

BOARD'S REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the Sixth Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 ("FY 2022").

FINANCIAL REVIEW

Financial and Operational Performance

The Standalone financial performance of your Company for FY 2022 is summarized below:

	(Rs. in Lakhs)	
Particulars	FY 2022	FY 2021
Income		
Revenue from Operations	3901.22	1,872.19
Other Income	1046.49	1070.99
Total Revenues	4947.71	2,943.18
Expenses		
Cost of construction materials, labour & other project cost	-	-
Change in inventories of finished goods and work-in-progress	1850.95	1,557.96
Employee benefits expense	598.73	501.75
Finance costs	725.88	1,156.56
Depreciation and amortization expense	144.47	66.01
Other Expenses	1101.22	876.54
Total Expenses	4421.25	4,158.82
Net Profit/ (Loss) Before Tax	526.46	(1,215.64)
Tax expenses		
Current tax	-	-
Less: MAT credit entitlement	-	-
Deferred tax	-	0.07
Total tax expense	-	0.07
Net Profit/ (Loss) After Tax	526.46	(1,215.71)
Other Comprehensive Income	3.93	(9.79)
Total comprehensive income/(loss) for the period, net of tax	530.39	(1,225.50)
EPS	0.67	(1.56)

Dividend

The Board of Directors of the Company do not recommend any dividend on the Equity Share Capital of the Company as there were no profits during FY 2022.

Max Estates Limited

Transfer to Reserves

Since there were no profits during FY 2022, the Company has not transferred any amount to the General Reserve.

OPERATIONS REVIEW

Operational Performance of Company and its subsidiary

During FY 2022, the company announced its intention to foray into the residential business – a strategic move after firmly establishing our feet in Commercial Real Estate (CRE) thereby cementing the legacy of the Max Group.

Currently, Max Estates includes three completed projects –two commercial Max Towers & Max House Phase-I and one boutique residential project in Dehradun. In addition, the Company also started the construction of the Phase 2 of the Max House development. Max House – Phase 1 is 100% leased and Max Towers is 98% leased. Our construction of our upcoming project in Noida Max Square, is on track for completion by Q4 FY23.

Over the last few years, the Company has demonstrated end to end expertise across the real estate value chain including sourcing new opportunities, liasioning, project execution, asset management and operations. The Company's commercial and residential portfolio is targeted towards expanding at an average of approximately 1 million sq ft each per year for the next five years. A brief about our projects is given here:

- **222 Rajpur, Dehradun:** A gated community with ready to move in uniquely designed luxury villas abutting the Malsi reserve forest, and oriented to panoramic views of Mussoorie hills. By end of FY 22, the Company has been able to sell 21 out of 22 Villas in its Dehradun project (222 Rajpur). Despite market slow down due to COVID, we have received a very strong traction for the 222 Rajpur Villas – a testimony of not only excellent product quality but also a holistic 'LivWell' experience we have been able to curate for its residents.
- **Max Towers, Noida:** A highly awarded LEED Platinum commercial office development (~0.6 mn sq. ft.) strategically located at the entrance of Noida, directly on DND flyway and minutes away from the sector 16 metro station. At Max Towers, by the end of FY22 we have been able to achieve 98%+ occupancy while commanding 25-30% rental premium over other developments in the micro-market. It has attracted an enviable tenant profile primarily from the central business districts of New Delhi and in turn has redefined the commercial real estate landscape of Noida in terms of product quality, tenant profile and rental realisation.
- **Max House, New Delhi:** A LEED Gold office development (~0.3 mn sq. ft.) located within walking distance from Okhla NSIC metro station in the heart of New Delhi. Phase 1 is operational and 100% leased. It has been leased to marquee clients like Nykaa Fashion, Samsung India Electronics, Religare Enterprises, DSK Legal, Dhampur Sugar Mills and Target Sourcing Services. Despite COVID led uncertainty, team has been able to command a 25-30% premium to the prevalent rental in its micro-market. Phase 2 of the development is under construction and is scheduled to be operational by Q2 FY24. Max House won several awards including 'Design Project of the year' and 'Commercial Project of the Year' by Realty Conclave Excellence Awards'20; 'Environment Friendly Project of the year – Commercial' by 13th Annual Estate Award'21; 'Excellence in Built Environment' by Indian Buildings Congress'21 and 'Most Sustainable Architecture Design' by RE/Max India Estates Awards'20.

- **Max Square, Noida:** This will be a IGBC Platinum certified commercial office development (~0.7 mn sq. ft.) located right on Noida Expressway (Sector 129). We have received all the necessary statutory approvals and the construction is going as per schedule and is now expected to be delivered by Q3 FY 2023 - overall within the budgeted time and costs due to cross functional efforts from Design, Planning, Procurement and Projects team on the ground supported by our partners across all aspects of the developments. The New York Life Insurance Company has partnered with the Company for the development of Max Square and holds a 49% equity stake.

2021 was a watershed moment for India's RE sector as the sector continued to show resilience and steady rise in demand for office and residential spaces despite the exigencies originating from the pandemic.

In Delhi-NCR commercial office space is in recovery mode with pent-up demand for office spaces coming from different sectors. This is evident from the strong traction witnessed by Grade A+ developer-owned and developer-managed office spaces like the ones from Max Estates, which has further accelerated the impetus on 'Flight to Quality'.

As far as residential real estate is concerned, the COVID-19 pandemic turned into a strong factor by supporting housing demand. Over the last couple of years, the residential sector has undergone structural reforms that have improved transparency and access to quality information and led to consolidation in the industry.

Last year marked a strategic shift in the Company's RE strategy, while the company continues to focus on expanding the commercial office footprint and building a portfolio of annuity-yielding assets, we also began exploring a foray into the residential segment in Delhi-NCR in line with our mission – One region, multiple asset classes.

The decision to enter the Residential asset class is based on several positive factors, including but not limited to all-time high affordability, low-mortgage rates (under pressure in the recent months), fiscal incentives, changing consumer preferences, flight to credible corporate developers who can execute and deliver projects on time with an ecosystem of promised amenities, among others. Besides, we also intend to leverage the group's brand equity, its strength in terms of landbank, partners, and network for a successful foray. Within residential, we intend to focus on mid-to-high-end income segments providing a '*LivWell*' experience to positively impact the lives of our residents.

We are confident to make Max Estates one of the leading multi-asset class RE developers in Delhi-NCR – a market that has a huge vacuum of credible and reputed developers despite its mammoth size.

SHARE CAPITAL AND DEBENTURES

The Authorized Share Capital of the Company as at March 31, 2022 stood at Rs. 78,00,00,000/- (Rupees Seventy Eight Crores Only) comprising of 7,80,00,000 (Seven Crores Eighty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The Paid-up Share Capital of the Company as at March 31, 2022 stood at Rs. 77,91,00,000 (Rupees Seventy Seven Crores Ninety One Lakhs Only) comprising of 7,79,10,000 (Seven Crores Seventy Nine Lakh Ten Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

There were no changes in the authorized, issued and paid up share capital of the Company during FY 2022.

MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company i.e. March 31, 2022 and the date of this Board's Report.

HOLDING COMPANY/ SUBSIDIARY COMPANY / ASSOCIATE/ JOINT VENTURE

Your Company is a wholly owned subsidiary of Max Ventures and Industries Limited as at March 31, 2022. Further, following are the subsidiaries of your Company as at March 31, 2022:

1. Max Towers Private Limited, wholly owned subsidiary company
2. Max Square Limited, subsidiary company
3. Pharmax Corporation Limited, subsidiary company

The Company did not have any associate or joint venture during FY 2022.

Form AOC-1 containing the salient features of Financial Statements of the Company's subsidiaries, is attached as 'Annexure – 1'.

BOARD OF DIRECTORS

The Composition of the Board of Directors of your Company as at March 31, 2022, is as follows:

S. No.	Name of Director	Designation
1	Mr. Kishansingh Ramsinghaney	Director
2	Mr. Rishi Raj	Whole Time Director
3	Mr. Bishwajit Das	Director

In terms of Articles of Association of the Company and pursuant to the provisions of Section 152 of the Act, Mr. Rishi Raj being longest in the office, shall be liable to retire by rotation at the ensuing AGM. The Board of Director recommends his re-appointment for the consideration of Members at the ensuing AGM. Brief profile of Mr. Rishi Raj forms part of the Notice convening AGM of the Company.

Statement of declaration by Independent Directors

During FY 2022, the Company was not required to appoint Independent Directors under Section 149(4) of the Act and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence no such declaration is required.

Board Meetings

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other business discussions. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) through circulation, as permitted by law, which is confirmed in the subsequent Board Meeting.

The Board met 6 (Six) times during FY 2022, details of which are as follows:

S. No.	Date of Meeting	No. of Directors entitled to attend	No. of Directors present
1.	June 10, 2021	3	3
2.	August 13, 2021	3	3
3.	November 12, 2021	3	3
4.	January 21, 2022	3	3
5.	February 02, 2022	3	3
6.	March 28, 2022	3	3

The attendance of the Directors at the aforesaid meetings is as follows:

Name of Directors	Designation	Board Meetings	
		Held during tenure	Attended
Mr. Kishansingh Ramsinghaney	Director	6	6
Mr. Bishwajit Das	Director	6	6
Mr. Rishi Raj	Whole Time Director	6	6

Key Managerial Personnel

As at March 31, 2022, following are the Key Managerial Personnel of your Company:

1. Mr. Rishi Raj, Whole Time Director
2. Mr. Nitin Kumar, Chief Financial Officer

During FY 2022, Mr. Saket Gupta resigned from the position of Company Secretary of the Company effective January 31, 2022.

Committees of Board of Directors

During FY 2022, the Company was not required to constitute any committee of Board of Directors in terms of provisions of the Act and the Rules made there under.

Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, performance evaluation has been done in the Board Meeting of the Company held on June 10, 2021 wherein the performance of the Board as a whole and Individual Directors were discussed and evaluated. The key areas on which evaluation was done were attendance, contribution to deliberations, effective deployment of knowledge and expertise, providing inputs to the management, taking care of the stakeholder interests, the working of the Board. Overall, the performance of Board as a whole and Individual Directors after taking into consideration the suggestion of the members of the Board, was found satisfactory.

PUBLIC DEPOSITS

During FY 2022, your Company has not accepted or renewed any deposits from the public in terms of Section 73 to 76 of the Act read with the relevant rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments made under the provisions of Section 186 of the Act have been disclosed in Note No. 34 of the notes to the Financial Statements forming integral part of the Annual Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Further, your Company has not entered into any Related Party Transaction which may be considered material and thus disclosure in Form AOC-2 is considered to be not applicable to the Company.

The details of all related party transactions forms part of notes to the financial statements attached to this Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is as follows:

A. Conservation of Energy

- i. the steps taken or impact on conservation of energy

Regular efforts are made to conserve the energy through various means such as use of low energy consuming lightings, etc.

- ii. the steps taken by the Company for using alternate sources of energy

Since your Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.

- iii. Capital investment on energy conservation equipment: Nil

B. Technology Absorption

Your Company is not engaged in manufacturing activities therefore, there is no specific information to be furnished in this regard.

There was no expenditure on Research and Development during the year under review.

C. Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned	:	Nil
Total Foreign Exchange outgo	:	INR 5.93 Lakh

AUDITORS

Statutory Auditors & Auditors' Report

Pursuant to provisions of Section 139 and other applicable provisions of the Act, M/s. K.K Mankeshwar & Co., Chartered Accountants (FRN – 106009W) were appointed as Statutory Auditors of the Company at first AGM held on September 26, 2017 to hold office till the conclusion of the ensuing sixth AGM of the Company to be held this year.

In view of the above, it is proposed to re-appoint M/s. K.K Mankeshwar & Co., Chartered Accountants (FRN – 106009W) as Statutory Auditors of the Company for a period of five years commencing from the conclusion of the ensuing AGM till the conclusion of the 11th AGM of the Company to be held in the year 2027. The Company has received a certificate from M/s. K.K Mankeshwar & Co., Chartered Accountants to the effect that they are eligible for appointment as the Statutory Auditors of the Company in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditor's Report on the Financial Statements of the Company for FY 2022 is self-explanatory and requires no further comments. Further, there are no adverse remarks or qualification in the report that call for Board's explanation. During the year under review, there were no frauds reported by Auditors under Section 143(12) of Companies Act, 2013.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. Raghav Bansal & Associates, Company Secretaries to undertake the Secretarial Audit of your Company. The Report of the Secretarial Auditor has been annexed as '**Annexure - 2**' to this Report.

There are no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditors in their Report for the year under review and hence, does not call for any further comments.

Internal Auditors

During FY 2022, M/s. MGC Global Risk Advisory LLP, Chartered Accountants were appointed as Internal Auditors of the Company.

COST RECORDS

During FY 2022, the provisions of Section 148(1) of the Act relating to maintenance of cost records were not applicable to the Company.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

RISK MANAGEMENT FRAMEWORK

Your Company considers that risk is an integral part of its business and therefore, it takes proper steps to manage all risks in a proactive and efficient manner. The Company management periodically assesses risks in the internal and external environment and incorporates suitable risk treatment processes in its strategy, business and operating plans.

There are no risks which, in the opinion of the Board, threaten the very existence of your Company.

CORPORATE SOCIAL RESPONSIBILITY

During FY 2022, the Company met criterion specified under Section 135(1) of the Act and accordingly the Board of Directors of your Company in its meeting held on June 10, 2021 has formulated and adopted Corporate Social Responsibility Policy of the Company indicating therein the projects or programs, the Company plans to undertake, which fall within the purview of Schedule VII to the Act. The said policy forms part of this report as 'Annexure- 3'.

Further, the requirement for constitution of the Corporate Social Responsibility Committee was not applicable on the Company and pursuant to the provisions of Section 135 of the Act, role of the Corporate Social Responsibility Committee is being discharged by the Board of Directors of the Company.

Further, your Company was not required to spend any amount during FY 2022 towards CSR activities in compliance with Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014. An Annual Report on CSR forms part of this report as 'Annexure- 4'.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company has zero tolerance for sexual harassment at workplace and has put requisite policy in place, for prevention, prohibition and redressal of sexual harassment of women at workplace ("Policy"). This comprehensive policy ensures gender equality and the right to work with dignity. The Internal Complaints Committee (ICC) has been constituted as per provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During FY 2022 and till the date of this report, no complaint pertaining to sexual harassment was received.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is given in "Annexure – 5".

SIGNIFICANT AND/OR MATERIAL ORDERS PASSED BY REGULATORS OR THE COURTS

There were no significant and/or material orders passed against your Company by the regulators / courts / tribunals during the year under review impacting the going concern status and your Company's operations in future.

SECRETARIAL STANDARDS

During FY 2022, the Company had complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Act, it is hereby confirmed that:

- (a) In the preparation of the financial accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for that year ended on that date;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the financial statements on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Board is grateful to express its deep sense of gratitude and appreciation to all the Shareholders, Customers, Suppliers/ Vendors, Bankers, Financial Institutions and Business Associates of the Company for their continued support during the year. Your Board acknowledges support and cooperation received from all the regulatory authorities of the Central Government and State Government respectively.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and employees for their performance during the year.

For and on behalf of the Board of Directors
For **MAX ESTATES LIMITED**



Rishi Raj
Whole Time Director
DIN: 08490762



Bishwajit Das
Director
DIN: 00029455

Date: May 16, 2022
Place: Noida, U.P.

Correspondence Add.: Max Towers, L-12, C- 001/A/1
Sector- 16B Noida Gautam Buddha Nagar UP 201301


Form AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

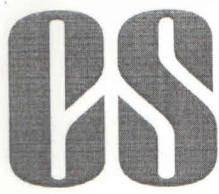
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**Part A - Subsidiaries**

(Amount Rs. in Lakhs, except otherwise stated)

S. No.	Particulars	Max Towers Private Limited	Max Square Limited	Pharmax Corporation Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable
3.	Equity Share capital	6506.00	7001.96	555.92
4.	Other Equity	27799.50	20.71	1920.94
5.	Total Assets	45094.28	30122.35	6918.29
6.	Total Liabilities	45094.28	30122.35	6918.29
7.	Investments	-	-	1274.28
8.	Total income	3161.21	-	379.90
9.	Profit before taxation	1057.93	(33.04)	54.88
10.	Provision for taxation	352.88	-	-
11.	Profit after taxation	705.05	(33.04)	54.88
12.	Other Comprehensive income	(0.01)	-	-
13.	Total Comprehensive income	(0.01)	-	-
14.	Proposed Dividend	-	-	-
15.	Extent of shareholding (in %)	100%	51%	85.17%

PART – B – **Not Applicable** since there are no associates or joint ventures of the company.For and on behalf of the Board of Directors
For **MAX ESTATES LIMITED**

Rishi Raj
Whole Time Director
DIN: 08490762


Bishwajit Das
Director
DIN: 00029455
Date: May 16, 2022
Place: Noida, U.P.**Correspondence Add.:** Max Towers, L-12, C- 001/A/1
Sector- 16B Noida Gautam Buddha Nagar UP 201301



Form No. MR-3

SECRETARIAL AUDIT REPORT
(For the Financial Year ended 31st March, 2022)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

MAX ESTATES LIMITED

419, Bhai Mohan Singh Nagar,
Village Railmajra, Tehsil Balachaur,
Nawanshehar, Punjab -144533

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

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2022 according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder(**Not Applicable to the Company as the shares of the Company are not listed on any stock exchange**);
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder(**Not Applicable to the Company during the Audit period**);
 - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings(**Not Applicable to the Company during the Audit period**);



V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**(Not Applicable to the Company as the shares of the Company are not listed on any stock exchange)**

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent applicable;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI. We, based upon the Management Representation, further report that there are adequate systems and Processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company and Other Applicable Laws on the basis of representation received from the management:

- a) The Real Estate (Regulation and Development) Act, 2016 and rules of the state(s) where project were being undertaken;
- b) Transfer of Property Act, 1882;
- c) The Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996.
- d) Indian Stamp Act, 1899.

We have also examined compliance with the applicable clauses of:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) with regard to Board Meetings and General Meetings.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit as same are subject to review by the Statutory Auditors and other designated professionals.



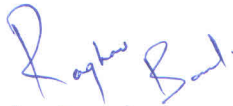
2. We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (including shorter notices duly ratified by majority of Directors), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. All the decisions at the Board Meetings were carried out unanimously as recorded in the minutes of the Board of Directors.

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

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

For Raghav Bansal & Associates


Raghav Bansal
Practicing Company Secretary
M.No : 38864
CP : 14869



UDIN: A038864D000328318

Place: Delhi
Date: 16-05-2022

Annexure to Secretarial Audit Report of Max Estates Limited for financial year ended 31st March, 2022

To,

The Members

MAX ESTATES LIMITED

419, Bhai Mohan Singh Nagar,
Village Railmajra, Tehsil Balachaur,
Nawanshehar, Punjab -144533

Management Responsibility for Compliances

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

For Raghav Bansal & Associates



Raghav Bansal
Practicing Company Secretary

M.No : 38864

CP : 14869



UDIN: A038864D000328318

Place: Delhi

Date: 16-05-2022

CORPORATE SOCIAL RESPONSIBILITY POLICY

I. PREAMBLE

- 1.1 Corporate Social Responsibility has been an area of focus for the Max Group and Max Estates Limited (“**MEL**” or the “**Company**”) since inception. Max Group being in the “*Business of Life*”, there has been a conscious effort to make a difference in the lives of the less privileged through its CSR initiatives. MEL by giving due priority to CSR has and will attempt to effect positive change in the quality of life of the underserved in line with the Group philosophy.
- 1.2 The Companies Act, 2013 brings an even greater emphasis on CSR with Rules that provide guidance on minimum CSR spend, reporting mechanism, review structure and reporting to the shareholders of the Company. A CSR Committee has been formed at the Board level to oversee CSR activities of the Company.
- 1.3 Further to the above stated, the Board shall approve the CSR Policy as formulated and proposed by the CSR Committee with an objective to outline its CSR focus areas, recommending the amount of CSR Expenditure, execution process, review & monitoring mechanism and reporting process to the Management and the Board of Directors of the Company.

II. PHILOSOPHY & OBJECTIVES

MEL has the vision to facilitate Intellectual & Financial Capital to promising and proven early-stage organizations across identified sunrise sectors. Care for the environment and community is MELs’ Core Value to bring about strong social relevance. Our objective is to make a meaningful and sustained impact on the lives of the beneficiaries of our programs.

III. DEFINITIONS AND INTERPRETATIONS

“**Act**” shall mean the Indian Companies Act, 2013, along with amendments thereto.

“**Board**” means the Board of Directors of the Company

“**CSR**” means corporate social responsibility.

“**CSR Activities**” shall mean the permissible CSR activities as per Schedule VII to the Act including but not limited to the following –

- (i) Health & Hygiene;
- (ii) Sanitation;
- (iii) Education;
- (iv) Rural Development;
- (v) Social and Economic Development;
- (vi) Environment;
- (vii) Protection of National Heritage, Art and Culture;
- (viii) Armed Forces, War Widows and their dependents;
- (ix) Sports;
- (x) Technology Incubators; and,
- (xi) Slum area development.

“**CSR Committee**” shall mean the CSR Committee of the Board instituted by the Company.

“**CSR Rules**” shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

“**MEL CSR Policy**” or “**CSR Policy**” shall mean this CSR Policy of MEL.

"Max Group" shall mean (i) Max Ventures and Industries Limited, (ii) Max India Limited, (iii) Max Financial Services Limited and the their subsidiaries/ associates.

"Max India Foundation" means the registered not-for-profit Trust, founded by Max India Limited as its Founder/Settlor on January 31, 2002.

"Implementation Plan" shall mean the annual implementation plan in respect of the CSR Activities as may be approved by the authorised officials appointed by the CSR Committee of MEL.

"Rules" shall mean the rules prescribed under the Companies Act, as amended from time to time.

"Schedule VII" shall mean the Schedule VII under the Act.

IV. MODALITIES OF EXECUTION AND IMPLEMENTATION SCHEDULES

4.1 **Implementation approach:** The CSR activities shall be executed by the Company through following modes:

- (a) either directly by the Company, and/or
- (b) through Max India Foundation which will in turn work with relevant credible NGOs and organisations to execute work on the ground.

4.2 **NGO Support:** Max India Foundation will execute projects with the help of NGOs and employee engagement. Max India Foundation may seek the support of NGOs who are working on ground on issues decided upon. Max India Foundation will also provide requisite training support to volunteers to carry out / support in CSR activities.

4.3 **Volunteering:** MEL and Max India Foundation should work together to create a comprehensive Employee Volunteering programme to ensure greater participation of employees in CSR activities. This programme should also include the recognition programme for CSR volunteers. MEL Management will encourage volunteer programmes / participation of the MEL employees.

4.4 **Modality of Execution of CSR Activities:** The Company shall execute and undertake the CSR activities in compliance with the provisions of Section 135 of the Act and in line with Implementation Plan.

4.5 While formulating the implementation plan, following points must be taken care of:

- (i) Programme Objective
- (ii) Duration of the programme
- (iii) Funds allocated to the programme
- (iv) Implementation schedule
- (v) Responsibilities and authorities
- (vi) Major results expected and measurable outcome
- (vii) Effective monitoring and evaluation

4.6 **Geographical Areas for CSR Activities:**

MEL shall undertake the CSR activities in and around the areas where the Company operates or as may be identified in consultation with Max India Foundation.

V. CSR FUNDING AND CSR EXPENDITURE

5.1 **CSR Budget:** In order to ensure funding for the CSR Activities, MEL shall strive to allocate 2% (two per cent) of the average net profits made by the Company (Shareholders' Profit) in its immediately preceding three financial years.

- 5.2 **CSR Expenditure:** The Implementation Plan of the Company shall include the CSR expenditure in line with the CSR budget. The implementation plan shall be presented before the CSR Committee / Board on an annual basis or as and when required by the CSR Committee/ Board.
- 5.3 **Declaration:** The Company hereby declares that any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR Activities only.

VI. Monitoring Process of CSR Activities

- 6.1 **Approval of Implementation Plan** – CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of this CSR policy, which shall include the following, namely:
- (i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - (ii) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of the CSR Rules;
 - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - (iv) monitoring and reporting mechanism for the projects or programmes; and
 - (v) details of need and impact assessment, if any, for the projects undertaken by the company.

The Board may alter such plan at any time during the Financial Year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

Human Resource Department/Implementation Team shall be responsible to present the progress updates before the CSR Committee/ Board as may be required from time to time.

- 6.2 **Impact assessment of CSR Projects** – As and when the average CSR obligation becomes ten crore rupees or more in pursuance of Section 135 of the Act, the Company shall undertake impact assessment of its CSR projects and report to Board, in the manner stipulated under CSR Rules.
- 6.3 **Reporting to CSR Committee-** Human Resource Department/ Implementation Team of the Company in consultation with Max India Foundation shall provide a detailed progress report on the CSR activities to the CSR Committee annually or at such intervals and at such times as the CSR Committee shall require to do so. The progress on CSR activities selected by the Company shall be reported in the Annual Report in the format prescribed under CSR Rules.
- 6.4 **Reporting to the Board-** The CSR Committee shall submit its report giving status of the CSR Activities undertaken, CSR Expenditure incurred and such other details as may be required by the Board, in accordance with applicable laws.
- 6.5 **Board Report and Annual Report-**The Board shall publish this Policy and an annual report on CSR Activities as per applicable laws.

VII. POWERS OF THE BOARD

In case the Board determines that the amount to be spent by the Company as per Section 135 of the Act is not expected to exceed fifty lakh rupees in a financial year subsequently, the Board may not formulate / dissolve, if already formulated, the CSR

Committee and accordingly, the functions of CSR Committee provided under this Policy shall, in such cases, be discharged by the Board.

For and on behalf of the Board of Directors
For **MAX ESTATES LIMITED**



Rishi Raj
Whole Time Director
DIN: 08490762



Bishwajit Das
Director
DIN: 00029455

Date: May 16, 2022
Place: Noida, U.P.

Correspondence Add.: Max Towers, L-12, C- 001/A/1
Sector- 16B Noida Gautam Buddha Nagar UP 201301

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

The Board of Directors has adopted a CSR Policy as recommended by the Corporate Social Responsibility Committee, which comprise of Vision and Mission Statement, philosophy and objectives.

Under the said policy, the Company had proposed to undertake or contribute for the activities relating to community development, promotion of healthcare and education etc.

2. Composition of the CSR Committee

The requirement for constitution of the Corporate Social Responsibility Committee is not applicable on the Company and pursuant to the provisions of Section 135 of the Act, role of the Corporate Social Responsibility Committee is being discharged by the Board of Directors of the Company.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company

Not Applicable

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- Nil

6. Average net profit of the Company as per section 135(5)

NIL

7. CSR Obligation of the Company

- (a) Two percent of average net profit of the : NIL
company as per section 135(5)

(b) Surplus arising out of the CSR projects or : NIL
programmes or activities of the previous
financial years

(c) Amount required to be set off for the : NIL
financial year, if any

(d) Total CSR obligation for the financial year : NIL
(7a+7b-7c)

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	Not Applicable				

(b) Details of CSR amount spent against ongoing projects for the financial year

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project	(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial Year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency
				State District						Name CSR Registration number
Not Applicable										

(c) Details of CSR amount spent against other than ongoing projects for the financial year

(1) Sl. No.	(2)	(3)	(4) Local area (Yes/No)	(5) Location of the project	(6)	(7) Mode of implementation	(8) Mode of Implementation -

	Name of the Project	Item from the list of activities in Schedule VII to the Act				Amount spent for the project (in Rs.)	- Direct (Yes/No)	Through Implementing Agency	
				State	District			Name	CSR Registration number
Not Applicable									

(d) Amount spent in Administrative Overheads

Not Applicable

(e) Amount spent on Impact Assessment, if applicable

Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

Not Applicable

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial years. (in Rs.)

		Year (in Rs.).	Name of the Fund	Amount (in Rs)	Date of transfer	
1	2017-18	Nil	Not Applicable	Nil	Not Applicable	Nil
2	2018-19	Nil	Not Applicable	Nil	Not Applicable	Nil
3	2019-20	Nil	Not Applicable	Nil	Not Applicable	Nil
	Total	Nil	Not Applicable	Nil	Not Applicable	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on the project in the reporting Financial Year (in Rs.)	(8) Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	(9) Status of the project - Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Asset-wise details	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
None				

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)

Not Applicable

For and on behalf of the Board of Directors
For **MAX ESTATES LIMITED**



Rishi Raj
Whole Time Director
DIN: 08490762



Bishwajit Das
Director
DIN: 00029455

Date: May 16, 2022
Place: Noida, U.P.

Correspondence Add.: Max Towers, L-12, C- 001/A/1
Sector- 16B Noida Gautam Buddha Nagar UP 201301

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details of top 10 employees in terms of remuneration drawn, including:

- A. Employees who were employed throughout the year and were in receipt of remuneration of not less than Rs.1,02,00,000/-: Not Applicable
- B. Employees employed for a part of the financial year and were in receipt of remuneration of not less than Rs.8,50,000/- per month: Not Applicable

C. Other Employees:

Sl. No	Name	Designation	Age (Yrs.)	Remuneration (Rs.)	Qualification	Exp. (Years)	Date of employment	Last Employment
1	Mr. Rajendra Singh	Head – Projects	51	76,43,394/-	PGD – Business Management	26	July 01, 2020	Virtuous Retail South Asia Pvt. Ltd.
2	Mr. Amit Sachar	General Manager	40	72,53,101/-	Post Graduate Diploma in Management	20	July 10, 2017	Unitech Ltd.
3	Mr. Anshul Gaurav	Head – Growth	34	58,20,403/-	Post Graduate Programme in Management with Indian Business School	12.5	October 16, 2017	Lodha Group
4	Mr. Pankaj Rathi	Head - Leasing	49	43,89,816/-	Master of Business Administration (MBA)	22	May 3, 2021	L&T Reality
5	Mr. Sharad Kumar	Project Finance Controller	47	41,60,566/-	Chartered Accountant	18	April 01, 2016	Piveta Estates Pvt. Ltd.
6	Mr. Puneet Sood	General Manager	47	41,01,231/-	B. Com	25	April 01, 2016	Siva Reality Ventures Pvt. Ltd.
7	Ms. Kanika Soni	Head - Growth	37	39,17,910/-	Post Graduate Programme in Management with Indian Business School	10.5	June 28, 2021	M3M India Pvt. Ltd.
8	Mr. Manish Bhardwaj	Deputy General Manager	43	35,44,558/-	Advanced Diploma in Business Management	17	April 01, 2016	Siva Reality Ventures Pvt. Ltd.
9	Mr. Kumar Shubham	Senior Manager - Human Capital	34	32,01,205/-	Post Graduate Diploma – HR Management with XLRI	9.5	June 30, 2020	Yes Bank
10	Mr. Vishal Sharma	Senior Manager - Planning & Costing	36	24,80,592.26/-	B.E.(Civil)	15	April 01, 2016	Siva Reality Ventures Pvt. Ltd.

For and on behalf of the Board of Directors
For **MAX ESTATES LIMITED**



Rishi Raj
Whole Time Director
DIN: 08490762



Bishwajit Das
Director
DIN: 00029455

Date: May 16, 2022
Place: Noida, U.P

Correspondence Add.: Max Towers, L-12, C-001/A/1, Sector- 16B Noida Gautam Buddha Nagar UP 201301

Notes:

1. Remuneration comprises of salary, allowances, value of rent free accommodation, bonus, medical expenses, leave travel assistance, personal accident and health insurance, Company's contribution to provident fund, pension, gratuity and superannuation fund, leave encashment and value of perquisites.
2. None of the employees mentioned above is related to any Director of the Company.
3. All appointments are on rolls of the Company and in accordance with the terms and conditions as per Company Rules / Policies.
4. During FY 2021 -22, No employee was in receipt of remuneration in excess of remuneration of Whole Time Directors and COO of the Company and held himself/herself or along with his/her spouse and dependent children 2% or more of the equity share capital of the Company.

Independent Auditor's Report**To The Members of Max Estates Limited****Report on Audit of Financial Statements****Opinion**

We have audited the accompanying Financial Statements of M/s Max Estates Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the Information required by the Companies Act, 2013 ("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 state of affairs of the Company as at March 31, 2022, of its profit and total comprehensive Income (comprising profit and other comprehensive Income), changes in equity and its cash flows for the year then ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are Independent of the Company in accordance with the Code of Ethics Issued by the Institute of Chartered Accountants of India (ICAI) 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 opinion.

Other Information

The Company's Board of Directors is responsible for the other Information. The other Information comprises the information included in the director's report, but does not include the financial statements and our auditor's report thereon. The director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other Information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



When we read the director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

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

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal



control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss Including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) rules, 2015 as amended.
- e. On the basis of the written representations received from the directors as on 31st March, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g. The provisions of Section 197 read with Schedule V to the Act are not applicable to the company for the year ended 31st March, 2022.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in the Financial Statements (refer Note no. 26(II) of financial statements);
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared/paid any dividend during the year and hence provisions of section 123 of the Act is not applicable.



DINESH KUMAR BACHCHAS

Partner

Membership No. 097820

For and on behalf of

K.K.MANKESHWAR & CO.,

Chartered Accountants

FRN:- 106009W

UDIN122097820 ASGNXC9862

New Delhi, dated the

16th May, 2022



Annexure "A" to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (I) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(II) The Company has maintained proper records showing full particulars of Intangible assets.
 - (b) The fixed asset have been physically verified by the management during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed asset is reasonable having regard to the size of the company and the nature of its asset.
 - (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
3. According to the information and explanations given to us, the Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable to the company. Further, since the company is an Infrastructure company within the meaning of schedule VI of the companies Act, 2013, the provision of section



186 of companies Act, 2013 is not applicable and hence not commented upon.

5. The Company has not accepted any deposits from the public within the meaning of Section 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Hence reporting under clause 3(v) of the Order is not applicable.
6. We have broadly reviewed the books of account maintained by the Company pursuant the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in relation to construction Industry and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. In respect of statutory dues:
 - a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Duty of Customs, Cess and any other statutory dues, as applicable with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanations given to us and the records of the Company, details of Sales Tax and Value Added Tax which have not been deposited as at March 31, 2022 on account of dispute are given below:

Nature of the statute	Nature of Dues	Forum where Dispute is pending	Period to which the Amount Relates	Amount (In Lakhs)
UK VAT Act, 2005	Value Added Tax	Joint Commissioner (Appeals)	A.Y. 2016-17	21.24*

* Net of Protest

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



9. (a) According to the information and explanations give to us and based on our examination of the records of the Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) The Company has not raised any funds on short term basis. Hence reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) On an overall examination of the financial statements of the Company, the Company has taken funds from entity on account of or to meet the obligations of its subsidiaries as below:

Nature of Fund Taken	Name of Lender	Amount Involved (amount in Lacs)	Name of the subsidiary, Joint Ventures, Associates	Relation	Nature of Transaction for which funds utilized	Remarks, if any
Unsecured Loan from Holding Company	Max Ventures & Industries Limited	500.00	Pharmax Corporation Limited	Subsidiary	Unsecured Loan-Operational Expenses	

- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.



13. According to the information and explanation given by the management, all transaction with related parties are in compliance with section 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the notes to financial Statement, as required by the applicable accounting standards. The provision of section 177 are not applicable to the company and accordingly reporting under clause 3(xlii) in so far as it relates to section 177 of the Act is not applicable to the company and hence not commented upon.
14. (a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation given to us by the management, the Group has one CIC which is registered with the Reserve Bank of India.
17. The Company has not incurred cash losses during the financial year covered by our audit and the Company has incurred cash losses in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date



of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20. The provisions of section 135 of the companies Act, 2013 does not apply to the Company. Accordingly the provisions of clause 3(xx) of the Order are not applicable to the Company and hence not commented upon.



DINESH KUMAR BACHCHAS

Partner

Membership No. 097820

K. K. Mankeshwar & Co.,

Chartered Accountants

FRN - 106009W

UDIN: 22097820 ASQ NDLA862

New Delhi; dated the

16th May, 2021



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE 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")

We have audited the internal financial controls over financial reporting of M/s Max Estates Limited ("the Company") as of March 31, 2022 In conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal financial controls over financial reporting to future periods are subject to the risk that the Internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting Issued by the Institute of Chartered Accountants of India.


DINESH KUMAR BACHCHAS

Partner

Membership No. 097820

For and on behalf of

K.K.MANKESHWAR & CO.,

Chartered Accountants

FRN:- 106009W

UDIN, 22097820ASGNAL9862

New Delhi, dated the

16th May, 2022



Max Estates Limited
Balance sheet as at March 31, 2022

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	114.91	83.05
Investment Property	3.1	7,451.46	7,446.94
Other Intangible assets	4	3.45	5.78
Financial assets	5		
(i) Investment		50,003.88	49,707.57
(ii) Other financial assets		1,357.97	715.19
Other non current assets	6	953.55	270.72
Deferred tax assets		86.51	-
		59,971.74	58,129.25
Current assets			
Inventories	7	1,345.25	3,217.27
Financial assets	8		
(i) Trade receivables		162.95	50.64
(ii) Cash and cash equivalents		56.05	287.77
(iii) Bank balances other than (ii) above		3,543.88	5,291.60
(iv) Loans		3,089.57	1,233.92
(v) Other financial assets		335.98	108.21
Other current assets	9	333.69	455.90
		8,867.37	10,645.31
TOTAL ASSETS		68,839.11	68,774.56
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	7,791.00	7,791.00
Other equity	10	52,800.41	52,143.44
Total equity		60,591.41	59,934.44
Non-current liabilities			
Financial liabilities			
(i) Borrowings	11	3,661.88	3,805.08
(ii) Other financial liability	12	830.02	379.63
Provisions	13	56.82	42.55
		4,548.72	4,227.26
Current liabilities			
Financial liabilities	14		
(i) Borrowings		2,830.10	3,342.60
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		4.63	159.79
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		307.96	552.55
(iii) Other financial liabilities		129.98	90.01
Other current liabilities	15	343.56	488.81
Provisions	16	82.75	79.10
		3,698.98	4,712.86
TOTAL LIABILITIES		8,247.70	8,940.12
TOTAL EQUITY AND LIABILITIES		68,839.11	68,774.56

Summary of significant accounting policies
Other notes on accounts

The accompanying notes are integral part of the financial statements

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W



New Delhi, dated the
16th May, 2022

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

Bishwajit Das
(Director)
(DIN 00029455)

Kishansingh Ramnigrahy
(Director)
(DIN 00329411)

Nitin Kumar Kansal
(Chief Financial Officer)

Place: **Moida**
Date: **16th May 2022**

Max Estates Limited
Statement of profit and loss for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from operations	17	3,901.22	1,872.19
Other income	18	1,046.49	1,070.99
Total income		4,947.71	2,943.18
EXPENSES			
Cost of material consumed, construction & other related project cost	18.1	-	-
(Increase)/decrease in inventories of work-in-progress	18.2	1,850.95	1,557.96
Employee benefits expense	19	598.73	501.75
Finance costs	20	725.88	1,156.56
Depreciation and amortization expense	21	144.47	66.01
Other expenses	22	1,101.22	876.54
Total expenses		4,421.25	4,158.82
Profit/(Loss) before tax		526.46	(1,215.64)
Tax expenses			
- Current tax		-	-
- Income tax for earlier years		-	0.07
- Deferred tax		-	-
Total tax expense		-	0.07
Profit/(Loss) after tax		526.46	(1,215.71)
Other comprehensive income			
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Re-measurement losses on defined benefit plans			
Income tax effect	23	3.93	(9.79)
Other comprehensive income/(loss) for the year		3.93	(9.79)
Total comprehensive income/(loss) for the year		530.39	(1,225.50)
Earnings per equity share (Nominal Value of share Rs.10/-) (refer note 24)			
Basic (Rs.)		0.67	(1.56)
Diluted (Rs.)		0.12	(0.27)
Summary of significant accounting policies	2		
Other notes on accounts	3-39		

The accompanying notes are integral part of the financial statements

Dinesh Kumar Bachchas
DINESH KUMAR BACHCHAS
 Partner

Membership No. 097820
 For and on behalf of
K.K.MANKESHWAR & CO.
 Chartered Accountants
 FRN: 106009W



New Delhi, dated the
16th May, 2022

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

Bishwajit Das
Bishwajit Das
 (Director)
 (DIN 00029455)

Kishansingh Ram Singh
Kishansingh Ram Singh
 (Director)
 (DIN 00329411)

Nitin Kumar Kansal
Nitin Kumar Kansal
 (Chief Financial Officer)

Place: **Noida**
 Date: **16th May 2022**

Max Estates Limited
Statement of cash flows for year ended March 31, 2022

	(Rs. in Lacs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit/(Loss) before tax	526.46	(1,215.64)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	141.72	63.28
Amortization of intangible assets	2.75	2.73
Employee stock option scheme expenses	-	25.57
Liability no longer required written back	(30.57)	(3.46)
Loss on disposal of property, plant and equipment	0.42	3.83
Interest income	(941.41)	(1,049.80)
Guarantee fee income	(14.72)	-
Profit on sale of current investment	-	(0.20)
Finance costs (including fair value change in financial instruments)	725.88	1,098.92
Operating profit before working capital changes	410.53	(1,074.77)
Working capital adjustments:		
Increase/ (decrease) in trade payables	(369.92)	(112.14)
Increase/ (decrease) in long-term provisions	14.27	(5.55)
Increase/ (decrease) in other non current financial liability	-	117.23
Increase/ (decrease) in short-term provisions	3.65	5.76
Increase/ (decrease) in other current liabilities	(145.25)	116.68
Increase/ (decrease) in other financial liabilities	508.92	30.20
Decrease / (increase) in trade receivables	(112.31)	(33.54)
Decrease / (increase) in inventories	1,872.01	1,527.13
Decrease / (increase) in other current and non current assets	(121.87)	94.24
Decrease / (increase) in current and non current financial assets	(170.27)	17.89
Cash generated from operations	1,889.78	683.13
Income tax paid	(140.52)	(78.83)
Net cash flows used in operating activities	1,749.26	604.30
Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets, CWIP and capital advances)	(54.79)	(38.57)
Proceeds from sale of property, plant and equipment	0.72	7.00
Investment in Subsidiary company	-	(2,421.45)
Loan/Repayment of loan from/to subsidiary company	(1,855.65)	(1,233.93)
Investment in Investment property	(674.69)	(1,634.39)
Investment in Mutual Fund	-	0.20
Interest received	247.27	429.50
Net cash flows used in investing activities	(2,337.14)	(4,891.64)
Cash flow from financing activities		
Proceeds from issue of compulsorily convertible debentures	-	20,200.00
Interest paid	(729.72)	(1,087.04)
Proceeds from short-term borrowings from Holding/subsidiary company (net)	(599.13)	(17,063.06)
Proceeds/(Repayment) from/of long-term borrowings	(62.70)	2,407.69
Net cash flows from financing activities	(1,391.54)	4,457.59
Net increase/(decrease) in cash and cash equivalents	(1,979.44)	170.25
Cash and cash equivalents at the beginning of the year	5,579.37	5,409.12
Cash and cash equivalents at year ended	3,599.93	5,579.37

Particulars	As at 1st April, 2021	Net Cash Flows	Others	As at 31st March, 2022
Non-current borrowings	3,805.08	(149.33)	6.13	3,661.88
Short term/ Current maturities of Borrowings	3,342.60	(512.50)	-	2,830.10
Investments	49,707.57	-	296.31	50,003.88
Total	56,855.25	(661.83)	302.44	56,495.86

Particulars	As at 1st April, 2020	Net Cash Flows	Others	As at 31st March, 2021
Non-current borrowings	1,479.99	2,322.39	2.70	3,805.08
Short term/ Current maturities of Borrowings	20,339.60	(16,997.00)	-	3,342.60
Investments	47,286.13	2,399.80	21.64	49,707.57
Total	69,105.72	(12,274.81)	24.34	56,855.25



Components of cash and cash equivalents :-

	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
On current accounts	55.16	286.99
Deposits with remaining maturity for less than 12 months	3,543.88	5,291.60
Cash on hand	0.89	0.78
	<u>3,599.93</u>	<u>5,579.37</u>
Summary of significant accounting policies	2	
Contingent liabilities, commitments and litigations	26	
Other notes on accounts	3-39	

The accompanying notes are integral part of the financial statements

DINESH KUMAR BACHCHAS

Partner

Membership No. 097820

For and on behalf of

K.K.MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W



New Delhi, dated the

16th May, 2022

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

Bishwajit Das
(Director)
(DIN 00029455)

Kishansingh Ramsinghane
(Director)
(DIN 00329411)

Nitin Kumar Kansal
(Chief Financial Officer)

Place : Noida

Date: 16th May 2022

Max Estates Limited
Statement of changes in equity for the year ended March 31, 2022

a) Equity share capital
Particulars

	No.	(Rs. in Lacs)
As at March 31, 2020		
Add: Equity share issued during the year (refer note 10(i))	7,79,10,000	7,791.00
As at March 31, 2021		
Add: Equity share issued during the year (refer note 10(i))	7,79,10,000	7,791.00
As at March 31, 2022	7,79,10,000	7,791.00

b) Other equity

Particulars	Reserves and surplus		Employee Stock Options	Other comprehensive income	Equity Component - Compulsorily Convertible Debentures (CCD)	Total equity
	Other equity	Retained earnings				
As at March 31, 2020						
Profit/(Loss) for the year	28.74	3,491.55	-	-	57,164.00	61,301.19
Other comprehensive income for the year	-	(1,215.71)	-	-	-	(1,215.71)
Other equity created on account of guarantee fees	42.18	-	-	(9.79)	-	(9.79)
ESOP given during the year (refer note 30)	-	-	25.57	-	-	25.57
Equity component of compulsorily convertible debentures	-	-	-	-	-	-
As at March 31, 2021	70.92	5,107.26	25.57	-9.79	57,164.00	62,143.44
Profit/(Loss) for the year	-	526.46	-	-	-	526.46
Other comprehensive income for the year	-	-	-	3.93	-	3.93
Other equity created on account of guarantee fees	-	-	-	-	-	-
ESOP given during the year (refer note 30)	-	-	40.07	-	-	40.07
Add: Tax impact on equity portion of interest free loan	86.51	-	-	-	-	86.51
As at March 31, 2022	157.43	5,633.72	65.64	(5.86)	57,164.00	63,415.41

Summary of significant accounting policies 2
Other notes on accounts 3-39

The accompanying notes are integral part of the financial statements

DINESH KUMAR BACHCHAS
Partner
Membership No. 097820
For and on behalf of
K.K.MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W



New Delhi dated the
16th May, 2022

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

Bishwajit Das
(Director)
(DIN 00029455)

Kishanlalugh Ramalinghany
(Director)
(DIN 00329411)

Nitin Kumar Khandel
(Chief Financial Officer)

Place
Date

Moida
16th May 2022

1 Corporate Information

Max Estates Limited (the Company) is a company registered under Companies Act, 2013 and incorporated on 22nd March 2016. The Company engaged in the business of Real Estates development. Registered office of the Company is located at 419, Bhai Mohan Singh Nagar, Village Railmagra, Tehsil Balachaur, Nawanshehar, Punjab - 144533

The financial statements were authorised for issuance in accordance with resolution of directors on May 16, 2022.

2 Significant accounting policies

2.1 Basis of preparation

These separate financial statement of the Company 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), as applicable to these separate financial statements.

The 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 that are measured at fair value

Financial Statement are presented in INR and all values are rounded to nearest Lacs (INR 00,000) except when otherwise stated

2.2 Summary of significant accounting policies

a. Current versus non-current classification

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

The Company 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 selling and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Property, Plant and Equipment

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

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

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

The company 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.

Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Assets Useful lives estimated by the management (years)

Furniture and fixtures	10 Years
Office equipment	5 Years



Computers
Vehicles

3 Years
8 Years

c. 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 Group 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 life of the assets, up to 10 years.

Asset category Estimated

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 Group 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:

Building and related equipments : 15 to 60 years

Plant & machinery, furniture & fixtures and other equipments : 6 to 10 years

d. 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 recognized in changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised 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.

e. Impairment of non financial assets

The Company 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 Company 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 Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company'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 Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In this case, the growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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 may no longer exist or may have decreased. If such indication exists, the Company 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 losses 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.

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 Company 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 Company commits to purchase or sell the asset.

Subsequent measurement

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

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

Debt instruments at amortized cost

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

- (i) Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to released its fair value change), and
- (ii) Cash flow characteristics test : Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

This category is the most relevant to the Company. 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 company 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 Fair value through profit and loss

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.

Derecognition

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

~~(a) the rights to receive cash flows from the asset have expired; or~~
~~(b) the Company has transferred its rights to receive cash flows from the asset or has assumed a contractual obligation to pay the cash flows to a third party under a "pass-through" arrangement; and either~~

- (a) the Company has transferred the rights to receive cash flows from the financial assets or
- (b) the Company 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 Company has transferred an asset, the Company 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 Company 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 Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Inventories

Inventories 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.

Impairment of financial assets

In accordance with IND AS 109, the Company 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 amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

The Company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company 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 Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed



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

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

Reclassification of financial assets

The Company 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 Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company 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 Company 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 Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money and other payables.

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

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company 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 Company 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 Company are those contracts that requires a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment 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 amortization.

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 as exchange or replacement 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 balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

g. Investment in Subsidiaries

The investment in subsidiaries are carried at cost as per IND AS 27. Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

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

- Buyers take all the benefits of the property as real estate developers construct the property.
- 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.

(ii) Revenue from shared services

Revenue from shared services is recognized over the period of contract, as and when services are rendered

(iii) 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.

(iv) 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.

(v) Interest and direct expenditure attributable to specific projects are capitalized in the cost of project, other interest and indirect costs are treated as 'Period Cost' and charged to Profit & Loss account in the period in which it is incurred.

(vi) All other incomes and expenditures are accounted for on accrual basis

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

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

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 to the asset or liability when the asset is realized or the liability is settled. Based on the current 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.

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

j. Borrowing costs

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. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

k. Leases

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

Company as a lessee

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

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

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

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



Company as a lessor

Leases in which the Company 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 Company 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 Company 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 Company 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 Company contributed to employees provident fund benefits through recognised provident fund, contribution to fund has been on monthly basis for employees and employer

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.

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 (liability/asset). The Company recognised the following changes in the net defined benefit liability under employee benefit expenses in statement of profit and loss:

- (A) Settlement comprising current service cost, past service cost, gain & loss on curtailments and on funding settlements
- (B) Net interest expenses or income

Compensated Absences

Accumulated leave, which is expected to be settled within the next 12 months, is treated as short-term employee benefit. The Company 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 Company 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 Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

Short-term obligations

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

n. 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

o. Earning per share

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

p. Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). the Company's financial statements are presented in Indian rupee (₹) which is also the Company'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.



Measurement of foreign currency items at the balance sheet date

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

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

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

9. Fair value measurement

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 Company.

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.

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

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
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Financial instruments (including those carried at amortised cost)

2.3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16

Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37

Provisions, Contingent Liabilities and Contingent Assets - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

2.4 Significant accounting judgements, estimates and assumptions

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

(a) Determining the lease term of contracts with renewal and termination options - Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset)

The Company included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised

Property lease classification - Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases

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 Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



(a) Defined benefit plans

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

(b) Fair value measurement of financial instruments

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 Company use Net asset value for valuation of investment in mutual fund.

(c) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. the Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(d) Impairment of non-Financial assets

The Company 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 Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an 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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.



Max Estates Limited
Notes forming part of the financial statements
3. Property, plant and equipment (PPE)

	Office equipment	Furniture and fixture	Motor vehicles *	Computers and data processing units	Total
At cost					
As at March 31, 2020	2.26	0.93	81.40	30.54	115.13
Additions	-	0.09	29.49	6.24	35.82
Disposals	-	-	15.24	0.45	15.69
As at March 31, 2021	2.26	1.02	95.65	36.33	135.26
Additions	-	-	33.61	19.48	55.10
Disposals	-	-	-	22.67	22.67
As at March 31, 2022	2.26	1.02	131.26	33.14	167.69
Depreciation					
As at March 31, 2020	1.20	0.19	18.09	22.32	41.80
Additions	0.43	0.09	10.26	4.49	15.27
Disposals	-	-	4.45	0.40	4.85
As at March 31, 2021	1.63	0.28	23.90	26.41	52.22
Additions	0.31	0.10	13.97	7.71	22.09
Disposals	-	-	-	21.53	21.53
As at March 31, 2022	1.94	0.38	37.87	12.59	52.78
Net carrying amount					
As at March 31, 2022	0.32	0.64	93.39	20.55	114.91
As at March 31, 2021	0.63	0.74	71.76	9.92	83.05

* Motor vehicle amounting to Rs.75.93 lacs (March 31,2021 Rs.62.41 lacs) subject to charge against vehicle loan taken from bank.



3.1. Investment property

Net carrying amount
As at March 31, 2022
As at March 31, 2021

Investment Property	Rs in Lacs	Investment Property under Development
-	5,803.54	
7,494.95	1,691.41	
7,494.95	7,494.95	
124.15	-	
7,619.10	-	
48.01	-	
48.01	-	
179.54	-	
167.64	-	
7,451.46	-	
7,446.94	-	

(i) Contractual obligations

(ii) Capitalised borrowing cost

(iii) Amount recognized in profit and loss for investment properties

Run Lines

353.83

328,24

25.59

123.70

(98.12)

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 1.5% on every 3 years, vacancy rate of 3% and discount rate of 12.00%.

Opening balance as at 1 April 2021

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Rs.8500 to 10000 (each)

The present value is determined based on projected cash flows discounted at an appropriate rate.



Max Estates Limited**Notes forming part of the financial statements****4. Intangible assets**

	(Rs in Lacs)	
	Computer software	Total
At cost		
As at March 31, 2020	17.43	17.43
Additions	-	-
Disposals	-	-
As at March 31, 2021	17.43	17.43
Additions	0.42	0.42
Disposals	-	-
As at March 31, 2022	17.85	17.85
Amortization		
As at March 31, 2020	8.91	8.91
Additions	2.74	2.74
Disposals	-	-
As at March 31, 2021	11.65	11.65
Additions	2.75	2.75
Disposals	-	-
As at March 31, 2022	14.40	14.40
Net carrying amount		
As at March 31, 2022	3.45	3.45
As at March 31, 2021	5.78	5.78



Max Estates Limited
Notes forming part of the financial statements
5. Non Current financial assets

Investment

	(Rs. in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Investment in equity instrument (value at cost)		
Investments in subsidiaries		
Unquoted equity shares		
(a) Max Towers Pvt Ltd (formerly known as Wise Zone Builders Pvt. Ltd)		
6,50,60,000 Equity shares of Rs. 10 each fully paid up (March 31, 2021 - 6,50,60,000 Equity Shares)	6,506.00	6,506.00
(b) Max Square Ltd (formerly known as Northern Propmart Solutions Limited)		
3,57,10,000 Equity shares of Rs. 10 each fully paid up (March 31, 2021 - 3,57,10,000 Equity shares)	3,571.00	3,571.00
(c) Pharmax Corporation Limited		
(4,71,22,747 Equity shares of Rs. 10 each fully paid up (March 31, 2021 - 4,71,22,747 Equity shares)	6,073.05	6,073.05
Cumulative Convertible Preference Shares		
(a) Pharmax Corporation Limited		
(3,00,000 10% Cumulative Convertible Preference shares of Rs. 100 each fully paid up (March 31, 2021 - 3,00,000)	3,900.00	3,900.00
Unquoted Compulsory Convertible Debentures		
(a) Max Towers Pvt Ltd (formerly known as Wise Zone Builders Pvt. Ltd)		
26020 Debentures of Rs. 1,00,000 each fully paid up (March 31, 2021 - 26020 Debentures)	26,020.00	26,020.00
(b) Max Square Ltd (formerly known as Northern Propmart Solutions Limited)		
3,57,10,000 Debentures of Rs. 10 each fully paid up (March 31, 2021 - 3,57,10,000 Debentures)	3,571.00	3,571.00
Equity component of guarantee given for loan		
(a) Max Towers Pvt Ltd (formerly known as Wise Zone Builders Pvt. Ltd)	47.75	47.75
(b) Max Square Ltd (formerly known as Northern Propmart Solutions Limited)	18.77	18.77
Equity portion of interest free loan (net of deferred tax)		
Pharmax Corporation Limited	212.29	-
	49,746.69	49,707.57
Aggregate value of unquoted investments	49,746.69	49,707.57
Aggregate value of loan	49,746.69	49,707.57
5. Non Current financial assets		
Other financial assets		
Security deposits	29.90	29.90
Interest accrued on CCD's	1,328.07	685.29
	1,357.97	715.19
6. Other non-current assets		
Deferred tax assets	52.86	61.09
Tax effect of interest free loan	350.14	209.63
Capital Advances	550.55	-
	953.55	270.72
6.1. Deferred tax assets		
Tax impact of equity portion of interest free loan	86.51	-
	86.51	-



Max Estates Limited
Notes forming part of the financial statements

	(Rs. in Lacs)	
	As at March 31, 2022	As at March 31, 2021
7. Inventories		
Construction Materials	19.66	40.73
Finished Goods	1,138.84	2,835.54
Work-in-process	186.75	341.00
	1,345.25	3,217.27



	(Rs. in Lacs)	
	As at March 31, 2022	As at March 31, 2021

8. Current financial assets

(i) Trade receivables

Unsecured :-

Unsecured, considered good *

162.95 50.64

162.95 50.64

* includes Rs.150.14 lacs (Previous year Rs.18.79 lacs) due from related parties

Ageing of trade receivable as on 31st March 2022		Outstanding for following periods from due date of payment					Total
Undisputed Trade receivables – considered good		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As on March 31, 2022		146.63	3.30	13.02	-	-	162.95
As on March 31, 2021		37.87	12.77	-	-	-	50.64

(ii) Cash and cash equivalents

Balances with banks:

On current accounts

55.16 286.99

Cash in hand

0.89 0.78

56.05 287.77

(iii) Bank balances other than (ii) above

Deposits with remaining maturity for more than 3 months but less than 12 months

3,543.88 5,291.60

3,543.88 5,291.60

(iv) Loans

Loans to related parties (refer note 33b)

3,089.57 1,233.92

3,089.57 1,233.92

(v) Other financial assets

Rent receivable (Equalisation)

205.09 28.68

Interest accrued on deposits

128.86 77.50

Security Deposit

2.03 2.03

335.98 108.21

9. Other current assets

(Unsecured, considered good)

Advances :-

- from related party

36.37 104.71

- from others

14.31 5.76

Deferred guarantee fee

4.12 4.12

Prepaid expenses

96.89 94.82

Balance with statutory authorities

183.20 246.49

333.69 455.90



10. Share capital and other equity

(i) Equity share capital

	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
a) Authorized		
7,80,00,000 equity shares of Rs. 10/- each (March 31, 2021 - 7,80,00,000 equity shares of Rs. 10/- each)	7,800.00	7,800.00
	7,800.00	7,800.00
Issued, subscribed and fully paid-up		
7,79,10,000 equity shares of Rs. 10/- each (fully paid up (March 31, 2021 - 7,79,10,000 equity shares of Rs. 10/- each)	7,791.00	7,791.00
Total issued, subscribed and fully paid-up share capital	7,791.00	7,791.00

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

Equity shares	March 31, 2022		March 31, 2021	
	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)
At the beginning of the year	7,79,10,000	7,791.00	7,79,10,000	7,791.00
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	7,79,10,000	7,791.00	7,79,10,000	7,791.00

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 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, 2022		March 31, 2021	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid-up Max Ventures & Industries Limited	7,79,09,994	99.9999%	7,79,09,994	99.9999%

e) Details of shares held by holding company

Name of the Shareholder	March 31, 2022		March 31, 2021	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid-up Max Ventures & Industries Limited	7,79,09,994	99.9999%	7,79,09,994	99.9999%

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

g) Shareholding of Promoters

Shares held by promoters at the end of the year				
As at	Promoter Name	No. Of shares	% of total shares	% Change during the year
March 31, 2022	Max Ventures & Industries Limited	7,79,09,994	99.9999%	Nil
March 31, 2021	Max Ventures & Industries Limited	7,79,09,994	99.9999%	Nil



Max Estates Limited
Notes forming part of the financial statements

(ii) Other equity

	(Rs. in Lacs)	
	As at	As at
	March 31, 2022	March 31, 2021
Compulsorily Convertible Debentures (CCD) (refer note a below)	57,164.00	57,164.00
Other equity (refer note b below)	223.07	96.49
Retained earnings (refer note c below)	(4,586.66)	(5,117.05)
	52,800.41	52,143.44

Notes:

a) Compulsorily Convertible Debentures (CCD)

At the beginning of the year	57,164.00	36,964.00
Add: additions during the year	-	20,200.00
At the end of the year	57,164.00	57,164.00

b) Other equity

At the beginning of the year	96.49	28.74
Add: additions on account equity created on guarantee fees & ESOP	40.07	67.75
Add: Tax impact on equity portion of interest free loan	86.51	-
At the end of the year	223.07	96.49

c) Retained earnings

At the beginning of the year	(5,117.05)	(3,891.55)
Profit/(Loss) for the year	526.46	(1,215.71)
Re-measurement of post employment benefit obligation (net of tax) (item of OCI)	3.93	(9.79)
At the end of the year	(4,586.66)	(5,117.05)



Max Estates Limited
Notes forming part of the financial statements

11. Borrowings

	(Rs. in Lacs)	
	As at	As at
	March 31, 2022	March 31, 2021
Non-current borrowings		
Term loans (secured)		
From banks	3,793.64	3,859.23
Vehicle loans from Bank (secured)	31.34	28.45
	3,824.98	3,887.68
Less: Amount disclosed under "other current financial liabilities" [refer note 14(i)]	163.10	82.60
	3,661.88	3,805.08
Aggregate Secured loans	3,824.98	3,887.68
Aggregate Unsecured loans	-	-

Vehicle loan :-

Vehicle loans amounting to Rs. 31.34 Lakhs (March 31, 2021 - Rs. 28.45 Lacs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1-3 years. Rate of interest is 7.60%, 7.65%, 7.80% 8.20% and 9.00%

Term Loan from Banks :-

- The Company has taken secured term loan facility for 4,500 Lakhs loan from ICICI Bank Limited. Out of this facility the company has drawn 3,905 lakhs till March 31, 2022. The Facility, all interest thereon, costs, charges, expenses and all other monies in respect thereof shall be secured by:
- Exclusive charge by way of equitable mortgage over the Project being developed by the Borrower on the Property.;
- Exclusive charge by way of hypothecation on the Scheduled Receivables of the Project and all insurance proceeds, both present and future
- Exclusive charge by way of hypothecation on the Escrow Accounts of the Project and the DSR Account and all monies credited/deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be)

The security as required by Lender shall be created in favour of Lender, in a form and manner satisfactory to Lender.

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

Repayment terms:-

The repayment of principal amount of facility need to be made in 108 instalments commencing from 1 month from the first drawdown date



Max Estates Limited
Notes forming part of the financial statements

		(Rs. in Lacs)	
		As at	As at
		March 31, 2022	March 31, 2021
12. Other non current financial liability			
Security Deposit received		762.02	374.41
Deferred Finance Income (Security deposit)		68.00	5.22
		830.02	379.63
13. Long term provision			
Provision for employee benefits		56.82	42.55
Provision for gratuity (refer note 28)		56.82	42.55
		113.64	85.10
14. Current financial liabilities			
(i) Borrowings			
Loan from related party (Unsecured) *		2,667.00	3,260.00
Current maturity of long term borrowings (refer note 11)		163.10	82.60
		2,830.10	3,342.60
* interest bearing loan @ 9.25%, repayable on demand			
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises*		4.63	159.79
Total outstanding dues of creditors other than micro enterprises and small enterprises			
- Payable to related parties			
- Others		307.96	552.55
		312.59	712.34
Trade Payables ageing schedule as on 31st March 2022			
Particulars	Outstanding for following periods from due date of payment		
	<1 year	1-2 years	2-3 years
(i) MSME	4.63		
(ii) Others	296.09	11.87	-
(iii) Disputed dues-MSME	-	-	-
(iv) Disputed dues -others	-	-	-
Trade Payables ageing schedule as on 31st March 2021			
Particulars	Outstanding for following periods from due date of payment		
	<1 year	1-2 years	2-3 years
(i) MSME	159.79	-	-
(ii) Others	548.03	4.52	-
(iii) Disputed dues-MSME	-	-	-
(iv) Disputed dues -others	-	-	-
* Details of dues to micro and small enterprises as per MSMED Act, 2006			
As per the Act, the Company is required to identify the Micro and small suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with such suppliers. Based on the information available with the Company, none of the creditors have confirmed the applicability of act on them. Hence, the liability of the interest and disclosure are not required to be disclosed in the financial statements.			
(iii) Other current financial liabilities			
Interest accrued but not due on borrowings		13.34	17.19
Security deposits		74.06	52.11
Deferred Guarantee Income		39.86	17.99
Deferred Finance Income (Security deposit)		2.72	2.72
		129.98	90.01
15. Other current liabilities			
Statutory dues		89.48	69.80
Advance from Customers		254.08	419.01
		343.56	488.81
16. Short term provision			
Provision for employee benefits			
Provision for leave encashment		81.95	78.56
Provision for gratuity (refer note 28)		0.80	0.54
		82.75	79.10



Max Estates Limited
Notes forming part of the financial statements

17. Revenue from operations

	(Rs. in Lacs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	3,215.58	1,697.87
Revenue from Project Management Consultancy/CAM	685.64	174.32
Total revenue from operations	3,901.22	1,872.19

18. Other Income

Interest Received	941.41	1,049.80
Profit on sale of mutual fund	-	0.20
Guarantee Fee Income	14.72	0.66
Liability no longer required written back	30.57	3.46
Other non-operating income	14.69	11.41
Miscellaneous Income	45.10	5.46
	1,046.49	1,070.99

18.1. Cost of material consumed, construction & other related project cost

Inventories at beginning of year	40.73	9.90
Add: Purchases	-	-
Construction Materials	-	28.14
Civil Construction Work	(21.07)	2.70
	19.66	40.73
Less: inventory at the end of year	19.66	40.73
Cost of material consumed, construction & other related project cost	-	-

18.2. (Increase)/ decrease in work-in-progress

Inventories at end of year		
Finished Goods	1,138.84	2,835.54
Work-in-process	186.75	341.00
	1,325.59	3,176.54
Inventories at beginning of the year		
Finished Goods	2,835.54	4,393.50
Work-in-process	341.00	341.00
	3,176.54	4,734.50
(Increase)/ decrease in work-in-progress	1,850.95	1,557.96



Max Estates Limited
Notes forming part of the financial statements

19. Employee benefits expense

(Rs. In Lacs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	497.12	439.69
Contribution to provident and other funds	33.91	18.87
Employee stock option scheme (refer note 30)	39.57	25.57
Gratuity expense (refer note 28) *	20.48	13.56
Staff welfare expenses	7.39	4.06
	598.47	501.75

* Rs. Nil (Previous year Rs. 1.73 lacs) capitalised as part of investment property

20. Finance costs

Interest on borrowings	682.60	1,098.92
Bank charges	43.27	57.64
	725.87	1,156.56

21. Depreciation and amortization expense

Depreciation on Investment property & property, plant and equipment (refer note 3)	141.72	63.28
Amortization of intangible assets (refer note 4)	2.75	2.73
	144.47	66.01

22. Other expense

Rent	0.05	3.39
Insurance	20.45	17.78
Rates and taxes	79.45	54.48
Repairs and maintenance:		
Others	158.84	37.97
Printing and stationery	0.51	0.53
Travelling and conveyance	18.57	12.15
Communication	2.56	2.70
Legal and professional *	422.63	643.46
Net loss on sale/disposal of fixed assets	0.42	3.83
Membership & Subscription	24.52	46.92
Marketing Expenses	252.50	43.65
Business Promotion	36.82	4.52
Facility Management Charges	64.94	-
Miscellaneous expenses	18.96	5.16
	1,101.22	876.54

* Payment to auditor (included in legal and professional fee)

As auditor:

Audit fee	0.75	0.75
Other services (Limited review & certification fees)	0.50	0.51
	1.25	1.26



23 Other comprehensive income

	(Rs. in Lacs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Re-measurement losses on defined benefit plans	3.93	(9.79)
Income tax effect	-	-
	3.93	(9.79)

24 Earning Per Share

	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic EPS		
Profit/(Loss) after tax (Rs. in Lacs)	526.46	(1,215.71)
Less: dividends on convertible preference shares & tax thereon		
Net profit/(loss) for calculation of basic EPS	526.46	(1,215.71)
Weighted average number of equity shares outstanding during the year (Nos.)	7,79,10,000	7,79,10,000
Basic earnings per share (Rs.)	0.67	(1.56)
Dilutive EPS		
Profit/(Loss) after tax (Rs. in Lacs)	526.46	(1,215.71)
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos.)	44,75,50,000	44,75,50,000
Diluted earnings per share (Rs.)	0.12	(0.27)



Max Estates Limited**Notes forming part of the financial statements****25 Income Tax**

The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021 :

Statement of profit and loss :

Profit and loss section

Particulars	(Rs. in Lacs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax :		
Current tax	-	-
Income tax for earlier years	-	0.07
Deferred tax :		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit and loss	-	0.07

Deferred tax relates to the following:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred tax liabilities	-	-
Differences in depreciation in block of fixed assets as per tax books and financial books	-	-
Difference in book base and tax base in investments	-	-
Others	-	-
Gross deferred tax liabilities (a)	-	-
Deferred tax assets	-	-
Effect of expenditure debited to the statement of Profit and Loss in the current period/earlier periods but allowed for tax purposes in following periods	-	-
Others	86.51	-
Gross deferred tax assets (b)	86.51	-
Mat Credit (c)	-	-
Deferred tax liabilities/(assets) (net)	(86.51)	-

Reflected in the balance sheet as follows:

Reconciliation of deferred tax liabilities (net):

Particulars	(Rs. in Lacs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	-	-
Tax expense/(income) during the period recognised in profit or loss	-	0.07
Tax expense/(income) during the period recognised in OCI	86.51	-
Closing balance	86.51	0.07

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



Max Estates Limited
Notes forming part of the financial statements

26 Commitments and contingencies

i) Capital commitments

	Rs. In lacs	
	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not accounted for	34.94	6.82
Less: Capital Advances	-	0.98
Net Commitment	5.84	5.84

ii) Contingent liabilities

	Rs. In lacs	
	As at March 31, 2022	As at March 31, 2021
Bank Guarantee	5,000.00	5,000.00
Uttarakhand Vat	21.24	-



27 Other notes to accounts

Investment in subsidiaries

(a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 "Separate Financial Statements"

(b) The Company's investments in subsidiaries are as under:

Name of the Subsidiary	Country of Incorporation	Portion of ownership Interest as at March 31, 2022	Portion of ownership Interest as at March 31, 2021	Method used to account for the investment
Max Towers Pvt Ltd (formerly known as Wise Zone Builders Pvt.Ltd.)	India	100%	100%	At deemed cost
Max Square Ltd (formerly known as Northern Propmart Solutions Ltd)	India	51%	51%	At deemed cost
Pharmax Corporation Ltd	India	85%	85%	At deemed cost



28 Gratuity

The Company 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.

		(Rs. in lacs)	
		As at March 31, 2022	As at March 31, 2021
a)	Reconciliation of opening and closing balances of defined benefit obligation		
	Defined benefit obligation at the beginning of the year	43.09	38.39
	Interest expense	2.92	2.61
	Current service cost	17.56	12.72
	Benefit paid	(2.02)	(20.34)
	Acquisition adjustment		(0.08)
	Remeasurement of (Gain)/loss in other comprehensive income		
	Actuarial changes arising from changes in demographic assumptions		
	Actuarial changes arising from changes in financial assumptions		
	Actuarial changes arising from changes in experience adjustments	(3.93)	9.79
	Defined benefit obligation at year end	57.62	43.09
b)	Reconciliation of opening and closing balances of fair value of plan assets		
	Fair value of plan assets at beginning of the year		
	Expected return on plan assets		
	Employer contribution		
	Remeasurement of (Gain)/loss in other comprehensive income		
	Fair value of plan assets at year end		
c)	Net defined benefit asset/ (liability) recognized in the balance sheet		
	Fair value of plan assets		
	Present value of defined benefit obligation		43.09
	Amount recognized in balance sheet- asset / (liability)	57.62	43.09
d)	Net defined benefit expense (recognized in the statement of profit and loss for the year)		
	Current service cost	17.56	12.72
	Past service cost		
	Interest cost on benefit obligation	2.92	2.61
	Expected return on plan assets		
	Net defined benefit expense debited to statement of profit and loss	20.48	15.33
e)	Remeasurement (gain)/loss recognised in other comprehensive income		
	Actuarial changes arising from changes in financial assumptions		
	Actuarial changes arising from changes in experience adjustments	(3.93)	9.79
	Recognised in other comprehensive income	(3.93)	9.79
f)	Broad categories of plan assets as a percentage of total assets		
	Insurer managed funds	0%	0%
g)	Principal assumptions used in determining defined benefit obligation		
	Assumption particulars	for the year ended March 31, 2022	for the year ended March 31, 2021
	Discount rate	7.20%	6.79%
	Salary escalation rate	10.00%	10.00%
	Mortality Rate (% of IALM 12-14)	100.00%	100.00%
h)	Quantitative sensitivity analysis for significant assumptions is as below:	for the year ended March 31, 2022	for the year ended March 31, 2021
	Increase / (decrease) on present value of defined benefits obligations at the end of the year		
	<u>Discount rate</u>		
	Increase by 0.50%	(4.11)	(2.96)
	Decrease by 0.50%	4.54	3.28
	<u>Salary escalation rate</u>		
	Increase by 0.50%	4.40	3.16
	Decrease by 0.50%	(4.03)	(2.89)
	<u>Attrition rate</u>		
	Increase by 0.50%		
	Decrease by 0.50%		
i)	The average duration of the defined benefit plan obligation at the end of the reporting year is 15.97 years (March 31, 2021 : 15.64 years)		
j)	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.		
k)	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.		
l)	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 year.		

28.01 Leave Encashment (unfunded)

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

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

Particulars	for the year ended March 31, 2022	for the year ended March 31, 2021
Liability at the beginning of the year	78.57	73.26
Benefits paid during the year	(3.53)	(21.61)
Provided during the year	6.92	26.92
Liability at the end of the year	81.96	78.57



29 Segment reporting

The Company is a one segment company in the business of real estates development. All its operations are located in India , accordingly, the Company views these activities as one business segment, there are no additional disclosures to be provided in terms of Ind AS 108 on 'Segment Reporting'.

30 Employee Stock Option Plan

Employee Stock Option Plan – 2016 (“the 2016 Plan”):

The Holding Company, Max Ventures and Industries Limited has constituted an Employee Stock Option Plan - 2016 which have been approved by the Board in the meeting held on 9th August 2016 and by shareholders of 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, 2022		March 31, 2021	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	2,61,190	12.90	-	-
Options granted during the year	82,667	32.27	2,61,190	12.90
Lapsed during the year	-	-	-	-
Exercised during the year	65,293	12.90	-	-
Outstanding at the end	2,78,564	18.65	2,61,190	12.90
Exercisable at the end	-	-	-	-

For options exercised during the year, the weighted average share price at the exercise date was Rs.12.90 per share.

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2022 and March 31, 2021 are as follows:

Date of grant	March 31, 2022		March 31, 2021	
	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years
04-06-2020 (Grant Type I)	2,61,190	2.68	2,61,190	3.68
02-07-2021 (Grant Type II)	82,667	3.68	-	-

During the year ended March 31, 2022 65293 number (Previous year Nil) of stock options were exercised by the aforesaid option holders.

The 2016 Plan gives an option to the employee to purchase the share at a price determined by Nomination and Remuneration committee (NRC) of Max Ventures and Industries Limited 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.



31 Financial Instruments

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

Category	Carrying Value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1) Financial asset at amortized cost				
Current and Non Current				
Loans	4,447.54	1,949.11	4,447.54	1,949.11
Other financial assets	335.98	108.21	335.98	108.21
Trade receivables	162.95	50.64	162.95	50.64
Cash and cash equivalents	3,599.94	5,579.37	3,599.94	5,579.37
Investments	50,003.88	49,707.57	50,003.88	49,707.57
2) Financial liabilities at amortized cost				
Non Current				
Borrowings	3,661.88	3,805.08	3,661.88	3,805.08
Current				
Borrowings	2,830.10	3,342.60	2,830.10	3,342.60
Other financial liabilities	129.98	90.01	129.98	90.01
Trade payables	312.59	712.34	312.59	712.34

The Company assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors 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 and variable-rate receivables/borrowings are evaluated by the Company 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 unquoted instruments, loans from banks and other financial liabilities as well as other noncurrent 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 and unobservable inputs in the model, of which the significant observable and unobservable inputs are disclosed in the table below. Management regularly assesses a range of reasonably possible alternatives for those significant observable and unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest-bearing borrowings and other non-current financial liabilities are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Fair value hierarchy

The Company 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, 2022

Particulars	Carrying value March 31, 2022	Fair value		
		Level 1	Level 2	Level 3
Current				
Loans	4,447.54	-	4,447.54	-
Other financial assets	335.98	-	-	335.98
Trade receivables	162.95	-	-	162.95
Cash and cash equivalents	3,599.94	-	-	3,599.94
Investments	50,003.88	-	-	50,003.88

(ii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2021

Particulars	Carrying value March 31, 2021	Fair value		
		Level 1	Level 2	Level 3
Current				
Loans	1,949.11	-	1,949.11	-
Other financial assets	108.21	-	-	108.21
Trade receivables	50.64	-	-	50.64
Cash and cash equivalents	5,579.37	-	-	5,579.37
Investments	49,707.57	-	-	49,707.57

(iii) 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
Non Current				
Borrowings	3,661.88	-	3,661.88	-
Current				
Borrowings	2,830.10	-	-	2,830.10
Other financial liabilities	129.98	-	-	129.98
Trade payables	312.59	-	-	312.59

(iv) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2021

Particulars	Carrying value March 31, 2021	Fair value		
		Level 1	Level 2	Level 3
Non Current				
Borrowings	3,805.08	-	3,805.08	-
Current				
Borrowings	3,342.60	-	-	3,342.60
Other financial liabilities	90.01	-	-	90.01
Trade payables	712.34	-	-	712.34



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

a) Capital risk

The Company's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to its shareholders and benefits for other stakeholders and to provide for sufficient

Intergovernmental Relations

Liquidated net income risk that the Company will not be able to meet its financial obligations as they become due. The Company mitigates liquidated net income risk using management practices which include: (a) securing sufficient cash and marketable securities and the establishment of funding through an insurance portfolio of commercial credit facilities. Given the nature of the underlying businesses, the company forecasts revenues by dividing its forecasting into categories under contractual credit lines and then using liquidated risk is mitigated by the availability of funding to cover future commitments. Cash flow forecasts are prepared on only the amounts that the Group is a party to and not on amounts that are not contractually obligated to pay. The Company only forecasts funds for large capital projects, requires the approval of the board on such a matter due their ability to the approval of such on each investment. Long term cash flow forecasts are updated from time to time as needed to be consistent with the investment and performance review of companies of the fund.

The table below represents the maturity profile of Company's financial liabilities at the end of March 31, 2022 and March 31, 2021 based on contractual maturity, based on the date of March 31, 2022.

The table below represents the maturity profile of Company financial liabilities at the end of March 31, 2022 per the March 31, 2022				
	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	\$ 342.64	\$ 105.00		\$ 447.64
Trade payable	712.34			\$ 712.34
Other financial liabilities	460.00			\$ 460.00
% to Total	54.33%	15.13%	0.00%	100.00%
March 31, 2022				
Interest bearing borrowings	\$ 280.00	\$ 360.00		\$ 640.00
Trade payable	312.99			\$ 312.99
Other financial liabilities	460.00			\$ 460.00
% to Total	44.27%	56.25%	0.00%	100.00%

of credit risk.

Credit Risk is the risk that the counter party will not meet its obligations under a financial instrument or portfolio contract leading to a financial loss. The Firm uses an approach to measure and manage credit risk that is based on the expected credit loss (ECL) model. The ECL model is a forward-looking model that takes into account the credit risk of the counter party and the credit risk of the instrument. The ECL model is a forward-looking model that takes into account the credit risk of the counter party and the credit risk of the instrument.

(1) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluates credit risk relating to customers on an ongoing basis. Recoverable credit management Department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The Company provides credit to individuals on exceptional basis only. An impairment analysis is performed at each reporting date on an individual basis.

Trade receivables		(Rs. in Lacs)
Particulars	As at	As at
	March 31, 2022	March 31, 2021
As at the end of the period	-	-
Less: Allowance for doubtful debts	146.65	37.87
Less: Allowance for trade discounts	16.32	7.77
Total trade receivables	162.95	56.64

(iii) $\mathcal{W}(\mathcal{H}, \mathcal{H})$ is isomorphic to \mathcal{H} and \mathcal{H} is isomorphic to \mathcal{H}^* .

Confidentiality information with banks and financial institutions is conveyed to the Company's accountants and accountants with the Company's policy. Information of Company's bank and credit card information and other data that is necessary. The bank is not to receive the information of bank and financial institution. Personal data through which the bank's personal data is not to be processed. A bank must not disclose any information to the management or regular bank. All information with banks and financial institutions is subject to bank confidentiality and is not to be disclosed to any third party. The Company's bank must not disclose any information to the management or regular bank. All information with banks and financial institutions is subject to bank confidentiality and is not to be disclosed to any third party.

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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 prices encompass interest rate risk, foreign exchange risk, commodity price risk and other price risks, such as equity price risk and commodity price risk. Financial instruments subject to market risks include loans and borrowings, deposits, investments, derivatives and equities. The reporting period is the following business month of the previous year: March 31, 2022 and March 31, 2021. The analysis includes the impact of movements in market conditions on the carrying values of financial and other non-financial obligations, investments, and the one-off effect of losses and impairments. The scenario is all the relevant facts and circumstances in the office of the financial manager in the reporting period.

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income rate is the risk that the fair value of future cash flows of a financial instrument will decrease because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates arises primarily from the Company's long-term debt obligations at fixed interest rate.

Period	Incorporation costs	Inland interest rate	Inquest on profit before tax
March 31, 2022	0.94%		32.46
March 31, 2021	0.93%		35.74

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Max Estates Limited
Notes forming part of the financial statements

33 Related party disclosures

Names of related parties where control exists irrespective of whether transactions have occurred or not	
Holding company	Max Ventures & Industries Limited
Fellow Subsidiary company	Max Speciality Films Limited Max I Limited Max Asset Services Limited (formerly known as Max Learning Limited)
Subsidiary companies	Max Towers Pvt Ltd (formerly known as Wise Zone Builders Private Limited) Max Square Limited (formerly known as Northern Propmart Solutions Limited) Pharmax Corporation Limited
Names of other related parties with whom transactions have taken place during the year	
Directors and Key management personnel	Mr. Kishansingh Ramsinghaney (Director) Mr. Bishwajit Das (Director) Mr. Rishi Raj (Director) Mr. Nitin Kumar (Chief Financial Officer) Ms. Saket Gupta - Company Secretary (Upto Jan 31, 2022)
Individual owning interest in voting power	Mr. Analjit Singh
Entities controlled or jointly controlled by person or entities where person has significantly influence or entities where person having control is Key Management personnel	Max Healthcare Institute Limited Trophy Estates Private Limited Analjit Singh HUF Antara Senior Living Limited Antara Purukul Senior Living Limited Pharmax Corporation Limited Max Life Insurance Company Limited New Delhi House Services Ltd. Leeu Italy SRL The Unstuffy Hotel Co Limited Max India Foundation Max Learning Ventures Limited



Max Estates Limited
Notes forming part of the financial statements

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

S.No	Nature of transaction	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2021
1	Reimbursement of expenses (Received from)			
		Max Towers Pvt Ltd (Expenses)	13.61	118.73
		Max Towers Pvt Ltd (Shared Services)	63.26	82.99
		Max Asset Services Limited	22.24	70.85
		Pharmax Corporation Limited	267.86	13.98
		Max Square Limited	5.29	18.37
		Total	372.36	254.12
2	Reimbursement of expenses (Paid to)			
		Max Ventures & Industries Limited	7.63	2.77
		Max Healthcare Institute Limited	-	0.02
		Max Life Insurance Co. Limited	2.43	1.11
		Max Towers Private Limited	2.06	-
		New Delhi House Services Ltd.	-	16.85
		Indo Vastu Group	9.01	11.03
		Mr. Arjun Singh	-	-
		Mr. Babbar	0.99	1.82
		Mr. Nitin Kumar	-	1.94
		Total	13.12	25.24
3	Shared Services charges (paid to)	Max Ventures & Industries Limited	39.51	161.14
		Total	39.51	161.14
4	Shared Services charges (paid to) - Inventory/CWIP	Max Ventures & Industries Limited	-	89.69
		Total	-	89.69
5	Construction Services (rendered to)	Pharmax Corporation Limited	-	932.20
		Total	-	932.20
6	Security Deposit received	Pharmax Corporation Limited	40.00	-
		Total	40.00	-
7	Performance Guarantee Received	Max Asset Services Limited	43.14	3.32
		Total	43.14	3.32
8	Rent paid	Max Asset Services Limited	-	3.32
		Total	-	3.32
9	Rent received	Max Asset Services Limited	77.50	8.16
		Total	77.50	8.16
10	Interest on Unsecured Loan (Paid to)	Max Ventures & Industries Limited	268.65	948.08
		Total	268.65	948.08
11	Interest on Unsecured Loan (Paid to) - Inventory/CWIP	Max Ventures & Industries Limited	-	87.9
		Total	-	87.9
12	Key managerial remuneration - professional charges	Mr. Kishan Singh Ramnathgoudar	-	15.43
		Total	-	15.43
13	Loan taken	Max Ventures & Industries Limited	892.00	7,426.47
		Pharmax Corporation Limited	-	11,000.00
		Total	892.00	6,426.47
14	Loan repayment	Max Ventures & Industries Limited	1,485.00	2,873.16
		Total	1,485.00	2,873.16
15	Compulsorily convertible debentures issued	Max Ventures & Industries Limited	-	20,200.00
		Total	-	20,200.00
16	Compulsorily convertible preference shares subscribed	Pharmax Corporation Limited	-	2,199.80
		Total	-	2,199.80
17	Brokerage Income	Emply. Estates Pvt Ltd	50.11	-
		Mr. Anand Singh	58.18	-
		Anand Singh HUF	10.13	-
		Total	118.74	-
18	Interest recd. on Compulsory Convertible Debentures	Max Square Limited	714.20	-
		Total	714.20	-
19	Secondment fees Received	Max India Foundation	-	2.55
		Max Learning Ventures Ltd	-	2.55
		Total	-	5.11
20	Project Management Consultancy (rendered to)	Max India Limited	20.00	-
		Total	20.00	-
21	Guarantee Fees	Max Ventures & Industries Limited	4.12	3.80
		Pharmax Corporation Limited	8.13	28.0
		Total	12.25	31.80
22	Loan repayment received	Max Towers Pvt Ltd	1,007.96	926.96
		Pharmax Corporation Limited	369.21	-
		Total	1,377.17	926.96
23	Loan given	Max Square Limited	-	-
		Pharmax Corporation Limited	2,290.00	1,138.44
		Max Towers Pvt Ltd	1,102.02	2,276.28
		Total	3,392.02	3,414.72
24	Employees benefits liability transferred	Max Square Limited	-	1.24
		Total	-	1.24
25	Developer's Manager Fee Income	Max Square Limited	362.29	174.82
		Total	362.29	174.82
26	Guarantee Fees Income	Max Square Limited	14.56	0.65
		Pharmax Corporation Limited	0.16	-
		Total	14.72	0.65

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

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Max Estates Limited
Notes forming part of the financial statements

33 (b) Balances outstanding at year end

			Rs. In lacs	
S.No	Nature of transaction	Particulars	As at March 31, 2022	As at March 31, 2021
1	Interest Accrued on Unsecured Loan	Max Ventures & Industries Limited	-	0.44
		Total	-	0.44
2	Loan outstanding	Max Ventures & Industries Limited	2,667.00	3,160.00
		Total	2,667.00	3,160.00
3	Compulsorily convertible debentures	Max Ventures & Industries Limited	57,164.00	57,164.00
		Total	57,164.00	57,164.00
4	Trade payables and Capital Creditors	Max Ventures & Industries Limited	-	9.28
		Antara Purukul Senior Living Limited	0.36	-
		Max Asset Services Limited	1.85	1.36
		Antara Purukul Senior Living Limited	-	15.90
		New Delhi House Services Ltd.	-	4.68
		Mr. Rishiraj	-	0.55
		Pharmax Corporation Limited	3.93	-
		Max Square Limited	3.29	-
		Total	9.42	31.77
5	Trade receivables	Max Ventures & Industries Limited	-	-
		Max Towers Pvt Ltd	18.10	-
		Max Asset Services Limited	-	31.43
		The Unstuffs Hotel Co Limited	13.02	12.77
		Max India Foundation	-	3.01
		Max Learning ventures Ltd	-	3.01
		Max India Limited	-	24.40
		Tough Estates Private Limited	-	45.24
		Analit Singh HUF	-	9.17
		Mr. Analit Singh	52.80	-
		Total	165.04	50.23
6	Other Receivables	Max Towers Pvt Ltd	-	27.68
		Max Life Insurance Co. Limited	0.01	0.41
		Pharmax Corporation Limited	-	-
		Max Square Limited	16.81	83.97
		Total	16.82	112.06
7	Loan Receivables	Max Towers Pvt Ltd	187.55	95.49
		Pharmax Corporation Limited	3,159.22	1,138.44
		Total	3,346.77	1,233.93
8	Investment outstanding	Max Towers Pvt Ltd	6,506.00	6,506.00
		Max Square Limited	1,571.00	3,571.00
		Pharmax Corporation Limited	6,073.05	6,073.05
		Total	14,150.05	16,150.05
9	Compulsorily convertible debentures subscribed	Max Towers Pvt Ltd	3,020.00	3,020.00
		Max Square Limited	3,571.00	3,571.00
		Total	6,591.00	6,591.00
10	Guarantee Fees	Max Ventures & Industries Limited	28.48	32.60
		Pharmax Corporation Limited	28.48	32.60
		Total	56.96	65.21
11	Compulsorily convertible preference shares	Pharmax Corporation Limited	3,900.00	3,900.00
		Total	3,900.00	3,900.00
13	Security Deposit (Received)	Max Asset Services Limited	59.66	16.32
		Total	59.66	16.32
14	Interest Accrued on CCD	Max Square Limited	1,328.07	685.29
		Total	1,328.07	685.29
15	Guarantee Fees receivable	Max Square Limited	38.54	18.77
		Total	38.54	18.77

Terms and conditions of transactions with related parties

a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions



34 Disclosure required under Section 186 (4) of the Companies Act, 2013.

(a) Particulars of Loans given:

Sr. No	Name of the Lender	Opening Balance as on March 31, 2021	Loan given	Loan repaid	(Rs. in Lakhs) Closing Balance as on March 31, 2022	Purpose
1	Max Towers Pvt Ltd (formerly known as Wise Zone Builders Pvt. Ltd.)	95.49	92.06		187.55	Operational Cash Flow requirement

(b) Particulars of Investments made in equity:

Sr. No	Name of the Investee	Opening Balance as on March 31, 2021	Investment made	Investment redeemed	(Rs. in Lakhs) Closing Balance as on March 31, 2022	Purpose
Investment in subsidiaries						
1	Max Towers Pvt Ltd (formerly known as Wise Zone Builders Pvt. Ltd.)	6,506.00	-	-	6,506.00	Strategic investment
2	Max Square Limited (formerly known as Northern Propmart Solutions Limited)	3,571.00	-	-	3,571.00	Strategic investment
3	Pharmax Corporation Limited	6,073.05	-	-	6,073.05	Strategic investment

(c) Particulars of Investments made in debentures:

Sr. No	Name of the Investee	Opening Balance as on March 31, 2021	Investment made	Investment redeemed	(Rs. in Lakhs) Closing Balance as on March 31, 2022	Purpose
Investment in subsidiaries						
1	Max Towers Pvt Ltd (formerly known as Wise Zone Builders Pvt. Ltd.)	26,020.00	-	-	26,020.00	Strategic investment
2	Max Square Limited (formerly known as Northern Propmart Solutions Limited)	3,571.00	-	-	3,571.00	Strategic investment

(d) Particulars of Investments made in Preference Shares

Sr. No	Name of the Lender	Opening Balance as on March 31, 2021	Investment made	Loan repaid	(Rs. in Lakhs) Closing Balance as on March 31, 2022	Purpose
1	Pharmax Corporation Limited	3,900.00	-	-	3,900.00	Strategic investment



Max Estates Limited**Notes forming part of the financial statements****35 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, share premium and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital structure and maximize the shareholder value. The Company 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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	(Rs. In lacs)	
	As at March 31, 2022	As at March 31, 2021
Borrowings	6,491.98	7,147.68
Trade payables	312.59	712.34
Less: Cash and Cash equivalents	3,599.94	5,579.37
Net Debt	3,204.63	2,280.65
Equity	60,591.41	59,934.44
Total Equity	60,591.41	59,934.44
Total Capital and net debt	63,796.04	62,215.09
Gearing ratio	5%	4%
Current Asset	8,867.37	10,645.31
Current Liability	3,698.98	4,712.86
Current Ratio	2.40	2.26
Debt	6,491.98	7,147.68
Shareholder Equity	60,591.41	59,934.44
Debt-Equity Ratio	0.11	0.12
Earnings available for debt services	1,396.81	6.93
Interest	725.88	1,156.56
Principal	34.31	3.52
Debt Services Coverage Ratio	1.84	0.01



Net Income (annual)	526.46	(1,215.71)
Shareholder Equity	60,591.41	59,934.44
Return on Equity Ratio	0.01	(0.02)
Cost of Goods sold/sale	1,850.95	1,557.96
Average inventory	1,987.19	1,417.77
Inventory Turnover Ratio	0.93	1.10
Net Credit Sale	NA	NA
Average Trade Receivable	NA	NA
Trade Receivables Turnover Ratio	NA	NA
Net Credit Purchase	NA	NA
Average Trade payable	NA	NA
Trade Payable Turnover Ratio	NA	NA
Net annual sale/Revenue from Operation	3,901.22	1,872.19
Working Capital	5,168.39	5,932.46
Net Capital Turnover Ratio	0.75	0.32
Net Profit	526.46	-1,215.64
Net annual sale/Revenue from Operation	3,901.22	1,872.19
Net Profit Ratio	0.13	(0.65)
Earning before interest and tax (EBIT)	1,252.34	-59.08
Capital Employed	65,140.13	64,161.70
Return on Capital employed	1.92%	-0.09%
Profit (PAT)	526.46	-1,215.71
Investment	65,140.13	64,161.70
Return on Investment	0.81%	-1.89%

36 i) Details of dues to micro and small enterprises as defined under the micro, small and medium enterprises development (msmed) act, 2006

The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of 'The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006' are as follows:

	As at March 31, 2022	As at March 31, 2021
a) The principal amount and the interest due thereon remaining unpaid to any supplier		
- Principal amount	4.63	159.79
- Interest thereon	Nil	Nil
b) The amount of interest paid by the buyer in terms of section 18, along	Nil	Nil
c) The amount of interest due and payable for the year of delay in making	Nil	Nil
d) The amount of interest accrued and remaining unpaid.	Nil	Nil
e) The amount of further interest remaining due and payable even in the	Nil	Nil

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED.

ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.



- iii) The Company does not have any transactions with struck-off companies.
- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.
- v) During the year the Company have 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 Company (Ultimate Beneficiaries); or
- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) During the year the Company have not received any fund from any person (s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) 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 Funding Party (Ultimate Beneficiaries); or
- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company, have not had 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.
- 37 (i) In previous year, the Company has acquired 1,84,600 10% Cumulative Convertible Preference shares of Rs. 100 each fully paid up at a premium of Rs.1200 - value Rs.23,99.80 lacs
- 38 The Board of Directors of the Company, in its meeting held on April 18, 2022, has approved the Composite Scheme of Amalgamation and Arrangement amongst Max Ventures and Industries Limited and Max Estates Limited for amalgamation of Max Ventures and Industries Limited ("MVIL" or "Transferor Company") with Max Estates Limited, wholly owned subsidiary of MVIL ("MEL" or "Transferee Company"), with effect from the Appointed Date i.e. April 01, 2022, subject to receipt of regulatory /regulatory approvals including the approval of the jurisdictional Bench of the National Company Law Tribunal



39 Other disclosure requirement of Schedule III of Companies Act, 2013 are not applicable to the company.

As per our report of even date



DINESH KUMAR BACHCHAS

Partner

Membership No. 097820

For and on behalf of

K.K.MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W



New Delhi, dated the

16th May, 2022

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



Bishwajit Das

(Director)

(DIN 00029455)



Kishansingh Ramsinghaney

(Director)

(DIN 00329411)



Nitin Kumar Kansal

(Chief Financial Officer)



Place : Noida

Date: 16th May 2022