

MAX INDIA LIMITED
(formerly Taurus Ventures Limited)
(CIN : U85100PB2015PLC039155)



Registered Office: 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur
District Nawanshahr, Punjab – 144 533, Tel. : 011 42598000 fax : 011 26324126
www.maxindia.com E-mail : investorhelpline@maxindia.com, vkrishnan@maxindia.com

Notice Pursuant to Section 110 of the Companies Act, 2013

Dear Member(s),

Notice is hereby given that pursuant to the provisions of Section 110 of the Companies Act, 2013 ("the Act") read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations, if any, that an ordinary resolution for seeking the approval of shareholders of the Company to a proposed Composite Scheme of Amalgamation and Arrangement amongst the Company, Max Life Insurance Company Limited, Max Financial Services Limited and HDFC Standard Life Insurance Company Limited and their respective shareholders and creditors (as applicable), is proposed to be passed by the members through postal ballot /electronic voting (e-voting).

Accordingly, the draft Ordinary Resolution and the Explanatory Statement pursuant to Section 102 of the Act along with Postal Ballot Form are being sent for your consideration.

The Board of Directors of the Company has, in compliance with Rule 22(5) of the Companies (Management and Administration) Rules, 2014, appointed Mr. Sanjay Grover, Company Secretary in Whole Time Practice (Membership No. FCS 4223; C.P. No. 3850), having office at B-88, 1st Floor, Defence Colony, New Delhi – 110 024, as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before Saturday, September 24, 2016. The Postal Ballot result (including e-voting) will be declared by the Chairman or in his absence by any other person so authorized by the Chairman on Tuesday, September 27, 2016 at the Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab– 144 533. The date of the declaration of the result of postal ballot shall be deemed to be the date of passing of said resolution.

The Company is pleased to offer e-voting facility as an alternate to its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional and members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions provided in the Notes of the Notice.

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

"RESOLVED THAT pursuant to Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956 and the Companies Act, 2013 and applicable provisions of the Memorandum and Articles of Association of the Company and subject to the sanction of the Hon'ble High Court of Punjab and Haryana and the Hon'ble High Court of Bombay and/or the relevant National Company Law Tribunal (as may be applicable) ("**NCLT**"), and subject to the approval of any other statutory / regulatory authorities as may be required, including but not limited to the applicable stock exchanges, the Insurance Regulatory and Development Authority of India ("**IRDAI**") and Competition Commission of India ("**CCI**"), approval of the shareholders of the Company be and is hereby accorded to the composite scheme of amalgamation and arrangement ("**Scheme of Amalgamation and Arrangement**" / "**Scheme**") involving (i) amalgamation of Max Life Insurance Company Limited into and with Max Financial Services Limited (the resultant entity being referred to as "**MergeCo**"); (ii) demerger of the undertaking pertaining to the insurance business from MergeCo and transfer of the same to HDFC Standard Life Insurance Company Limited; and (iii) amalgamation of the remaining MergeCo into and with the Company, in accordance with and on the terms and conditions as stated in the Scheme of Amalgamation and Arrangement, the salient terms of which have been stated in the Explanatory Statement annexed to this notice."

"RESOLVED FURTHER THAT the Board of Directors, including duly constituted Committee of the Board of Directors, of the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary to consider and approve the proposed modifications to the Scheme as may be negotiated and finalized by the representatives authorized by the Board of Directors in its resolution dated August 8, 2016 and as may be advised by the regulatory authorities."

"RESOLVED FURTHER THAT the final approval of the shareholders of the Company shall also be procured in regard to the Scheme as cleared / approved in-principle by the relevant regulatory authorities (including IRDAI and CCI, as applicable) and the applicable stock exchanges, in the meeting of the shareholders of the Company convened by the Hon'ble High Court of Punjab and Haryana or the relevant National Company Law Tribunal, in terms of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, and through the postal ballot and e-voting facility that is to be offered by the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circular number CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by SEBI."

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Committee of Directors be and are hereby authorized to delegate all or any of their powers herein conferred, to any Director(s) or any other officer(s)/authorized representative(s) of the Company to give effect to the aforesaid resolution."

For Max India Limited
(Formerly Taurus Ventures Limited)

V. Krishnan
Company Secretary
FCS No. 6527

August 19, 2016
New Delhi

NOTES

1. Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), an Explanatory Statement setting out material facts and reasons for the proposed Special Business is appended to the notice.
2. The Postal Ballot Notice is being sent to all the Members of the Company, whose name appear on the Register of Members/List of Beneficial Owners, as received from National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on August 12, 2016.
3. Members who have registered their e-mail IDs with Depositories / with the Company / with Registrar and Share Transfer Agent are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Postal Ballot Notice along with the Postal Ballot Form by Courier. Members who receive the documents in electronic mode under the Green Initiative of MCA and who wish to vote through ballot form can obtain the form from the Company by sending an email request.
4. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the attached postage pre-paid self addressed envelope and send the same to the Scrutinizer by post. Unsigned Postal Ballot Form(s) will be rejected. The Postal Ballot Form(s) be deposited personally at the address given thereon or if sent by courier or registered/speed post at the expense of the shareholder will also be accepted. The duly completed Postal Ballot Form(s) should reach the Scrutinizer on or before Saturday, September 24, 2016 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member(s). The e-voting module shall also be disabled by NSDL for voting thereafter.
5. In compliance with the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 110 of the Act read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form(s). The Company has entered into an agreement with NSDL for facilitating e-Voting to enable the members to cast their votes electronically instead of dispatching Postal Ballot Forms, e-voting is optional. Demat-Account/Folio Number of the Shareholders has been enrolled by the Company for participation in voting on resolutions placed by the Company on e-voting system.
6. The process and manner for members opting for e-voting is as under:
 - (A) In case of Members receiving e-mail from NSDL:**
 - (i) Open e-mail and open PDF file viz. "Max e-voting.pdf" with your Client ID or Folio No. as Password. The said PDF file contains your user ID and Password for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing URL: www.evoting.nsdl.com
 - (iii) Click on Shareholder – Login.
 - (iv) Put user ID and Password as Initial Password.
 - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-voting: Active voting cycles.
 - (vii) Select EVEN of Max India Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail : sanjaygrover7@gmail.com with a copy marked to evoting@nsdl.co.in.
 - (B) In case of members receiving postal ballot form by post:**
 - (i) Initial Password is provided at the bottom of the Postal Ballot Form.
 - (ii) Please follow all steps from sr. no. (ii) to (x) mentioned in (A) above, to cast vote.
 - (C)** If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting your vote.
 - (D)** The e-voting period commences on Friday August 26, 2016 (9.00 a.m.) and ends on Saturday, September 24, 2016 (5.00 p.m.). The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (E)** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting User Manual for Shareholders, available at the downloads section of www.evoting.nsdl.com
7. The Scrutinizer after completion of the scrutiny will submit his report to the Chairman or Company Secretary of the Company. The result

of the Postal Ballot will be declared on Tuesday, September 27, 2016 at the Registered Office of the Company. The result will be informed to the Stock Exchanges where shares of the Company are listed and will also be displayed on the Company's website: www.maxindia.com. The date of declaration of Postal Ballot result, i.e. September 27, 2016 shall be deemed to be the date of passing of the said resolution.

8. Members are requested to notify the change in the address, if any, in case of shares held in electronic form to the concerned Depository Participant quoting their client ID and in case of Physical shares to the Registrar and Transfer Agent of the Company quoting their Folio Number.
9. The Board of Directors has appointed Mr. V. Krishnan, Company Secretary and Compliance Officer as the person responsible for the entire Postal Ballot process.
10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on all working days upto the date of declaration of the result of Postal Ballot.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 ('the Act'), the following explanatory statement sets out all material facts relating to the business mentioned in the Notice.

A. Proposed Composite Scheme of Amalgamation and Arrangement

The Board of Directors of the Company has, on August 8, 2016, approved a Composite Scheme of Amalgamation and Arrangement amongst the Company, Max Life Insurance Company Limited ("**Max Life**"), Max Financial Services Limited ("**MFSL**"), HDFC Standard Life Insurance Company Limited ("**HDFC Life**") and their respective shareholders and creditors (as applicable) ("**Scheme**"), which inter alia provides for:

- (a) Amalgamation of Max Life into and with MFSL and the issuance of Equity Shares by MFSL to the shareholders of Max Life, based on the share exchange ratio of 1 (one) equity share of Rs. 2/- each of MFSL for approx. every 5 (five) equity shares of Rs. 10/- each held in Max Life (wherein the shares held by MFSL in Max life will stand cancelled), on the relevant Record Date to be specified for this purpose;
- (b) Demerger of the undertaking pertaining to the Life Insurance Business of Max Life arising from the amalgamation referred to in sub-clause (a), into HDFC Life and the issuance of Equity Shares by HDFC Life to the shareholders of MFSL (resulting after the aforesaid amalgamation of the Max Life into MFSL), based on the share entitlement ratio of approx. 7 (seven) equity shares of Rs. 10/- each of HDFC Life for every 3 (three) equity shares of Rs. 2/- each held in MFSL, on the relevant Record Date to be specified for this purpose; and
- (c) Amalgamation of MFSL which remains after the demerger referred to sub-clause (b) into and with the Company and the issuance of Equity Shares by the Company to the shareholders of MFSL (resulting after the aforesaid amalgamation of the Max Life into MFSL), based on the share exchange ratio of 1 (one) equity share of Rs. 2/- each of the Company for every 500 (five hundred) equity shares of Rs. 2/- each held in MFSL, on the relevant Record Date to be specified for this purpose.

B. Rationale of the Scheme

- (a) Max Life and HDFC Life, being Indian Insurance Companies carrying on Life Insurance Business, have proposed this Scheme to consolidate the Life Insurance Business of Max Life into and with HDFC Life. Both Max Life and HDFC Life have strong margins and synergies and the product mix of their combined businesses shall be well diversified. The combined entity arising out of such an arrangement shall have better prospects of growth.
- (b) After the transfer of life insurance business of MFSL (currently held through its subsidiary Max Life) to HDFC Life, residual MFSL shall be amalgamated with the Company and will be dissolved without being wound up. The Appointed Date for the Scheme will be the date specified in the Scheme, as finally approved by all relevant authorities, including the Insurance Regulatory and Development Authority of India.
- (c) Key constituents of MFSL, immediately prior to merger with the Company are:
 - 1) **Treasury corpus of non life business** estimated to be Rs. 124 crore, as at June 30, 2016.
 - 2) There have been certain **shared resources of Max Group** that are currently employed in MFSL and have also been providing their services to some other Max Group entities through Management Consultancy arrangements. The services of such resources is essential to the Max Group in future as well, therefore, these will be transferred to the Company to ensure the continuity of support to the group entities.
 - 3) **Contingent liability for tax litigation in respect of certain past divestments in telecom sector:** Max Telecom Ventures Limited (MTVL), an erstwhile subsidiary of MFSL (since merged with MFSL w.e.f. December 1, 2005), had divested its stake in telecom sector in the financial years 1998-99 and 2005-06 and the capital gains arising thereon were claimed as exempt from tax under section 10(23G) of the Income-tax Act, 1961. While the tax department rejected the claims and had raised tax demands of Rs.448.09 crore, on MTVL's appeal, the reliefs were allowed by Commissioner (Appeals) and the said tax demands were quashed. The tax department has filed appeals against the same in Income Tax Appellate Tribunal which are currently pending.

Based on facts of the case and advice received, the Company is of the view that the orders passed by Commissioner (Appeals) would

be sustained and the liability is unlikely to arise.

- (d) As a consequence of amalgamation of MFSL with the Company as described above, and based on the share exchange ratio report issued by Price Waterhouse & Co LLP, Chartered Accountants and the fairness opinion issued by Ambit Private Limited both dated August 8, 2016, the Company shall issue shares to the shareholders of MFSL, based on a share exchange ratio of 1 (one) equity share in the Company for every 500 (five hundred) equity shares held in MFSL on a record date to be specified for this purpose. It is expected that approximately 7.7 lakhs shares of the Company would be issued, resulting in a dilution of around 0.3% of the total paid-up capital of the Company.
- (e) This Scheme shall lead to the eventual listing of HDFC Life on the National Stock Exchange of India Limited and BSE Limited and ensure that the shareholders of MFSL, including Public Shareholders, hold Equity Shares in two listed entities, namely HDFC Life and the Company, thereby maximising shareholders value. This Scheme is in the best interests of Max Life, MFSL, HDFC Life and the Company and their respective shareholders and creditors, as it is expected to provide greater financial strength and flexibility and access to greater funds.
- (f) The management will present the Scheme, once cleared/ approved in-principle by all the regulatory authorities and the applicable stock exchanges, including the Insurance Regulatory and Development Authority of India and Competition Commission of India, to the shareholders of the Company for their consideration and approval and such an approval will have to be provided at the meeting of the shareholders of the Company convened by the Hon'ble High Court of Punjab and Haryana or the relevant National Company Law Tribunal, in terms of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, and through the postal ballot and e-voting facility that is to be offered by the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circular number CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by SEBI.

Accordingly, the matter is being placed for seeking the approval of shareholders of the Company by way of an Ordinary resolution.

The Promoters and the Promoter Group shall not vote on this Ordinary Resolution.

The public shareholders, i.e., shareholders who do not form part of the Promoters and the Promoter Group are entitled to vote on this resolution.

Mr. Mohit Talwar, Mr. Dinesh Kumar Mittal and Mr. Rajesh Khanna are common directors of MFSL and Max Life. Further Mr. Mohit Talwar, Mr. Ashwani Windlass, Mr. Sanjeev Kishen Mehra and Ms. Lavanya Ashok (Alternate director to Mr. Sanjeev Kishen Mehra) are common directors of the Company and MFSL. Mr. Rahul Khosla, Non-executive Chairman of the Company also holds similar position in Max Life and Mr. Mohit Talwar, Managing Director of the Company holds similar position in MFSL.

Save and except the above, none of the Directors & Key Managerial Personnel (KMP) or their relatives are concerned or interested in the proposed resolution except to the extent of their shareholding in the Company, if any.

August 19, 2016
New Delhi

For Max India Limited
(Formerly Taurus Ventures Limited)
V. Krishnan
Company Secretary
FCS No. 6527

MAX INDIA LIMITED

(formerly Taurus Ventures Limited)
(CIN : U85100PB2015PLC039155)



INSTRUCTIONS

Registered Office: 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur
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www.maxindia.com E-mail : investorhelpline@maxindia.com, vkrishnan@maxindia.com

POSTAL BALLOT FORM

Please read the instructions printed overleaf carefully before completing this form

Serial No

- Name & address of the Sole/ First named Shareholder as registered with the Company
- Name(s) of the joint Shareholders if any, registered with the Company
- Registered Folio No./ DPID No. & Client ID No. (applicable to shareholders holding shares in electronic form)
- No. of shares held
- I/ We hereby exercise my/our vote in respect of the Ordinary Resolution to be passed through postal ballot for the business stated in the Notice dated August 19, 2016 of the Company by recording my/our assent or dissent or otherwise to the said resolution by placing a tick (✓) mark in the appropriate box below:

- A shareholder desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Forms, if sent by Courier or by registered post/speed post at the expense of the Shareholder will also be accepted. The Postal Ballot Form may also be deposited personally at the address provided on the envelope.
- The self-addressed pre-paid envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company.
- The Postal Ballot Form should be completed and signed by the Sole/ First Shareholder. In the absence of the First Shareholder in a joint holding, the Form may be completed and signed by the next named Shareholder. However, where the Form is sent separately by the First Shareholder and the Joint holder/s, the vote of the First Shareholder would be valid.
- The voting period commences on Friday, August 26, 2016 (9.00 a.m.) and ends on Saturday, September 24, 2016 (5.00 p.m.). The Postal Ballot Form duly completed and signed (as per specimen signature registered with the Company) should be sent to the Scrutinizer appointed by the Company on or before the close of the working hours i.e. by 5.00 p.m. on Saturday, September 24, 2016.
- The Postal Ballot(s) received after this date will be treated as if the reply from the Member has not been received and the same will not be considered.
- In case shares are jointly held, this Form should be completed and signed by the first named Member and in his/her absence, by the next named Member.
- In case of share held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/ Authority, with signature/s of the Authorized Signatory/ies giving requisite authority to the person voting on the Postal Ballot Form or duly attested by a banker.
- The unsigned, incomplete, mutilated, incorrectly filled Postal Ballot Forms will be rejected.
- The Postal Ballot cannot be exercised by a proxy.
- The Shareholders are requested not to send any matter along with the Postal Ballot Form in the postage prepaid self addressed envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
- A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form. Postal Ballot Form bearing tick (✓) mark in both the columns will render the same invalid.
- All Shareholders holding shares in physical mode, who are registered as shareholders; and all beneficial owners holding shares in dematerialized mode on Friday, August 12, 2016, are entitled to vote on the resolution/s on the basis of the paid-up value of the shares held as on that date.
- There will be only one Postal Ballot Form for every Folio/ Client ID.
- A Member can opt only one mode for voting i.e. either by Physical Ballot or e-voting. In case you are opting for e-voting, then do not vote by Physical Ballot and vice versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then the voting done through Physical Ballot shall prevail and voting done by e- voting will be treated as invalid.
- The Scrutinizer's decision on the validity or otherwise of the Postal Ballot will be final.

Item No.	Description	No. of Shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1.	Approval of the shareholders to the Composite Scheme of Amalgamation and Arrangement ("Scheme") involving (i) amalgamation of Max Life Insurance Company Limited into and with Max Financial Services Limited (the resultant entity being referred to as "MergeCo"); (ii) demerger of the undertaking pertaining to the insurance business from MergeCo and transfer of the same to HDFC Standard Life Insurance Company Limited; and (iii) amalgamation of the remaining MergeCo into and with the Company, in accordance with and on the terms and conditions as stated in the Scheme.			

Place : _____ Date : _____ (Signature of the Shareholder/s)

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	USER ID	PASSWORD

Note : If the voting rights are exercised electronically, there is no need to use this form. Please read the instructions carefully printed overleaf before exercising the vote and return this form to the Scrutinizer by using the enclosed postage pre-paid self addressed envelope.

Last date for receipt of this Postal Ballot Form is Saturday, September 24, 2016.

P.T.O.