

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

Regd. Office: Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020
Corporate Office: D-1, II Floor, Salcon Ras Vilas, District center, Saket, New Delhi 17

NOTICE

Notice is hereby given that third Annual General Meeting of Max Bupa Health Insurance Company Limited will be held on Thursday, May 19, 2011 at 1700 hrs at the Corporate Office of the Company at D-1, II Floor, Salcon Ras Vilas, District Center, Saket, New Delhi 110017 to transact the following business:

Ordinary Business

- (1) To consider, approve and adopt the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended on that date together with Directors' Report and Auditors' Report thereon.
- (2) To appoint director in place of Mr. Analjit Singh who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To appoint director in place of Mr. Dean Allan Holden who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To appoint director in place of Mr. Benjamin David Jemphrey Kent who retires by rotation and being eligible, offers himself for re-appointment.
- (5) To re-appoint V Sahai Tripathi & Co, Chartered Accountants and Thakur Vaidyanath Aiyar & Co., Chartered Accountants as the Joint Statutory Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

Special Business

- (6) To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and other statutory approvals, if any, consent of the company be and is hereby accorded to adopt restated Articles of Association as placed before the Meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be required or considered necessary or incidental thereto."

- (7) To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of IRDA Corporate Governance Guidelines and Section 255 of the Companies Act, 1956,

Dr. Damien Vincent Marmion, in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, proposing his candidature as a Director of the Company, be and is hereby appointed as the director of the Company and liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be required or considered necessary or incidental thereto.”

- (8) To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to applicable provisions of the Article of Association of the Company, Companies Act, 1956, Shareholders’ Agreement as amended from time to time, Insurance Act, 1934 and rules and regulations framed thereunder and terms & conditions stipulated by IRDA, the consent of the Company be and is hereby accorded to appoint Dr. Damien Vincent Marmion, Chief Executive Officer of the Company as the ‘Whole time Director’ for the period from May 19, 2011 to December 31, 2013, who shall report directly to the Board and discharge his functions under the supervision of the Board, on the terms and conditions as may be determined by Board of Directors and at a remuneration subject to the ceiling of Rs. One Crore Fifty Lac per annum (remuneration including all perquisites plus bonuses or any other payments made by whatsoever names) in line with the limits specified by IRDA and as may be altered and varied from time to time by the Board.

RESOLVED FURTHER THAT the remuneration to Dr. Damien Vincent Marmion be paid by the Company in accordance with the terms approved by IRDA.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be required or considered necessary or incidental thereto.”

- (9) To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable provisions of the Act, if any, read with Memorandum and Articles of Association of the Company and Unlisted Public Companies (Preferential Allotment) Rules, 2003, consent of the Company be and is hereby accorded to the Board to issue and allot 2,00,00,000 Equity Shares of Rs. 10 each fully paid up for cash at par in the share capital of the Company in one or more tranches on preferential basis, to the following entities as the Board may decide and that such equity shares shall rank pari passu with the existing shares of the Company on preferential basis:

S.No.	Name	No. of Shares
1	Max India Limited	1,48,00,000
2	Bupa Singapore Holdings Pte. Ltd	52,00,000
Total		2,00,00,000

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required or considered necessary or incidental thereto.”

For **Max Bupa Health Insurance Company Limited**



Sandeep Seth
Company Secretary

New Delhi
19th May, 2011

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the above resolutions are enclosed.
3. The documents referred to in the proposed resolutions are open for inspection at the Registered Office of the Company during working hours between 10.00 A.M. and 1.00 P.M. except on holidays.
4. Consents from the shareholders of the Company have been received for convening the meeting at short notice.

Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of special business set out in the notice.

(6) Alteration in Articles of Association of the Company

The shareholders of the Company have entered into a Second Amendment deed of variation, the salient provisions of which are proposed to be incorporated in the Articles of Association of the Company.

Pursuant to the provisions of Section 31 of the Companies Act, 1956, the Company may, by Special Resolution, alter the provisions of its Article of Association of the Company. The aforesaid resolution requires approval by the members of the Company.

A copy of restated Articles of Association of the Company is enclosed with the Notice.

None of the Directors of the Company may be deemed to be interested or concerned in passing of the above resolution.

Your Directors recommend passing of the resolution contained in Item No. 6 as a Special Resolution.

(7) To appoint Dr. Damien Vincent Marmion as Director of the Company

Pursuant to provisions of IRDA Corporate Governance Guidelines and Section 257 of the Companies Act, 1956, the Company has received notice from one of the members proposing the candidature of Dr. Damien Vincent Marmion for appointment as Director on the Board of the Company.

As per Section 255 of the Companies Act, 1956, the appointment of Director requires approval of the shareholders by way of ordinary resolution.

No other Director except Dr. Damien Vincent Marmion is concerned or interested in this resolution.

Your Directors recommend passing of the resolution contained in Item No. 7 as an Ordinary Resolution.

(8) To appoint Dr. Damien Vincent Marmion as 'Whole time Director'

Dr. Damien Vincent Marmion completed his MBBS from University of London, UK and has done his Masters in Business Administration from City University, London, UK. He has notched up many successes during his career over 15 years in Medical and Health Insurance Industry. During the year 2003 to 2009, he served on the Board of Bupa Arabia Plc and Bupa Healthcare Asia and also acted as Managing Directors for 5 years with Bupa Asia Ltd.

The Board appointed him as Chief Executive Officer of the Company with effect from January 01, 2009. In terms of section 34A of the Insurance Act, 1938, the Company has received approval from IRDA regarding his appointment as Chief Executive Officer of the Company. In terms of the said approval the Company will bear cost of the remuneration only upto the ceiling of One Crore Fifty Lac (remuneration including all perquisites plus bonuses or any other payment made by whatsoever names) and remuneration beyond this limit will be borne by the foreign Joint venture partner.

The Board recommends the appointment of Dr. Damien Vincent Marmion, CEO as 'Whole time Director' in compliance with the IRDA Corporate Governance Guidelines. The remuneration as set out in the Resolution is in accordance terms and conditions stipulated by IRDA.

The Notice read with the Explanatory Statement should be considered as an abstract of the terms of appointment and payment of remuneration to Dr. Damien Vincent Marmion, Chief Executive Officer as 'Whole time Director' and a memorandum as to the nature of the concern or interest of the Director as required under section 302 of the Companies Act, 1956.

No other Director except Dr. Damien Vincent Marmion is concerned or interested in this resolution.

Your Directors recommend passing of the resolution contained in Item No. 8 as a Special Resolution.

(9) Issue of further Shares on preferential basis

In order to meet the requirement of funds for the business, the Company is required to be capitalized by issue of equity shares in the share capital of the Company to Max India Limited and Bupa Singapore Holdings Pte Ltd. Accordingly, It is proposed to issue 2,00,00,000 Equity Shares of Rs. 10/- each for cash at par on preferential basis pursuant to Section 81(1A) of Companies Act, 1956.

The issue and allotment of shares by an unlisted public company on preferential basis is governed by the provisions of Unlisted Public Companies (Preferential Allotment) Rules, 2003. The detailed descriptions about the issue of shares as prescribed under the said Rules are given below:

THE PRICE OR PRICE BAND AT WHICH THE ALLOTMENT IS PROPOSED

The allotment of equity shares is proposed to be made for cash at par.

RELEVANT DATE ON THE BASIS OF WHICH PRICE HAS BEEN ARRIVED AT

The share shall be issued at par.

THE OBJECTS OF THE ISSUE

To meet capitalization requirements as per business plan of the Company.

CLASS OR CLASSES OF THE PERSON TO WHOM THE ALLOTMENT IS PROPOSED TO BE MADE

The proposed allotment of 2,00,00,000 Equity Shares to be made to the following entities on preferential basis as per the provision of Companies Act, 1956.

S.No.	Name	No. of Shares
1	Max India Limited	1,48,00,000
2	Bupa Singapore Holdings Pte. Ltd	52,00,000
	Total	2,00,00,000

INTENTION OF PROMOTERS TO SUBSCRIBE TO THE OFFER

The promoters have undertaken to fund the Company to meet its capitalization requirements as per business plan of the Company.

SHAREHOLDING PATTERN

The equity shares are proposed to be issued in the following manner:

S.No.	Name	No. of Shares
1	Max India Limited	1,48,00,000
2	Bupa Singapore Holdings Pte. Ltd	52,00,000
	Total	2,00,00,000

TIME LIMIT WITHIN WHICH THE ALLOTMENT SHALL BE COMPLETED

The proposed allotment shall be completed within 12 months of passing of the proposed resolution.

CHANGE IN CONTROL

There would be no change in control after the proposed allotment of shares by the Company.

The Certificate confirming the compliance of Unlisted Public Companies (Preferential allotment) Rules, 2003 will be laid at the commencement of the meeting.

None of the Directors of the Company may be deemed to be interested or concerned in passing of the above resolution.

Your Directors recommend passing of the resolution contained in Item No. 9 as a Special Resolution.

For **Max Bupa Health Insurance Company Limited**



Sandeep Seth
Company Secretary

New Delhi
19th May, 2011

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Third Annual Report of the Company together with the audited accounts for the Financial Year ended March 31, 2011

BUSINESS HIGHLIGHTS

The highlights for the Financial Year ended March 31, 2011 are as under:

Particulars	(Rs in '000)	
	2010-11	2009-10
Gross Written Premium	254603	1274
Less Reinsurance Premium	25460	127
Net Premium	229143	1147
Unexpired Risk Reserve	148426	1135
Earned Premium	80717	12
Total Underwriting Revenue	80717	12
Net Incurred Claims	40607	7
Commission paid (net)	13896	25
Expenses of Management	1266041	385531
Total Underwriting expenses	1320544	385563
Underwriting Profit/(Loss)	(1239827)	(385551)
Investment Income:		
Allocated to Revenue Account	11424	6
Allocated to P&L Account	67987	18242
Other Income	892	1298
Other Expenses	2950	-
Profit/(Loss) before Tax	(1162474)	(366005)
Key Business Parameters		
Solvency Ratio	2.03 : 1	2.07 : 1
Share Capital (Rs. crores)	271	151
Foreign Direct Investment(Rs. crores)	70.46	39.26
No. of Employees	682	376
No. of offices	12	5
No. of Agents	4339	271
No. of Policies	28789	253

INDUSTRY OVERVIEW

The Health Insurance sector has been the fastest growing segment in the non-life insurance business with a 39% Compounded Annual Growth Rate (CAGR) over the last 5 years. The total Health Insurance premium in FY 2010 -11 reached Rs. 11,137 Cr up from Rs. 8305 Cr in FY 2009-10,

registering 34% growth. The share of Health Insurance in overall General Insurance in FY 2010-11 has increased to 26% from 22% in FY 2009-10.

During the year, a number of new regulations and guidelines from the perspective of the protection of policyholders' interest were issued by the regulator. These regulations & guidelines may have some impact on the business activities of the company. Some of the key guidelines & regulations released were:

- Outsourcing of activities by Insurance Companies.
- Portability of Health Insurance Policies
- Distance Marketing of Insurance Products
- IRDA (Sharing of Database for Distribution of Insurance Products) Regulations, 2010
- Insurance Schemes sponsored by government

PHILOSOPHY

Max Bupa's philosophy and mission is to help people live longer, healthier and more successful lives. With a vision to build long-term healthcare partnerships, providing expertise for life, Max Bupa is working towards helping people put their health first.

Max Bupa's mission is to become India's most admired health insurance company by building capability in people, technology and infrastructure, and delivering high quality products and services to its customers.

OPERATIONS

Max Bupa brings together Bupa's global health insurance and customer service expertise with Max India's understanding and experience of the Indian health and insurance sectors. The Company offers quality health insurance services through a dedicated team of over 650 people and network of offices across cities, namely - Delhi, Mumbai, Hyderabad, Chennai, Bangalore, Surat, Ludhiana, Jaipur, Kochi, Kolkata and Pune.

The Company has developed a strong network of over 750 quality hospitals and healthcare providers and intends to increase this to over 1000 hospitals by 2011-12. The Company services its customers directly through its in-house team of professionals including doctors.

To reach out to customers and to build awareness about its product and service offerings, the Company has been using a combination of television, print, digital media, outdoor, radio and ground level events to drive up awareness for the need of health insurance, and Max Bupa's offerings including unique product differentiators.

HEALTH PRODUCTS

Max Bupa started its business operations in March 2010 with its flagship product Heartbeat for the retail customers, offering comprehensive health insurance ranging from Rs 2 Lacs to Rs 50 Lacs for both individuals and families. Heartbeat gradually created a niche for itself through its focus on health care and unique service offering.

During the course of the year, a new dimension was added to the Heartbeat in the form of another variant called Family First. Family first is the first of its kind in the market to cater to the Indian joint family, by offering cover to the extended families (upto 13 relationships) in one policy.

In addition, three more products were approved and launched during the year:

1. Employee first: To cater to the group including SME segment
2. Swasthya Pratham: A product for Rural and Social sector
3. International Medical Emergency Policy (IMEP): To provide overseas medical emergency cover for frequent travellers

Based on market experience and the research study conducted during the year, the company has developed a pipeline of products to be created over the next two years. The Company has already filed three products for approval from IRDA. These products are:

1. Swasth Parivar
2. Health Companion
3. Employee First - Classic

Internal Capability was augmented during the year to develop functional competencies in line with the planned product pipeline. A Market Research study has also been initiated to validate segmentation assumptions and strengthen product insights to evolve the product development organization to an Innovations development function.

DIRECTORS

The Company's Board of directors consists of eight members. The Board of directors is responsible for the overall corporate strategy and other Board related matters.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Analjit Singh, Mr. Dean Allan Holden and Mr. Benjamin David Jemphrey Kent retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment.

Pursuant to Section 255 read with Section 257 of the Companies Act, 1956, the Company has received notice from one of the members proposing the name of Dr. Damien Vincent Marmion, CEO of the Company for appointment as director of the Company at the ensuing Annual General Meeting. Further, it is proposed to appoint Dr. Damien Vincent Marmion, CEO Chief Executive Officer of the Company as the 'Whole time Director' defined under the Companies Act, 1956.

CORPORATE GOVERNANCE

The Company understands that highest standards of Corporate Governance have become a competitive advantage in today's business environment.

Well governed organizations have an advantage while competing for critical resources such as Capital, Talent etc.

The Directors have embraced this belief and taken specific steps to raise the bar of Corporate Governance.

Besides having a independent minded Board constituted of domain experts from diverse functional areas, some key recent developments towards having a benchmarkable Governance practices include:

1. Establishing Board sub-committees with well defined Charters, on the basis of critical business needs, over and above the statutory committees.
2. Absolute clarity on measures of success by establishing a comprehensive dashboard which includes not only financial measure, but criteria geared towards long term success.
3. Creation of independent and robust inspection mechanism for monitoring progress on the key result areas for the Company
4. Decisions based on facts not opinions through a process of cross industry bench marking, taking opinions of external experts etc.

The Board of Directors of the Company presently comprises of six non-executive directors and two independent directors.

As per Corporate Governance guidelines issued by IRDA, the Chief Executive Officer of the company is proposed to be appointed as Director in the ensuing Annual General Meeting. Further, CEO will also be designated as 'Whole time Director' under the Companies Act.

The Company has received Deed of Covenant and Declaration from all the directors in accordance with the said Corporate Governance guidelines.

Further, the Board has constituted the following Committees and the constitution, roles & responsibilities of these Committees of the Board are in line with the Corporate Governance guidelines:

1. Audit Committee (constituted on April 27, 2010)
2. Investment Committee (constituted on May 12, 2010)
3. Risk Committee (constituted on May 12, 2010)
4. Policyholders' Protection Committee (constituted on May 12, 2010)

The Board also constituted two additional Committees as below:

1. Product and Actuarial Committee (constituted on May 12, 2010)
2. HR Compensation and Organization Committee (constituted on May 12, 2010)

The disclosures as per the IRDA Corporate Governance Guidelines, form part of the Directors' Report as Annexure I.

DIVIDEND

As the Company has not yet started generating surplus, the directors do not recommend any dividend for the year.

CAPITAL

During the year, the paid up equity share capital of the Company was increased from Rs. 151 Crores to Rs. 271 Crores. Further, the Company has received share application money amounting to Rs. 20 Crores in April, 2011 from Max India Limited and Bupa Singapore Holdings Pte. Ltd in the ratio of 74:26.

SOLVENCY

The Company has been continually monitoring its solvency margins to ensure that the solvency margin is maintained in line with the requirements of IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000. As on March 31, 2011, the solvency ratio of the Company was at 2.03:1.

DEPOSITS

The Company has not accepted any deposits under Section 58A of the Companies Act, 1956.

RURAL & SOCIAL SECTOR OBLIGATIONS

Disclosure of Sector wise business based on Gross Direct Written Premium (GWP) as per Insurance Regulatory and Development Authority (Obligations of Insurers to Rural or Social Sectors) Regulations 2002 is as under:

Business Sector	Year ended 31.03.2011			Year ended 31.03.2010		
	GWP Rs.'000s	No. of Lives	% of GWP	GWP Rs.'000s	No. of Lives	% of GWP
Rural	6721	1512	2.64	-	-	0
Social	820	5600	0.32	-	-	0
Urban	247062	44661	97.04	1274	305	100

The Company has complied with the Rural and Social obligations prescribed by IRDA. During the year 2009-10, the Company conducted its business for a period of less than six months and hence obligation in respect of Rural or Social sector as required under the aforesaid regulations/notification was not applicable.

AUDITORS

The Joint Statutory Auditors, M/s V Sahai Tripathi & Company, Chartered Accountants and M/s Thakur Vaidyanath Aiyar & Company, Chartered Accountants, will retire at the ensuing Annual General Meeting. As recommended by the Audit Committee, the Board has proposed the re-appointment of M/s V Sahai Tripathi & Company, Chartered Accountants and M/s Thakur Vaidyanath Aiyar & Company, Chartered Accountants as Joint Statutory Auditors for the financial year 2011- 2012.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirm that:

1. In the preparation of annual accounts for the financial year ended March 31, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the loss of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities.

4. The Directors have prepared the annual accounts on a going concern basis.

ADDITIONAL INFORMATION

The information required under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended up to date is separately annexed to the Report.

The information in accordance with the provision of section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 for the year ended March 31, 2011 is provided hereunder:

a. **CONSERVATION OF ENERGY:**

The Company has taken measures to reduce the energy consumption, by using energy efficient equipment, incorporating latest technology and regular maintenance.

b. **RESEARCH AND DEVELOPMENT (R&D)** : Nil

c. **TECHNOLOGY ABSORPTION:**

- Specific areas in which R & D was carried out by the Company : Nil
- Benefit derived as a result of above : NA
- Future plan of action : NA
- Expenditure on R & D : NA

d. **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Activities relating to exports, initiatives taken to increase exports, develop new export markets, export plan, etc.

(Rs. in thousands)

		For the year ended March 31, 2011	For the year ended March 31, 2010
i)	Foreign Exchange Earnings	Nil	Nil
ii)	Foreign Exchange Outgo		
	CIF Value of Imports		
	- Capital Goods	21801	8812
	- Trading Goods	Nil	Nil
	Others	8659	7364

ACKNOWLEDGEMENTS


The Directors wish to place on record their gratitude to IRDA, the Reserve Bank of India, Central and State Governments and the joint venture partners for their continued cooperation, support and assistance. The Directors also express their thanks for the continued support and cooperation extended by Policyholders, Intermediaries and Employees of the Company.

For and on behalf of the Board of Directors

Place: New Delhi
Date: May 19, 2011


Director

(Mr. Kummamuri Murthy Narasimha)
DIN: 00023046



Director
(Mr. Benjamin David Jemphey Kent)
DIN: 02895798



Director
(Mr. Anthony Maxwell Coleman)
DIN: 03149224

ANNEXURES TO DIRECTORS' REPORT

A. Disclosures for the FY 2010-11 as per IRDA Corporate Governance Guidelines

Following are the disclosures as mandated by the Corporate Governance Guidelines:

a. Constitution of the Board, number of meetings held and attendance by Directors

Name of the Director	No. of Board Meetings held	No. of Board Meetings attended
Analjit Singh - Chairman	4	3
Anuroop Singh	4	4
Leo Puri	4	2
Dean Allan Holden	4	4
Benjamin David Jemphrey Kent	4	4
William Stephen Ward	4	3
Kummamuri Murthy Narasimha*	4	3
Sunil Kakar**	4	2
Anthony Maxwell Coleman***	4	2

* appointed w.e.f. April 27, 2010

**ceased to be a director w.e.f. July 20, 2010

*** appointed w.e.f. July 20, 2010

b. Constitution of the Audit Committee, number of meetings held and attendance by Members

Name of the Member	No. of Meetings held	No. of Meetings attended
Kummamuri Murthy Narasimha-Chairman	4	4
Benjamin David Jemphrey Kent	4	4
Sunil Kakar*	4	2
Anthony Maxwell Coleman**	4	2

* ceased to be member w.e.f. July 20, 2010

** appointed as member w.e.f. July 20, 2010

c. Constitution of the Investment Committee, number of meetings held and attendance by Members

Name of the Member	No. of Meetings held	No. of Meetings attended
Benjamin David Jemphrey Kent-Chairman	3	3
Sunil Kakar*	3	1
Anthony Maxwell Coleman**	3	2
Damien Vincent Marmion	3	2
Neeraj Basur	3	3
Vishal Garg	3	3
K. Sriram	3	2

* ceased to be member w.e.f. July 20, 2010

** appointed as member w.e.f. July 20, 2010

d. Constitution of the Risk Committee, number of meetings held and attendance by Members

Name of the Member	No. of Meetings held	No. of Meetings attended
Benjamin David Jemphrey Kent-Chairman	2	2
Leo Puri	2	1
Anthony Maxwell Coleman*	2	2
Kummamuri Murthy Narasimha**	2	0

* appointed as member w.e.f. July 20, 2010

**appointed as member w.e.f. October 14, 2010

e. Constitution of the Policyholders Protection Committee, number of meetings held and attendance by Members

Name of the Member	No. of Meetings held	No. of Meetings attended
William Stephen Ward-Chairman	1	1
Kummamuri Murthy Narasimha	1	0
Anthony Maxwell Coleman*	1	1

* appointed as member w.e.f. July 20, 2010

Information of additional Committees constituted by the Board

f. Constitution of the Product and Actuarial Committee, number of meetings held and attendance by Members

Name of the Member	No. of Meetings held	No. of Meetings attended
Dean Allan Hoiden-Chairman	2	2
Leo Puri	2	0
William Stephen Ward	2	2
Anthony Maxwell Coleman*	2	1

*appointed as member w.e.f. October 14, 2010

g. Constitution of the HR Compensation and Organization Committee, number of meetings held and attendance by Members

Name of the Member	No. of Meetings held	No. of Meetings attended
Anuroop Singh*-Chairman	3	3
Dean Allan Holden	3	3
Anthony Maxwell Coleman	3	2

*ceased to be member w.e.f. January 25, 2011

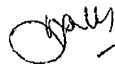
Mr. Leo Puri was appointed as member and Chairman w.e.f. January 25, 2011

h. Details of Directors and their status of Directorship and qualifications:

Name	Status of Directorship	Qualifications
Mr. Analjit Singh Nominee-Max India	Chairman, Non Executive	MBA, Boston, USA
Mr. Anuroop Singh Nominee-Max India	Non Executive	Chartered Accountant
Mr. Leo Puri Nominee-Max India	Non Executive	M.A. (Politics, Philosophy and Economics) from Oxford University and M.A (Law) from Cambridge University
Mr. Dean Allan Holden Nominee-Bupa Singapore	Non Executive	Chartered Accountant
Mr. William Stephen Ward Nominee-Bupa Singapore	Non Executive	Chartered Secretary
Mr. Benjamin David Jemphrey Kent Nominee-Bupa Singapore	Non Executive	Chartered Accountant, M.A. (Mathematics) from Oxford University.
Mr. K. Narasimha Murthy	Independent	FCA, FICWA
Mr. Anthony Maxwell Coleman	Independent	MBA (Macquarie University), Fellow of Institute of Actuaries (Australia), Fellow of Institute of Actuaries (UK)

For and on behalf of the Board of Directors

Place: New Delhi
Date: May 19, 2011



Director

(Mr. Kummamuri murthy
Narasimha)

DIN: 00023046



Director

(Mr. Benjamin
David Jemphrey
Kent)

DIN: 02895798



Director

(Mr. Anthony
maxwell Coleman)

DIN: 03149224


B. MAX BUPA HEALTH INSURANCE COMPANY LIMITED
INFORMATION AS PER SECTION 217(2A) READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED MARCH 31, 2011


Sl No.	Name	Age (Years)	Designation	Nature of duties	Remuneration (Rs.)	Qualification	Date of commencement of employment	Experience (Years)	Organisation	Last Employment Held Designation
A. Employed throughout the year and were in receipt of remuneration of not less than Rs. 60,00,000/- per annum										
1	Mr. Andrew Ryland	39	Head of Healthcare Purchasing Operations Management		8,161,290 BSc		01-Dec-2009	17	BUPA International	TPA Development & Contracting Manager
2	Dr. Dantien Marmion	44	Chief Executive Officer	General Management	15,000,000	Masters in Health Management, Medical Practitioner	01-Jan-2009	21	BUPA Limited, HK	Development Director
3	Mr. Dean Polard	46	Chief Operating Officer	Operations Management	31,262,025 MBA, PGDPM		01-Apr-2009	18	BUPA, Australia	Director of Transformation
4	Mr. Karanvir Singh	38	Director-Sales and Distribution	Sales and Distribution Management	6,493,319 MBA, BA (Economics)		16-Feb-2009	13	ChI Bank	Head-Risk Mitigation Unit
5	Mr. Neeraj Basur	41	Chief Financial Officer	Financial Management	10,546,878 M.Com, FCA, AOS		01-Jan-2009	19	Max India Limited	Senior Vice President-Corporate Finance
6	Mr. Sibaranjan Patnak	47	Head - Agency and Third Party Sales	Sales and Distribution Management	6,092,461 LLB, MSC		01-Apr-2009	22	Max New York Life Insurance Co. Ltd.	Senior Vice President and National Head of Group Business
B. Employed for part of the year and were in receipt of remuneration of not less than Rs. 500,000/- per month										
1	Ms. Gauri Tare	38	Head - Medical Risk Management	Operations Management	4,119,035 LMCP BCP		09-Nov-2009	13	DLF Pramerica Life Insurance Co. Ltd.	Vice President & Head of Operations & Underwriting
2	Mr. Pritpal Singh Kuler	43	Director-Human Resources	Human Resources Management	5,402,682 MBA, PGDHRD		01-Jun-2010	21	Heidelberg Cement India Ltd.	Director - HR
3	Mr. Rajan Sharma	46	Director-Human Resources	Human Resources Management	2,566,664 Masters in Personnel Management & Industrial Relations		01-Jan-2009	21	Max India Limited	Vice President- Human Resources


- Notes :
1. Remuneration includes salary, allowances, value of rent free accommodation, bonus, medical reimbursements, leave travel assistance, personal accident and health insurance, Company's contribution to Provident, Pension and Superannuation funds.
 2. None of the above employees is relative of any Director of the Company.
 3. None of the above employee holds by himself or along with his/her spouse and dependent children 2% or more of the Equity Shares of the Company as of the date of this report.

On behalf of the Board of Directors

New Delhi
 May 19, 2011

 Director
 (Mr. Kummamuri
 Murthy Narasimha)
 D/N: 000 25046

 Director
 (Mr. Binjimin
 David Tempney
 Kent)
 D/N: 02895798

 Director
 (Mr. Anthony
 Maxwell
 Adamson)
 D/N: 03149224

AUDITOR'S REPORT TO THE SHAREHOLDERS

To
The Members
MAX BUPA HEALTH INSURANCE COMPANY LIMITED
New Delhi

We have audited the attached Balance Sheet of *Max Bupa Health Insurance Company Limited* (the Company) as at March 31, 2011, the Miscellaneous Insurance Revenue Account, the Profit and Loss account and the Receipts and Payments account, for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Balance Sheet, the Revenue accounts, the Profit and Loss account and Receipts and Payments account, have been drawn up in accordance with the Insurance Act, 1938, Insurance Regulatory and Development Authority ('IRDA') (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the Regulations') read with Section 211 of the Companies Act, 1956 ('the Act').

As required by Regulation , we set out in the Annexure a statement certifying the matters specified in paragraph 4 of schedule C to the regulations.

Further to our comments in the Annexure referred to above, we report that:-

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of the audit and have found them to be satisfactory;
- b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company so far as appears from our examination of those books;
- c) As the Company's accounting system is centralized; no returns for the purposes of our audit are prepared at the branches and other offices;



- d) The Balance Sheet, the Revenue accounts, Profit and Loss account and the Receipts and Payments account referred to in this report are in agreement with the books of account;
- e) The actuarial valuation of liabilities in respect of claims Incurred but Not Reported ('IBNR') and those Incurred but Not Enough Reported ('IBNER') at March 31, 2011 has been duly certified by the appointed actuary. The appointed actuary has also certified that the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDA and the Actuarial Society of India in concurrence with the IRDA. We have relied upon the appointed actuary's certificate in this regard; and
- f) On the basis of the written representations received from the directors, as at March 31, 2011 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

In our opinion and according to the information and explanations given to us, we further report that :-

- a) Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and orders / directions issued by IRDA in this behalf;
- b) The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards referred to under sub section 3C of Section 211 of the Act and with the accounting principles prescribed by the Regulations and orders / directions issued by IRDA in this behalf;
- c) The Balance Sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payment account referred to in this report are in compliance with the accounting standards referred to under sub section 3C of section 211 of the Act, to the extent they are not inconsistent with the accounting policies prescribed by IRDA;
- d) The Balance Sheet, Revenue accounts, Profit and Loss account and Receipts and Payments account read together with the notes thereon are prepared in accordance with the requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Act, 1999 and the Act to the extent applicable, and in a manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India as, applicable to insurance companies :-
- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;



- ii. In the case of the Revenue Accounts, of the deficit for the year ended on that date;
- iii. In the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- iv. In the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Further, on the basis of examination of books and records of the Company and according to the information and explanations given to us and to the best of our knowledge and belief, we certify that :-

- We have reviewed the management report and there are no apparent mistakes or material inconsistencies with the financial statements; and
- Based on the information and explanations received during the course of our audit, management representations by officers of the Company charged with compliance and compliance certificates issued by the management, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration.

For and on behalf of
V Sahai Tripathi & Co
Chartered Accountants

For and on behalf of
Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

M. Sahai

(Mahesh Sahai)
Partner
M.N.-006730
FRN: 000262N



K. N. Gupta

(K.N. Gupta)
Partner
M.N.- 009169
FRN: 000038N



Place: New Delhi
Dated: 19 May, 2011

AUDITOR'S CERTIFICATE

(Referred to in the Auditor's report to the members of Max Bupa Health Insurance Company Limited (the company) on the financial statements for the year ended 31st March, 2011)

Based on the information and explanation given to us and to the best of our knowledge and belief and based on our examination of books of accounts and other records maintained by the Company, we certify that:

- a) We have verified the cash balances, to the extent consider necessary, and securities relating to the Company's investments by actual inspection or on the basis of certificates/confirmations received from custodian and/or Depository Participants appointed by the Company, as the case may be;
- b) The Company is not a trustee of any trust;
- c) No part of the assets of the policyholder's funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938, relating to the application and investments of the policyholder's funds.

This certificate has been issued to comply with Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, ('The Accounting Regulations'), read with Regulation 3 of the Accounting Regulations and may not be suitable for any other purpose.

For and on behalf of
V Sahai Tripathi & Co
Chartered Accountants

For and on behalf of
Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

M. Sahai

(Mahesh Sahai)
Partner
M.N.-006730
FRN: 000262N



K.N. Gupta

(K.N. Gupta)
Partner
M.N.- 009169
FRN: 000038N



Place: New Delhi

Dated: 19 May, 2011

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

REGISTRATION NO: 146, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SN	Particulars	Schedule	For the Year Ended March 31, 2011 (Rs.'000)	For the Year Ended March 31, 2010 (Rs.'000)
1	Premiums earned (Net)	1	80717	12
2	Profit/ Loss on sale/redemption of Investments		-	-
3	Others		-	-
4	Interest, Dividend & Rent - Gross		11424	6
	Total (A)		92141	18
1	Claims Incurred (Net)	2	40607	7
2	Commission	3	13896	25
3	Operating Expenses related to Insurance Business	4	1266041	385531
	Total (B)		1320544	385563
	Operating Profit/(Loss) from Miscellaneous Business [C= (A - B)]		(1228403)	(385545)
	Appropriations			
	Transfer to Shareholders' Account		(1228403)	(385545)
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	Total (C)		(1228403)	(385545)
	SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS	16		

The Schedules referred to above form an integral part of the Revenue Account

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of accounts all the expenses of management incurred during the year in respect of Miscellaneous-"Health" insurance business transactions in India by the Company have been fully recognized in the revenue account as expenses.

This is the Revenue Account referred to in our report of even date

For and on behalf of the Board of Directors

For V.Sahal Tripathi & Co.
Chartered Accountants



[Signature]

Director

Benjamin David Jemphrey Kent
DIN - 02895798

Chief Executive Officer

Damien namien

[Signature]

Director

Anthony Maxwell
Coleman
DIN-03149224

[Signature]

Director

Kumamuruxi murthy
Narasimha
DIN-00023046

Chief Financial Officer

Neeraj Basu

Company Secretary

Sandeep Sethi
MEM NO. A14635

Mahesh Sahai
Partner

Membership No. F 06730
FR No. 000262N

For Thakur, Valdyanath Aiyar & Co.
Chartered Accountants

[Signature]

K.N.Gupta
Partner

Membership No. F 09169
FR No. 000038N



Place : New Delhi
Date: May 19, 2011

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SN	Particulars	Schedule	For the Year Ended March 31, 2011 (Rs.'000)	For the Year Ended March 31, 2010 (Rs.'000)
1	Operating Profit/(Loss)			
	(a) Miscellaneous Insurance		(1228403)	(385546)
2	Income From Investments			
	(a) Interest, Dividend and Rent – Gross		59589	5740
	(b) Profit on sale of investments		8398	12502
	Less: Loss on sale of investments		-	-
3	Other Income			
	(a) Gain/(Loss) on Foreign Exchange Fluctuation		(1165)	948
	(b) Liabilities no longer required written back		2057	350
	Total (A)		<u>(1159524)</u>	<u>(368005)</u>
4	Provisions (Other than Taxation)			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		-	-
	(c) Others		-	-
5	Other Expenses			
	(a) Expenses other than those related to Insurance Business		-	-
	(b) Bad debts written off		-	-
	(c) Others		-	-
	Total (B)		<u>2950</u>	<u>-</u>
			2950	-
	Profit/(Loss) Before Tax		(1162474)	(368005)
	Provision for Taxation		-	-
	(a) Fringe Benefit Tax		-	-
	Profit/(Loss) After Tax		<u>(1162474)</u>	<u>(368005)</u>
	Appropriations			
	(a) Interim dividends paid during the period		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or Other Accounts		-	-
			<u>-</u>	<u>-</u>
	Balance of Profit/(Loss) brought forward from last year		(429579)	(63574)
	Balance carried forward to Balance Sheet		<u>(1592053)</u>	<u>(429579)</u>
	Basic and Diluted Earning per Share of Rs. 10/- each		(5.62)	(8.42)

The Schedules referred to above form an integral part of the Profit and Loss Account

This is the Profit and Loss Account referred to in our report of even date For V.Sahai Tripathi & Co. Chartered Accountants

O. Varma

Mahesh Sahai
Partner
Membership No. F 08730
FR No. 000262N

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

K.N.Gupta
Partner
Membership No. F 09169
FR No. 000038N

Place: New Delhi
Date: May 19, 2011



For and on behalf of the Board of Directors

[Signature]

[Signature]

Director
Benjamin David
Kent

Director
Anthony Maxwell
Coleman
DIN-03149224

[Signature]
Director
Kumamwii Muehry
Naxasimha

Chief Executive Officer

Damien maxmion

Chief Financial Officer
Neeraj Basu

Company Secretary
Sandeep Sethi
MEM NO. A14635

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

BALANCE SHEET AS AT MARCH 31, 2011

Particulars	Schedule	As at March 31, 2011 (Rs.'000)	As at March 31, 2010 (Rs.'000)
Sources of Funds			
Share Capital	5	2710000	1510000
Reserves and Surplus	6	-	-
Fair Value Change Account		977	728
Borrowings	7	-	-
Total		2710977	1510728
Application of Funds			
Investments	8	1262607	926015
Loans	9	-	-
Fixed Assets	10	213245	126066
Current Assets:			
Cash and Bank Balances	11	66786	115046
Advances and Other Assets	12	144733	113717
Sub-total (A)		211519	228763
Current Liabilities	13	408788	193423
Provisions	14	159659	6272
Sub-total (B)		568447	199695
Net Current Assets (C) = (A - B)		(356928)	29068
Miscellaneous Expenditure (To the extent not written off or adjusted)	15	-	-
Debit Balance in Profit and Loss Account		1592053	429579
Total		2710977	1510728
CONTINGENT LIABILITIES			
1 Partly paid up investments		-	-
2 Claims, other than against policies, not acknowledged as debts by the Company		-	-
3 Underwriting commitments outstanding (in respect of shares and securities)		-	-
4 Guarantees given by or on behalf of the Company		-	-
5 Statutory demands/liabilities in dispute, not provided for		-	-
6 Reinsurance obligations to the extent not provided for in the accounts		-	-
7 Others		-	-
Total		-	-

The Schedules referred to above form
an integral part of the Balance Sheet

This is the Balance Sheet referred to in our
report of even date

For V.Sahai Tripathi & Co.
Chartered Accountants

M. Sahai
Mahesh Sahai
Partner
Membership No. F 06730
FR No. 000262N



For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

K.N. Gupta
K.N. Gupta
Partner
Membership No. F 09169
FR No. 000038N
Place : New Delhi
Date: May 19, 2011



For and on behalf of the Board of Directors

Benjamin David Jemphrey
Director
Benjamin David
Jemphrey
DIN-02895798

Damien maxmur
Chief Executive Officer
Damien maxmur

Anthony max Coleman
Director
Anthony max
Coleman
DIN-03149224

Kummenwei Muthy
Director
Kummenwei Muthy
Narasimha
DIN - 00023046

Neeraj Basu
Chief Financial Officer
Neeraj Basu

Sandeep Sethi
Company Secretary
Sandeep Sethi
MEM NO - A14635

MAX BUPA HEALTH INSURANCE COMPANY LIMITED
 (Formerly Max Bupa Health Insurance Limited)
 REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010
 RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	For the Year Ended March 31, 2011 (Rs.'000)	For the Year Ended March 31, 2010 (Rs.'000)
Cash Flows from the Operating Activities:		
Premium received from Policyholders, including Advance Receipts	293726	1405
Other Receipts	91720	12501
Payments to the re-insurers, net of commissions and claims	(12961)	-
Payments of claims	(17324)	-
Payments of commission and brokerage	(27995)	-
Payments of Other Operating Expenses	(944776)	(276623)
Deposits, Advances and Staff Loans	(10507)	(99479)
Income Taxes Paid (Net)	-	(767)
Service tax paid	(4117)	-
Other Payments	(133143)	57597
Cash Flows before Extraordinary Items	(765376)	(305366)
Cash flow from extraordinary operations	-	-
Net cash flow from operating activities	(765376)	(305366)
Cash flows from Investing activities:		
Purchase of fixed assets (including capital advances)	(128897)	(128815)
Proceeds from sale of fixed assets	990	990
Purchases of investments(Net)	(271383)	(783114)
Investments in money market instruments and in liquid mutual funds (Net)	(83592)	(118343)
Net cash flow from investing activities	(482883)	(1009282)
Cash flows from financing activities:		
Proceeds from Share Capital	1200000	1429500
Net cash flow from financing activities	1200000	1429500
Effect of foreign exchange rates on cash and cash equivalents, net		
Net increase/(decrease) in cash and cash equivalents:	(48260)	114852
Cash and cash equivalents at the beginning of the period	115046	194
Cash and cash equivalents at the end of the period	66786	115046
Net Increase/(decrease) in cash and cash equivalents:	(48260)	114852

This is the Receipts and Payments Account referred to in our report of even date

For V.Sahai Tripathi & Co.
Chartered Accountants

M. Sahai

Maresh Sahai
Partner
Membership No. F 06730
FR No. 000282N



For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

K.N. Gupta

K.N. Gupta
Partner
Membership No. F 09169
FR No. 000038N



Place: New Delhi
Date: May 19, 2011

For and on behalf of the Board of Directors

Benjamin David

Director
Benjamin David
Jemphrey Kent
DIN - 02895791

Anthony Maxwell

Director
Anthony Maxwell
Coleman
DIN - 03149224

Kumaramuzi Muthy Narasimh

Director
Kumaramuzi Muthy Narasimh
DIN - 0023046

Chief Executive Officer

Damien Macmion

Chief Financial Officer

Neelam Basu

Company Secretary

Sandeep Seth
Sandeep Seth
MEM NO - A14635

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Particulars	For the Year Ended March 31, 2011 (Rs.'000)	For the Year Ended March 31, 2010 (Rs.'000)
SCHEDULE - 1		
PREMIUM EARNED [NET]		
Premium from direct business written*	254603	1,274
Add: Premium on reinsurance accepted	-	-
Less: Premium on reinsurance ceded	25460	127
Net Premium	229143	1,147
Less: Adjustment for change in reserve for unexpired risks	148426	1,135
Total Premium Earned (Net)	80717	12
* Net of Service Tax		
SCHEDULE - 2		
CLAIMS INCURRED [NET]		
Claims paid		
Direct	16042	-
Add: Re-insurance accepted	-	-
Less: Re-insurance Ceded	1604	-
Net Claims paid	14438	-
Add: Claims Outstanding at the end of the period	28176	7
Less: Claims Outstanding at the beginning	7	-
Total Claims Incurred	40607	7
SCHEDULE - 3		
COMMISSION		
Commission paid		
Direct	18988	51
Add: Re-insurance accepted	-	-
Less: Commission on Re-insurance Ceded	5092	26
Net Commission	13896	25
Break Up of expenses Incurred to procure business:		
Agents	16920	51
Brokers	2068	-
Corporate Agency	-	-
Referral	-	-
	18988	51



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
(Formerly Max Bupa Health Insurance Limited)
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(Rs.'000)

Particulars	For the Year Ended March 31, 2011			For the Year Ended March 31, 2010		
	Health	Others	Total	Health	Others	Total
SCHEDULE - 1A						
PREMIUM EARNED [NET]						
Premium from direct business written*	254803	-	254803	1,274	-	1,274
Add: Premium on reinsurance accepted	-	-	-	-	-	-
Less: Premium on reinsurance ceded	25460	-	25460	127	-	127
Net Premium	229143	-	229143	1,147	-	1,147
Less: Adjustment for change in reserve for unexpired risks	148426	-	148426	1,135	-	1,135
Total Premium Earned (Net)	80717	-	80717	12	-	12
* Net of Service Tax						
SCHEDULE - 2A						
CLAIMS INCURRED [NET]						
Claims paid						
Direct	16042	-	16042	-	-	-
Add: Re-insurance accepted	-	-	-	-	-	-
Less: Re-insurance Ceded	1604	-	1604	-	-	-
Net Claims paid	14438	-	14438	-	-	-
Add: Claims Outstanding at the end of the period	26176	-	26176	7	-	7
Less: Claims Outstanding at the beginning	7	-	7	-	-	-
Total Claims Incurred	40807	-	40807	7	-	7
SCHEDULE - 3A						
COMMISSION						
Commission paid						
Direct	18988	-	18988	51	-	51
Add: Re-insurance accepted	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	5092	-	5092	26	-	26
Net Commission	13896	-	13896	25	-	25
Break Up of expenses incurred to procure business:						
Agents	16920	-	16920	51	-	51
Brokers	2068	-	2,068	-	-	-
Corporate Agency	-	-	-	-	-	-
Referral	-	-	-	-	-	-
Total	18988	-	18988	51	-	51



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

Particulars	For the Year Ended	For the Year Ended
	March 31, 2011 (Rs.'000)	March 31, 2010 (Rs.'000)
1 Employees' remuneration and welfare benefits	447647	228879
2 Travel, conveyance and vehicle running expenses	39564	21328
3 Training expenses	16581	2908
4 Rents, rates and taxes	145507	41817
5 Repairs	30390	9409
6 Printing and stationery	7186	2257
7 Communication	27426	3959
8 Legal and professional charges	129099	47076
9 Auditors' fees, expenses etc		
(a) as auditor	800	404
(b) as adviser or in any other capacity, in respect of		
(i) Taxation matters	-	-
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity		
(i) Tax Audit Fees	50	50
10 Advertisement and publicity	371448	13750
11 Interest and bank charges (net of cancellation charges)	1212	56
12 Others		
(a) Business and Sales Promotion	194	111
(b) Membership and Subscription	1271	94
(b) Loss on Disposal of Fixed Assets	4332	4908
(c) Miscellaneous Expenses*	570	435
13 Depreciation	42764	8090
Total	1266041	385531

*None of the items individually are higher than Rs. 500 thousands



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4A**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

(Rs.'000)

Particulars	For the Year Ended March 31, 2011			For the Year Ended March 31, 2010		
	Health	Others	Total	Health	Others	Total
1 Employees' remuneration and welfare benefits	447647	-	447647	228879	-	228879
2 Travel, conveyance and vehicle running expenses	39564	-	39564	21328	-	21328
3 Training expenses	16581	-	16581	2908	-	2908
4 Rents, rates and taxes	145507	-	145507	41817	-	41817
5 Repairs	30390	-	30390	9409	-	9409
6 Printing and stationery	7186	-	7186	2257	-	2257
7 Communication	27426	-	27426	3959	-	3959
8 Legal and professional charges	129099	-	129099	47076	-	47076
9 Auditors' fees, expenses etc						
(a) as auditor	800	-	800	404	-	404
(b) as adviser or in any other capacity, in respect of						
(i) Taxation matters	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-
(c) in any other capacity						
(i) Tax Audit Fees	50	-	50	50	-	50
10 Advertisement and publicity	371448	-	371448	13750	-	13750
11 Interest and bank charges (net of cancellation charges)	1212	-	1212	56	-	56
12 Others						
(a) Business and Sales Promotion	194	-	194	111	-	111
(b) Membership and Subscription	1271	-	1271	94	-	94
(c) Loss on Disposal of Fixed Assets	4332	-	4332	4908	-	4908
(d) Miscellaneous Expenses*	570	-	570	435	-	435
13 Depreciation	42764	-	42764	8090	-	8090
Total	1266041	-	1266041	385531	-	385531

*None of the items individually are higher than Rs. 500 thousands



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE - 5
SHARE CAPITAL**

SN	Particulars	As at	
		March 31, 2011 (Rs.'000)	March 31, 2010 (Rs.'000)
1	Authorised Capital		
	700000000 Equity Shares of Rs 10 each	<u>7000000</u>	<u>2000000</u>
	(Previous year 200000000 Equity Shares of Rs.10 each)		
2	Issued Capital		
	271000000 Equity Shares of Rs 10 each	<u>2710000</u>	<u>1510000</u>
	(Previous year 151000000 Equity Shares of Rs.10 each)		
3	Subscribed Capital		
	271000000 Equity Shares of Rs 10 each	<u>2710000</u>	<u>1510000</u>
	(Previous year 151000000 Equity Shares of Rs.10 each)		
4	Called-up Capital		
	271000000 Equity Shares of Rs 10 each	<u>2710000</u>	<u>1510000</u>
	(Previous year 151000000 Equity Shares of Rs.10 each)		
	Less: Calls unpaid	-	-
	Add: Equity Shares forfeited (Amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
	Less: Expenses including commission or brokerage on underwriting or subscription of shares	-	-
	Total	<u><u>2710000</u></u>	<u><u>1510000</u></u>

Out of the above, 200540000 (Previous year 111740000) Equity Shares of Rs. 10/- each are held by Max India Limited, the holding company along with its nominees

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

Shareholder	As at		As at	
	March 31, 2011		March 31, 2010	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
- Indian	200540000	74.00%	111740000	74.00%
- Foreign	70460000	26.00%	39260000	26.00%
Others	-	-	-	-
Total	<u><u>271000000</u></u>	<u><u>100.00%</u></u>	<u><u>151000000</u></u>	<u><u>100.00%</u></u>



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SN	Particulars	As at March 31, 2011 (Rs.'000)	As at March 31, 2010 (Rs.'000)
SCHEDULE – 6			
RESERVES AND SURPLUS			
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	-	-
4	General Reserves	-	-
	Less: Debit balance in Profit and Loss Account	-	-
	Less: Amount utilized for Buy-back	-	-
5	Catastrophe Reserve	-	-
6	Other Reserves	-	-
7	Balance of Profit in Profit & Loss Account	-	-
	Total	-	-
SCHEDULE – 7			
BORROWINGS			
1	Debentures/ Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	Total	-	-



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
(Formerly Max Bupa Health Insurance Limited)
REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 8
INVESTMENTS

SN	Particulars	As at March 31, 2011 (Rs.'000)	As at March 31, 2010 (Rs.'000)
LONG TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills	195664	315027
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	-	75285
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	125212
5	Other than Approved Investments	-	-
SHORT TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills (Refer Note (a.) below)	403419	100975
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	62653	61926
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	317236	247590
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	200770	-
5	Other than Approved Investments*	82865	-
	Total	1262607	926015

* in mutual funds

Notes:

- a. Short Term Government securities include Deposits held under section 7 of Insurance Act 1938, having book value of Rs.101021 thousand (Previous year Rs.106103 thousand). Market value of such investments is Rs. 100460 thousands (Previous year Rs. 106133 thousand)
- b. Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs.1262607 thousands (Previous year Rs. 926015). Market value of such investments as at March 31, 2011 is Rs. 1258576 thousands (Previous year Rs. 926746 thousands)



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE – 9****LOANS**

SN	Particulars	As at March 31, 2011 (Rs.'000)	As at March 31, 2010 (Rs.'000)
1	Security-Wise Classification		
	Secured		
	(a) On mortgage of property	-	-
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) On Shares, Bonds, Govt. Securities	-	-
	(c) Others	-	-
	Unsecured	-	-
	Total	-	-
2	Borrower-Wise Classification		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	Total	-	-
3	Performance-Wise Classification		
	(a) Loans classified as standard	-	-
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) Non-performing loans less provisions	-	-
	(aa) In India	-	-
	(bb) Outside India	-	-
	Total	-	-
4	Maturity-Wise Classification		
	(a) Short Term	-	-
	(b) Long Term	-	-
	Total	-	-

Note: There are no loans subject to restructuring (Previous year Nil)



MAX BUPA HEALTH INSURANCE COMPANY LIMITED
(Formerly Max Bupa Health Insurance Limited)

REGISTRATION NO: 145, DATE OF REGISTRATION WITH IRDA: FEBRUARY 15, 2010
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 10
FIXED ASSETS

SN	Particulars	Cost/ Gross Block		
		As at April 01, 2010	Additions	Deductio
1	Goodwill	-	-	
2	Intangibles	-	-	
	a) Softwares	35059	56192	
	b) Website	1843	890	
3	Land-Freehold	-	-	
4	Leasehold Property	23565	56042	6
5	Buildings	-	-	
6	Furniture & Fittings	13155	4866	
7	Information Technology Equipment	17846	15929	
8	Vehicles	-	-	
9	Office Equipment	11476	9575	
10	Others	-	-	
	Total	102944	143294	6,
11	Work in progress	28656	20883	28
	Grand total	131600	163977	35,
	Previous year	11357	128815	8

Notes:

1. Leasehold property consists of civil and other improvements at premises taken on long term lease by the
2. Work in progress Includes capital advances Rs. 7623 thousands (Previous year Rs 24271 thousands) and



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SN	Particulars	As at March 31, 2011 (Rs.'000)	As at March 31, 2010 (Rs.'000)
SCHEDULE – 11			
CASH AND BANK BALANCES			
1	Cash (including cheques, drafts and stamps)	312	407
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short-term (due within 12 months)	55108	100000
	(bb) Others	2784	-
	(b) Current Accounts	8582	14639
	(c) Others	-	-
3	Money at Call and Short Notice		
	(a) With Banks	-	-
	(b) With other Institutions	-	-
4	Others	-	-
	Total	66786	115046
Balances with non-scheduled banks included in 2 and 3 above is Nil (Previous year Nil)			
SCHEDULE – 12			
ADVANCES AND OTHER ASSETS			
ADVANCES			
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	5929	691
4	Advances to Directors/Officers	-	-
5	Advance tax paid and taxes deducted at source (Net of provision for taxation)	711	702
6	Others (to be specified)		
	(a) Advance to Suppliers	398	18201
	(b) Other advances	643	6000
	Total (A)	7681	25594
OTHER ASSETS			
1	Income accrued on investments*	32409	18625
2	Outstanding Premiums	-	-
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on insurance business	3135	25
6	Due from subsidiaries/ holding	-	-
7	Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	-	-
8	Others		
	(a) Rent and other deposits**	62292	55250
	(b) Service tax on input services (net)	39187	13084
	(c) Cenvat credit on capital goods	29	1139
	Total (B)	137052	88123
	Total (A+B)	144733	113717

* Income Accrued on Investments includes interest on deposits also.

** Includes deposits of Rs.700 thousands (Previous year Nil) with bank for providing gurantee to network hospitals



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SN	Particulars	As at	As at
		March 31, 2011 (Rs.'000)	March 31, 2010 (Rs.'000)
SCHEDULE – 13			
CURRENT LIABILITIES			
1	Agents' balances	3001	46
2	Balances due to other insurance companies	10573	127
3	Deposits held on re-insurance ceded	-	-
4	Premiums received in advance	-	-
5	Unallocated premium	12467	1399
6	Sundry creditors*	335327	160388
7	Due to subsidiaries/ holding company	1952	22407
8	Claims Outstanding	26176	7
9	Unclaimed amount of policyholders/insured**	131	-
10	Due to Officers/ Directors	-	-
11	Others		
	(a) Tax deducted payable	19029	8910
	(b) Other statutory dues	132	139
	Total	408788	193423

* Includes creditors for capital expenditure of Rs. 28992 (thousands) (Previous year Rs. 27305 thousands)

** Pursuant to the requirement of IRDA circular no. IRDA/F&I/CIR/CMP/174/1/2010 dated November 4, 2010, unclaimed amount to policyholders/insured has been disclosed in Note no.2 of Schedule 16.

SCHEDULE – 14**PROVISIONS**

1	Reserve for Unexpired Risk	149561	1135
2	For taxation (less advance tax paid and taxes deducted at source)	-	-
3	For proposed dividends	-	-
4	For dividend distribution tax	-	-
5	Others		
	For employee benefits		
	(a) Gratuity*	843	-
	(b) Leave Encashment	9255	4936
	(c) Superannuation	-	201
	Total	159659	6272

* The value of plan assets was greater than provision during the previous year, hence shown under advances.

SCHEDULE – 15**MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

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



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2011

A. BACKGROUND

Max Bupa Health Insurance Company Limited ("The Company") was incorporated on September 05, 2008 and received the Certificate of Commencement of Business on December 23, 2008.

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

The Company obtained regulatory approval to undertake Health Insurance business on February 15, 2010 from Insurance Regulatory and Development Authority (IRDA) under section 3(2A) of the Insurance Act, 1938. The Company commenced commercial operations in March 2010.

The Company is in the business of Health Insurance with a flagship product 'Heartbeat'. During the year, Company has launched Health Insurance products 'International Medical Emergency Plans', 'Employee First' and 'Swasthya Pratham'.

B. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting in accordance with the generally accepted accounting principles and conform to the statutory requirements prescribed under the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Insurance Act, 1938, the Companies Act, 1956 to the extent applicable in the manner so required and comply with the notified Accounting Standards issued under Companies Accounting Standard Rules, 2006 (to the extent applicable) and current practices prevailing within the Insurance Industry in India.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as on the balance sheet date.

The estimates and assumptions used in these financial statements are based on management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates is recognized in the period in which the changes are known/ materialized and subsequent period.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(c) Revenue Recognition

(i) Premium Income

Premium income and cessation thereof are recognized over the contract period or period of risk whichever is appropriate, on a gross basis (net of service tax). Any subsequent revision of premium or cancellation of the policies is accounted for in the year in which they arise.

(ii) Commission on Reinsurance Premium

Commission income on reinsurance ceded is recognized in the year of cessation of reinsurance premium.

Profit share under reinsurance treaties, wherever applicable, is recognized as Income in the year of final determination of the profits and as intimated by the reinsurer.

(iii) Interest / Dividend Income

Interest income is recognized on accrual basis. Accretion of discount and amortization of Premium relating to debt securities is recognized as per constant yield method.

Dividend is recognized when the right to receive the dividend is established.

(iv) Premium/discount on purchase of Investments

Accretion of discount and amortization of Premium relating to debt securities is recognized as per constant yield method over the period of maturity/holding.

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

Profit or loss on sale/redemption of investments, being the difference between sale consideration/redemption value and carrying value of investments is credited or charged to Profit and Loss account. The profit/loss on sale of investment include accumulated changes in the fair value previously recognized in 'Fair Value Change Account' in respect of a particular security

(d) Premium Deficiency

Premium deficiency is recognized whenever the sum of expected amount of claims cost, related expenses and maintenance costs exceeds related premium carried forward to the subsequent accounting period as reserve for unexpired risk.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(e) Reserve for unexpired risk

Reserve for unexpired risk represents net premium (i.e Premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the company under contractual obligations on contract period basis or risk period basis, whichever is appropriate subject to minimum reserve to be created on Miscellaneous – "Health" business under Section 64V (1) (ii) (b) of the Insurance Act, 1938

(f) Acquisition Cost of Insurance Contracts

Costs relating to acquisition of new and renewal of insurance contracts viz commission, policy issue expenses are expensed in the year in which they are incurred.

(g) Advance Premium

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

(h) Claims Incurred

Claims are recognized as and when reported. Claims are recorded in the revenue account, net of claims recoverable from reinsurers / co-insurers to the extent there is a reasonable certainty of realization. These estimates are progressively re-valued on availability of further information.

Estimated liability in respect of claims is provided for the intimations received upto the year end, information/estimates provided by the insured/ surveyors and judgment based on the past experience and other applicable laws and practices.

(i) Claims Incurred but Not Reported (IBNR) and Claims Incurred but Not Enough Reported (IBNER)

IBNR represents that amount of claims that may have been incurred prior to the end of the current accounting year but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims incurred but not enough reported. IBNR and IBNER liabilities are provided based on actuarial principles and certified by the Appointed Actuary of the Company. The methodology and assumptions on the basis of which the liability has been determined has also been certified by the Appointed Actuary to be appropriate, in accordance with guidelines and norms issued by the Institute of Actuaries of India and in concurrence with the IRDA

(j) Reinsurance ceded

Reinsurance cost, in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognized when incurred and due. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(k) Allocation of Investment Income

Investment income on Investments backing the policyholders liability has been allocated to Revenue Account and balance to Profit & Loss Account.

(l) Investments

Investments are made in accordance with the Insurance Act, 1938 and Insurance Regulatory & Development Authority (Investment) Regulations, 2000.

Investments are recorded at cost including acquisition charges (such as brokerage, transfer charges, stamps etc) if any and exclude interest accrued upto the date of purchase.

Debt securities, including Government securities are considered as held to maturity and are accordingly stated at historical cost adjusted for amortization of premium and/or accretion of discount over the maturity period of securities on constant yield basis.

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

Unlisted Securities are stated at cost.

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

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

(m) Fair Value Change Account

'Fair Value Change Account' represents unrealized gains or losses due to change in fair value of traded securities and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of shareholder's funds and not available for distribution as dividend.

Unrealized loss on listed and actively traded investments held for long term are not considered to be of a permanent nature and hence not considered as impaired. However the company, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(n) Long/Short Term Investments

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

(o) Fixed Assets and Depreciation

Fixed Assets are carried at cost less accumulated depreciation and impairment loss. The cost of fixed assets include the purchase price, interest on borrowings and other incidental expenses directly attributable to acquisition of fixed assets upto the date of commissioning/ready to use of the assets.

Depreciation on assets is charged on the Straight-Line Method on a pro-rata basis at the rate and in the manner prescribed under Schedule XIV to the Companies Act, 1956. However, if the management's estimate of the useful life of an asset is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of useful life/remaining life.

The key fixed asset blocks and related annual depreciation rates, which in management's opinion reflect the estimated useful economic life of the fixed assets, are:

Description	Life(Years)	Depreciation Rates
Furniture & Fixtures	5	20%
Office Equipment	5	20%
Computers (including software)	4	25%
Vehicles	5	20%
Lease-hold Improvements		10 years or on primary period of lease, whichever is shorter

These rates are higher than those prescribed in Schedule XIV to the Companies Act, 1956.

All assets including intangibles individually costing upto rupees five thousand are fully depreciated in the year of purchase.

The Company provides pro-rata depreciation from/to the date the asset is acquired or put to use/disposed off as appropriate.

(p) Impairment of Assets

Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value, as determined above.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(q) Taxation

Tax expense comprises of current and deferred tax. Current income tax are measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

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

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

(r) Employee Benefits

Employees' benefits have been recognized in accordance with the relevant provisions of the Accounting Standard 15 (revised 2005)

(a) Defined Contribution Plan

- a. Certain employees of the Company are participants of a defined superannuation plan. The Company makes contributions under the superannuation plan to "Max Bupa Health Insurance Limited Employees Superannuation Trust" based on a specified percentage of each covered employee's salary.
- b. The Company makes monthly contributions to the "Max India Limited Employees Provident Fund Trust" which is based on a specified percentage of the covered employees' salary. The fund is administered through trustees and the Company's contribution thereto are charged to Revenue Account.

(b) Defined Benefit Plans

- a. The liability in respect of Gratuity is provided for on the basis of an actuarial valuation carried out at the year end using the Projected Unit Credit Method. Actuarial gain and loss are recognized in full in the Profit and Loss Account for the year in which they occur. The Company has a recognized Trust for Gratuity benefits, "Max Bupa Health Insurance Ltd Employees' Group Gratuity Fund" to administer the Gratuity funds. The Trust has taken master policy with the Max New York Life Insurance Company Limited" to cover its liabilities towards employees' Gratuity. The Gratuity obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

unrecognized past service cost and as reduced by the fair value of the gratuity fund.

- b. The liability in respect of long term accumulating leave encashment is provided for on the basis of actuarial valuation carried out at the year end for long term compensated absences using Projected Unit Credit Method. Actuarial gains and losses are recognized in full in the Revenue Account or/and Profit and Loss Account, as applicable for the year in which they occur. Short term compensated absences are provided for based on estimates. Non-accumulating compensated absences are accounted for as and when availed/ encashed.
- c. Deferred compensation, which is a long term employee benefit is provided for based on the independent actuarial valuation carried out as at the Balance Sheet date and charged to Revenue Account or/and Profit and Loss Account, as applicable based on services rendered by employees.

(s) Provisions and Contingent Liabilities

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

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

(t) Earnings per Share (EPS)

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

(u) Leases

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



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

(v) Foreign Currency Transactions

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currency as at the Balance Sheet date are translated at rates prevailing at the year end. Net gains or losses on account of exchange differences either on settlement or on translation of transactions, are recognized in the Revenue account or/and Profit and Loss Account, as applicable.

(w) Allocation of Operating Expenses

Operating expenses are apportioned to respective revenue accounts on the basis of weighted direct written premium in each class of business at the end of financial year. Expenses incurred and/or allocable for earning investments income are charged to Profit and Loss account.

(x) Service Tax

Service Tax collected is considered as a liability against which service tax paid for eligible inputs services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized credits, if any, are carried forward under "Advance and other assets" in Schedule 12 for adjustment in subsequent periods. Service tax paid for eligible input services not recoverable by way of credits are recognized in the revenue account as expense forming separate line item in Schedule 4.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

C. NOTES FORMING PART OF ACCOUNTS**1. Contingent Liabilities**

Particulars	(Rs. '000)	
	As at 31.03.2011	As at 31.03.2010
Partly Paid up Investments	-	-
Underwriting Commitments Outstanding	-	-
Claims, other than against Policies, not acknowledged as Debts by the Insurer	-	-
Guarantees given by or on behalf of the Insurer	-	-
Statutory Demands / Liabilities in Dispute, Not provided for	-	-
Reinsurance Obligations to the Extent Not provided for in Accounts	-	-
Others	-	-

2. Actuarial Assumptions

The Company's Appointed Actuary has determined valuation assumptions in respect of 'Reserve for Unexpired Risk' and 'Claims Incurred But Not Reported' (IBNR) that conform with Regulations issued by the IRDA and professional guidance notes issued by the Institute of Actuaries of India.

3. Encumbrances

The assets of the Company are free from all encumbrances (Also refer Note ** on Schedule 12). The Company has all assets within India.

4. Estimated Amount of Commitments made and Outstanding for:

Particulars	(Rs. '000)	
	As at 31.03.2011	As at 31.03.2010
Loans	-	-
Investments	-	-
Fixed Assets (Net of advances)	2842	41628

5. Claims, less Reinsurance paid to Claimants:

Class of Business	(Rs. '000)			
	In India		Outside India	
	As at 31.03.2011	As at 31.03.2010	As at 31.03.2011	As at 31.03.2010
Health	14438	-	-	-

6. Age-wise Breakup of Claims Outstanding*:

Class of Business	(Rs. '000)			
	Outstanding for more than six months		Outstanding for six months or less	
	As at 31.03.2011	As at 31.03.2010	As at 31.03.2011	As at 31.03.2010
Health	2	-	6911	-

*Excluding IBNR provisions and amounts payable to service providers



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**7. Claims Settled and Remaining Unpaid for a period of more than six months:**

(Rs. '000)

Class of Business	As at 31.03.2011	As at 31.03.2010
Health	-	-

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

Health Business	As at 31.03.2011	As at 31.03.2010
Claimed intimated	675	-
Claims paid	442	-
Claims rejected	93	-
Claims Pending	140	-

Ageing of Pending Claims

Health Business	As at 31.03.2011	As at 31.03.2010
1 month	99	-
1-3 months	34	-
3-6 months	6	-
6 months – 1 year	1	-
>1 year	-	-
Total	140	-

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

(Rs. '000)

Class of Business	In India		Outside India	
	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2011	Year ended 31.03.2010
Health	229143	1147	-	-

(b) No premium income is recognized on "Varying Risk Pattern" basis.

10. Extent of Risk Retained and Reinsured:

Class of Business	Risk Retained		Risk Reinsured	
	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2011	Year ended 31.03.2010
Health	90%	90%	10%	10%

11. Value of Contracts in relation to Investments:

(Rs. '000)

Particulars	As at 31.03.2011	As at 31.03.2010
Purchase where deliveries are pending	-	-
Sales where payments are overdue	-	-



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

12. Age-wise Analysis of the Unclaimed Amount of the Policyholders

(Pursuant to IRDA Circular No. IRDA/F&I/CIR/CMP/174/11/2010 dated November 04, 2010)

(Rs. '000)

Particulars	Total Amount	Age-wise Analysis (in months)						
		1-6	7-12	13-18	19-24	25-30	31-36	>36
Claims settled but not paid to the policyholders / insureds due to any reasons except under litigation from the insured / policyholders	287	287	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	4	4	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	6539	6468	71					

13. Reserve for Unexpired Risk (URR)

The Company has created the Reserve for Unexpired Risk (URR) as at the end of the Accounting period based on the 1/365 method in the health segment as per IRDA Circular No. IRDA/F&I/CIR/015/02/2011 dated February 02, 2011. Further URR on the basis of 1/365 method is higher than the URR based on Section 64V(1)(ii)(b) of the Act.

14. All the investments are made in accordance with Insurance Act, 1938 and IRDA (Investment) Regulations, 2000 and are performing assets.

15. The Company does not have any investment in Real Estate as at March 31, 2011 or March 31, 2010.

16. The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 144541 thousand (Previous year Rs. 61198 thousand)

17. Investments made pursuant to Section 7 of Insurance Act 1938, are as follows:

(Rs. '000)

Particulars	As at 31.03.2011	As at 31.03.2010
182 Days Treasury Bills – 28 th May, 2010	-	1092
9.39% GOI CG 02-07-2011*	101021	105011

*Face value of Rs. 100000 thousands

These investments are held in the Constituent Subsidiary General Ledger account with The Hongkong and Shanghai Banking Corporation Limited.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**18. Details of Managerial Remuneration as per terms of appointment are as under:***(Rs. '000)*

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Salaries & Allowances	-	-
Contribution to Provident and other funds	-	-
Perquisites	-	-
Total	-	-

19. Chief Executive Officer's Remuneration

During the year, the Company got approval from IRDA for the appointment of Dr. Damien Marmion as the Chief Executive Officer of the Company with effect from February 15, 2010 in terms of section 34A of the Insurance Act, 1938. His total cost to the Company for the financial year 2010-11 in the form of salary, allowances, perquisites, bonus and contribution to provident and other funds amounts to Rs. 15000 thousand.

20. Expenditure in Foreign Currency (On accrual basis)*(Rs. '000)*

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Travelling	676	1983
Outsource Expenses	-	1917
Remuneration	6119	2501
Purchase of Fixed Assets	21801	8812
Legal and Professional	1864	-
Others	-	963
Total	30460	16176

21. Operating Lease Commitments

The Company has taken on lease office premises under various agreements with various expiration dates extending upto 9 years. Lease payments made under operating lease agreements have been fully recognized in the books of accounts. The lease rental charged under non cancelable operating leases during the current year and maximum obligation on such leases at the balance sheet date are as follows:

(Rs. '000s)

Particulars	As at 31.03.2011	As at 31.03.2010
Payable not later than one year	118718	119538
Payable later than one year but not later than five years	492396	267619
Payable later than five years	432832	576458
Total	1043946	387157

Aggregate lease rentals charged to Revenue Account is Rs. 113120 thousand (Previous year Rs. 30883 thousand) and there are no sub leases.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

22. Foreign Currency Exposures

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

('000s)

Particulars	As at 31.03.2011	As at 31.03.2010
Payable in Indian Rupee	6669	15137
Payable in GBP	93	223

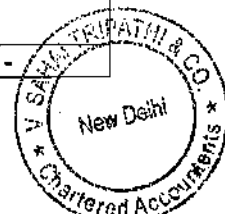
23. Related Parties & Transactions:

SN	Description of Relationship	Name of Party
(a)	Holding Company	Max India Limited
(b)	Fellow Subsidiaries	Max New York Life Insurance Company Limited Max Healthcare Institute Limited Max Medical Services Limited Alps Hospital Limited Neeman Medical International BV, Netherlands Neeman Medical International NV, Netherlands Max Neeman Medical International, Inc, USA Max Neeman Medical International Limited Pharmax Corporation Limited Max Ateev Limited Max UK Ltd, UK Max Healthstaff International Limited Hometrail Estate Private Limited (Effective April 02, 2009) Hometail Buildtech Private Limited (Effective April 02, 2009)
(c)	Shareholders with significant influence	Bupa Singapore Holdings Pte Ltd, Bupa Finance Plc., UK
(d)	Key Management Personnel	Dr. Damien Marmion (Chief Executive Officer)

Summary of significant related party transactions
(As per AS-18 issued by ICAI)

(Rs. '000s)

SN	Particulars	Holding Company	Shareholders With Significant Influence	Fellow Subsidiaries	Key Management Personnel
1	Fixed assets transferred/sold	-	-	990	-
		(-)	(-)	(990)	(-)
2	Fixed Assets Purchased	-	-	124	-
		(280)	(-)	(222)	(-)
3	Investments Purchased	-	-	-	-
		(-)	(-)	(208098)	(-)
4	Income and Reimbursements				
	- Reimbursement of	190	340	-	-



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

	Expenses	(-)	(-)	(41)	(-)
SN	Particulars	Holding Company	Shareholders With Significant Influence	Fellow Subsidiaries	Key Management Personnel
5	Expenses				
	- Service received	-	-	78	-
		(-)	(-)	(10691)	(-)
	- Other Expenses	1871	7671	-	-
		(3456)	(6937)	(-)	(-)
	- Remuneration	-	-	-	15000
		(-)	(-)	(-)	(28068)
	- Claims	-	-	1431	-
		(-)	(-)	(-)	(-)
6	Equity Contribution	888000	312000	-	-
		(1117400)	(392600)	(-)	(-)
7	Amount Outstanding				
	Other Receivable	-	-	-	-
		(-)	(-)	(811)	(3932)
	Other Payable	1677	8085	178	-
		(22407)	(15137)	(962)	(-)

Figures in brackets are for previous year

24. Segment Information**a) Business Segments**

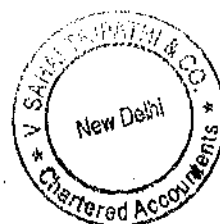
The Company's primary reportable segments are identified in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002. The operating expenses and investment and other income have been allocated to various segments as per accounting policies disclosed above. Segment revenue and segment results have been incorporated in the financial statements. However, due to the nature of the business, segment assets and liabilities have been allocated to the various segments to the extent possible.

(Rs. '000s)

Health Segment	As at 31.03.2011	As at 31.03.2010
Segmental Revenue	254603	1274
Segmental Result	(1228408)	(385545)
Segmental Liabilities	568447	1142
Segment Assets	706335	1052081

b) Geographical Segment

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



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**25. Employee Benefits****A. Defined Contribution Plans – Provident Fund**

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

Provident Fund	(Rs. '000s)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Employers Contribution to Provident Fund*	10300	4586

*Included in Employees' remuneration and welfare benefits in Schedule 4 of the Revenue Account.

B. Defined Benefit Plans – Gratuity

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

i. Assumptions Used:

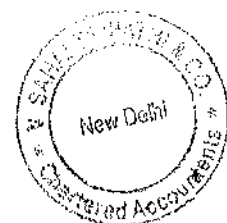
Particulars	As at 31.03.2011	As at 31.03.2010
Mortality	LIC 94-96 Ultimate	LIC (1994-96) Ultimate
Interest/Discount Rate (Per Annum)	8.25% p.a.	8.00% p.a.
Rate of increase in compensation	9.00% p.a.	8.00% p.a.
Withdrawal rate:	60% p.a.	20% p.a.

ii. Changes in benefit obligations:

Particulars	(Rs. '000)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Present value of obligations at the beginning of the year	2333	1323
Interest cost	192	73
Current Service Cost	2521	983
Liability transfer in/(out)	-	(344)
Benefits Paid	(346)	-
Actuarial (gain)/loss on obligation	798	298
Present value of obligations at end of year	5497	2333

iii. Fair Value of Plan Assets:

Particulars	(Rs. '000)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Fair Value of Plan Assets at beginning of year	3221	-
Contributions	1567	3132
Actual Return on Plan Assets	213	89
Benefits Paid	(346)	-
Fair Value of Plan Assets at end of year	4655	3221



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**iv. Amounts recognized in Profit & Loss Account:**

Particulars	(Rs. '000)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Current Service Cost	2521	983
Interest Cost	192	73
Actual Return on Plan Assets	(213)	(125)
Actuarial (Gain)/loss on obligation	798	334
Amount recognized in Profit & Loss Account	3298	1265

v. Amounts recognized in Balance Sheet:

Particulars	Year Ended	
	31.03.2011	31.03.2010
Present value of obligations at end of Year	5497	2333
Fair Value of Plan Assets at end of Year	4655	3221
Funded Status	(843)	888
Net Asset/(Liability) recognized in the balance sheet	(843)	888

vi. Balance Sheet Reconciliation:

Particulars	Year Ended	
	31.03.2011	31.03.2010
Opening Net Liability/(Asset)	(888)	1323
Expenses recognized in Profit & Loss Account	3298	1265
Liability transfer in/(out)	-	(344)
Contribution Paid	1567	3132
Closing Net Liability/(Asset)	843	(888)

As the Gratuity Fund is managed by Max New York Life Insurance Company Limited, details of investments are not available with the Company.

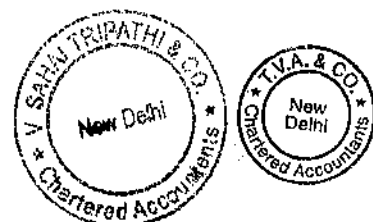
IRDA vide its circular No. IRDA/F&A/CIR/ACT/069/04/2011 dated April 18, 2011 provides an option to amortize additional liability on account of gratuity (pursuant to increase in maximum limit for gratuity from Rs. 350 thousands to Rs. 1000 thousands under "Payment of Gratuity Act") over a period of five years, subject to meeting certain conditions. The Company has been historically recognizing full coverage under gratuity liability, hence the option provided in the circular has not been availed by the Company.

C. Other Long Term Benefits:

The Company has recognized liability towards cost of accumulating compensated absences of Rs. 9255 thousand (Previous year Rs. 4937 thousand) and long term incentives of Rs. 38287 thousand (Previous year Rs.18709 thousand) on an accrual basis based on the actuarial valuation done by an independent consulting actuary.

26. Deferred Tax

The Company has carried out its tax computation in accordance with the mandatory Accounting Standard, AS-22 on 'Taxes on Income' issued by the Institute of Chartered Accountants of India. There has been a net deferred tax asset amounting to Rs. 484416 thousand (Previous year Rs. 5573 thousand) on account of accumulated losses. However as a principle of prudence, and as there is no virtual certainty supported by convincing evidence on the date of the Balance Sheet, that there will be sufficient taxable income available to realize such assets in near future, the Company has not provided for deferred tax assets for the year ended 31st March 2011.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**27. Earnings Per Share**

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

	Particulars	Units	Year ended 31.03.2011	Year ended 31.03.2010
a.	Net profit/(loss) after tax	Rs in '000s	(1162474)	(366005)
b.	Weighted average of number of equity shares used in computing basic earnings per share	No. of shares in '000s	206970	43474
c.	Basic/Diluted earnings per share (a/b)	Rs.	(5.62)	(8.42)

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

(Rs '000)

Operating expenses	Year ended 31.03.2011	Year ended 31.03.2010
Outsourcing Expenses	4225	173
Marketing Support	383719	18086
Business Promotion	194	111

29. Expenses of Management

As per the IRDA's Order No.: IRDA/F&A/ORD/EMT/203/12/2010 dated 08-Mar-2010, the Company has been exempted for necessary compliances required u/s 40C(1) of the Insurance Act, 1938 read with Rule 17E of the Insurance Rules, 1939 for the first five years of its operations (i.e. for the full financial year from 2010-11 to 2014-15)

30. Sector Wise Business

Disclosure of Sector wise business based on Gross Direct Written Premium (GWP) as per Insurance Regulatory and Development Authority (Obligations of Insurers to Rural or Social Sectors) Regulations 2002 is as under:

Business Sector	Year ended 31.03.2011			Year ended 31.03.2010		
	GWP Rs.'000s	No. of Lives	% of GWP	GWP Rs.'000s	No. of Lives	% of GWP
Rural	6721	1512	2.64%	-	-	0%
Social	820	5600	0.32%	-	-	0%
Urban	247062	44661	97.04%	1274	305	100%

The Company has complied with the Rural and Social obligations required under IRDA Notification No IRDA/IREG/2/43/2008. During the previous year the Company conducted its business for a period of less than six months hence necessary obligation of Rural or Social sector as required under the aforesaid regulations/notification was not applicable.

31. Disclosure of Fire and Marine Revenue accounts:

As the Company operates in single insurance business class viz. Health Insurance Business, the reporting requirements as prescribed by IRDA with respect to presentation of Fire and Marine Insurance revenue accounts are not applicable.



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

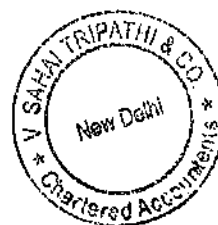
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**32. Micro Small and Medium Enterprises**

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the year ended March 31, 2011 and March 31, 2010. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

33. Penal Actions Details by Various Government Authorities

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

SN	Authority	Non-Compliance/ Violation	Amount in Rs.		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	-	-	-	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any Other Tax Authorities	-	-	-	-
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding Compensation	-	-	-	-
8	Securities and Exchange Board of India	-	-	-	-
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/local Government/ Statutory Authority	-	-	-	-



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**34. Summary of Financial Statements prescribed by the IRDA in its circular dated 29th April 2003 is provided as under:***(Rs '000)*

SN	Particulars	2010-2011	2009-2010
1	Gross Premium Written	254603	1274
2	Net Earned Premium Income	80717	12
3	Income from Investments (net)	11419	6
4	Other Income	-	-
5	Total Income	92136	18
6	Commission (Net of Reinsurance)	13896	25
7	Brokerage	-	-
8	Operating Expenses	1266041	385531
9	Claims, increase in Unexpired Risk Reserve & Other Outgoes	40607	7
10	Operating Profit/Loss	(1228408)	(385545)
11	Total Income under Shareholders Account	65934	19540
12	Profit/(loss) before tax	(1162474)	(366005)
13	Provision for Tax	-	-
14	Profit/(Loss) after tax	(1162474)	(366005)
15	Miscellaneous	-	-
16	Policyholder's Account:	Not Applicable being General Insurance Company	Not Applicable being General Insurance Company
	a) Total funds		
	b) Total Investments		
	c) Yield on Investments		
17	Shareholder's Account:	Not Applicable being General Insurance Company	Not Applicable being General Insurance Company
	a) Total funds		
	b) Total Investments		
	c) Yield on Investments		
18	Paid Up Equity Capital	2710000	1510000
19	Net Worth*	1118924	1081149
20	Total Assets	1687371	1280844
21	Yield on total investments	6.35%	4.72%
22	Earning Per Share** (Rs.)	(5.62)	(8.42)
23	Book value per Share (Rs.)	4.13	7.16
24	Total Dividend	-	-
25	Dividend Per share	-	-

The Company obtained Certificate of Registration from IRDA on 15th February, 2010, therefore figures for the previous four financial years as required have not been disclosed.

* Including Fair Value Change Account

** Weighted average of number of equity shares i.e. Rs. 206970 thousand (Previous year 43474 thousand) is used in computing Earnings per share



MAX BUPA HEALTH INSURANCE COMPANY LIMITED**(Formerly Max Bupa Health Insurance Limited)**

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

35. Accounting Ratios prescribed by the IRDA in circular dated 29th April 2003 is provided as under:

Performance Ratios	2010-2011	2009-2010
	(in times)	(in times)
Gross Premium Growth Rate	198.80	NA
Gross Premium to Shareholders Funds Ratio	0.2275	0.0012
Growth Rate of Shareholders Funds	0.03	62.88
Net Retention Ratio	0.90	0.90
Net Commission Ratio	0.06	0.02
Expenses of Management to Gross Direct Premium	4.97	302.61
Combined Ratio	5.03	302.61
Technical Reserves to Net Premium Ratio	0.7669	0.9956
Underwriting Balance Ratios	(5.36)	(336.13)
Operating Profit Ratio	(5.07)	(319.10)
Liquid Assets to Liability Ratio	7.56	460.19
Net Earning Ratio	(5.07)	(319.10)
Return on Net Worth	(1.04)	(0.34)
Reinsurance Ratio	0.10	0.10
Claims incurred	0.50	0.58

The Company had obtained the IRDA Certificate on 15th February, 2010, therefore figures for the previous four financial years as required have not been disclosed.

36. Additional Disclosure for the status of Registration under Shop & Establishment Act of Leased Office Premises:-

S.No.	State	Location	Status
1	Delhi	Saket-NOC	Registered
2	Karnataka	Bangalore	Registered
3	Maharashtra	Mumbai	Registered
4	Tamilnadu	Chennai	Registered
5	Andhra Pradesh	Hyderabad	Registered
6	Gujrat	Surat	Registered
7	Maharashtra	Pune	Registered
8	Punjab	Ludhiana	Registered
9	Rajasthan	Jaipur	Registered
10	Delhi	Pusa Road	Applied For

37. Risk Management Architecture

The Company has instituted a process and framework of enterprise wide risk management. A detailed policy documenting the approach for continuous identification of risks and review of risk mitigation plans is in place and is reviewed by the Risk Committee of the Board of Directors.

The Company's risk management strategy comprises of the following elements.

- Enterprise risk management policy – To ensure that the Company adopts a robust, consistent and proportionate approach towards the identification, analysis and control of the key risks that could threaten the assets, solvency, earning capacity, business objectives or reputation of our organisation.
- Organization structure for risk reporting and disclosure – primarily through Risk Committee and Audit Committee



MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(Formerly Max Bupa Health Insurance Limited)

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

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

iii. Continuous Internal Audit – monitoring of process internal controls by management for system effectiveness and review of risk management procedures.

38. The financial statements accurately and fairly represent the financial condition of the Company and the insurer is running its business soundly and will be liable over the long term.

39. Comparative Figures

Previous year figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification

Previous year Schedule number/Line Item	Amount (Rs.'000)	Current year Schedule number/Line Item	Amount (Rs.'000)
Schedule 4 Line 12(c)	529	Schedule 4 Line 12(b)	94
		Schedule 4 Line 12(d)	435

As per our report of even date

For and on behalf of the Board of Directors

For V.Sahai Tripathi & Co
Chartered Accountants

M. Sahai

Mahesh Sahai
Partner
Membership No. F 06730
FR No. 000262N



[Signature]

Director
Benjamin David
Jemphrey Kent
DIN - 02895798

[Signature]

Director
Anthony Maxwell
Coleman
DIN - 03149224

[Signature]

Director
Kummanuki Murethy
Narasimma
DIN - 00023046

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

[Signature]

K.N.Gupta
Partner
Membership No. F 09169
FR No. 000038N



Chief Executive Officer
Damien maxmier

Chief Financial Officer
Neeha Basu

[Signature]

Company Secretary

[Signature]

MEM NO. A14635

Place: New Delhi
Date: May 19, 2011

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

MANAGEMENT REPORT

In accordance with the provisions of the Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulation) Management Report is submitted for the year ended 31st March 2011:

1. It is confirmed that the registration certificate granted by the Insurance Regulatory and Development Authority has been renewed and valid up to March 31, 2012.
2. It is certified that all the dues payable to the statutory authorities up to March 31, 2011 have been duly paid.
3. It is confirmed that the Indian and Foreign shareholding pattern during the year ended March 31, 2011 is in accordance with the statutory and regulatory requirements.
4. It is hereby declared that management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the required solvency margins under the Insurance Act, 1938.
6. It is certified that the values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the heading – "Loans", "Investments,(wherever applicable) "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors ", "Bills Receivable", "Cash" and several items specified under "other Accounts".
7. The Investment Risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread the risk across a wide category of Investee companies. The Company has constituted an Investment Committee, which acts as the policy making body for the Investment operations. The Investment Committee lays down various internal policies and norms governing the functioning of the Investment Department. The Investment Committee periodically discusses the Investment strategy, portfolio structures, performance of the portfolio and related issues. The Investment policy is reviewed regularly in order to align the same with the Company business plans.
8. It is confirmed that there were no operations of the Company outside India during the year ended March 31, 2011.

9. Ageing of claims outstanding and trends in settlement of claims are given below:-

	FY 2010-11		FY 2009-10	
	No. Of claims	Amount Involved (Rs.'000s)	No. Of claims	Amount Involved (Rs.'000s)
1 month	99	3899	-	-
1-3 months	34	2630	-	-
3-6 Months	6	382	-	-
6 Months - 1 Year	1	2	-	-
1 Year - 5 Years	-	-	-	-
5 Years & above	-	-	-	-

10. As at March 31, 2011, the investments of the Company are mainly in Debt Securities, Bank Deposits, Mutual Funds and CD/CP's. As per the IRDA guidelines, all debt securities are considered as held to maturity and valued at historical cost subject to amortization. Further, the market value for debt securities as at March 31, 2011 has been calculated as per guidelines issued by Fixed Income Money Market & Derivatives Association (FIMMDA).

Acquisition cost of Debt Securities is Rs. 1131279 thousand (Previous year 863826 thousand), amortized value is Rs. 1117089 thousand (Previous year Rs. 864090 thousand) and market value at Rs. 1113058 thousand (Previous year Rs. 864820 thousand).

11. Investments are in accordance with the Insurance Act, 1938 and Insurance Regulatory & Development Authority (Investment) Regulations, 2000. Investment Portfolio consists of Government Securities & State Government Securities (Sovereign Guarantee), State Govt. Guaranteed Loan (A+) with Irrevocable Guarantee by Andhra Pradesh State Govt., Infrastructure Bonds (AAA), Housing Sector Bonds (AAA/AA+), Certificate of Deposit/Commercial Papers with A1+/P1+/PR1+ ratings, Debt Mutual Funds and Deposits with various Scheduled Banks. There is no Non Performing Asset as at March 31, 2011.

12. Payments made to companies and organizations in which directors are interested are as under:

S N	Name of the Director	Entity in which Director is Interested	Interested as	Nature of Payment	Amount of Payment during the Financial Year (Rs. '000)
1	Analjit Singh, Anuroop Singh, Leo Puri & Kummamury Murthy Narasimha	Max India Limited	Director	Reimbursement of expenses	22312
2	Analjit Singh, Anuroop Singh, Leo Puri & Kummamury Murthy Narasimha	Max Healthcare Institute Limited	Director	Pre-employment medical checkups	58
			Director	Insurance claims paid	793
3	Analjit Singh, Anuroop Singh & Leo Puri	Max New York Life Insurance Company Limited	Director	Purchase of fixed assets	124
4	Benjamin David Jemphrey Kent & William Stephen Ward	Bupa (Asia) Limited	Director	Payment of Software License Fee	7277

13. It is hereby confirmed:

- a. That the Financial Statements have been prepared in accordance with generally accepted accounting principles and policies, applicable accounting standards and current practices prevailing in the insurance industry and there are no material departures.
- b. That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating Profit or Loss of the Company for the year
- c. That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 (4 of 1938) and Companies Act 1956 (1 of 1956) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the management has prepared the financial statements on a going concern basis.

- e. That the management has ensured that the internal audit system is in commensurate with the size and nature of business and is operating effectively.
- f. All the expenses which have been incurred in relation to Miscellaneous- " Health " Insurance business, has been appropriately reported in Revenue Account.

For and on behalf of the Board of Directors

Director

Benjamin David
Jemphrey Kent
DIN - 08895798

Director

Anthony Maxwell
Coleman
DIN - 03149224

Director

Kummamuri Muthy
Narasimha
DIN - 00023048

Chief Executive Officer

Damien Macmion

Chief Financial Officer

Neelaj Basu

Company Secretary

Sandeep Sethi
mem no - A14635

Place: New Delhi

Date: May 19, 2011

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

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

Balance Sheet Abstract and Company's General Business Profile

I Registration Details :

Registration No. U 6 6 0 0 0 0 D L 2 0 0 8 P L C 1 8 2 9 1 8

State Code 5 5

Balance Sheet Date 3 1 0 3 2 0 1 1
Date Month Year

II Capital Raised During the Year (Amount in Rs. Thousand)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Others	1200000

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities	2710977	Total Assets	2710977
Sources of Fund		Reserve and Surplus	-
Paid-up Capital	2710000	Fair Value Change Account	977
Secured Loans	-	Deferred Tax Liability	-
Unsecured Loans	-	Investments	1262607
Application of Funds		Misc. Expenditure	-
Net Fixed Assets	213245		
Net Current assets	(356928)		
Accumulated Losses	1592053		

IV Performance of Company (Amount in Rs. Thousand)

Turnover (Total Income)	161020	Total Expenditure	1323494
+ - Profit/Loss before tax	1162474	+ - Profit/Loss after tax	1162474
+ - Earning per share in Rs. Basic and Diluted	5.62	Dividend Rate (%)	NIL

V Name of three Principal Products/Service of Company

Item Code No. N I L

Product Description H E A L T H I N S U R A N C E

FORM HG
MAX BUPA HEALTH INSURANCE COMPANY LIMITED

TABLE 1 - STATEMENT OF LIABILITIES AS AT 31 March, 2011
Classification : Business within India / Total Business (All Business underwritten in India)

(Rs. Lakhs)

Item No	Description	Reserve for Unexpired risks	Reserve for Outstanding Claims	IBNR Reserves	Total Reserves
(1)	(2)	(3)	(4)	(5)	(6)
1.	Fire	-	-	-	-
2.	Marine				
	Sub-class:				
	Marine Cargo	-	-	-	-
	Marine Hull	-	-	-	-
3.	Miscellaneous				
	Sub-class :				
	Motor Engineering	-	-	-	-
	Aviation	-	-	-	-
	Liabilities	-	-	-	-
	Rural Insurance	-	-	-	-
	Others	-	-	-	-
4.	Health Insurance	1,495.61	63.24	199.55	1,758.40
5	Total Liabilities	1,495.61	63.24	199.55	1,758.40

Certification from Auditor

We certify that the above statement represents the liabilities of the insurer which have been determined in the manner prescribed in the Insurance Regulatory and Development Authority (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000 and the amounts of such liabilities are fair and reasonable. We also further certify that the above statement includes the IBNR reserves which have been determined by the appointed actuary and his certificate is furnished herein below.

For V.Sahal Tripathi & Co.
Mahesh Sahal
Membership No. F 06730
FR No. 282N



For Thakur, Vaidyanath Aiyar & Co.
K.N.Gupta
Membership No. F 09168
FR No. 000038N



Place:
Date: 19 May 2011

Certification from the Appointed Actuary

I certify that the IBNR reserves in the statement above represent, in my opinion, true and fair amount.

Place:
Date: 19 May 2011

K. Sriram
(K. SRIRAM, FIAI)
Appointed Actuary
Membership No. 00181

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

FORM IRDA - ASSETS - AA

STATEMENT OF ASSETS AS AT 31 March, 2011

Classification : Business within India / Total Business (All Business underwritten in India)

				(Rs. Lakhs)
Item No.	Category of Asset	Policyholders' funds	Shareholders' funds	TOTAL ASSETS
(1)	(2)	(3)	(4)	
1	Approved Securities	1,758.40	4,232.43	5,990.83
2	Approved Investments	-	5,806.59	5,806.59
3	Deposits	-	578.92	578.92
4	Non-Mandated Investments	-	828.65	828.65
5	Other Assets:			
	Fixed Assets:			
	Cash and Bank balances		1,099.50	1,099.50
	Advances and Other Assets		88.94	88.94
6	Total	1,758.40	14,082.24	15,840.63
7	Fair Value Change Account		(9.77)	(9.77)
y	Adjusted Value of Assets (6-7)	1,758.40	14,072.47	15,830.86

We certify that the statement has been prepared in accordance with Schedule I of the Insurance Regulatory & Development Authority (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000.

For V.Sahai Tripathi & Co.
 Mahesh Sahai
 Membership No. F 06730
 FR No. 262N



Place:
 Date :

For Thakur,Vaidyanath Aiyar & Co.
 K.N.Gupta
 Membership No. F 09169
 FR No. 000038N



K. Sriram
 Appointed Actuary
 (K. SRIRAM, FIAI)
 Membership No. 00181

Place:
 Date : 19 May 2011

FORM KG

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

TABLE I - STATEMENT OF SOLVENCY MARGIN AS AT 31 March, 2011

Table I - REQUIRED SOLVENCY MARGIN BASED ON NET PREMIUM AND NET INCURRED CLAIMS
Classification : Business within India / Total Business (All Business underwritten in India)

(Rs. Lakhs)								
Item No.	Description (Class of Business)	Gross Premiums	Net Premiums	Gross Incurred Claims	Net Incurred Claims	RSM-1	RSM-2	RSM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Fire	-	-	-	-	-	-	-
2.	Marine	-	-	-	-	-	-	-
3.	Marine Cargo	-	-	-	-	-	-	-
	Marine Hull	-	-	-	-	-	-	-
4.	Miscellaneous	-	-	-	-	-	-	-
5.	Motor	-	-	-	-	-	-	-
6.	Engineering	-	-	-	-	-	-	-
7.	Aviation	-	-	-	-	-	-	-
8.	Liability	-	-	-	-	-	-	-
9.	Rural Insurance	-	-	-	-	-	-	-
10.	Others	-	-	-	-	-	-	-
	Health Insurance	2,546.03	2,291.43	229.54	206.58	458.29	61.98	5,000.00
11.	TOTAL	2,546.03	2,291.43	229.54	206.58	458.29	61.98	5,000.00

TABLE II - AVAILABLE SOLVENCY MARGIN AND SOLVENCY RATIO

(Rs. Lakhs)			
Item	Description	Notes No.	Amount
(1)	(2)	(3)	(4)
1.	Available Assets in Policyholders' Funds:		1758.40
	Deduct:		
2.	Liabilities		1758.40
3.	Other Liabilities		
4.	Excess in Policyholders' funds (1-2-3)		0.00
5.	Available Assets in Shareholders Funds:		14072.47
	Deduct:		
6.	Other Liabilities		3927.10
7.	Excess in Shareholders' funds (5-6)		10145.37
8.	Total ASM (4+7)		10145.37
9.	Total RSM		5000.00
10.	Solvency Ratio (Total ASM / Total RSM)		2.03

Certification

We certify that the above statements have been prepared in accordance with the Section 64VA of the Insurance Act, 1938, and the amounts

For V.Sahai Tripathi & Co.
Mahesh Sahai
Membership No. F 06730
FR No. 262N



Place:
Date: 19 May 2011

Appointed Actuary
(K. SRIRAM, FIAI)
Membership No. 00181

Place:
Date: 19 May 2011

For Thakur, Vaidyanath Aiyar & Co.
K.N.Gupta
Membership No. F 09189
FR No. 000038N



Principal Officer
(Chief Executive Officer)

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

Regd. Office: Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110 020

Corporate Office: D-1, II Floor, Salcon Ras Vilas, District center, Saket, New Delhi 17

Certification for compliance of the IRDA Corporate Governance Guidelines

I, Sandeep Seth, hereby certify that the Company has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.



Sandeep Seth
Company Secretary and Head of Compliance