

January 31, 2023

Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
**Mumbai – 400 001**

Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East)  
**Mumbai – 400 051**

**Scrip Code: 500271**

**Name of Scrip: MFSL**

**Sub.: Disclosure under SEBI (LODR) Regulations, 2015 – Outcome of Board meeting on approval of financial results**

Dear Sir/Madam,

Please refer to our letter dated December 30, 2022, on the above subject. In this regard, we would like to inform you that the Board of Directors of the Company at its meeting held today approved the Standalone and Consolidated unaudited financial results of the Company for the quarter and nine months ended December 31, 2022 and the Limited Review thereon by the Statutory Auditors.

The said financial results and the Limited Review Report by the Statutory Auditors for the said period are attached herewith.

The Board meeting commenced at 1645 hrs and concluded at 1730 hrs today.

We are also enclosing a Press Release being issued by the Company on the outcome of the Board meeting.

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully,

**For Max Financial Services Limited**

**V. Krishnan**  
**Company Secretary and Compliance Officer**

Encl.: As above



## **Deloitte Haskins & Sells LLP**


7. In respect of Max Life Insurance Company Limited ("MLIC"), subsidiary company, determination of the following as at and for the quarter and nine months ended 31 December, 2022 is the responsibility of the subsidiary company's Appointed Actuary.
- (i) The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31 December, 2022 is the responsibility of the MLIC Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31 December, 2022 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory & Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI. The charge of "Net Change in Insurance and Investment Contract Liabilities" includes charge for actuarial valuation of liabilities for life policies in force and charge for the policies in respect of which premium has been discontinued but liability exists as at 31 December, 2022. These charges have been actuarially determined, based on the liabilities duly certified by the Appointed Actuary; and
- (ii) Other adjustments for the purpose of preparation of the Statement, as confirmed by the Appointed Actuary are in accordance with Indian Accounting Standard 104 on Insurance Contracts:
- Assessment of contractual liabilities based on classification of contracts into insurance contracts and investment contracts;
  - Valuation and Classification of Deferred Acquisition Cost and Deferred Origination Fees on Investment Contracts and Valuation of Embedded Derivatives;
  - Grossing up and classification of the Reinsurance Assets; and
  - Liability adequacy test as at the reporting dates.

The joint auditors of MLIC have relied on the certificate of the Appointed Actuary in respect of above matters in forming their conclusion on the financial information of the said subsidiary company.

Our conclusion on the Statement is not modified in respect of these matters.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



  
**SATPAL SINGH ARORA**  
Partner  
(Membership No. 098564)  
UDIN:23098564BGVUTS3196

Gurugram, 31 January 2023

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Particulars		(Rs. in Crores except per share data)					
		3 months ended 31.12.2022 (Unaudited)	3 months ended 30.09.2022 (Unaudited)	3 months ended 31.12.2021 (Unaudited)	9 months ended 31.12.2022 (Unaudited)	9 months ended 31.12.2021 (Unaudited)	Year ended 31.03.2022 (Audited)
1.	<b>Revenue from operations</b>						
	(a) Interest Income	76.31	70.78	58.02	218.12	162.35	226.52
	(b) Dividend Income	0.34	0.95	0.54	1.92	2.40	2.69
	(c) Rental Income	1.69	1.50	0.38	4.62	1.37	2.18
	(d) Net gain on fair value changes	28.71	26.71	3.76	45.86	86.41	95.95
	(e) Policyholders' Income from Life Insurance operations (See Note 1)	8,787.22	9,214.90	6,890.34	21,209.28	21,965.31	30,849.16
	(f) Sale of services	1.25	1.25	1.00	3.50	3.65	4.64
	<b>Total Revenue from operations</b>	<b>8,895.52</b>	<b>9,316.09</b>	<b>6,954.04</b>	<b>21,483.30</b>	<b>22,221.49</b>	<b>31,181.14</b>
3.	Other income	2.83	6.50	0.72	13.53	3.78	6.44
4.	<b>Total income (2+3)</b>	<b>8,898.35</b>	<b>9,322.59</b>	<b>6,954.76</b>	<b>21,496.83</b>	<b>22,225.27</b>	<b>31,187.58</b>
5.	<b>Expenses</b>						
	(a) Finance costs	9.40	9.47	9.28	28.22	15.49	24.74
	(b) Impairment on financial instruments (including reversals)	(0.13)	(0.18)	(0.07)	(0.74)	(1.87)	(1.73)
	(c) Employee benefits expenses (See Note 9)	6.31	11.83	6.07	25.53	45.91	36.77
	(d) Depreciation, amortisation and impairment	1.14	1.17	1.22	3.52	3.80	5.00
	(e) Legal and professional expenses	3.71	4.16	3.13	11.19	9.94	13.85
	(f) Policyholders' Expenses of Life Insurance operations (See Note 1)	8,554.09	9,215.70	6,827.38	20,938.00	21,894.49	30,687.55
	(g) Other expenses	9.29	6.61	6.34	22.35	21.83	32.75
	<b>Total expenses</b>	<b>8,583.81</b>	<b>9,248.76</b>	<b>6,853.35</b>	<b>21,028.07</b>	<b>21,989.59</b>	<b>30,798.93</b>
7.	<b>Profit before tax (4-6)</b>	<b>314.54</b>	<b>73.83</b>	<b>101.41</b>	<b>468.76</b>	<b>235.68</b>	<b>388.65</b>
8.	<b>Tax expense</b>						
	<b>Relating to other than revenue account of Life Insurance policyholders</b>						
	Current tax	49.53	9.61	10.87	72.80	53.76	62.21
	Deferred tax charge/ (Credit)	(4.34)	2.61	(0.39)	(3.48)	7.52	8.04
	<b>Relating to revenue account of Life Insurance policyholders</b>						
	Current tax	-	-	-	-	-	-
	<b>Total tax expense</b>	<b>45.19</b>	<b>12.22</b>	<b>10.48</b>	<b>69.32</b>	<b>61.28</b>	<b>70.25</b>
9.	<b>Profit for the period/ year (7-8)</b>	<b>269.35</b>	<b>61.61</b>	<b>90.93</b>	<b>399.44</b>	<b>174.40</b>	<b>318.40</b>
10.	<b>Other comprehensive income (OCI)</b>						
	<b>Relating to revenue account of life insurance policyholders</b>						
	(i) Items that will not be reclassified to profit or loss in subsequent periods	(14.07)	5.29	(1.81)	(8.44)	(5.44)	1.38
	(ii) Items that will be reclassified to profit or loss in subsequent periods	340.85	950.43	(780.95)	(1,529.60)	2,346.05	1,216.65
	Less: Transferred to policyholders' fund in the balance sheet	(326.78)	(955.72)	782.76	1,538.04	(2,340.61)	(1,218.03)
	<b>Relating to Others</b>						
	(i) Items that will not be reclassified to profit or loss in subsequent periods	-	0.01	(0.01)	-	0.65	0.48
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	(0.19)	(0.12)
	(ii) Items that will be reclassified to profit or loss in subsequent periods	3.45	0.48	(2.27)	(12.38)	(12.02)	(14.36)
	Income tax relating to items that will be reclassified to profit or loss	(0.50)	(0.07)	0.33	1.80	1.75	2.09
11.	<b>Other comprehensive income/(loss)</b>	<b>2.95</b>	<b>0.42</b>	<b>(1.95)</b>	<b>(10.58)</b>	<b>(9.81)</b>	<b>(11.91)</b>
12.	<b>Total comprehensive income (9+11)</b>	<b>272.30</b>	<b>62.03</b>	<b>88.98</b>	<b>388.86</b>	<b>164.59</b>	<b>306.49</b>
13.	<b>Profit attributable to</b>						
	Owners of the company	224.94	51.29	74.86	332.59	135.69	253.37
	Non-controlling interests	44.41	10.32	16.07	66.85	38.71	65.03
14.	<b>Other comprehensive income/(loss) attributable to</b>						
	Owners of the company	2.45	0.34	(1.60)	(8.62)	(7.97)	(9.71)
	Non-controlling interests	0.50	0.08	(0.35)	(1.96)	(1.84)	(2.20)
15.	<b>Total comprehensive income attributable to</b>						
	Owners of the company	227.39	51.63	73.26	323.97	127.72	243.66
	Non-controlling interests	44.91	10.40	15.72	64.89	36.87	62.83
16.	Paid up Equity Share Capital (Face value of Rs. 2 each)	69.02	69.02	69.02	69.02	69.02	69.02
17.	Other Equity						3,865.59
18.	Earnings per share (EPS) (Rs.) (not annualised)						
	(a) Basic EPS	6.52	1.49	2.55	9.64	4.63	7.34
	(b) Diluted EPS	6.52	1.49	2.55	9.64	4.63	7.34
	See accompanying notes to the consolidated unaudited financial results						

By Order of the Board

Date : January 31, 2023  
Place : New Delhi



*Sahil Vachani*  
Sahil Vachani  
Director  
DIN : 00761695



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**CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022**

(Rs. in Crores)						
Particulars	3 months ended 31.12.2022 (Unaudited)	3 months ended 30.09.2022 (Unaudited)	3 months ended 31.12.2021 (Unaudited)	9 months ended 31.12.2022 (Unaudited)	9 months ended 31.12.2021 (Unaudited)	Year ended 31.03.2022 (Audited)
<b>1 Segment Revenue</b>						
a) Life Insurance	8,882.67	9,301.98	6,944.62	21,448.13	22,193.05	31,141.98
b) Business Investments	19.96	20.72	13.24	54.04	185.03	199.70
<b>Total</b>	<b>8,902.63</b>	<b>9,322.70</b>	<b>6,957.86</b>	<b>21,502.17</b>	<b>22,378.08</b>	<b>31,341.68</b>
Inter segment elimination (net)	7.11	6.61	3.82	18.87	156.59	160.54
<b>Revenue from operations (net)</b>	<b>8,895.52</b>	<b>9,316.09</b>	<b>6,954.04</b>	<b>21,483.30</b>	<b>22,221.49</b>	<b>31,181.14</b>
<b>2 Segments Results</b>						
a) Life Insurance	313.69	69.17	106.89	465.62	246.93	406.56
b) Business Investments	7.41	7.63	3.08	17.82	144.92	144.86
<b>Total</b>	<b>321.10</b>	<b>76.80</b>	<b>109.97</b>	<b>483.44</b>	<b>391.85</b>	<b>551.42</b>
Inter segment elimination (net)	-	-	-	-	144.46	144.47
<b>Sub-total</b>	<b>321.10</b>	<b>76.80</b>	<b>109.97</b>	<b>483.44</b>	<b>247.39</b>	<b>406.95</b>
Unallocated	(6.56)	(2.97)	(8.56)	(14.68)	(11.71)	(18.30)
<b>Profit before tax</b>	<b>314.54</b>	<b>73.83</b>	<b>101.41</b>	<b>468.76</b>	<b>235.68</b>	<b>388.65</b>
Provision for taxation (includes provision for Deferred Tax)	45.19	12.22	10.48	69.32	61.28	70.25
<b>Profit for the period/ year</b>	<b>269.35</b>	<b>61.61</b>	<b>90.93</b>	<b>399.44</b>	<b>174.40</b>	<b>318.40</b>

Particulars	As at 31.12.2022 (Unaudited)	As at 30.09.2022 (Unaudited)	As at 31.03.2022 (Audited)	As at 31.12.2021 (Unaudited)
<b>3 Segment Assets</b>				
a) Life Insurance	1,24,862.75	1,19,807.64	1,16,306.36	1,10,790.04
b) Business Investments	6,984.05	6,962.07	6,777.02	6,775.52
<b>Total Segment Assets</b>	<b>1,31,846.80</b>	<b>1,26,769.71</b>	<b>1,23,083.38</b>	<b>1,17,565.56</b>
Inter-segment elimination (net)	(6,485.92)	(5,633.67)	(5,334.83)	(5,330.62)
<b>Total Assets</b>	<b>1,25,360.88</b>	<b>1,21,136.04</b>	<b>1,17,748.55</b>	<b>1,12,234.94</b>
<b>4 Segment Liabilities</b>				
a) Life Insurance	1,21,428.16	1,16,641.23	1,13,251.28	1,07,877.85
b) Business Investments	167.25	150.77	27.43	24.93
<b>Total Segment Liabilities</b>	<b>1,21,595.41</b>	<b>1,16,792.00</b>	<b>1,13,278.71</b>	<b>1,07,902.78</b>
Inter-segment elimination (net)	(146.62)	(137.05)	(15.07)	(10.86)
<b>Total Liabilities</b>	<b>1,21,448.79</b>	<b>1,16,654.95</b>	<b>1,13,263.64</b>	<b>1,07,891.92</b>

The Operating Segments have been identified on the basis of business activities from which the Group earns revenues and incurs expenses and whose operating results are reviewed by the Chief Operating Decision Maker (CODM) of the Group to make decisions about the resources to be allocated and assess performance and for which discrete financial information is available.



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Notes to the consolidated unaudited financial results

1. Following are the Policyholders' Income and Expenses from Life Insurance Operations included in above results :

Particulars		(Rs. in Crores)					
		3 months ended 31.12.2022 (Unaudited)	3 months ended 30.09.2022 (Unaudited)	3 months ended 31.12.2021 (Unaudited)	9 months ended 31.12.2022 (Unaudited)	9 months ended 31.12.2021 (Unaudited)	Year ended 31.03.2022 (Audited)
<b>A</b>	<b>Policyholders' Income from life insurance fund</b>						
	Premium Income (Net)	6,158.44	5,674.95	5,505.48	15,801.05	14,089.83	21,939.75
	Interest Income	1,497.76	1,387.20	1,269.34	4,231.97	3,681.34	4,962.19
	Dividend Income	54.41	117.21	36.43	268.63	181.59	223.65
	Rental Income	16.34	16.19	16.43	48.51	48.77	65.91
	Net gain / (loss) on fair value changes - Policyholders' Investments	1,322.41	2,737.51	(444.69)	1,161.63	3,929.49	3,478.67
	Other income	3.01	2.80	1.48	8.33	5.51	24.72
	<b>Sub-Total</b>	<b>9,052.37</b>	<b>9,935.86</b>	<b>6,384.47</b>	<b>21,520.12</b>	<b>21,936.53</b>	<b>30,694.89</b>
	Less/ (Add): Restricted life insurance surplus retained in Policyholders' Fund	265.15	720.96	(505.87)	310.84	(28.78)	(154.27)
	<b>Total</b>	<b>8,787.22</b>	<b>9,214.90</b>	<b>6,890.34</b>	<b>21,209.28</b>	<b>21,965.31</b>	<b>30,849.16</b>
<b>B</b>	<b>Policyholders' Expense of Life Insurance fund</b>						
	Commission to selling agents	404.46	333.49	369.24	985.61	908.07	1,402.97
	Employee Benefits and Other Operating Expenses	859.27	798.30	844.11	2,360.20	2,260.78	3,130.59
	Benefits payout (net)	2,605.53	2,216.70	2,195.63	6,780.25	6,817.64	9,099.30
	Net change in insurance contract liabilities	4,587.50	5,698.64	3,402.76	10,537.87	12,085.68	16,885.69
	Net change in investment contract liabilities	30.96	105.25	(9.20)	88.08	109.29	111.88
	Finance cost	(0.21)	(4.63)	10.20	3.96	30.25	42.27
	Impairment loss (including reversals)	0.07	(0.19)	0.07	(0.33)	(0.34)	(0.27)
	Depreciation and amortisation expenses	21.87	58.05	45.53	126.26	127.44	175.22
	<b>Sub-Total</b>	<b>8,509.45</b>	<b>9,205.61</b>	<b>6,858.34</b>	<b>20,881.90</b>	<b>22,338.81</b>	<b>30,847.65</b>
	Add/ (Less): Restricted life insurance surplus retained in Policyholders' Fund	44.64	10.09	(30.96)	56.10	(444.32)	(160.10)
	<b>Total</b>	<b>8,554.09</b>	<b>9,215.70</b>	<b>6,827.38</b>	<b>20,938.00</b>	<b>21,894.49</b>	<b>30,687.55</b>



*Handwritten marks/signatures in the bottom left corner.*

**Notes to the consolidated unaudited financial results**

- 2 These consolidated unaudited financial results of the Company for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held today. These results have been reviewed by the statutory auditors of the Company.
- 3 The consolidated unaudited financial results comprise the financial results of Max Financial Services Limited ('the Parent' or 'the Company') and its subsidiaries (collectively referred as the 'Group'). The consolidated unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The consolidated financial results comprise the financial results of Max Financial Services Limited and entities listed below:

Name of Subsidiaries/entities	Country of incorporation	Portion of ownership as at December 31, 2022	Portion of ownership as at September 30, 2022	Portion of ownership as at March 31, 2022	Portion of ownership as at December 31, 2021
Max Life Insurance Company Limited ('MLIC')	India	87.00%	81.83%	81.83%	81.83%
Max Life Pension Fund Management Limited (Refer Note No.4)	India	100.00%	100.00%	-	-
Max Financial Employees Welfare Trust (Refer Note No.5)	India	-	-	-	-

- 4 MLIC post receiving the requisite approvals from Pension Fund Regulatory and Development Authority ("PFRDA") and Insurance Regulatory and Development Authority of India ("IRDAI"), has incorporated Max Life Pension Fund Management Limited, a public limited pension fund company in India as its wholly owned subsidiary company on February 28, 2022. The company has been incorporated under the provisions of the Companies Act, 2013, with initial paid up capital of Rs. 55 crores to manage pension fund business. Initial paid up capital of Rs. 55 crores has been infused in the month of April 2022.
- 5 Post receipt of Board approval and Shareholder's approval on April 6, 2022 and May 9, 2022 respectively, the Company has incorporated "Max Financial Employees Welfare Trust (EWT)" under the Indian Trust Act, 1882 on May 11, 2022. In terms of Max Financial Employees Stock Option Plan - 2022 ("ESOP Plan - 2022"), EWT is permitted to acquire equity shares of the Company from the secondary market which shall be transferred to option-holders of the Company and its subsidiary companies on exercise of options.
- 6 The Board of Directors of the Company in its meeting held on March 3, 2020, had approved entering into a Put/Call arrangement for acquisition of balance shares held by Mitsui Sumitomo Insurance Company Limited (MSI) in Max Life Insurance Company Limited ("MLIC") and matters incidental thereto at a price of Rs. 85 per share ("MSI Put/Call Option"). The shareholders of the Company approved the said MSI Put/Call Option on May 27, 2020. In this regard the Company had executed definite agreement, which was subject to receipt of requisite regulatory approvals.
- The Company had received approval from Insurance Regulatory and Development Authority of India ("IRDAI") vide its letter dated November 25, 2022. Pursuant to the approval, on December 8, 2022, the Company acquired residual 99,136,573 equity shares of face value of Rs. 10 each constituting 5.17% equity stake held by MSI in MLIC at a price of Rs. 85 per share. On acquisition of the aforesaid stake in MLIC, the shareholding held by the Company in MLIC increased to 87%.
- 7 The Board of Directors of the Company in its meeting held on April 27, 2020 approved entering into definitive agreements with Axis Bank for the sale of equity share capital of MLIC, a subsidiary of the Company, to Axis Bank, subject to receipt of shareholders' approval and other requisite regulatory approvals. The shareholders of the Company approved the transaction on June 16, 2020.
- On October 30, 2020, the Company, MLIC, Axis Bank and its subsidiaries (together "Axis Entities"), i.e. Axis Capital Limited and Axis Securities Limited ("Axis Bank subsidiaries") entered into agreements for acquisition of upto 19.002% of the equity share capital of MLIC ("Agreements"). Pursuant to receipt of all approvals, Axis Bank had acquired 9.002% of the equity share capital of MLIC and Axis Bank subsidiaries acquired 3% of the share capital of MLIC as per Rule 11UA valuation of the Income-tax Rules, 1962 upto March 31, 2022.
- Subsequently, on January 9, 2023 the Company has executed revised agreements with the parties in terms of which Axis Entities have the right to purchase the balance 7% equity stake of MLIC from the Company at Fair Market Value using Discounted Cash Flows instead of valuation as per Rule 11UA of the Income Tax Rules, 1962. This revision has been done consequent to the guidance received by MLIC from IRDAI.
- The acquisition of 7% of equity share capital of MLIC by Axis Entities is subject to receipt of requisite regulatory approvals. Pending receipt of requisite approvals, the said transaction cannot be considered concluded at the current date and hence, no adjustments have been made in the financial results.
- 8 On October 14, 2022, MLIC, received an Order from the IRDAI imposing penalty aggregating to Rs. 3.00 crores alleging violations/non-compliance with directions issued by the IRDAI with respect to transactions involving the Company and Axis Entities relating to transfer of shares of MLIC during March 2021 and April 2021. These transactions were approved by the Board of Directors and shareholders of the Company and MLIC. On October 17, 2022, MLIC paid the aforesaid penalty amount as directed in the Order.
- 9 Employee benefits expenses for the 9 months ended December 31, 2021 and for the year ended March 31, 2022 includes one - time special incentive of Rs. 12.25 crores paid to senior leadership team of the Group for their valued contribution in consummation of Max Financial - Axis transaction. Further, employee benefit expenses also includes change in value of Employee Phantom Stock Plans (EPSP) pertaining to MLIC.
- 10 Mr. Mohit Talwar retired from the position of Managing Director of the Company with effect from the close of business hours on January 14, 2023. He ceased to be a director of the Company simultaneously. The Board of the Directors of the Company engaged him as Business Advisor to the Company on completion of his term as the Managing Director of the Company with effect from January 15, 2023.
- 11 During the current period, MLIC has reassessed the useful lives of certain business applications. The Management believes that the revised useful lives of the assets reflect the period over which these assets are expected to be used based on the technical inputs and capability analysis. As a result of the change, the charge in the Policyholders' Account on account of depreciation for the quarter and nine months ended December 31, 2022, has decreased by Rs. 18.21 crores and Rs. 42.85 crores respectively.
- 12 Figures for the previous periods/ year have been regrouped / reclassified wherever necessary, to make them comparable.

By Order of the Board

*Sahil Vachani*

**Sahil Vachani**  
 Director  
 DIN : 00761695

Date : January 31, 2023  
 Place : New Delhi



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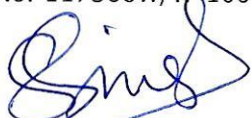
## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE UNAUDITED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF MAX FINANCIAL SERVICES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Max Financial Services Limited** ("the Company"), for the quarter and nine months ended 31 December, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



  
**SATPAL SINGH ARORA**  
Partner  
(Membership No. 098564)  
UDIN:23098564BGVUTR4258

Gurugram, 31 January, 2023



**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022**

(Rs. in Crores except per share data)

Particulars	3 months ended 31.12.2022	3 months ended 30.09.2022	3 months ended 31.12.2021	9 months ended 31.12.2022	9 months ended 31.12.2021	Year ended 31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Revenue from operations</b>						
(a) Interest income	0.47	0.46	0.01	1.39	0.01	0.01
(b) Dividend income	-	-	-	-	144.46	144.46
(c) Rental income	0.14	0.15	0.11	0.43	0.32	0.42
(d) Gain on fair value changes - on investments in mutual funds	10.12	11.28	8.29	28.03	24.50	34.17
(e) Sale of services	6.25	5.75	4.85	17.50	15.75	20.64
<b>2. Total revenue from operations</b>	<b>16.98</b>	<b>17.64</b>	<b>13.26</b>	<b>47.35</b>	<b>185.04</b>	<b>199.70</b>
3. Other income	0.01	0.21	0.37	0.29	1.69	2.36
<b>4. Total income (2+3)</b>	<b>16.99</b>	<b>17.85</b>	<b>13.63</b>	<b>47.64</b>	<b>186.73</b>	<b>202.06</b>
<b>5. Expenses</b>						
(a) Finance costs	0.04	0.02	0.03	0.08	0.11	0.14
(b) Employee benefits expenses (See Note 6)	2.70	2.52	2.69	7.84	18.45	21.62
(c) Depreciation, amortisation and impairment	0.75	0.79	0.83	2.37	2.65	3.48
(d) Legal and professional expenses	3.67	4.14	3.13	11.11	9.94	13.85
(e) Other expenses	2.60	2.79	3.51	8.59	9.07	15.89
<b>6. Total expenses</b>	<b>9.76</b>	<b>10.26</b>	<b>10.19</b>	<b>29.99</b>	<b>40.22</b>	<b>54.98</b>
<b>7. Profit before tax (4-6)</b>	<b>7.23</b>	<b>7.59</b>	<b>3.44</b>	<b>17.65</b>	<b>146.51</b>	<b>147.08</b>
<b>8. Tax expense</b>						
(a) Current tax expense	8.14	2.10	(1.21)	11.14	31.15	31.92
(b) Deferred tax charge	(6.25)	0.70	2.18	(5.38)	11.84	12.54
<b>9. Total tax expense</b>	<b>1.89</b>	<b>2.80</b>	<b>0.97</b>	<b>5.76</b>	<b>42.99</b>	<b>44.46</b>
<b>10. Profit for the period / year (7-9)</b>	<b>5.34</b>	<b>4.79</b>	<b>2.47</b>	<b>11.89</b>	<b>103.52</b>	<b>102.62</b>
<b>11. Other comprehensive income / (loss):</b> Items that will not be reclassified to profit or loss:						
- Remeasurement of the defined benefit obligations	(0.01)	0.01	(0.01)	(0.01)	0.65	0.48
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	(0.19)	(0.12)
<b>12. Total other comprehensive income / (loss)</b>	<b>(0.01)</b>	<b>0.01</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>0.46</b>	<b>0.36</b>
<b>13. Total comprehensive income / (loss) (10+12)</b>	<b>5.33</b>	<b>4.80</b>	<b>2.46</b>	<b>11.88</b>	<b>103.98</b>	<b>102.98</b>
14. Paid-up equity share capital (Face value of Rs. 2)	69.02	69.02	69.02	69.02	69.02	69.02
15. Other equity						6,680.57
16. Earnings per share (EPS) (Rs.) (not annualised)						
(a) Basic EPS	0.15	0.14	0.07	0.34	3.00	2.97
(b) Diluted EPS	0.15	0.14	0.07	0.34	3.00	2.97
See accompanying notes to the unaudited standalone financial results						

By Order of the Board

Date : January 31, 2023  
Place : New Delhi



*Sahil Vachani*

Sahil Vachani  
Director  
DIN : 00761695

**Max Financial Services Limited**  
**CIN: L24223PB1988PLC008031**

**Registered Office: Bhai Mohan Singh Nagar, Rail Majra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533**  
**Website: www.maxfinancialservices.com**

**Notes to the unaudited standalone financial results:**

- 1 These standalone unaudited financial results for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held today. These results have been reviewed by the statutory auditors of the Company.
- 2 The standalone unaudited financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 The Company is an Unregistered Core Investment Company (Unregistered CIC), and is primarily engaged in the business of growing and nurturing business investments and providing management advisory services to group companies in India. The Company views these activities as one business segment, therefore there are no separate reportable segments as per Indian Accounting Standard-108 (Ind AS-108) on Operating Segment.
- 4 The Board of Directors of the Company in its meeting held on March 3, 2020, had approved entering into a Put/Call arrangement for acquisition of balance shares held by Mitsui Sumitomo Insurance Company Limited (MSI) in Max Life Insurance Company Limited ('MLIC') and matters incidental thereto at a price of Rs. 85 per share ("MSI Put/Call Option"). The shareholders of the Company approved the said MSI Put/Call Option on May 27, 2020. In this regard the Company had executed definite agreement, which was subject to receipt of requisite regulatory approvals.  
  
The Company had received approval from Insurance Regulatory and Development Authority of India ('IRDAI') vide its letter dated November 25, 2022. Pursuant to the approval, on December 8, 2022, the Company acquired residual 99,136,573 equity shares of face value of Rs. 10 each constituting 5.17% equity stake held by MSI in MLIC at a price of Rs. 85 per share. On acquisition of the aforesaid stake in MLIC, the shareholding held by the Company in MLIC increased to 87%.
- 5 The Board of Directors of the Company in its meeting held on April 27, 2020 approved entering into definitive agreements with Axis Bank for the sale of equity share capital of MLIC, a subsidiary of the Company, to Axis Bank, subject to receipt of shareholders' approval and other requisite regulatory approvals. The shareholders of the Company approved the transaction on June 16, 2020.  
  
On October 30, 2020, the Company, MLIC, Axis Bank and its subsidiaries (together "Axis Entities"), i.e. Axis Capital Limited and Axis Securities Limited ("Axis Bank subsidiaries") entered into agreements for acquisition of upto 19.002% of the equity share capital of MLIC ("Agreements"). Pursuant to receipt of all approvals, Axis Bank had acquired 9.002% of the equity share capital of MLIC and Axis Bank subsidiaries acquired 3% of the share capital of MLIC as per Rule 11UA valuation of the Income-tax Rules, 1962 upto March 31, 2022.  
  
Subsequently, on January 9, 2023 the Company has executed revised agreements with the parties in terms of which Axis Entities have the right to purchase the balance 7% equity stake of MLIC from the Company at Fair Market Value using Discounted Cash Flows instead of valuation as per Rule 11UA of the Income Tax Rules, 1962. This revision has been done consequent to the guidance received by MLIC from IRDAI.  
  
The acquisition of 7% of equity share capital of MLIC by Axis Entities is subject to receipt of requisite regulatory approvals. Pending receipt of requisite approvals, the said transaction cannot be considered concluded at the current date and hence, no adjustments have been made in the financial results.
- 6 Employee benefits expenses for nine months ended December 31, 2021 and for the year ended March 31, 2022 includes one - time special incentive of Rs. 7.75 crores paid to senior leadership team of the Company for their valued contribution in consummation of Max Financial - Axis transaction.
- 7 Mr. Mohit Talwar retired from the position of Managing Director of the Company with effect from the close of business hours on January 14, 2023 and accordingly, he ceased to be a director of the Company. The Board of Directors of the Company engaged him as Business Advisor to the Company with effect from January 15, 2023.
- 8 On October 14, 2022, MLIC, received an Order from the IRDAI imposing penalty aggregating to Rs. 3.00 crores alleging violations/non-compliance with directions issued by the IRDAI with respect to transactions involving the Company and Axis Entities relating to transfer of shares of MLIC during March 2021 and April 2021. These transactions were approved by the Board of Directors and shareholders of the Company and MLIC. On October 17, 2022, MLIC paid the aforesaid penalty amount as directed in the Order.
- 9 The figures for the previous period/year have been regrouped / reclassified wherever necessary, to make them comparable.

By Order of the Board

Date : January 31, 2023  
Place : New Delhi



*Sahil Vachani*

Sahil Vachani  
Director  
DIN : 00761695

**Max Financial Services Limited consolidated revenue<sup>^</sup> at Rs 15,890 Cr, grows 12% in 9MFY23; consolidated PAT at Rs 399 Cr, up 129% in 9MFY23; Max Life records highest ever quarterly New Business Margin of 39.2% in Q3FY23 taking the Embedded Value to Rs 15,547 Cr**

#### **Results Highlights 9MFY23:**

- Max Financial completed acquisition of **5.17%** stake of Max Life from MSI in Dec'22, post-acquisition Max Financial shareholding in Max Life increased to **87%**
- Agreements amended with Axis Bank for the right to acquire balance **7%** stake sale of Max Life at Fair Market Value
- **New Business Premium\***: Rs 5,640 crore, Up 7%, Proprietary channels grew 19%
- **Embedded Value at Rs 15,547 crore**; Operating RoEV improved by 140 bps to 19.5%.
- **New Business Margin (NBM)** at **31.8%**, Up 670 bps
- **Value of New Business** at **Rs 1,179 crore**, Up 25%
- **Assets Under Management (AUM)** at **Rs 1,18,400 Cr**, Up 16%

**January 31, 2023, Noida:** Max Financial Services Limited (MFSL) today announced its financial results for the third quarter (Q3) and nine months (9M) of the financial year of FY23. In the 9MFY23, MFSL reported consolidated revenues of Rs 21,497 Crore, 3% lower than previous year, due to lower investment income. Excluding investment income, the consolidated revenues<sup>^</sup> at Rs 15,890 Crore, grew 12%. Consolidated PAT at Rs 399 Crore in 9MFY23, up 129%, due to lower new business strain than corresponding previous period. In Q3FY23, Consolidated Revenue at Rs 8,898 Cr, up 28% and Consolidated PAT at Rs 269 Cr, up 196%.

During 9MFY23, Max Life New Business Premium\* grew 7% to Rs 5,640 Cr driven by strong growth in proprietary channels. Proprietary channels new business premiums grew by 19% year-on-year to Rs 1,262 Crore as result contribution of Proprietary channels to total new sales increased from 28% in 9MFY22 to 34% in 9MFY23. Further, the renewal premium income rose 16% to Rs 10,548 Crore, taking the gross written premium Rs 16,188 Crore, up 12% year-on-year.

Max Life achieved highest New Business Margin (NBM) of 31.8% in 9MFY23, improved by 670 bps over corresponding previous period. Further NBM expanded to 39.2% in Q3FY23, an increase of 1430 bps quarter mainly driven by higher non-participating product mix. Value of New Business (VNB) grew by 25% to Rs 1,179 Cr in 9MFY23 and by 50% to Rs 593 Crore in Q3FY23. Max Life policyholders cost to gross premium ratio improved from 21.4% in 9MFY22 to 20.4% in 9MFY23 due to effective cost management efforts and higher business growth. Max Life reported an Embedded Value of Rs 15,547 crore, while the Operating Return on EV (RoEV) in 9MFY23 improved by 140 bps to 19.5%. During 9MFY23, Max focused on retirement segment led to growth of 300% in Annuity business in 9MFY23. Max Life's assets under management (AUM) were Rs 1,18,400 crore as on December 31, 2022 – a rise of 16% over the previous period.

<sup>^</sup> Excluding Max Life unit linked investment income

\* New business premium = First year premium + Single premium

Max Life Pension Fund Management Limited commenced business operations in Q2FY23, and also received PoP license which will support further growth.

Max Life has secured a new banca partnership with Ujjivan Small Finance Bank and 2 new renowned Broker partnerships in Q3FY23.

**Prashant Tripathy, Managing Director, Max Life Insurance Company Limited, said,** *"Through the introduction of new innovative products, secular growth across proprietary channels, and a balanced product mix, we achieved a strong growth in Q3FY23. In addition to accelerate bancassurance channel growth, we are focused on continuous growth through strategic partnerships and improved market share."*

#### **About Max Financial Services Limited:**

Max Financial Services Limited (MFSL) is part of India's leading business conglomerate – the Max Group. Focused on Life Insurance, MSFL owns and actively manages an 87% majority stake in Max Life Insurance, India's largest non-bank, private life insurance company. The company is listed on the NSE and BSE. Besides a 11.5% holding by Analjit Singh and sponsor family, some of the other group shareholders include MSI, Ward ferry, New York Life, GIC, Baron, Vanguard, Jupiter, Blackrock, etc.

#### **About Max Life Insurance Company:**

Max Life is the sole operating subsidiary of Max Financial Services Limited. Max Life - a part of Max Group, an Indian multi-business corporation – is India's largest non-bank private life insurer and the fourth largest private life insurance company.

On April 6, 2021, Axis Bank Limited, India's third-largest private sector bank, together with its subsidiaries Axis Capital Limited and Axis Securities Limited (collectively referred to as "Axis Entities") became the co-promoters of Max Life. This was after completion of the acquisition of 12.99% stake collectively by the Axis Entities in Max Life. Max Life offers comprehensive protection and long-term savings solutions, through its multichannel distribution including agency and third distribution partners. Max Life has built its operations over almost two decades through a need-based sales process, a customer-centric approach to engagement and service delivery and trained human capital. It has 346 branch units across India.

#### **Press Contacts:**

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^ Excluding Max Life unit linked investment income

\* New business premium = First year premium + Single premium