-	-	-
March 31, 2023	3,902.79	-	-	3,902.80
Net carrying amount				
As at March 31, 2023	53,382.18	8,874.50	78,252.26	1,40,509.93
As at March 31, 2022*	56,005.25	-	33,667.10	89,672.35

Investment property as at March 31, 2023 includes property under construction at Sector 65 Gurugram under Acreage Builders Private Limited, a subsidiary company, property under construction at Sector 129 Noida under Max Square Limited, a subsidiary company and property under construction at Okhla, Delhi under Pharmax Corporation Limited, a subsidiary company. (Investment property as at April 01, 2022 included property under construction at Sector 129 Noida under Max Square Limited, a subsidiary company and property under construction at Okhla, Delhi under Pharmax Corporation Limited, a subsidiary company).

i) For investment property under development, ageing as at March 31, 2023:

	Amount in investment property under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Max Square Limited	12,975.05	9,513.80	5,891.34	11,101.58	39,481.78
Acreage Builders Private Limited	33,957.46	-	-	-	33,957.46
Pharmax Corporation Limited	3,347.21	1,465.82	-	-	4,813.03
Total	50,279.72	10,979.62	5,891.34	11,101.58	78,252.26

ii) For investment property under development, ageing as at March 31, 2022*:

	Amount in investment property under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Max Square Limited	11,221.97	7,134.88	13,544.43	-	31,901.28
Pharmax Corporation Limited	1,765.82	-	-	-	1,765.82
Total	12,987.79	7,134.88	13,544.43	-	33,667.10



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

Notes:

(i) Contractual obligations

Refer note 34 for disclosure of contractual commitments for the acquisition of investment properties.

(ii) Capitalised borrowing cost

During the year, the Group has capitalised Rs. 3,297.57 lakhs (March 31, 2022- Rs. 883.95 lakhs) under investment property. Refer note 25

(iii) Amount recognised in profit and loss for investment properties	(Rs. in Lakhs)	
	March 31, 2023	March 31, 2022*
Rental income	5,187.56	3,588.03
Less: Direct operating expenses generating rental income	(445.04)	(941.69)
Profit from leasing of investment properties	4,742.52	2,646.34
Less: depreciation expense	(1,098.82)	(1,040.57)
Profit from leasing of investment properties after depreciation	3,643.70	1,605.77

(iv) Fair value

Fair value hierarchy and valuation technique

The fair value of investment property has been determined by the company internally, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The fair value has been arrived using discounted cash flow projections based on reliable estimates of future cash flows considering growth in rental of 15% on every 3 years, vacancy rate of 3% and discount rate of 12.00%.

Reconciliation of fair value:	(Rs. in Lakhs)
Opening balance as at April 01, 2021	Rs.63,500 to 71,000 lakhs
Increase of Fair value	NA
Decline in fair value	NA
Closing balance as at March 31, 2022*	Rs.63,500 to 71,000 lakhs
Increase of Fair value	Rs. 1000 lakhs
Decline in fair value	NA
Closing balance as at March 31, 2023 **	Rs.64,500 to 72,000 lakhs

** Other than investment property (under development)

* also refer note 46

Valuation models applied for valuation:

Discounted cash flow method - net present value is determined based on projected cash flows discounted at an appropriate rate.



Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023****4. Other Intangible assets**

Particular	Computer software	Total	(Rs. in Lakhs)
			Intangible assets under development
Gross carrying amount			
April 1, 2021	17.43	17.43	-
Additions	0.42	0.42	-
Disposals	-	-	-
March 31, 2022*	17.85	17.85	-
Add Merger Effect	8.23	8.23	12.95
As at April 01, 2022 (Post Merger Effect)	26.08	26.08	12.95
Additions	329.11	329.11	-
Disposals	-	-	-
March 31, 2023	355.19	355.19	12.95
Amortisation			
April 1, 2021	11.65	11.65	-
Amortisation charge for the year	2.75	2.75	-
Disposals for the year	-	-	-
March 31, 2022*	14.40	14.40	-
Add Merger Effect	7.37	7.37	12.95
As at April 01, 2022 (Post Merger Effect)	21.77	21.77	12.95
Amortisation charge for the year	0.37	0.37	-
Disposals for the year	-	-	-
March 31, 2023	22.14	22.14	12.95
Net carrying amount			
March 31, 2023	333.05	333.05	-
March 31, 2022*	3.45	3.45	-

* also refer note 46

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4b Right of use assets

The Company has lease contracts for buildings from related parties. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The carrying amounts of right of use assets recognised and the movements during the year:

Particulars	(Rs. in Lakhs)	
	Building	Total
April 1, 2021	-	-
Additions	-	-
Depreciation expense	-	-
Less: adjustment for sale of stake in MSFL	-	-
March 31, 2022**	-	-
Add Merger Effect	2,482.65	2,482.65
As at April 01, 2022 (Post Merger Effect)	2,482.65	2,482.65
Additions	1,153.43	1,153.43
Adjustment on account of sub-lease*	(2,050.96)	(2,050.96)
Depreciation expense	(267.57)	(267.57)
March 31, 2023	1,317.55	1,317.55

*During the year, the Company has sub-leased its premises and has assessed that this sub-lease fulfills the criteria of a finance lease as per Ind AS 116. Consequently, the Company has recognised lease receivable from sub-lease in its books and has de-recognised the Leasehold improvements as well as right of use assets related to the original lease. Consequently, an amount of Rs. 135.97 lakhs has been recognised as profit on de-recognition of right of use assets under the head 'Other income'.

The carrying amounts of lease liabilities and the movement during the year:

Particulars	(Rs. in Lakhs)	
	Building	Total
April 1, 2021	-	-
Additions	-	-
Accretion of interest	-	-
Payments	-	-
March 31, 2022**	-	-
Add Merger Effect	2,838.51	2,838.51
As at April 01, 2022 (Post Merger Effect)	2,838.51	2,838.51
Additions	1,073.51	1,073.51
Accretion of interest	377.56	377.56
Payments	(564.81)	(564.81)
March 31, 2023	3,724.77	3,724.77

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022**
Non-current lease liabilities	3,488.11	-
Current lease liabilities	236.66	-
Total	3,724.77	-

The details regarding the maturity analysis of lease liabilities as at March 31, 2023 and March 31, 2022 on actual rent payments as per schedule:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022**
Within one year	541.06	-
After one year but not more than five years	2,380.33	-
More than five years	1,837.03	-
Total	4,758.42	-

Considering the lease term of the leases, the effective interest rate for lease liabilities is 11%.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022**
Depreciation expense of right-of-use assets	267.57	-
Interest expense on lease liabilities	377.56	-
Rent (refer note 27)	14.73	-
Total amount recognised in profit or loss	659.86	-

** also refer note 46



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

5. Non-Current financial assets
(i) Investments

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022#
a) Investment in preference shares (valued at fair value through profit and loss) (unquoted)		
Azure Hospitality Private Limited	4,445.06	-
16,234,829 (March 31, 2022 - Nil) Series-C preference shares of nominal value Rs. 20 each fully paid up		
b) Smart Joules Private Limited (unquoted)		
232 (March 31, 2022 - Nil) Series - A Compulsorily Convertible Preference Shares of nominal value Rs. 10 each fully paid up*	200.00	-
c) Aliferous Technologies Private Limited (unquoted)		
461 (March 31, 2022 - Nil) Compulsorily Convertible Preference Shares (Seed Series A1 CCPS) of Nominal Value Rs.100 each fully paid up**	49.92	-
d) Investment in IAN Fund (unquoted)		
219,272.98 (March 31, 2022 - Nil) units of nominal value Rs. 100 each fully paid up	219.27	-
Investment others		
e) Birla Sun Life Cash Plus - Direct Plan ***		
1,23,648.78 (March 31, 2022 - Nil) units of nominal value Rs. 100 each fully paid up	448.92	-
	<u>5,363.17</u>	<u>-</u>
Non-Current	<u>5,363.17</u>	<u>-</u>
Aggregate value of unquoted investments	<u>5,363.17</u>	<u>-</u>

Note:

*0.001% Non cumulative Series A Compulsory convertible participating preference shares will be convertible into one equity share per preference share, maximum after ten years from the date of issue.

**0.001% Non cumulative Compulsory convertible preference shares will be convertible into one equity share per preference share, maximum after nineteen years from the date of issue. The Group has committed to invest further Rs. 49.90 lakhs towards these preference shares. Refer note 34B.

*** Pledged as security for Debt Service Reserve Account (DSRA) for borrowing

(ii) Trade receivables

Trade receivable (unsecured)	968.61	63.78
	<u>968.61</u>	<u>63.78</u>

Trade Receivable Ageing

As at March 31, 2023

Particulars	Not due	Less than 6 months	Outstanding for following periods from due date of payment				Total	(Rs. in Lakhs)
			6 Months - 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed Trade receivables-considered good	968.61	-	-	-	-	-	968.61	
(ii) Undisputed Trade receivables-Which have significant in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade receivables-Credit impaired	-	-	-	-	-	-	-	
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-	
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade receivables-credit Impaired	-	-	-	-	-	-	-	
Total	968.61	-	-	-	-	-	968.61	

Trade Receivable Ageing

As at March 31, 2022#

Particulars	Not due	Less than 6 months	Outstanding for following periods from due date of payment				Total	(Rs. in Lakhs)
			6 Months - 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed Trade receivables-considered good	63.78	-	-	-	-	-	63.78	
(ii) Undisputed Trade receivables-Which have significant in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade receivables-Credit impaired	-	-	-	-	-	-	-	
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-	
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade receivables-credit Impaired	-	-	-	-	-	-	-	
Total	63.78	-	-	-	-	-	63.78	

(iii) Other bank balances

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022#
Deposits with original maturity for more than 12 months	1,001.35	10.26
	<u>1,001.35</u>	<u>10.26</u>
(iv) Other non current financial assets		
Security deposits {also refer note 39(b) for deposits made with related parties}	496.14	245.06
Rent receivable (Equalisation)	116.98	-
Lease Receivable (Refer Note 4b)	2,384.75	-
	<u>2,997.87</u>	<u>245.06</u>

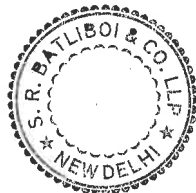
6. Non-current tax assets

Advance income tax and tax deducted at source (Net)	1,552.71	793.33
	<u>1,552.71</u>	<u>793.33</u>

7. Other non current assets

Unsecured considered good unless otherwise stated		
Capital advances (Refer Note 34B)	5,329.50	1,304.85
Prepaid expenses	-	404.58
Balance with statutory authorities	7.93	-
Deferred guarantee fee	-	81.07
	<u>5,337.43</u>	<u>1,790.50</u>

also refer note 46



Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022**
8 Inventories (at cost or Net realisable value whichever is less)		
Raw materials (construction materials)	8.35	49.93
Plots and construction work in progress	186.75	186.75
Finished goods		1,138.84
Land	38,496.73	
	<u>38,691.83</u>	<u>1,375.52</u>
9. Current financial assets		
(i) Other investment		
Quoted mutual funds (valued at fair value through profit and loss)		
Axis Liquid Fund - Direct - Growth	1,501.96	-
Face value - Rs. 10 (March 31, 2023 - Units - 60,057) (March 31, 2022 - Units - NIL)		
Aditya Birla Sun Life Liquid Fund - Direct - Growth	1,602.92	-
Face value - Rs. 10 (March 31, 2023 - Units - 4,41,477.23) (March 31, 2022 - Units - NIL)		
SBI Liquid Fund - Direct - Growth	1,501.95	-
Face value - Rs. 10 (March 31, 2023 - Units - 42,629.04) (March 31, 2022 - Units - NIL)		
UTI Liquid Cash Plan - Direct - Growth	1,502.17	-
Face value - Rs. 10 (March 31, 2023 - Units - 40,613.46) (March 31, 2022 - Units - NIL)		
DSP Liquid Fund - Direct - Growth	2,442.07	-
Face value - Rs. 10 (March 31, 2023 - Units - 76,003.98) (March 31, 2022 - Units - NIL)		
Birla Sun Life Cash Plus - Direct Plan	-	672.26
Face value - Rs. 10 Face value - Rs. 10 (March 31, 2023 - Units - NIL) (March 31, 2022 - Units - 1,95,914.05)		
Tata Liquid Fund	2,045.29	602.02
Face value - Rs. 10 Face value - Rs. 10 (March 31, 2023 - Units - 57,590.82) (March 31, 2022 - Units - 43,053.20)		
	<u>10,596.36</u>	<u>1,274.28</u>
Aggregate value of unquoted investments	-	-
Aggregate value of quoted investments	10,596.36	1,274.28
Aggregate market value of quoted investments	10,596.36	1,274.28
(ii) Trade receivables		
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;	578.06	193.31
(c) Trade Receivables which have significant increase in credit risk; and	-	-
(d) Trade Receivables - credit impaired	-	-
	<u>578.06</u>	<u>193.31</u>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 120 days. For terms and conditions relating to receivables from related parties, refer note 39

Trade Receivable ageing
As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	32.93	494.71	10.35	17.57	13.31	9.19	578.06
(ii) Undisputed Trade receivables- which have significant in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit Impaired	-	-	-	-	-	-	-
Total	32.93	494.71	10.35	17.57	13.31	9.19	578.06
Less: Allowance for credit loss							-
Net Trade Receivables							578.06

Trade Receivable Ageing
As at March 31, 2022**

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	-	160.42	10.39	13.31	3.19	6.00	193.31
(ii) Undisputed Trade receivables- which have significant in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit Impaired	-	-	-	-	-	-	-
Total	-	160.42	10.39	13.31	3.19	6.00	193.31
Less: Allowance for credit loss							-
Net Trade Receivables							193.31



Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022**
(iii) Cash and cash equivalents		
Balances with banks:		
On current accounts	1,705.68	268.91
Cash on hand	57.02	3.28
	<u>1,762.70</u>	<u>272.20</u>
(iv) Bank balances other than (iii) above		
Deposits:		
Deposits with original maturity for less than 12 months	2,374.31	4,566.40
	<u>2,374.31</u>	<u>4,566.40</u>
(v) Other current financial assets (unsecured considered good, unless otherwise stated)		
Interest accrued on deposits	27.17	-
Interest accrued on fixed deposits	24.20	-
Security deposits (refer note 36A)	3,908.09	32.45
Interest accrued on deposits and others	90.56	189.33
Other recoverables	119.59	-
Rent equalisation	426.05	1,046.23
Lease Receivable (Refer Note 4b)	69.80	-
	<u>4,665.46</u>	<u>1,268.01</u>
Break up of financial assets at amortised cost		
Non-current financial assets		
Trade receivables (refer note 5(ii))	968.61	63.78
Other bank balances (refer note 5(iii))	1,001.35	10.26
Current financial assets		
Trade receivables (refer 9(ii))	578.06	193.31
Cash and cash equivalents (refer 9(iii))	1,762.70	272.20
Other bank balances (refer note 9(iv))	2,374.31	4,566.40
Other current financial assets (refer 9(v))	4,665.46	1,268.01
	<u>11,350.49</u>	<u>6,373.96</u>
10. Other current assets (unsecured considered good, unless otherwise stated)		
Other advances*	561.05	71.76
Prepaid expenses	108.49	159.21
Deferred guarantee fee	-	21.60
Balance with statutory authorities	1,418.85	596.63
	<u>2,088.39</u>	<u>849.20</u>

*refer note 39(b) for advances to related parties

** also refer note 46



11. Equity share capital

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022#
a) Authorized share capital**		
150,000,000 (March 31, 2022# - 150,000,000) equity shares of Rs.10/- each	15,000.00	15,000.00
	<u>15,000.00</u>	<u>15,000.00</u>
Issued, subscribed and fully paid-up*		
77,910,000 (March 31, 2022# - 77,910,000) equity shares of Rs.10/- each fully paid up	-	7,791.00
Total issued, subscribed and fully paid-up share capital	-	<u>7,791.00</u>

*Subsequent to the year end and upon the coming into effect of the Scheme of amalgamation, and in consideration of the transfer, 1 (one) equity shares of the face value of INR 10 each fully paid-up of the Company are required to be issued against every 1 (one) equity shares of INR 10 each fully paid-up held by the shareholders of Max Ventures and Industries Limited. Consequently to this, the Company shall issue 146,946,000 equity shares of INR 10 each fully paid-up for 146,946,000 equity shares of INR 10 each fully paid-up of Max Ventures and Industries Limited.

These shares have been disclosed as 'Share capital pending issuance' as at March 31, 2023 and as at April 01, 2022.

**As an integral part of the scheme, and, upon the coming into effect of the scheme, the authorized share capital of the Company shall automatically stand increased, without any further act, instrument or deed on the part of the Company, such that upon the coming into effect of this scheme, the authorized share capital of the Company shall be INR 1,500,000,000/- divided into 150,000,000 equity shares of INR 10 each. Consequently, Clause V of the Memorandum of Association of the Company shall, upon the coming into effect of this scheme and without any further act or deed, be and stand altered, modified and substituted pursuant to section 13, 61 and 230 and 232 and other applicable provisions of the Act, as the case may be. Also refer note 45.

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

Equity shares	March 31, 2023		March 31, 2022#	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
At the beginning of the year	7,79,10,000	7,791	7,79,10,000	7,791.00
Add: Merger Adjustment	(7,79,10,000)	(7,791)	-	-
Add: Shares issued for stock options exercised (Refer note no 35.1)	-	-	-	-
At the end of the year	-	-	<u>7,79,10,000</u>	<u>7,791.00</u>

c) Terms and rights attached to equity shares

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

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

Name of the Shareholder	March 31, 2023		March 31, 2022#	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid-up Max Ventures and Industries Limited.	-	0.00%	7,79,09,994	99.99%

e) Details of shares held by holding company

Name of the Shareholder	March 31, 2023		March 31, 2022#	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid-up Max Ventures and Industries Limited.	-	0.00%	7,79,09,994	99.99%

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

The Company has issued 156,978 equity shares during the year ended March 31, 2023 and 322,586 equity shares during the year ended March 31, 2022# on exercise of options granted under the Employee Stock Option Plan 2016 of Max Ventures and Industries Limited. For details refer note 35.1.

g) Shareholding of promoters

As at	Promoter Name	Shares held by promoters at the end of the year		% change during the year
		No. of Shares	% of total shares	
March 31, 2023	Max Ventures and Industries Limited	-	-	100%
March 31, 2022#	Max Ventures and Industries Limited	7,79,09,994	99.99%	Nil

also refer note 46

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Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023****12. Other equity**

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022*
Capital reserve (refer note a below)	13,042.52	-
Securities premium (refer note b below)	49,951.14	-
Employee stock options outstanding (refer note c below)	216.90	401.20
Retained earnings (refer note d below)	43,199.59	(4,469.47)
Compulsorily Convertible Debentures (CCD) (refer note e below)	-	57,164.00
	<u>1,06,410.14</u>	<u>53,095.73</u>

Notes:**a) Capital reserve**

At the beginning of the year

-

-

Add : Merger Adjustment

13,042.52

-

13,042.52

-

b) Securities premium

At the beginning of the year

-

-

Add : Merger Adjustment

50,084.05

-

Add - Exercise of share option under Employee stock option scheme

50.75

-

Less: adjustment on account of capital reduction in PCL (refer note 42)

(183.66)

-

49,951.14

-

c) Employee stock options outstanding

At the beginning of the year

401.20

381.03

Add : Merger Adjustment

(239.92)

-

Add: expense recognized during the year

105.69

20.17

Less: Exercise of share option under Employee stock option scheme

(41.58)

-

Less: Forfeiture of share option under Employee stock option scheme

(8.49)

-

216.90401.20**d) Retained earnings (attributable to equity holders of the parent)**

At the beginning of the year

(4,469.47)

(4,965.43)

Add : Merger Adjustment

45,759.07

-

Profit for the year

1,901.49

499.89

Forfeiture of share option under Employee stock option scheme

8.49

-

Equity option of CCD

-

-

Re-measurement of post employment benefit obligation (net of tax) (item of OCI)

0.01(3.93)43,199.59(4,469.47)**e) Compulsorily Convertible Debentures (CCD)**

At the beginning of the year

57,164.00

57,164.00

Less : Merger Adjustment

(57,164.00)

-

At the end of the year

-

57,164.00**a) Capital reserve**

The Group recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve

b) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

c) Employee stock options outstanding

The employee stock options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

d) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

* also refer note 46



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

13. Borrowings

	As at March 31, 2023	(Rs. in Lakhs) As at March 31, 2022 (also refer note 46)
Non-current borrowings :		
From banks		
Term loans (secured) [refer note (i) to (ix) below]	67,301.75	24,873.08
Vehicle loans (secured) [refer note (x) below]	30.19	31.34
Others		
Debt portion of compulsory convertible debentures [refer note (xi) below]	7,749.32	3,430.96
Current maturity of long term borrowings :		
Term loans (secured) [refer note (i) to (ix) below]	1,081.06	509.00
Vehicle loans (secured) [refer note (x) below]	17.61	-
Total	76,179.93	28,844.38
Less: amount disclosed under "current financial liabilities" [refer note 18(i)]	1,098.67	509.00
Total	75,081.26	28,335.38
Aggregate Secured loans	68,430.61	25,413.42
Aggregate Unsecured loans	7,749.32	3,430.96

Term loan from banks :

i) Term loan facility from ICICI Bank Limited amounting to NIL (March 31, 2022: Rs. 7,932.18 lakhs) is secured by way of exclusive charge of mortgage/hypothecation/assignment/security interest/charge/pledge upon following (both present and future) on:

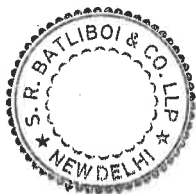
- 1 Pari-passu charge over project developed on the property;
- 2 All present and future tangible moveable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture and all other moveable fixed assets in relation to the property
- 3 All present and future scheduled receivables to the extent received by the borrower
- 4 The escrow account alongwith all monies credited / deposited therein
- 5 The Debt Service Reserve Account (DSRA)
- 6 30% of shareholding of the company (Max Towers) being held by Max Estates Limited
- 7 The security as required by the lender shall be created and perfected in form and manner satisfactory to the lenders and shared on pari passu basis between the lenders
- 8 Post creation of security, the project shall provide a security cover of 2 times during the entire tenure of facility on outstanding loan amount



Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

- ii) Term loan facility from ICICI Bank Limited amounting to Rs. 10218.74 lakhs (March 31, 2022: Rs. 3,793.64 lakhs) is secured by way of exclusive charge of mortgage/hypothecation/assignment/security interest/charge/pledge upon following (both present and future) on:
- 1 Pari-passu charge over project developed on Max House Okhla Project;
 - 2 All present and future tangible moveable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture and all other moveable fixed assets in relation to the property
 - 3 All present and future scheduled receivables to the extent received by the borrower
 - 4 The escrow account alongwith all monies credited / deposited therein
 - 5 The Debt Service Reserve Account (DSRA)
 - 6 Corporate guarantee from Pharmax Corporation Limited
 - 7 The security as required by the lender shall be created and perfected in form and manner satisfactory to the lenders and shared on pari passu basis between the lenders
 - 8 Post creation of security, the Project shall provide a security cover of 1.50 times during the entire tenure of the Facility on the outstanding loan amount of Facility
- iii) The subsidiary company has fully repaid term loan from ICICI Bank mentioned in point (i) above during the year. The subsidiary has taken secured term loan facility for Rs. 24,603.24 lakhs loan from HDFC Bank Limited at an effective weighted average rate of 7.91% . The loan is repayable in 204 installments commencing from 1 month from the first drawdown date. An exclusive charge by way of mortgage / hypothecation / assignment / security interest / charge / pledge upon following (both present and future) on:
- a) The escrow account opened before the first drawdown along with all monies to be received from the lessee, present and future, pertaining to the property, credited / deposited therein.
 - b) The Debt Service Reserve Account equivalent to 3 months peak debt servicing (interest and principal) to be maintained throughout the tenor of the Facilities. Debt Service Coverage Ratio shall be created upfront & by way of Fixed Deposit lien marked to the lenders.
 - c) Minimum Debt Service Coverage Ratio of 1.3x to be maintained, to be tested on 31st March and 30th September every year.
 - d) Bank guarantee of Rs. 5,000 lakhs to be issued from Max Estates Ltd. which will be cash collateralized by 50% in case National Company Law Tribunal Order comes in favour of Max Estates Limited
 - e) Minimum security cover of 1.54x implying maximum Loan to Value of 65% to be maintained throughout the tenor of the facility.
- iv) Term loan facility from IndusInd Bank Limited amounting to NIL (March 31, 2022: Rs. 12,863.68 lakhs) is secured by exclusive charge by way of mortgage/hypothecation/assignment/security interest / charge/pledge upon following (both present and future) on:
- 1 Equitable mortgage on Project land;
 - 2 All present and future current assets, including lease rental receivables, parking rentals, Common Area Maintenance income, security deposit, sales receivable, any income generated pertaining to the project
 - 3 The escrow account alongwith all monies credited/deposited therein
 - 4 The Debt Service Reserve Account (DSRA)
 - 5 30% of shares to be pledged by the borrower company (Max Square Limited)
 - 6 Corporate guarantee from Max Estates Limited
- v) **Axis Bank Limited (Secured)**
The subsidiary company has fully repaid term loan from Indusind Bank mentioned in point (iii) above during the year. The subsidiary has taken secured term loan facility for Rs. 21,998.13 lakhs.
- i) **Primary and collateral security:**
Exclusive charge on by way of equitable mortgage on project land of 2.6 acre land and building with complete available leasable area of 7 lakhs sqft in Max square project, being developed in Sector 129, Noida.
- a) First charge by way of assignment/hypothecation over all present and future current assets including lease rental receivables, parking rentals, CAM income, security deposit, sales receivables, any other income generated pertaining to the project
 - b) First charge on DSRA, Escrow account maintained with Axis pertaining to rental receivables of the project, wherever maintained, present & future.
 - c) Minimum security cover to be 1.5 times based on market values of the property to be maintained throughout tenure of the facility
 - d) Corporate guarantee of Max Estates Limited
 - e) Debt service reserve account (DSRA) - 3 months interest to be created
 - f) Borrower to open Escrow account with IBL
 - g) Debt : equity of 1.371x to be maintained throughout the facility. Any cost overrun to be funded through additional equity from the promoters.
 - h)



Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

Repayment terms:-

Loan will be payable in bullet installment on maturity at December 31, 2025

- vi) Term loan facility from IDFC First Bank Limited amounting to Rs. 4,016.20 lakhs (March 31, 2022: Rs. 792.57 lakhs) is secured by exclusive charge by way of mortgage/ hypothecation/ assignment/ security interest/ charge/pledge upon following (both present and future) on:

- 1 Equitable mortgage on Project land;
- 2 All present and future current assets, including lease rental receivables, parking rentals, CAM income, security deposit, sales receivable, any income generated pertaining to the project
- 3 The escrow account alongwith all monies credited/deposited therein
- 4 The DSRA
- 5 30% of shares to be pledged by the borrower company (Pharmax Corporation Limited)
- 6 Corporate guarantee from Max Estates Limited

- vii) As per the terms of loan agreements entered by the Group with its lenders, the Group is required to meet certain financial and non-financial covenants such as Debt service coverage ratio, Debt to Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) ratio etc. In case of non-compliance with any of these covenants the non-compliance would be treated as event of default giving lender a right to charge either penal interest or recall the loan or both. During the year, there was no default in meeting any of the covenants.

- viii) The Company has taken secured lean loan facility for Rs.14,839.09 Lakhs loan from Aditya Birla Finance Limited.

i) Primary and collateral security:

- a) Exclusive charge on by way of equitable mortgage on project land admeasuring 10 acres owned by the borrower situated al Sector 128, Noida for total debt facility amount of up to Rs. 150 cr (1st Pari- passu to be shared with incoming lender.
- b) Corporate Guarantee of Max Ventures & Industries Limited.
- c) First charge on DSRA with Aditya Birla Sun Life Mutual Fund.
- d) Debt service reserve account (DSRA) - 3 months interest to be created

ii) Repayment terms:-

Loan will be payable in bullet installment on maturity at September 30, 2025

Vehicle loan (secured) :

- ix) Vehicle loans amounting to Rs. 30.19 lakhs (March 31, 2022: Rs. 47.80 lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 3 to 5 years. The rate of interest varies between 7.90% p.a. to 10.00% p.a.

Others:

- x) **i) Compulsorily Convertible Debentures (Unsecured)**

Terms of series A-CCD

- Unsecured compulsorily convertible debentures having a face value of Rs. 10 each.
- Interest - Interest at the rate of 20% per annum, compounded annually, payable as follows -
- Surplus cash flow will be used to pay all accrued but unpaid interest on Series B CCD, calculated from the Closing Date till March 31 of the relevant financial year
- Balance surplus cash flow shall be utilised to pay all accrued but unpaid interest on the Series A CCDs
- Conversion - automatically and mandatorily be converted into Equity Shares in the ratio of 1:1 on Conversion Date
- Conversion date - earlier of, (a) the date when Series B CCDs are being converted; or (b) the date on which the Series A CCDs are required by Law to be mandatorily converted

Terms of Series B - CCD

- Unsecured compulsorily convertible debentures having a face value of Rs. 10 each.
- Interest - Interest at the rate of 20% per annum, compounded annually, payable as follows -
- No interest shall be payable unless the Company has surplus cash flows in the financial year
- Surplus cash flow will be used to pay all accrued but unpaid interest on Series B CCD, calculated from the Closing Date till March 31 of the relevant financial year
- Conversion - automatically and mandatorily be converted into Equity Shares in the ratio of 1:1 on Conversion Date
- Conversion date - earlier of, (a) at any time after three years from the Closing Date; or (b) date of full exit by New York Life Insurance Corporation from the Company; or (c) the date on which the Series B CCDs are required by Law to be mandatorily converted



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022 (also refer note 46)
14. Other non current financial liabilities		
Security deposits	3,315.14	2,380.36
Interest accrued on Compulsorily convertible debentures (refer note 13(xi))	1,192.36	1,190.50
Deferred liabilities	29.35	-
Unearned Financial Guarantee Fees	-	25.10
Deferred Finance Income (Security deposit)	-	147.00
	<u>4,536.85</u>	<u>3,742.96</u>
15. Long term provision		
Provision for employee benefits		
Provision for gratuity (refer note 35)	169.33	72.94
	<u>169.33</u>	<u>72.94</u>
16. Deferred tax (liabilities)/assets		
Deferred tax liabilities		
Accelerated depreciation for tax purposes	(1,083.41)	(391.19)
Gross deferred tax liabilities (a)	<u>(1,083.41)</u>	<u>(391.19)</u>
Deferred tax assets		
Expenses allowable on payment basis	768.19	-
Other items giving rise to temporary differences	886.29	43.83
Unabsorbed depreciation/losses	343.97	-
Gross deferred tax assets (b)	<u>1,998.45</u>	<u>43.83</u>
Deferred tax asset/(liabilities) (net)	<u>915.04</u>	<u>(347.36)</u>
Disclosed as		
Deferred tax liabilities	(1,083.41)	(391.19)
Deferred tax asset	1,998.45	43.83
	<u>915.04</u>	<u>(347.36)</u>
	As at March 31, 2023	As at March 31, 2022 (also refer note 46)
17. Current financial liabilities		
(i) Borrowings		
Current maturity of long term borrowings	1,098.67	509.68
Short term borrowings*	6,259.37	2,667.00
	<u>7,358.04</u>	<u>3,176.68</u>

*Short term borrowings includes loan taken in one of the subsidiary companies, which will be repaid during the financial year 2023-24 from the proceeds of residential project and there is no hypothecation for such borrowings.



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

(ii) Trade payables

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022 (also refer note 46)
Total outstanding dues of micro enterprises and small enterprises (MSME)	501.79	96.52
Total outstanding dues of creditors other than micro enterprises and small enterprises #	2,201.72	900.96
	2,703.51	997.48

Trade payables include due to related parties. Refer note 39 (b) for amount due to related parties.

Terms and conditions of the above:

Trade payables are non-interest bearing and are normally settled on 0 - 180 day terms

March 31, 2023	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	1.15	500.64	-	-	-	501.79
Others	677.70	978.25	207.60	146.70	191.47	2,101.72
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
Total	678.85	1,478.89	207.60	146.70	191.47	2,703.51

March 31, 2022 (also refer note 46)	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	96.52	-	-	-	96.52
Others	-	550.29	158.91	90.13	101.63	900.96
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
Total	-	646.81	158.91	90.13	101.63	997.48

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022 (also refer note 46)

(iii) Other current financial liabilities

Security deposits	123.46	76.15
Capital creditors	761.15	533.02
Interest accrued	534.34	13.34
Deferred liabilities	161.83	-
Deferred Guarantee Income	-	43.56
Deferred Finance Income (Security deposit)	74.46	96.92
Others	-	-
	1,655.24	762.99

18. Other current liabilities

Advance from customers	18.75	255.71
Deferred finance income	28.84	-
Statutory dues	712.25	378.18
Others	7.57	-
	767.41	633.89

19. Short term provision

Provision for employee benefits		
- Provision for leave encashment	249.73	113.69
- Provision for gratuity (refer note 35)	1.90	0.75
	251.63	114.44



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

20. Revenue from operations

	(Rs. in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022#
Revenue from operations		
Revenue from sale of constructed properties, lease income and facility management	9,917.19	6,928.87
Total	9,917.19	6,928.87
Revenue from services		
Income from shared services {refer note 39(a)}	817.01	-
Total	10,734.20	6,928.87

Performance obligation

The performance obligation is satisfied upon completion of the services/ sale of property.

21. Other income

Interest income on		
- on fixed deposits *	563.95	356.25
- on security deposit *	319.88	-
Profit on derecognition of Right of use asset	155.97	-
Gain on mutual fund investments	101.82	4.28
Fair value gain on financial instruments at fair value through profit or loss	13.78	-
Liabilities/provisions no longer required written back	-	30.57
Other non-operating income	-	14.69
Gain on stake sale of investment {refer note 28}	944.14	-
Interest others	149.06	-
Miscellaneous income	165.03	58.81
	2,393.63	464.60

* on financial assets at amortised cost

22. Cost of land, plots, development rights, constructed properties and others

	(Rs. in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022#
Inventories at beginning of year	49.93	85.94
Construction Materials	-	14.94
Civil Construction Work	981.33	21.07
Less: inventory at the end of year	15.70	49.93
Cost of land, plots, development rights, constructed properties and others	1,015.55	-

23. Change in inventories of constructed properties

a) Inventories at the end of the year

Work in progress-

Real Estate

186.75	1,325.59
186.75	1,325.59

b) Inventories at the beginning of the year

Work in progress-

Real Estate

1,325.59	3,176.54
1,325.59	3,176.54

Net decrease in inventories of constructed properties (b-a)

1,138.84	1,850.94
-----------------	-----------------

also refer note 46

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Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

24. Employee benefits expense

	For the year ended March 31, 2023	(Rs. in Lakhs) For the year ended March 31, 2022 (also refer note 46)
Salaries, wages and bonus	1,230.64	253.23
Contribution to provident and other funds (refer note 35.2)	94.76	34.35
Employee stock option scheme* (refer note 35.1)	103.17	39.57
Gratuity expense (refer note 35)	40.56	12.87
Staff welfare expenses	68.60	7.48
	1,537.73	347.49

*net of amount capitalised in Investment Property under development Rs. 12.65 lakhs (March 31, 2022: Rs. 9.61 Lakhs)

25. Finance costs

Interest expense on Term Loan	4,541.68	2,449.72
Interest on lease liabilities (refer note 4b)	377.56	-
Interest on others	110.08	-
Bank charges	130.12	51.15
	5,159.44	2,500.87
Less: Finance cost capitalised (refer note 3a)	(3,297.57)	(883.95)
	1,861.87	1,616.92

26. Depreciation and amortization expense

Depreciation of tangible assets and investment property (refer note 3 and 3a)	1,222.88	1,065.39
Depreciation of right-of-use assets (refer note 4b)	267.57	-
Amortization of intangible assets (refer note 4)	0.37	2.75
	1,490.82	1,068.14

27. Other expenses

Rent	14.73	256.15
Insurance expenses	60.62	35.95
Rates and taxes	187.58	117.56
Repairs and maintenance:		
Building	1,526.46	10.49
Others	258.50	163.77
Facility Management Charges	-	64.94
Travelling and conveyance	133.18	18.83
Communication costs	17.42	2.58
Legal and professional	948.22	483.86
Directors' sitting fees {refer note no 39(a)}	70.32	5.48
Membership & subscription	-	24.52
Printing and stationery	-	0.51
Advertisement and sales promotion	330.13	448.94
Brokerage	77.26	-
Loss on sale of property, plant and equipment (net)	-	0.42
Corporate Social Responsibility (CSR) expenditure (refer note no 40)	39.79	10.07
Miscellaneous expenses	210.61	20.85
	3,874.82	1,664.90



Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023****28 Discontinued Operations**

The Board of Directors of the Company, in its meeting dated November 14, 2021, had approved the divestment of remaining 51% shareholding in Max Speciality Films Limited (MSFL), a subsidiary of the Company to Toppan Inc., a 49% strategic partner in MSFL, in two separate tranches at an enterprise value of INR 135,000 lakhs, subject to customary closing conditions, including but not limited to shareholder or other approvals. The shareholder approval for the aforesaid transaction was received on December 16, 2021. Pursuant to this, on February 01, 2022, 41% shareholding representing 17,189,600 shares in MSFL, were transferred by the Company for a total consideration of INR 49,442 lakhs. Hence, MSFL ceased to be a subsidiary of the Company w.e.f. February 01, 2022.

As per the executed agreement, the remaining 10% shareholding representing 4,192,585 shares in MSFL were transferred on March 28, 2023, for an aggregate consideration of INR 13,172.88 lakhs. Since the investment was already carried at fair value, thus, this did not have any significant impact on the profit for the year ended March 31, 2023, except for interest recognized during the year.

(a) The results of discontinued operations for the period/year are presented below:

	For the period ended	(Rs. in Lakhs) For the year ended
	March 31, 2023	March 31, 2022#
Revenue		
Revenue from operations	-	1,26,984.14
Other Income	-	1,029.34
Total income (I)	-	1,28,013.48
Cost of materials consumed	-	83,266.01
Increase/ decrease in inventories of finished goods and work in progress	-	(816.89)
Employee benefits expense	-	3,830.98
Finance Costs	-	2,175.91
Depreciation & amortisation expense	-	3,215.94
Other expenses	-	14,517.31
Total expense (II)	-	1,06,189.26
Profit before tax	-	21,824.22
Tax expense	-	-
Current tax	-	3,840.18
Adjustment of tax relating to earlier periods	-	-
Deferred tax charge	-	3,468.15
Total income tax expense	-	7,308.33
Profit after tax	-	14,515.89

also refer note 46



Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023**

- 29 The subsidiaries follow financial year as accounting year. The financial statements of Max Estates 128 Private Limited, Mas Estates Gurgaon Limited and Acreage Builders Private Limited have been consolidated from the date of incorporation/acquisition of these entities till the date of their deconsolidation (as applicable). The below is the summary of principal activities of these entities and proportion of ownership of the Holding Company:

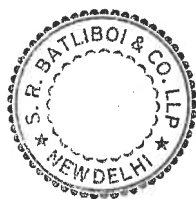
Name of the subsidiary	Principal activities	Country of incorporation	Proportion of ownership as at	
			March 31, 2023	March 31, 2022 (also refer note 46)
Max I Limited	Making investments in various companies and primarily engaged in growing and nurturing these business investments	India	100%	-
Max Asset Services Limited	Facility management services for commercial real estate	India	100%	-
Max Square Limited	Construction and development of residential and commercial properties	India	51%	51%
Pharmax Corporation Limited	Construction and development of residential and commercial properties	India	100%	85%
Max Towers Private Limited	Construction and development of residential and commercial properties	India	100%	100%
Max Estates 128 Private Limited (w.e.f. June 17, 2022)	Construction and development of residential and commercial properties	India	100%	-
Mas Estates Gurgaon Limited (w.e.f. September 05, 2022)	Construction and development of residential and commercial properties	India	100%	-
Acreage Builders Private Limited (w.e.f. October 27, 2022)	Construction and development of residential and commercial properties	India	100%	-



30	<u>Income taxes</u>	(Rs. in Lakhs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022#
	(a) Income tax expense in the statement of profit and loss comprises :		
	Current Income Tax		
	Current income tax charge	2,050.11	-
	Adjustment in respect of current income tax of previous year	4.17	77.82
	Deferred Tax		
	Relating to origination and reversal of temporary differences	(1,692.78)	275.06
	Income tax expense reported in the statement of profit or loss	361.50	352.88
31	Components of Other comprehensive income (OCI) (Retained earnings)		
	Re-measurement (gains)/ losses on defined benefit plans (refer note: 34.0)	0.02	3.93
	Income tax related to items recognized in OCI during the year	(0.01)	(0.99)
	Income tax related to items recognized in OCI during the year	0.01	2.94
32	Earnings per share (EPS)		
		For the year ended March 31, 2023	For the year ended March 31, 2022#
	Profit after tax (Rs. in Lakhs)	1,901.49	499.89
	Weighted average number of equity shares outstanding during the year (Nos.)*	14,70,60,581	7,79,10,000
	Basic earnings per share (Rs.)	1.29	1.30
	Weighted average number of equity shares outstanding for dilutive earnings per share (Nos)	14,77,96,024	7,79,10,000
	Diluted earnings per share (Rs.)	1.29	0.64
	Profit/(Loss) for the year		
	Equity holders of parent company	1,846.70	492.20
	Weighted average number of equity shares outstanding during the year (Nos.)	14,70,60,581	7,79,10,000
	Basic earnings per share (Rs.)	1.26	0.64
	Weighted average number of equity shares outstanding for dilutive earnings per share (Nos)	14,77,96,024	7,79,10,000
	Diluted earnings per share (Rs.)	1.25	0.63
	Weighted average number of equity shares outstanding during the year for diluted earnings per share (Nos)		
	Weighted average number of equity shares outstanding during the year (Nos.)	14,70,60,581	7,79,10,000
	Add: ESOPs	7,35,443	-
		14,77,96,024	7,79,10,000

also refer note 46

*Shares pending issuance have been included in the computation of Basic Earning per share as per guidance given in Ind AS 33 'Earnings per share'.



Max Ventures and Industries Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023****33 Income Tax**

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022# are :

Statement of profit and loss :

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022#
Current income tax :		
Current tax	2,050.11	-
Adjustment of tax relating to earlier years	4.17	77.82
Deferred tax :		
Relating to origination and reversal of temporary differences	(1,692.78)	275.06
Income tax expense reported in the statement of profit and loss	361.50	352.88

OCI section :

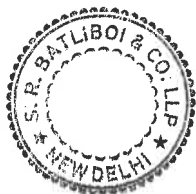
Deferred tax related to items recognised in OCI during in the year :

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022#
Net (gain) on remeasurements of defined benefit plans	(0.01)	(0.99)
Income tax effect on cost of hedging reserve	-	-
Tax related to items recognized in OCI during the year	(0.01)	(0.99)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2023 and year ended March 31, 2022#:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022#
Accounting profit before tax from continuing operations	2,208.20	845.08
Accounting profit before income tax	2,208.20	845.08
At India's statutory income tax rate of 25.17%	977.41	212.68
Non-Taxable Income for tax purposes:		
Others	(801.86)	
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	14.49	8.81
Tax relating to earlier years	-	77.82
Others		
Items taxed at different rate	155.35	-
Others	66.72	59.06
Losses of subsidiary not being considered for deferred tax	(50.61)	(5.49)
At the effective income tax rate	361.50	352.88
Income tax expense reported in the statement of profit and loss	361.50	352.88
Total tax expense	361.50	352.88

#refer note 46



Max Ventures and Industries Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

Deferred tax relates to the following:

	March 31, 2023	March 31, 2022#
Deferred tax liabilities		
Accelerated depreciation for tax purposes	(1,083.41)	(885.76)
Gross deferred tax liabilities (a)	(1,083.41)	(885.76)
Deferred tax assets		
Expenses allowable on payment basis	768.19	-
Other items giving rise to temporary differences	886.29	43.83
Unabsorbed depreciation/losses	343.97	494.57
Gross deferred tax assets (b)	1,998.45	538.40
Deferred tax (liabilities)/asset (net)	915.04	(347.36)
Disclosed as:		
Deferred tax liabilities	(1,083.41)	(391.19)
Deferred tax asset	1,998.45	43.83
	915.04	(347.36)

Reconciliation of deferred tax liabilities (net):

Particulars	March 31, 2023	March 31, 2022#
Opening balance at the beginning of year	347.36	(5.52)
Add Merger Adjustment	1,596.31	-
Tax on equity component of CCD	(1,165.94)	-
Tax expense/(income) during the year recognised in the statement of profit or loss	(1,692.78)	352.88
Tax expense/(income) during the year recognised in OCI	0.01	-
Net balance	(915.04)	347.36
Closing balance at the end of year	(915.04)	347.36

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

also refer note 46



Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023****34 Commitments and contingencies****A. Contingent liabilities not provided for**

S. No.	Particulars	(Rs. in Lakhs)	
		As at March 31, 2023	As at March 31, 2022#
i.	Bank guarantee (Refer note (a))	5,000.00	5,000.00
ii.	Uttarakhand VAT case	21.24	21.24

Note:

- a. The Group has given a bank guarantee of Rs. 5,000 lakhs issued by HDFC Bank Limited (March 31, 2022: Rs. 5,000 lakhs issued by ICICI Bank Limited) in favour of Piramal Enterprises for bid submitted for Delhi One project. Max Estates Limited, had submitted its resolution plan for resolution of Boulevard Projects Private Limited. The Hon'ble NCLT, New Delhi has approved the said Resolution Plan, for the development of commercial plot admeasuring 34,697 sq mtrs, located in NOIDA under the project name 'Delhi One'. This acquisition has potential to add ~3 million sq. ft. of additional development footprint to the portfolio of Max Estates Limited. The implementation of the Resolution Plan is subject to receipt of requisite approvals from regulatory and statutory authorities.

B Capital and other commitments**a. Capital commitment**

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022#
Estimated amount of contracts remaining to be executed on capital account and not provided for*	28,953.51	7,712.12
Less: Capital advances (refer note 7)	(5,456.78)	(643.26)
Net capital commitment for acquisition of capital assets	23,496.73	7,068.86

b. Other commitment

During the earlier year, the Group had invested Rs.49.92 lakhs (March 31, 2022: Nil) in 0.001% non cumulative compulsory convertible preference shares of Aliferous Technologies Private Limited. The Group has committed to invest further Rs.49.90 lakhs (March 31, 2022: Nil) towards these preference shares.

*Capital commitment includes an amount of INR 17,600 lakhs (March 31, 2022: Nil), being the remaining amount payable for purchase of 2 land parcels situated in Sector 129, Noida (U.P.), India ("Land Parcels"), which were auctioned by Axis Bank Limited. The acquisition is subject to customary statutory approvals. The cost of acquisition of aforesaid Land Parcels is ~ INR 22,000 lakhs. The Company had paid the amount of INR 4,400 lakhs till March 31, 2023 (March 31, 2022: Nil), which is disclosed under the head capital advances in the consolidated financial statements.

also refer note 46



35 Gratuity

The Group has a defined benefit gratuity plan. Under Gratuity Plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The gratuity plan is governed by the Payment of Gratuity Act, 1972.

Description of risk exposures

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

- i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- ii) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- iii) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- iv) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

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

	March 31, 2023	March 31, 2022#
a) Reconciliation of opening and closing balances of defined benefit obligation		
Defined benefit obligation at the beginning of the year	73.69	56.99
Merger Adjustment	63.50	-
Less - adjustment on account of stake sale in Max Speciality Films Limited (refer note 28)	-	-
Interest costs	1.98	3.84
Current service cost	38.58	9.03
Benefit paid	(6.54)	(0.10)
Remeasurement of (gain)/loss in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	0.02	3.93
Actuarial changes arising from changes in experience adjustments	-	-
Defined benefit obligation at year end	171.23	73.69
b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	-	-
Less - adjustment on account of stake sale in Max Speciality Films Limited (refer note 28)	-	-
Fair value of plan assets at year end	-	-
c) Net defined benefit (liability)/ asset recognized in the balance sheet		
Fair value of plan assets	-	-
Present value of defined benefit obligation	(171.23)	(73.69)
Amount recognized in balance sheet - (liability)/ asset	(171.23)	(73.69)
Current	(1.90)	(0.75)
Non current	(169.33)	(72.94)
	(171.23)	(73.69)
d) Other comprehensive income		
Actuarial changes arising from changes in financial assumptions	0.02	3.93
Actuarial changes arising from changes in experience adjustments	-	-
Capitalised as investment property/cost of goods sold	-	-
	0.02	3.93
e) Net defined benefit expense (recognized in the statement of profit and loss for the year)		
Current service cost	15.26	5.37
Interest cost on benefit obligation	21.64	7.50
Expected return on plan assets	0.74	-
Capitalised as investment property / cost of goods sold	2.92	-
Net defined benefit expense debited to statement of profit and loss	40.56	12.87



f) Principal assumptions used in determining defined benefit obligation

Assumption particulars	As At	As At
	March 31, 2023	March 31, 2022#
Discount rate	7.26%	7.26%
Future Salary Increases	10.00%	10.00%
Mortality Rate (% of IALM 12-14)	100.00%	100.00%

g) Quantitative sensitivity analysis for significant assumptions is as below:

Increase / (decrease) on present value of defined benefits obligations at the end of the period/year	March 31, 2023	March 31, 2022#
<u>Discount rate</u>		
Increase by 0.50%	(8.71)	(40.08)
Decrease by 0.50%	9.57	45.09
<u>Salary growth rate</u>		
Increase by 0.50%	7.00	41.06
Decrease by 0.50%	(6.44)	(36.90)

h) Maturity profile of defined benefit obligation (valued on undiscounted basis)

	March 31, 2023	March 31, 2022#
Within the next 12 months (next annual reporting period)	2.29	0.60
Between 2 and 5 years	13.40	1.96
Beyond 5 Years	155.54	71.13
Total expected payments	171.23	73.69

also refer note 46

i) The average duration of the defined benefit plan obligation at the end of the reporting period is 7- 21 years (March 31, 2022#: 7 - 21 years)

i) The Group expects to contribute Rs Nil (March 31, 2022: Nil) to the planned assets during the next financial year.

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

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

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

n) Risk Exposure

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

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

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

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

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

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35.1 Employee Stock Option Plan

Employee Stock Option Plan – 2006 (“the 2006 Plan”):

The Max Ventures and Industries Limited had constituted an Employee Stock Option Plan - 2016 which had been approved by the Board in the meeting held on 9th August 2016 and by shareholders of Max Ventures and Industries Limited in its annual general meeting held on September 27, 2016.

The details of activity under the scheme are summarized below:

Particulars	March 31, 2023		March 31, 2022#	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	-	-	-	-
Add- Adjustment on account of merger (refer note 37)	8,29,156	17.83	-	-
Outstanding at the start of the year (post merger effect)	8,29,156	17.83	-	-
Option grant during the year	2,97,538	53.87	-	-
Forfeited during the year	75,740	12.90	-	-
Exercised during the year	1,56,978	15.84	-	-
Outstanding at the end	8,93,976	30.59	-	-
Exercisable at the end	88,962	13.99	-	-

For options exercised during the year, the weighted average share price at the exercise date was 15.84 (March 31, 2022: Nil) per share.

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2023 and March 31, 2022 are as follows:

Date of grant	March 31, 2023		March 31, 2022#	
	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years
04-06-2020 (Grant Type III)	4,87,528	1.17	-	-
02-07-2021 (Grant Type IV)	96,231	2.17	-	-
02-07-2021 (Grant Type V)	12,679	2.17	-	-
25-07-2022 (Grant Type VI)	2,85,299	3.32	-	-
08-11-2022 (Grant Type VII)	12,239	3.61	-	-

During the year ended March 31, 2023, 1,56,978 (March 31, 2022 - Nil) number of stock options were exercised by the aforesaid option holders. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. Further, the erstwhile holding company extended the ESOP plan to directors and employees of its subsidiaries by obtaining approval of the shareholders in its annual general meeting held on September 24, 2019. The 2016 Plan is administered by the Nomination and Remuneration Committee constituted by the Board of Directors.

The 2016 Plan gives an option to the employee to purchase the share at a price determined by Nomination and Remuneration committee (NRC) subject to minimum par value of shares (Rs. 10/-). The Company has valued Employee Stock Option outstanding as at year end presuming all the employees will exercise their option in favor of equity settlement based on trend.

Upon the coming into effect of the Scheme, the Transferee Company shall take necessary steps to formulate stock option schemes by adopting the MVIL ESOP Plan of the Transferor Company. All stock options under the MVIL ESOP Plan which have not been granted as of the Effective Date, shall lapse automatically without any further act, instrument or deed by the Transferor Company, the employee or the Transferee Company and without any approval or acknowledgement of any third party. In respect of the stock options granted by the Transferor Company under the MVIL ESOP Plan to the employees of the Transferor Company who are proposed to be transferred as part of this Scheme to the Transferee Company, which have been granted (whether vested or not) but have not been exercised as on the Record Date (“Eligible Employees”), the Transferee Company shall grant 1 (one) employee stock options of Transferee Company under a new employee stock option scheme created by the Transferee Company in lieu of every 1 (one) stock option (whether vested or unvested) held by such Eligible Employees under the MVIL ESOP Plan in accordance with the Amalgamation Share Entitlement Ratio mentioned in the Scheme (i.e. 1:1) and the existing stock options held by them under the MVIL ESOP Plan shall stand cancelled. The terms and conditions of the new stock option plan of the Transferee Company shall not be less favourable than those provided under the MVIL ESOP Plan.

also refer note 46



Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

35.2 Provident fund

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

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

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

The details of fund and plan asset position as at March 31, 2023 and March 31, 2022 as per the actuarial valuation of active members are as follows:

	March 31, 2023	March 31, 2022#
Plan assets at year end at fair value	701.66	-
Present value of defined benefit obligation at year end	697.56	-
Surplus as per actuarial certificate	4.10	-
Shortfall recognized in balance sheet	-	-

Active members as at year end (Nos)	8	-
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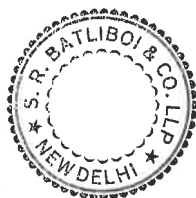
Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

	March 31, 2023	March 31, 2022#
Discount rate	7.20%	-
Yield on existing funds	8.15%	-
Expected guaranteed interest rate	8.15%	-

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

	March 31, 2023	March 31, 2022#
Employer's Contribution towards Provident Fund (PF)	33.52	-
	33.52	-

#refer note 46



Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

- 36 The Company has executed a Binding Memorandum of Understanding ('MOU') on February 03, 2023, with New York Life Insurance Company, for investment of Rs. 28,571.90 lakhs in Acreage Builders Private Limited, a wholly owned subsidiary of Max Estates Limited. Max Estates Limited and New York Life Insurance Company shall be 51:49 shareholders in Acreage Builders Private Limited.
- 36 A Max Estates Gurgaon Limited (MEGL), a wholly owned subsidiary of Max Estates Limited, has entered into a Joint Development Agreement for the development of land parcels. MEGL has paid to the land owners a sum of Rs. 4900 Lakhs as an interest free refundable security as per JDA. The security deposit is refundable to the company as and when Revenue accrues in the hands of the land owners.
- 36 B (a) The Company has executed a Share Purchase Agreement on June 04, 2022, for acquisition of 100% equity share capital of Max Estates 128 Private Limited (formerly Accord Hotels and Resorts Private Limited) for a total consideration of INR 30,600 lakhs. The ~10-acre land parcel will be used for the purpose of developing a mixed-use residential community.
- (b) The Company has executed a Share Purchase Agreement on September 06, 2022, for acquisition of 100% equity share capital of Acreage Builders Private Limited for a total enterprise value of INR 32,500 lakhs. The reason to acquire Acreage Builders Private Limited is to use its asset i.e. a 6.24 acre land with a license to develop commercial project over an area measuring 7.15 acres, located at Golf Course Extension Road, Gurugram. The potential leaseable area of the commercial project is ~1.6 million sq. ft.

37 Fair value of financial instruments

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

Category	Carrying value		Fair value	
			(Rs. in Lakhs)	
	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#
Financial asset at amortized cost				
Non-Current				
Financial assets (refer note no 5(iii))	1,001.35	10.26	1,001.35	10.26
Current				
Other-current financial assets (refer note no 9(v))	4,665.46	1,268.01	4,665.46	1,268.01
Financial asset measured at fair value				
Non-Current				
Investments (refer note no 5(i))	5,363.17	-	5,363.17	-
Current				
Current investments (refer note no 9(i))	10,596.36	1,274.28	10,596.36	1,274.28
Financial liabilities at amortized cost				
Non-Current borrowings (refer note 13)	75,081.26	28,335.38	75,081.26	28,335.38
Current borrowings (refer note 17(i))	7,358.04	3,176.68	7,358.04	3,176.68

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

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

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

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

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

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

The fair values of the Group's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.

Fair value hierarchy

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

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

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

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

(i) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2023

Particulars	Carrying value March 31, 2023	Fair value		
		(Rs. in Lakhs)		
		Level 1	Level 2	Level 3
Other non-current financial assets (refer note no 5(iii))	1,001.35	-	-	1,001.35
Other-current financial assets (refer note no 9(v))	4,665.46	-	-	4,665.46
Non-Current investments (refer note no 5(i))	5,363.17	-	-	5,363.17
Current investments (refer note no 9(i))	10,596.36	10,596.36	-	-

(ii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2022#

Particulars	Carrying value March 31, 2022#	Fair value		
		(Rs. in Lakhs)		
		Level 1	Level 2	Level 3
Other non-current financial assets (refer note no 5(iii))	10.26	-	-	10.26
Other-current financial assets (refer note no 9(v))	1,268.01	-	-	1,268.01
Current investments (refer note no 9(i))	1,274.28	1,274.28	-	-



(iii) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2023

Particulars	Carrying value March 31, 2023	Fair value		
		Level 1	Level 2	Level 3
		(Rs. in Lakhs)		
Non-Current borrowings including current maturities (refer note 13)	75,081.26	-	-	75,081.26
Current borrowings (refer note 17(i))	7,338.04	-	-	7,338.04

(iv) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2022#

Particulars	Carrying value March 31, 2022#	Fair value		
		Level 1	Level 2	Level 3
		(Rs. in Lakhs)		
Non-Current borrowings including current maturities (refer note 13)	28,335.38	-	-	28,335.38
Current borrowings (refer note 17(i))	3,176.68	-	-	3,176.68

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

Particulars	(Rs. in Lakhs)
As at April 1, 2021	-
Purchase	-
Sales	-
As at March 31, 2022#	-
Add: Merger adjustment	17,136.64
Purchase	448.52
Sales	(7.43)
Sales of remaining stake in MSFL (Refer Note 28)	(12,214.97)
As at March 31, 2023	5,363.16

The significant unobservable inputs used in the fair value measurement categorised with Level 3 of the fair value hierarchy together with quantitative sensitivity analysis as on March 31, 2023 and March 31, 2022.

Description of significant unobservable inputs to valuation:

Particulars	Valuation technique	Significant unobservable inputs	Increase/decrease in rate	March 31, 2023	March 31, 2022#
Unquoted preference shares and equity shares of Azure Hospitality Private Limited	DCF	Discount rate	1%	Increase in Discount rate by 1% leads to profit lower by Rs. 644.44 lakhs and decrease in discount rate by 1% leads to profit higher by Rs. 712.45 lakhs	Increase in Discount rate by 1% leads to profit lower by Rs. 644.44 lakhs and decrease in discount rate by 1% leads to profit higher by Rs. 712.45 lakhs
Unquoted preference shares and equity shares of Azure Hospitality Private Limited	DCF	Discount rate	1%	Increase in Discount rate by 1% leads to profit lower by Rs. 644.44 lakhs and decrease in discount rate by 1% leads to profit higher by Rs. 712.45 lakhs	Increase in Discount rate by 1% leads to profit lower by Rs. 644.44 lakhs and decrease in discount rate by 1% leads to profit higher by Rs. 712.45 lakhs

The IAN Fund is a fund holding units in seed and early stage start-up companies and many of the such companies has recently started operations and Investment in Smart Joules Private Limited and Alifiroz Technologies Private Limited has not undergone and significant change. The change in the valuation by 1% does not have material impact on the Group, hence not presented above separately.

also refer note 46



Max Estates Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

38 Financial risk management objectives and policies

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

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

a) Liquidity risk

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

The table below represents the maturity profile of Group's financial liabilities at the end of March 31, 2023 and March 31, 2022 based on contractual undiscounted payments:

(Rs. in Lakhs)

	0-1 Years	1-5 Years	More than 5 Years	Total
March 31, 2022#				
Interest bearing borrowings	3,176.68	28,335.38	-	31,512.06
Trade payable	997.48	-	-	997.48
Other financial liabilities	762.99	-	-	762.99
March 31, 2023				
Interest bearing borrowings	7,358.04	75,081.26	-	82,439.30
Trade payable	2,703.51	-	-	2,703.51
Other financial liabilities	1,655.24	-	-	1,655.24

Interest bearing borrowings

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

Reconciliation of interest bearing borrowings

(Rs. in Lakhs)

	Note no	As at March 31, 2023	As at March 31, 2022#
(i) Non-Current borrowings	13	75,065.32	28,319.44
(ii) Short-term borrowings	17 (i)	7,358.04	3,176.68
(iii) Current maturity of long term borrowings	17 (i)	7,358.04	3,176.68
Processing fees adjusted from borrowings		15.94	15.94
		89,797.35	34,688.73

Reconciliation of other financial liability

	Note no	As at March 31, 2023	As at March 31, 2022#
Other financial liabilities	17 (i)	1,655.24	762.99
		1,655.24	762.99

b) Credit risk

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

(i) Trade receivables

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

(ii) Financial instruments and cash deposit

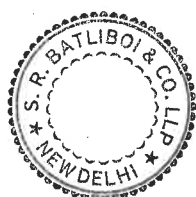
Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Group.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023, March 31, 2022 is the carrying amounts as illustrated in note 5 and 9.

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023, and March 31, 2022.

also refer note 46



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

38A Disclosure pursuant to amendment to Ind AS 7 (Statement of Cash flows)

Particulars	Opening balance April 1, 2022	Cash flows		Non-cash transactions			Closing balance March 31, 2023
		Proceeds	Repayment	Processing cost	New leases	Merger Adjustment	
Term loans from banks	24,364.08	81,449.29	(38,960.63)	(807.31)	-	1,256.32	67,301.75
Vehicle loans	31.34	21.17	-	-	-	(22.32)	30.19
Short term borrowings	3,176.68	6,856.75	-	(8.39)	-	(2,667.00)	7,358.04
Current lease liabilities	-	103.26	-	-	-	133.40	236.66
Non-current lease liabilities	-	783.00	-	-	-	2,705.11	3,488.11
Total liabilities from financing activities	27,572.10	89,213.47	(38,960.63)	(815.70)	-	1,405.52	78,414.75

Particulars	Opening balance April 1, 2021	Cash flows		Non-cash transactions			Closing balance March 31, 2022#
		Proceeds	Repayment	Processing cost	New leases	Merger Adjustment	
Term loans from banks	14,979.25	12,181.54	2,796.71	-	-	-	24,364.08
Vehicle loans	38.68	-	7.34	-	-	-	31.34
Short term borrowings	2,284.04	892.64	-	-	-	-	3,176.68
Current lease liabilities	-	-	-	-	-	-	-
Non-current lease liabilities	-	-	-	-	-	-	-
Total liabilities from financing activities	17,301.97	13,074.18	2,804.05	-	-	-	27,572.10

also refer note 46

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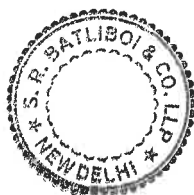


Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

39 Related party disclosures

Key management personnel	Mr. Dinesh Kumar Mittal (Director) Mr. Sahil Vachani (Managing Director) Mr. Nitin Kumar Kansal (Chief Financial Officer)
Other Non-Executive/ Independent Directors	Mr. Analjit Singh (Director) Mr. Rishi Raj Mr. Ankit Jain Ms. Kiran Sharma Mr. Niten Malhan
Relatives of Key Management personnel	Ms. Piya Singh (Daughter of Mr. Analjit Singh - Director)
Entities controlled or jointly controlled by person or entities where person has significantly influence	Piveta Estates Private Limited Siva Realty Ventures Private Limited Max Life Insurance Company Limited, Antara Senior Living Limited Antara Purukul Senior Living Limited Max India Limited Max India Foundation Max Financial Services Limited Max I Limited* Max Ventures and Industries Limited* Max Asset Services Limited* Riga Foods LLP M/s Analjit Singh (HUF) Trophy Estates Private Limited Max Ateev Limited New York Life Insurance Company RV Legal Topline Electronics Private Limited Delhi Guest House Private Limited Max Ventures Investment Holding Private Limited SKA Diagnostics Private Limited Vanavastra Private Limited Max One Distribution And Services Limited Max Skill First Limited Max Learning Ventures Limited Routes 2 Roots Antara Care Homes Limited
Employee benefit Trust	Max Financial Services Limited Employees' Provident Fund Trust Max Speciality Films Limited Employees Group Superannuation Trust

*till March 31, 2022



39 (a) Details of transactions and balance outstanding with related parties

(Rs. in Lakhs)

S.No	Nature of transaction	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (also refer note 46)
1	Reimbursement of expenses (Paid to)	New Delhi House Services Limited	5.56	-
		Max Life Insurance Company Limited	10.33	-
		Antara Senior Living Limited	8.85	-
		RIGA Foods LLP	17.13	-
		Max Asset Services Limited	-	32.99
		RV Legal	1.50	-
		Nitin Kumar	0.13	-
		Kiran Sharma	1.20	-
	Total	44.70	32.99	
2	Income from shared services	Antara Senior Living Limited	-	125.85
		Max India Limited	50.00	-
	Total	50.00	125.85	
3	Insurance expense	Max Life Insurance Company Limited	-	21.33
	Total	-	21.33	
4	Rent expense (Paid to)	Delhi Guest House Private Limited	60.00	-
		SKA Diagnostics Private Limited	37.44	-
		Max Life Insurance Company Limited	447.48	256.10
	Total	544.92	256.10	
5	Expenditure on corporate social responsibility	Max India Foundation	20.00	-
	Total	20.00	-	
6	Contribution to employee benefit trust	Max Financial Services Limited Employees' Provident Fund Trust	65.38	-
	Total	65.38	-	
7	Key managerial remuneration - Short term employment benefits	Sahil Vachani	-	-
			153.09	-
		Nitin Kumar Kansal	76.94	-
		Ankit Jain	34.09	-
	Total	264.12	-	
8	Key managerial remuneration - Post employment benefits*	Sahil Vachani	7.88	-
			5.04	-
		Nitin Kumar Kansal	1.49	-
		Ankit Jain	1.49	-
	Total	14.41	-	
9	Directors' sitting fees paid to Directors of Holding Company	Analjit Singh	6.00	-
			11.00	-
		K.N Murthy	19.00	-
		D.K Mittal	14.00	-
		Gauri Padmanabhan	0.45	-
		Kiran Sharma	0.45	-
		Niten Malhan	17.00	-
			Total	67.45
10	Repair & Maintenance	Delhi Guest House Private Limited	17.95	-
		New Delhi House Services Limited	44.35	-
			180.20	-
	Total	262.50	-	
11	CCD interest Paid	New York Life Insurance Company	766.92	686.19
	Total	766.92	686.19	
12	Security deposit (received)	Routes 2 Roots	-	0.40
		Max Asset Services Limited	-	0.90
		Max Learning Ventures Private Limited	-	23.87
		Antara Senior Living Limited	7.87	-
		Max Financial Services Limited	5.03	-
		Max India Limited	17.58	-
			30.48	25.17
			Total	30.48
13	Security deposit (given)	Max Life Insurance Company Limited	76.41	-
	Total	76.41	-	
14	Revenue from Auditorium Rental and Food Charges	Antara Senior Living Limited	8.07	-
		Max Financial Services Limited	0.34	-
		Max India Limited	0.34	-
		Max Learning Ventures Limited	0.26	-
		Max Specialty Films Limited	0.25	-
			9.26	-
	Total	9.26	-	
15	Revenue from Extra Hours Operation Charges	Antara Senior Living Limited	0.45	-
		Max India Limited	0.26	-
		Max Learning Ventures Limited	0.10	-
			0.81	-
	Total	0.81	-	
16	Management Fee	Analjit Singh	225.00	-
	Total	225.00	-	
17	Revenue from Lease Rent	Antara Care Homes Limited	0.66	-
		Antara Senior Living Limited	1.32	-
		Max Ateev Limited	0.20	-
		Max Learning Ventures Limited	0.24	-
		Max Skill First Limited	0.66	-
		Siva Realty Ventures Private Limited	66.00	-
			69.08	-
			Total	69.08
18	Revenue from Maintenance Charges	Antara Senior Living Limited	29.74	-
		Max Financial Services Limited	22.59	-
		Max India Limited	31.49	-
		Max Life Insurance Company Limited	6.23	-
		Routes 2 Roots	4.54	-
			94.59	-
	Total	94.59	-	
19	Revenue from Rental	Topline Electronics Private Limited	42.23	-
		Antara Senior Living Limited	5.20	-
		RIGA Foods LLP	21.50	-
		Routes 2 Roots	23.57	-
			92.50	-
	Total	92.50	-	



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

39 (a) Details of transactions and balance outstanding with related parties

			(Rs. in Lakhs)			
S.No	Nature of transaction	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (also refer note 46)		
20	Revenue from DG Charges	Antara Senior Living Limited	0.43	-		
		Max Financial Services Limited	0.40	-		
		Max India Limited	1.54	-		
		Max Learning Ventures Limited	0.17	-		
		Routes 2 Roots	0.18	-		
		Total	2.72	-		
21	Revenue from Electricity Charges	Antara Senior Living Limited	6.48	-		
		Max Financial Services Limited	4.94	-		
		Max India Limited	4.94	-		
		Max Learning Ventures Limited	3.26	-		
		Routes 2 Roots	2.78	-		
		Total	22.40	-		
22	Revenue from Miscellaneous Charges	Antara Senior Living Limited	0.37	-		
		Max India Limited	0.01	-		
		Max Learning Ventures Limited	0.01	-		
		Rigga Foods LLP	0.55	-		
		Routes 2 Roots	0.02	-		
		Total	0.96	-		
23	Revenue from Other Charges	Max Learning Ventures Limited	58.90	-		
		Vanavastra Private Limited	-	8.97		
		Routes 2 Roots	1.17	1.08		
Total	60.07	10.05				
24	Issue of Compulsory Convertible Debentures	New York Life Insurance Company	5,390.47	-		
Total	5,390.47	-				
25	Reimbursement of expenses (Paid to)	Max Ventures and Industries Limited	-	127.85		
		Max Life Insurance Co. Limited	-	2.43		
		Antara Purukul Senior Living Limited	-	0.10		
		Max Towers Private Limited	-	2.33		
		New Delhi House Services Limited	-	3.98		
		Mr Saket Gupta	-	0.01		
		RIGA Foods LLP	-	0.32		
		Mr. Rishiraj	-	0.99		
		Mr. Nitin Kumar	-	0.01		
		Total	-	138.03		
		Max Ventures and Industries Limited	-	389.91		
		Total	-	389.91		
		27	Performance Guarantee Received	Max Asset Services Limited	-	86.68
Total	-			86.68		
28	Rent received	Max Asset Services Limited	-	78.43		
		Antara Senior Living Limited	-	5.20		
		Routes to roots	-	20.75		
		Max Ateev Limited	-	0.22		
		Antara Senior Living Limited	-	1.44		
		Max Skill First Limited	-	0.72		
		Max Learning Ventures	-	0.72		
		Antara Care Homes Limited	-	0.72		
		Max Asset Services Limited	-	77.50		
		Siva Realty Ventures Private Limited	-	0.08		
		RIGA Foods LLP	-	0.90		
		Total	-	186.68		
		29	Revenue from Covid Vaccination Charges	Max Ventures and Industries Limited	-	0.29
				Max Ventures Private Limited	-	0.03
				Routes to Roots	-	0.43
Max India Limited	-			0.13		
Max Life Insurance Company Limited	-			5.92		
Azure Hospitality Private Limited	-			2.23		
Antara Senior Living Limited	-			0.67		
Antara Assisted Care Services Limited	-			0.51		
Max Financials Services Limited	-			0.20		
Max India Foundation	-			1.79		
Max Skill First Limited	-			0.05		
New Delhi House Services Limited	-			1.49		
Private Estates Private Limited	-			0.04		
Max Speciality Films Limited	-			0.09		
Max Asset Services Limited	-			1.82		
Sahil Vachani	-	0.62				
Max Bupa Health Insurance Company Limited	-	0.66				
Total	-	16.97				
30	Loan repayment	Max Ventures and Industries Limited	-	1,685.00		
		Total	-	1,685.00		
31	Corporate Social Responsibility	Max India Foundation	-	10.07		
		Total	-	10.07		
32	Brokerage Income	Troxy Estates Private Limited	-	50.11		
		Mr Analit Singh	-	58.48		
		Analit Singh HUF	-	10.15		
		Total	-	118.74		
33	Project Management Consultancy (rendered to)	Max India Limited	-	20.00		
		Total	-	20.00		
34	Guarantee Fees	Max Ventures and Industries Limited	-	26.61		
		Total	-	26.61		
35	Loan taken	Max Ventures and Industries Limited	-	1,092.00		
		Total	-	1,092.00		
36	Interest on Unsecured Loan (Paid to)	Max Ventures and Industries Limited	-	268.65		
		Total	-	268.65		
37	Issue of Equity Share Capital	New York Life Insurance Company	5,390.47	-		
		Total	5,390.47	-		



39 (b) Balances outstanding at the year end

S.No	Nature of transaction	Particulars	[Rs. in Lakhs]			
			As at March 31, 2023	As at March 31, 2022 (also refer note 46)		
1	Statutory dues payable	Max Financial Services Limited Employees' Provident Fund Trust	4.95	-		
		Total	4.95	-		
2	Trade Receivables	Max Ventures Private Limited	3.19	-		
		Piveta Estates Private Limited	6.29	-		
		Antara Senior Living Limited	2.27	-		
		Max One Distribution and Services Limited	0.03	-		
		Max Skill First Limited	0.28	-		
		Siva Realty Ventures Private Limited	0.09	-		
		RIGA Foods LLP	3.53	-		
		Routes 2 Roots	2.34	1.93		
		Max Ventures Investment Holdings Private Limited	23.20	-		
		Max One Distribution And Services Limited	-	0.03		
		Max Towers Private Limited	-	18.19		
		The Unstully Hotel Co Limited	-	13.02		
		Antara Senior Living Limited	-	1.95		
		Max Skill First Limited	-	0.34		
		Max Learning Ventures Limited	-	3.01		
		Max India Limited	-	23.60		
		Trophy Estates Private Limited	-	45.24		
		Analit Singh HUF	-	9.17		
		Siva Realty Ventures (P) Ltd.	-	0.09		
		Mr. Analit Singh	-	52.80		
		Max Learning Ventures Limited	20.06	-		
		Total	61.28	169.39		
		3	Other Receivables	Piveta Estates Private Limited	2.83	-
Max Life Insurance Company Limited	1.70			-		
Antara Care Homes Limited	0.69			-		
Antara Senior Living Limited	0.57			-		
Rishiraj	2.50			-		
Max Learning Ventures Limited	0.28			-		
Max Ventures Private Limited	5.46			-		
Max Square Limited	-			16.82		
Antara Purukul Senior Living Limited	0.36			-		
Siva Realty Ventures Private Limited	0.07			-		
Total	14.46			16.82		
4	Advance to party			Max India Foundation	5.00	39.93
				SKA Diagnostics Private Limited	0.25	1.12
		Total	5.25	41.05		
5	Security deposit made	SKA Diagnostics Private Limited	15.00	12.50		
		Max Life Insurance Company Limited	244.30	167.89		
		Delhi Guest House Private Limited	9.38	15.00		
Total	268.67	195.39				
6	Security deposit (receivable)	Antara Senior Living Limited	7.67	-		
		Yanavatra Private Limited	18.11	10.59		
		Routes 2 Roots	5.40	3.94		
		Touline Electronics Private Limited	10.56	-		
		Max Ventures Investment Holdings Private Limited	1.58	-		
		Max India Limited	7.87	-		
		Max Financial Services Limited	5.03	-		
		Max Learning Ventures Limited	23.87	-		
		Total	80.29	14.53		
		7	Trade payables	Max India Limited	60.50	-
				Max Skill First Limited	0.25	-
				Vana Enterprises Limited	1.91	-
				Max Financial Services Limited	34.83	-
Antara Senior Living Limited	2.08			-		
Antara Purukul Senior Living Limited	-			0.36		
Max Asset Services Limited	-			20.02		
Antara Assisted Care Services Ltd	-			0.13		
New Delhi House Services Ltd.	-			0.48		
Max Life Insurance Company Limited	-			91.78		
Vana Retreats Pvt. Ltd.	-			1.91		
Max Skill First Limited	-			0.18		
Max Learning Ventures Limited	2.27			-		
Gauni Padmanabhan	1.80	-				
RIGA Foods LLP	0.64	-				
Routes 2 Roots	0.90	-				
Total	105.18	114.86				
8	Compulsorily convertible debentures	New York Life Insurance Company	5,116.97	3,430.96		
		Total	5,116.97	3,430.96		
9	Equity Share Capital Issued	New York Life Insurance Company	539.05	3,430.96		
		Total	539.05	3,430.96		
10	Loan Receivables	Max Towera Private Limited	-	187.55		
		Pharmax Corporation Limited	-	3,159.22		
Total	-	3,346.77				
11	Guarantee Fees	Max Ventures and Industries Limited	-	144.29		
		Total	-	144.29		
12	Security Deposit (Received)	Max Asset Services Limited	-	414.38		
		Routes 2 roots	-	4.38		
		Max Learning Ventures Private Limited	-	23.87		
		Total	-	442.63		
13	Loan outstanding	Max Ventures and Industries Limited	-	2,667.00		
		Total	-	2,667.00		
14	Compulsorily convertible debentures	Max Ventures and Industries Limited	-	57,164.00		
		Total	-	57,164.00		
15	Interest accrued but not due on CCD	New York Life Insurance Company	1,848.35	1,190.50		
		Total	1,848.35	1,190.50		



Max Estates Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

40 Expenditure on corporate social responsibility activities :

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

Amount required to be spent during the year Rs. 39.79 lakhs (March 31, 2022#: Rs 10.02 lakhs)

Sr. No.	Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022#		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
		i)	-	-	-	-	-
ii)	-	-	-	-	-	-	
	On purposes other than (i) above :						
	a) Promoting education	-	-	-	-	-	-
	b) Ensuring environment sustainability and protection of flora and fauna	-	-	-	-	-	-
	c) Health care services	-	-	-	-	-	-
	d) Rural development projects	-	-	-	-	-	-
	e) Training to promote rural sports	-	-	-	-	-	-
	f) Promoting gender equality and empowering women	-	-	-	-	-	-
	g) Contribution to skill development programmes	-	-	-	-	-	-
	h) Others	39.79	-	39.79	10.07	-	10.07
	Total	39.79	-	39.79	10.07	-	10.07

There are no ongoing projects as at March 31, 2023 and March 31, 2022#.
also refer note 46



Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023****41 Segment reporting**

For management purposes, based on the guiding principles given in IND AS 108 on "Operating Segments" the Group's business segments include real estate and allied businesses. During the current period, the Chief Operating Decision Maker (CODM) of the Company has re-assessed the business segments, whereby Real Estate, Facility Management and Business Investments have been combined as "Real Estate & Others". This was primarily driven by the fact that all these three segments were related to Real estate activities.

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

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

PARTICULARS	Year ended	
	31.03.2023	31.03.2022 #
	Audited	Unaudited
A. Segment Revenue		
Real Estate & Others	10,734.20	6,928.87
Revenue	10,734.20	6,928.87
B. Segment Results		
Profit before finance cost and tax from each segment		
Real Estate & Others	4,070.07	2,462.00
Total	4,070.07	2,462.00
Less: adjustments:		
Finance cost	1,861.87	1,616.92
Profit before tax	2,208.20	845.08
C. Segment Assets		
Real Estate & Others	2,20,571.72	1,01,700.80
Total	2,20,571.72	1,01,700.80
Unallocated assets	1,998.45	837.16
Total	2,22,570.17	1,02,537.96
D. Segment Liabilities (including borrowings)		
Real Estate & Others	96,248.04	37,836.77
Total	96,248.04	37,836.77
Unallocated liabilities (excluding Non-controlling interest)	1,083.41	391.19
Total	97,331.45	38,227.96

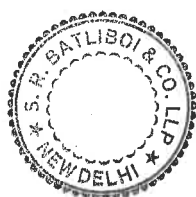
Adjustments and eliminations

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

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

Gross Revenue	(Rs. in Lakhs)	
	For year ended March 31, 2023	For year ended March 31, 2022#
i. within India	10,734.20	6,928.87
ii. Outside India	-	-
	10,734.20	6,928.87

The revenue from external customers does not include revenue from any one customer which is equal to 10% or more of entity's revenue.



Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023**

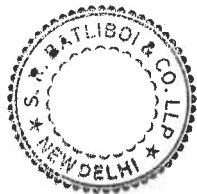
Trade receivables	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022#
i. within India	1,546.67	257.09
ii. Outside India	-	-
Total Trade receivables (Gross)	1,546.67	257.09
Less: Provision for doubtful receivables	-	-
Trade receivables	1,546.67	257.09

The Group has common property, plant and equipment (PPE) for manufacturing goods for domestic market and overseas market. Hence, separate figures for PPE/additions to PPE cannot be furnished.

b) Non-current assets other than investments, tax assets, net defined benefit assets (relating to post-employment benefit plans), and rights arising under insurance contracts:

	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022#
i. within India	1,51,046.68	91,690.39
ii. outside India	-	-
	1,51,046.68	91,690.39

also refer note 46



42 Material partly owned subsidiaries

All the subsidiaries are incorporated in India. The financial information of subsidiaries that have material non-controlling interests as at March 31, 2023 is provided below:

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

Particulars	Max Square Limited		Pharmax Corporation Limited	
	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#
Proportion of equity interest held by non-controlling interests	49.00%	49.00%	-	14.83%

b) Information regarding non-controlling interest

Particulars	Max Square Limited		Pharmax Corporation Limited		Total	
	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#
Accumulated balances of non-controlling interest	4,266.94	1,210.15	-	2,213.12	4,266.94	3,423.27
Total Comprehensive income allocated to non-controlling interest	(54.79)	(7.73)	-	0.04	(54.79)	(7.70)

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

Summarised statement of profit and loss for the year ended March 31, 2023 and March 31, 2022#:

Particulars	Max Square Limited		Pharmax Corporation Limited		Total	
	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#
Revenue (including other incomes)	-	-	-	367.59	-	367.59
Total expenses	111.80	33.04	-	319.06	111.80	352.09
Profit before tax	(111.80)	(33.04)	-	48.33	(111.80)	15.29
Less: Tax expense	-	-	-	-	-	-
Profit for the year	(111.80)	(33.04)	-	48.33	(111.80)	15.29
Add/(Less): Other Comprehensive Income/loss	-	-	-	-	-	-
Total comprehensive income	(111.80)	(33.04)	-	48.33	(111.80)	15.29
Attributable to non-controlling interests	(54.79)	(7.69)	-	0.04	(54.79)	(7.65)
Dividends paid to non-controlling interests	-	-	-	-	-	-

Summarised balance sheet as at March 31, 2023 and March 31, 2022#

Particulars	Max Square Limited		Pharmax Corporation Limited		Total	
	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#
Current assets, including cash and cash equivalents	1,439.18	727.64	-	2,047.01	1,439.18	2,774.64
Non-current assets	47,523.61	29,394.72	-	4,911.52	47,523.61	34,306.23
Current liabilities, including tax payable	807.67	699.26	-	3,402.80	807.67	4,102.06
Non-current liabilities, including deferred tax liabilities	33,890.74	22,400.43	-	1,342.61	33,890.74	23,743.04
Total equity	14,264.40	7,022.67	-	2,213.12	14,264.40	9,235.78
Attributable to:						
Equity holders of parent	9,997.46	3,581.56	-	328.21	9,997.46	3,909.76
Non-controlling interest	4,266.94	1,538.36	-	1,884.91	4,266.94	3,423.27

Summarised cash flow information as at March 31, 2023 and March 31, 2022#

Particulars	Max Square Limited		Pharmax Corporation Limited		Total	
	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#	March 31, 2023	March 31, 2022#
Operating	(2,286.22)	1,533.07	-	(56.95)	(2,286.22)	1,476.12
Investing	(11,962.75)	(11,468.47)	-	(2,725.39)	(11,962.75)	(14,193.86)
Financing	1,036.76	9,919.36	-	2,813.36	1,036.76	12,732.73
Net increase in cash and cash equivalents	1,003.67	(16.04)	-	31.02	1,003.67	14.98

During the year, the subsidiary company Pharmax Corporation Limited has reduced its capital and paid back the money to non-controlling interest shareholders.

also refer note 46

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Max Estates Limited**Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023****43 Capital Management**

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

	(Rs. in Lakhs)	
	As at	As at
	March 31, 2023	March 31, 2022#
Borrowings	82,439.30	31,512.06
Other financial liabilities	6,192.09	4,505.95
Trade payables	2,703.51	997.48
Less: Cash and Cash equivalents	1,762.70	272.20
Other bank balances	3,375.66	4,576.66
Net debt	86,196.54	32,166.63
Equity share capital	-	7,791.00
Other equity	1,06,410.14	53,095.73
Non-controlling interest	4,266.94	3,423.27
Total equity	1,10,677.08	64,310.00
Total capital and net debt	1,96,873.62	96,476.63
Gearing ratio	43.78%	33.34%

also refer note 46



44 Additional disclosures:

As at and for the year ended March 31, 2023:

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income		Share in total income	
	As % of consolidated net assets	(Rs. in Lakhs)	As % of consolidated profit/(loss)	(Rs. in Lakhs)	As % of consolidated other comprehensive income	(Rs. in Lakhs)	As % of consolidated total comprehensive income	(Rs. in Lakhs)	As % of total income	(Rs. in Lakhs)
Parent										
Max Estates Limited	103.55%	2,30,155.66	100.00%	3,109.09	100.00%	0.01	100.00%	3,109.10	5,166.49	39.36%
Subsidiary										
Max I Limited	1.69%	2,118.04	(3.48%)	(64.22)	0.00%	-	-3.48%	(64.22)	17.77	0.14%
Max Square Limited	11.38%	14,264.40	(0.95%)	(111.81)	0.00%	-	-0.95%	(111.81)	-	0.00%
Pharman Corporation Limited	1.82%	1,610.89	16.00%	297.17	0.00%	-	16.00%	297.17	754.34	5.72%
Max Asset Services Limited	2.09%	2,582.79	5.10%	94.20	0.00%	-	5.10%	94.20	3,794.57	28.90%
Max Towers Private Limited	8.09%	10,149.81	16.81%	310.41	0.00%	-	16.81%	310.41	3,591.68	27.36%
Max Estates 128 Private Limited (w.e.f. June 17, 2022)	0.67%	834.84	(7.50%)	(138.45)	0.00%	-	-7.50%	(138.45)	-	0.00%
Max Estates Garrison Limited (w.e.f. September 05, 2022)	0.01%	9.94	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Astoria Builders Private Limited (w.e.f. October 27, 2022)	16.20%	20,385.80	(0.20%)	(3.78)	0.00%	-	-0.20%	(3.78)	-	0.00%
Non controlling interests in all subsidiaries	3.40%	4,269.24	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Eliminations	100.00%	1,25,387.44	100.00%	1,846.78	100.00%	0.01	100.00%	1,846.71	13,127.83	100.00%

As at and for the year ended March 31, 2022:

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income		Share in total income	
	As % of consolidated net assets	(Rs. in Lakhs)	As % of consolidated profit/(loss)	(Rs. in Lakhs)	As % of consolidated other comprehensive income	(Rs. in Lakhs)	As % of consolidated total comprehensive income	(Rs. in Lakhs)	As % of total income	(Rs. in Lakhs)
Parent										
Max Estates Limited	94.08%	60,594.83	100.00%	554.73	100.00%	2.94	100.00%	537.67	4,047.31	66.92%
Subsidiary										
Max Square Limited	10.90%	7,009.42	(6.71%)	(33.05)	0.00%	-	(6.71%)	(33.05)	-	0.00%
Pharman Corporation Limited	3.44%	2,215.36	10.27%	50.57	0.00%	-	10.27%	50.57	375.61	5.08%
Max Towers Private Limited	33.34%	34,305.48	143.24%	705.04	0.00%	-	143.24%	705.04	3,161.21	42.76%
Non controlling interests in all subsidiaries	5.32%	3,433.77	(1.59%)	(7.69)	0.00%	-	(1.59%)	(7.69)	-	0.00%
Eliminations	(67.69%)	(43,148.26)	(153.88%)	(757.40)	0.00%	-	(152.97%)	(757.40)	(3,539.38)	(47.87%)
	100.00%	64,318.00	100.00%	492.28	100.00%	2.94	100.00%	495.14	7,393.47	100.00%

45 The Composite Scheme of Amalgamation and Arrangement ('Scheme') amongst Max Ventures and Industries Limited ('Transferor Company') and Max Estates Limited ('Company' or 'Transferee Company') and their respective shareholders and Creditors was filed during the year under the provisions of Section 230 to 232 read with Section 65 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. The Hon'ble National Company Law Tribunal, Chandigarh Bench ('Hon'ble NCLT') vide its order dated July 03, 2023 approved the aforesaid Scheme. As per the Scheme, the merger of Transferor Company into Company has been accounted with effect from April 01, 2022 ('Appointed Date') to comply with the accounting treatment prescribed in the Scheme, which is in compliance with the MCA general circular no. 09/2019 dated August 21, 2019.

Being a common control business combination, Ind AS 103 Business Combinations requires the Company to account for business combination from the combination date (i.e., the date on which control has been transferred) or the earliest date presented in the financial statements, whichever is later.

Therefore, the comparative financial information for previous year ended March 31, 2022 has not been restated since the scheme of merger approved by the NCLT prevails over the applicable accounting requirements

Upon the coming into effect of this Scheme and in consideration of the transfer, 1 (one) equity shares of the face value of INR 10 each fully paid-up of the Company are required to be issued against every 1 (one) equity shares of INR 10 each fully paid-up held by the shareholders of the transferor company. Consequently to this, the Company shall issue 146,946,000 equity shares of INR 10 each fully paid-up for 146,946,000 equity shares of INR 10 each fully paid-up of the transferor company.

These shares have been disclosed as 'Share capital pending issuance' as at March 31, 2023 and as at April 01, 2022.
also refer note 46

46 Till the previous year ended March 31, 2022, the Company has not prepared and presented the Consolidated Financial Statements for the year ended March 31, 2022, since the Company availed the exemption prescribed under Section 129 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended. However, consequent to the merger as described in note 45, the Company has become holding Company of the group and accordingly has prepared its consolidated financial statements for the first time for the year ended March 31, 2023. To comply with the requirement of comparative information as per applicable accounting standards/ Schedule III to the Companies Act, 2013, the Company has prepared and presented the comparative information for the year ended March 31, 2022 in these financial statements which have been approved by the Board of Directors but these were not subjected to audit. Also refer to aforesaid note 45, which describes that comparative information of March 31, 2022 have not been restated while giving effect to the merger.

46.1 Subsequent to the year end, one of the subsidiary company Max Estates 128 Private Limited (MEL 128) has achieved pre-formal launch sales of ~ INR 180,000 lakhs for its first luxury residential project, Estate 128.



Max Estates Limited

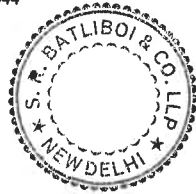
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2023

47 Other statutory information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies that are struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vii) The Group has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.
- (ix) The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Group.
- (x) None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (xi) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (xii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year except as mentioned in Note 45.
- (xiii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

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

per Pravin Tulsyan
Partner
Membership Number: 108044



Place : Gurugram
Date: 18/8/23

For and on behalf of the Board of Directors of Max Estates Limited

Dinesh Kumar Mittal
(Director)
DIN: 00040000

Nitin Kumar Kansal
(Chief Financial Officer)
Place : Noida
Date: 18/8/23

Sahil Vachani
(Managing Director & Chief Executive Officer)
DIN: 00761695

Abhishek Mishra
(Company Secretary)