

CORPORATE INFORMATION

Board of Directors

V Rajagopalan
Chairman

Devang Mody
Whole-Time Director & CEO

Anish Amin

Head Finance

Maneesh Sharma

Auditors

S R B C & CO, LLP
(up to 27 October 2021)

KKC & Associates LLP
(earlier known as Khimji Kunverji &
Co LLP)
(w.e.f. 24 November 2021)

Registered Office

Bajaj Auto Ltd. Complex,
Mumbai-Pune Road,
Akurdi, Pune-411 035.

Corporate Office

Phoenix Fountainhead, 4th Floor, Nagar
Rd Clover Park, Viman Nagar, Pune
411014

Corporate Identity Number:

U85320PN2019PLC185286

DIRECTORS' REPORT

Dear Shareholders,

Your directors take great pleasure in presenting the Third Annual Report along with the audited financial statements for FY2022.

Financial Results

The highlights of the financial results of the Company for the period ended 31 March 2022 are given below:

(Rs. in lakhs)		
Particulars	FY2022	FY2021
Total income from operations	8,820.86	1,048.18
Expenditure excluding depreciation	20,509.54	6,750.05
Depreciation	1,256.27	612.54
Profit/(Loss) before tax	12,944.95)	(6,314.41)
Provision for Tax- Current	-	-
Deferred	-	-
Profit/(Loss) after tax	(12,944.95)	(6,314.41)
Other comprehensive income	(71.92)	5.15
Tax on above	-	-
Other comprehensive income for the year (net of tax)	(71.92)	5.15
Total comprehensive income/(Loss) for the year	(13,016.87)	(6,309.26)
Earnings per share (Nominal value per share Rs. 10)	(517.80)	(252.58)

During the period ended 31 March 2022, the Company incurred a loss of Rs. 13016.87.

Transfer to Reserves

No amount has been transferred to Reserves during the year under review.

Dividend

The Board does not recommend any dividend for the period under review.

Subsidiaries, Associates and Joint Ventures

The Company does not have any subsidiary, associate company or a joint venture company. The Company is a wholly owned subsidiary of Bajaj Finserv Limited (BFS).

Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company which have occurred between and at the end of the financial year of the Company and the date of this Report.

Operations

The Company aims at creating solutions for Indian consumers to manage their healthcare in a better way and provide solutions for healthcare financing by means of loans and insurance.

Future outlook

Your company aims to transform healthcare in India by integrating a fragmented healthcare delivery ecosystem with technology and financial services on a digital platform to bring quality healthcare closer to the consumers' reach.

Risk Management

The Company has put in place an adequate and effective risk reporting system. In the opinion of the Board, there are no residual risks, which would threaten the existence of the Company.

Directors and Key Managerial Personnel (KMP)

V Rajagopalan retires by rotation at the ensuing annual general meeting (AGM), being eligible, offers himself for re-appointment as a non-executive director. Necessary information to be disclosed in case of re-appointment, as required under the Act, is given in the Notice of the ensuing AGM.

During FY2022, there was no change in the other Directors.

Annual Return

A copy of the Annual Return as provided under section 92(3) read with section 134(3)(a) of the Act in the prescribed Form MGT-7 is available on the Company's website and can be accessed at <https://www.bajajfinserv.in/finserv-investor-relations-annual-reports>.

Number of Meetings of Board

During the FY2022, the Board of Directors met 4 (four) times, viz., 26 April 2021, 19 July 2021, 25 October 2021 and 17 January 2022. The gap between any two consecutive meetings was less than one hundred and twenty days.

The details pertaining to the attendance of each Directors at the meetings of the Board held during the FY2022 are mentioned below:

Name of Director	Category	No. of Board Meetings held during FY2022	
		Entitled to attend	Attended
V Rajagopalan	Director	4	4
Anish Praful Amin	Director	4	4
Devang Pravin Mody	Whole-time Director	4	4

Directors' Responsibility Statement

In accordance with the provisions of section 134(3)(c) of the Companies Act, directors, to the best of their knowledge and belief, state that:

- (i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgements 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 FY2022;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis; and
- (v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that, such systems were adequate and were operating effectively.

Particulars of Loans, Guarantees or Investment

During FY2022, the Company has not granted any loans, or made any investments in, or provided any guarantees or securities under section 185 and 186 of the Act.

Deposits

During FY2022, your Company has not accepted any deposits within the meaning of sections 73 and 74 of the Act read together with the Companies (Acceptance of Deposits) Rules, 2014 as amended.

Share Capital

As on 31 March 2022, the authorised share capital of the Company was Rs. 50,000,000 divided into 5,000,000 equity shares of face value of Rs. 10/- while the paid-up equity share capital stood at Rs. 25,000,000 crore comprising of 25,00,000 fully paid equity shares of face value of Rs. 10/- fully paid-up.

During the FY2022, there was no change in the equity share capital of the Company.

Employee Stock Option Scheme

Consequent to approval received from the shareholders of Bajaj Finserv Limited, holding company of the Company at 11th Annual General Meeting (hereinafter referred to as 'AGM') held on 19 July 2018 and approval received from the shareholders of the Company at its 3rd Extraordinary General Meeting held on 15 July 2020, the employees of the Company are also covered for grant of stock option under Bajaj Finserv Limited Employee Stock Option Scheme (BFS-ESOS).

The details of options granted, exercised by the employees of the Company, if any, under the aforesaid scheme, during the year under review, are given in the financial statements which form part of the Annual Report.

Related Party Transactions

All contracts/arrangement/transactions entered by the Company with related parties during the period under review were in compliance with the applicable provisions of the Act including on arm's length basis and in the ordinary course of business of the Company under the Act. None of the transactions required members' prior approval under the Act.

Details of transactions with related parties during the period under review are provided in the notes to the financial statements. There were no transaction requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC-2 does not form a part of this Report.

Significant and Material orders passed by the Regulators or Courts

During the year under review, no significant and material orders were passed by any Regulators or Courts or tribunals, which may impact the going concern status of the Company and its operations in future.

Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to the conservation of energy and technology absorption in terms of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is stated as below:

(a) Conservation of Energy and Technology Absorption

The operations of the Company are not energy-intensive. The Company implements various energy conservation measures across all its functions.

Further, being essentially a financial services Company, no particulars regarding technology absorption are required to be given in this Report.

(b) Foreign Exchange Earnings and Outgo

During FY2022, the total foreign exchange earned by the company was NIL, as against NIL during the previous year.

Total foreign exchange outflow amounted to Rs. 3.92 lakh, as against Rs 3.62 lakh during the previous year.

Adequacy of internal financial controls

Internal financial controls with reference to the financial statements were adequate and operating effectively.

Audit Committee and Nomination and Remuneration Committee

The provisions of section 177 and section 178 of the Act relating to constitution of an Audit Committee and Nomination and Remuneration Committee, are not applicable to the Company, being a wholly-owned subsidiary of Bajaj Finserv Limited.

Corporate Social Responsibility

The provisions of section 135 of the Act relating to Corporate Social Responsibility are not applicable to the Company.

Secretarial standards

The Company has complied with the requirements prescribed under the Secretarial Standards on meetings of the Board of Directors (SS-1) and General Meetings (SS-2) read with the MCA circulars granting exemptions in view of the Covid-19 pandemic

Statutory Auditors

In terms of the provisions of section 139 of the Act and rules made thereunder, the members at its AGM held on 15 July 2020 appointed S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) as Statutory Auditors of the company, till the conclusion of the sixth AGM.

The Reserve Bank of India through its circular dated 27 April 2021 issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs).

In line with the requirements of the above guidelines, S R B C & CO LLP, were ineligible, to continue as the Statutory Auditors of Bajaj Finance Ltd. and Bajaj Housing Finance Ltd. (material subsidiaries of the Company) for the financial year ending 31 March 2022. Consequently, they were unable to attain the required audit coverage of the consolidated total assets, revenue and profit after tax, in accordance with their firm's policy and had, therefore, tendered their resignation vide their letter dated 27 October 2021 effective immediately. S R B C & CO LLP, have not raised any concern or issue and there is no reason other than those mentioned in their above said letter.

Consequent to the casual vacancy created by their resignation, the Board of Directors vide circular resolution dated 23 November 2021, appointed KKC & Associates LLP (earlier known as Khimji Kunverji & Co. LLP), Chartered Accountants, as Statutory Auditors of the Company till conclusion of the 3rd AGM to conduct the audit of accounts of the Company for the financial year ending 31 March

2022 with approval of the members.

At the ensuing AGM, approval of the members is being sought for their appointment as Statutory Auditor for a term of four years i.e. from conclusion of 3rd AGM till conclusion of 7th AGM.

The statutory audit report for the FY2022, is unmodified, i.e., it does not contain any qualification, reservation or adverse remark or disclaimer by the Statutory Auditor.

Presentation of Financial results

The financial statements of the company for the year ended 31 March 2022 have been disclosed as per Schedule III to the Act and IND AS.

A Cash Flow Statement and statement of Profit & Loss Account for the FY2022 are attached to the balance sheet.

Other Statutory Disclosures

- There was no change in the nature of the business of the Company.
- Disclosure pertaining to maintenance of cost records as required under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to your Company.
- There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year against the Company.
- There was no one-time settlement entered into with any Bank or financial institutions in respect of any loan taken by the Company.
- During the year under review, there were no frauds reported by the Statutory Auditors to the Board under section 143(12) of the Act.
- The particulars under section 197(12) of the Act read with rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014 is provided by way of Annexure – 1 to this report.
- Disclosure as required under section 197(14) of the Act for the Managing Director or Whole-time Director, for any remuneration or commission from any holding company or subsidiary company is not applicable to the Company.
- The provisions of section 177(9) & (10) of the Act, are not applicable to the Company. It was hence not required to establish any vigil mechanism during the year under review.
- The provisions of section 178 of the Act regarding annual performance evaluation are not applicable to the Company.
- Pursuant to the legislation 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', the Company has a policy on Prevention of Sexual Harassment at Workplace and has constituted an Internal Complaints Committee. No case was reported during the year under review.

Acknowledgement

The Board places its gratitude and appreciation for the support and co-operation from its members and other regulators.

The Board also places on record its sincere appreciation for the commitment and hard work put in by the management and the employees in these trying times.

**On behalf of Board of Directors of
Bajaj Finserv Health Ltd.**

Sd/-
V Rajagopalan
Chairman
(DIN: 02997795)

Place: Pune
Date: 25 April 2022

Annexure -1

STATEMENT SHOWING PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Sr.No	Particulars	Input
(i)	Employee Name	Devang Mody
(ii)	Designation of the employee	Director & CEO
(iii)	Remuneration received (In Rs.)	82,968,272
(iv)	Nature of employment, whether contractual or otherwise	Whole-time
(v)	Qualifications and experience of the employee	Chartered accountant and Wharton Alumnus
(vi)	Date of commencement of employment	05/07/2019
(vii)	The age of such employee	49
(viii)	The last employment held by such employee before joining the company	Bajaj Finance Ltd.
(ix)	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	Nil
(x)	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	NA

Independent Auditor's Report

To

The Members of

Bajaj Finserv Health Limited

Report on the audit of the Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of Bajaj Finserv Health Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Other Information

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report
5. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's responsibility for the Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 11.1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 11.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.



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- 11.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 11.4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 11.5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

15. The financial statements of the Company for the year ended March 31, 2021 were not audited by us. These financial statements have been audited by another auditor, whose report dated 26 April 2021 expressed an unmodified opinion on those financial statements. Our opinion on the Financial Statement is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:

- 17.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



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- 17.2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- 17.3. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account.
- 17.4. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- 17.5. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- 17.6. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 17.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.
18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 18.1. the Company does not have any pending litigations which would impact its financial position,;
 - 18.2. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 18.3. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - 18.4. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.



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18.5. The management has represented that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

18.6. The Company has not paid and / or declared dividend during the year.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

ICAI Membership No: 145911

UDIN: 22145911AHTLVV5190



Place: Mumbai

Date: 25 April 2022

Annexure "A" to the Independent Auditor's Report on the Financial Statements of Bajaj Finserv Health Limited for the year ended 31 March 2022

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE").
The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company is in the business of providing bundled product and other services and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the Company does not have sanctioned working capital limits from banks or financial institutions which are secured on the basis of any security. Accordingly, the provision of clause 3(ii)(b) of the Order is not applicable to it.
- iii. In our opinion and according to the information and explanations given to us, the Company has not made investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year including other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii)(a) to (f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us the Company has not granted any loans covered, made any investments or provided any guarantees and securities under Section 185 and Section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.



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- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities in all cases during the year
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company did not have any outstanding loans or other borrowings to financial institutions, banks, government and dues to debenture holders.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c.) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans, during the year.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provision of clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.



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- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act. Accordingly, the provision of clause 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company. and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a CIC as defined in the regulations made by Reserve Bank of India.
- (d) According to the information and explanation given to us, in the group (in accordance with Core Investment Companies (CIC's) (Reserve Bank) Directions, 2016) there are 16 companies forming part of the promoter/promoter group of the Company which are CICs. Further, as informed these CIC's are unregistered CICs as per Para 9.1 of Notification No. RBI/2020-21/24 dated 13 August 2020 of the Reserve Bank of India.
- xvii. The Company has incurred cash losses in the financial year and in the immediately preceding financial year. The amount of cash loss is Rs.11,714.78 lakh (preceding financial year Rs.5,717.46 lakh).



Khimji Kunverji & Co LLP

Chartered Accountants

- xviii. During the year, M/s S R B C & Co LLP, the Statutory auditors of the Company have resigned with effect from 27 October 2021. As informed, there have been no issues, objections or concerns raised by the said outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the provision of CSR is not applicable to the Company. Accordingly, the provision of clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.
- xxi. Reporting under clause xxi of the Order is not applicable.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration Number: 105146W/W100621



Vinit K Jain

Partner

ICAI Membership No: 145911

UDIN: 22145911AHTLV5190



Place: Mumbai

Date: 25 April 2022

Khimji Kunverji & Co LLP

Chartered Accountants

Annexure “B” to the Independent Auditors’ report on the Financial Statements of Bajaj Finserv Health Limited for the year ended 31 March 2022

(Referred to in paragraph “17.6” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

1. We have audited the internal financial controls with reference to the Financial Statements of Bajaj Finserv Health Limited (“the Company”) as at 31 March 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”).

Management’s responsibility for Internal Financial Controls

3. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s responsibility

4. Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.



Khimji Kunverji & Co LLP

Chartered Accountants

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Financial Statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

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

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

ICAI Membership No: 145911

UDIN: 22145911AHTLVV5190



Place: Mumbai

Date: 25 April 2022

Bajaj Finserv Health Limited
Balance sheet as at March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	830.56	416.33
Right of Use Asset	4	1,395.49	363.02
Other intangible assets	5	2,054.03	1,445.70
Intangible assets under development	5	-	201.29
Financial assets			
i. Other financial assets	6(a)	306.88	40.64
Other non-current assets	8	1,785.09	1,131.40
Current tax assets		83.60	2.63
Total non-current assets		6,455.65	3,601.01
Current assets			
Financial assets			
i. Investments	6(c)	260.78	100.87
ii. Trade receivables	6(d)	889.43	225.05
iii. Cash and cash equivalents	6(e)	1,599.66	315.96
iv. Other financial assets	6(b)	25.00	64.88
Other current assets	9	885.21	209.83
Total current assets		3,660.08	916.59
Total assets		10,115.73	4,517.60
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10(a)	250.00	250.00
Instruments entirely equity in nature	10(c)	23,750.00	8,750.00
Other equity	10(b)	(20,487.98)	(7,471.11)
Total equity		3,512.02	1,528.89
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease Liabilities	11(a)	974.46	295.96
Total non-current liabilities		974.46	295.96
Current liabilities			
Financial liabilities			
i. Trade payables	11(c)		
total outstanding dues of micro enterprises and small enterprises		3.23	17.33
total outstanding dues of creditors other than micro enterprises and small enterprises		2,351.34	1,083.87
ii. Lease Liabilities	11(a)	399.47	94.39
iii. Other current financial liabilities	11(b)	1,295.71	869.50
Provisions	12 & 13	1,081.90	362.96
Other current liabilities	14	497.60	264.70
Total current liabilities		5,629.25	2,692.75
Total liabilities		6,603.71	2,988.71
Total equity and liabilities		10,115.73	4,517.60

Summary of significant accounting policies followed by the Company

2

The accompanying notes are integral part of the financial statements

As per our report of even date

For KHIMJI KUNVERJI & CO LLP

Chartered Accountants

ICAI Firm's Registration Number: 105146W/W100621

 Vinit K Jain
Partner

Membership No.: 145911

Mumbai: 25 April 2022



On behalf of the Board of Directors

 Devang Mody
Director
DIN: 07794726

 V. Rajagopalan
Director
DIN: 02997795

 Maneesh Sharma
Finance Head
Pune: 25 April 2022


Bajaj Finserv Health Limited

Statement of Profit and Loss for the period ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No	For period ended March 31, 2022	For year ended March 31, 2021
Revenue from operations	15	8,789.90	994.04
Other income	16	30.96	54.14
Total income		8,820.86	1,048.18
Expenses			
Finance costs	20	66.45	47.48
Employee benefits expense	17	6,418.45	2,897.79
Depreciation and amortisation expense	18	1,256.27	612.54
Other expenses	19	14,024.64	3,804.78
Total expenses		21,765.81	7,362.59
Loss before tax		(12,944.95)	(6,314.41)
Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
Loss for the year		(12,944.95)	(6,314.41)
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	13	(71.92)	5.15
Other comprehensive income/ (loss) for the year, net of tax		(71.92)	5.15
Total comprehensive income/ (loss) for the year, net of tax		(13,016.87)	(6,309.26)
Basic earnings per share (In INR)		(517.80)	(252.58)
Diluted earnings per share (In INR)		(517.80)	(252.58)
(Nominal value per share INR 10)			

Summary of significant accounting policies followed by the Company

2

The accompanying notes are integral part of the financial statements

As per our report of even date

For KHIMJI KUNVERJI & CO LLP

Chartered Accountants

ICAI Firm's Registration Number.105146W/W100621

On behalf of the Board of Directors



Vinit K Jain


Partner

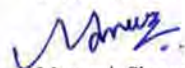
Membership No.: 145911

Mumbai: 25 April 2022




Devang Mody
Director
DIN:07794726


V. Rajagopalan
Director
DIN:02997795


Maneeesh Sharma
Finance Head
Pune: 25 April 2022



Bajaj Finserv Health Limited
Statement of cash flows for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
Cash flow from operating activities		
Loss before income tax from Continuing operations	(12,944.95)	(6,314.41)
Loss before income tax	(12,944.95)	(6,314.41)
Adjustments for		
Depreciation and amortisation expense	1,256.27	612.54
Changes in fair value of financial assets at fair value through profit or loss	(9.94)	(7.79)
Unwinding of discount on security deposits	(16.16)	(4.39)
Interest income classified as investing cash flows	(4.86)	(5.13)
Finance costs	66.45	47.48
Change in operating assets and liabilities		
Increase in trade payables	1,253.56	1,194.00
(Increase) in trade receivables	(664.18)	(223.90)
Increase in other financial assets and liabilities	201.22	238.53
(Increase) in other assets	(1,329.08)	(862.37)
(Decrease)/ increase in other liabilities	232.90	(0.79)
Increase in employee benefit obligations	-71.92	132.39
Increase in provisions	718.94	168.13
Cash generated from operations	(11,311.75)	(5,025.71)
Income taxes paid	(80.97)	(2.63)
Net cash inflow from operating activities	(11,392.72)	(5,028.34)
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible asset	(1,979.93)	(1,202.24)
Purchase of investments	(550.00)	(2,150.00)
Proceeds from sale of investments	400.00	2,257.71
Interest received on fixed deposits	4.86	5.13
Net cash outflow from investing activities	(2,125.07)	(1,089.40)
Cash flows from financing activities		
Proceeds from funds from holding company	15,000.00	5,500.00
Finance cost paid	(66.45)	(47.48)
Repayment of lease liabilities	(132.06)	(83.21)
Net cash inflow (outflow) from financing activities	14,801.49	5,369.31
Net increase (decrease) in cash and cash equivalents	1,283.70	(748.43)
Cash and cash equivalents at the beginning of the financial year	315.96	1,064.39
Cash and cash equivalents at end of the year	1,599.66	315.96
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	1,599.66	315.96
Balances per statement of cash flows	1,599.66	315.96

Summary of significant accounting policies followed by the Company

The accompanying notes are integral part of the financial statements

As per our report of even date

For KHIMJI KUNVERJI & CO LLP

Chartered Accountants

ICAI Firm's Registration Number:105146W/W100621



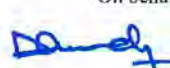
 Vinit K Jain
Partner

Membership No.: 145911

Mumbai: 25 April 2022



On behalf of the Board of Directors



Devang Mody

Director

DIN:07794726



V. Rajagopalan

Director

DIN:02997795



Maneesh Sharma

Finance Head

Pune: 25 April 2022



Bajaj Finserv Health Limited
Statement of changes in equity for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Note No	No of shares (In lakhs)	Amount
As at March 31, 2020		25.00	250.00
Changes in equity share capital	10 (a)	-	-
As at March 31, 2021		25.00	250.00
Changes in equity share capital		-	-
As at March 31, 2022		25.00	250.00

B. Instruments entirely equity in nature

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
At the beginning of the year		8,750.00	3,250.00
Addition during the year	10(c)	15,000.00	5,500.00
Closing Balance		23,750.00	8,750.00

*Equity component of loan received represents loan received from Bajaj Finserv Limited compulsorily convertible into equity shares at face value of Rs. 10 per share

C. Other equity

Particulars	Note No	Reserves and surplus	Share based payments reserve	Total other equity
		Retained earnings		
Balance at March 31, 2020		(1,161.85)	-	(1,161.85)
Loss for the year	10 (b)	(6,314.41)	-	(6,314.41)
Other comprehensive income		5.15	-	5.15
Total comprehensive income for the period		(7,471.11)	-	(7,471.11)
Recognition of share based payments to employees	27	-	221.12	221.12
Payment towards share based payment		-	(221.12)	(221.12)
Balance at March 31, 2021		(7,471.11)	-	(7,471.11)
Loss for the year	10 (b)	(12,944.95)	-	(12,944.95)
Other comprehensive income		(71.92)	-	(71.92)
Total comprehensive income for the period		(20,487.98)	-	(20,487.98)
Recognition of share based payments to employees	27	-	702.70	702.70
Payment towards share based payment		-	(702.70)	(702.70)
Balance at March 31, 2022		(20,487.98)	0.00	(20,487.98)

Summary of significant accounting policies followed by the Company
The accompanying notes are integral part of the financial statements
As per our report of even date

For KHIMJI KUNVERJI & CO LLP
Chartered Accountants
ICAI Firm's Registration Number: 105146W/W100621


Vinit K Jain
Partner
Membership No.: 145911
Mumbai: 25 April 2022



2
On behalf of the Board of Directors



Devang Mody
Director
DIN:07794726



V. Rajagopalan
Director
DIN:02997795


Maneesh Sharma
Finance Head

Pune: 25 April 2022



Bajaj Finserv Health Limited

Notes to the financial statements for the year ended March 31, 2022

1. The Company overview

Bajaj Finserv Health Limited (the "Company"), is a public company limited by shares, domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on July 05, 2019. The Company is a wholly owned subsidiary of 'Bajaj Finserv Limited' (Holding Company). The Company is operating in the Health Ecosystem and creates integrated healthcare solutions to improve and manage healthcare outcomes with technological intervention. The Company is engaged in business of marketing, promoting and selling Healthcare plans/products including preventive healthcare, management of illness, loyalty cards, telemedicine, through online and/or through network of providers / partners. The CIN number of the Company is U85320PN2019PLC185286.

The Registered Office of the company is at Bajaj Auto Limited, Mumbai-Pune Road, Akurdi, Pune, 411035, Maharashtra, and its Corporate Office is at 4th Floor, Phoenix Fountainhead, Off Nagar Road, Viman Nagar, Pune-411014, Maharashtra.

The financial statements were approved for issue in accordance with a resolution of the Directors on 25th April, 2022.

2. Basis of preparation of financial statements

(i) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statement of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

The financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency and all values are rounded to the nearest lacs, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital funding available from the Holding company. The outbreak of COVID-19 has not affected the going concern assumption of the Company.



(ii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Accounting estimates are recognised in the period in which the estimates are made or revised. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the significant effect on the amounts recognised in the financial statements are included in the notes.

Detailed information about each of these estimates is included in the relevant notes together with information about basis of calculation for each affected line item in the financial statements:

- (1) Revenue recognition
- (2) Impairment testing
- (3) Deferred taxes
- (4) Defined benefit plans and compensated absences
- (5) Useful lives of property, plant and equipment
- (6) Useful lives of intangible assets
- (7) Provision for estimate toward expected OPD and diagnostic claims
- (8) Expected Credit Loss

3. Significant accounting policies

i. Revenue Recognition:

The Company recognizes revenues from contracts with customers, as per Ind AS 115 following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract, and
- (5) recognise revenues when a performance obligation is satisfied.

At inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligations based on their relative stand-alone selling price or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately. In cases where the Company is unable to determine the stand-alone selling price, the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

The Company derives revenue mainly from the following sources:

Bundled Product

Bundled Product under the nomenclature of Aarogya Care or its variants (erstwhile known as Managed Care) is a comprehensive offering in the Health ecosystem and comprises benefits such as Insurance, OPD, Laboratory benefit, Loyalty card, access to HealthRx mobile app and website.

Co-Branded Card / Loyalty card

Cobranded card, Loyalty card or its variants, offer a small ticket size health management solution, en-compassing health benefits such as discounts at Outpatient department (OPD), Inpatient department (IPD), Pharmacy, Laboratory test etc.



Revenue on product sales are recognised when the customer obtains control of the specified product.

Revenues are shown net of GST and cancellation of policies sold if any. Insurance component comprised in the product price is not considered in the revenue as it is sold under the passthrough arrangement between the Company and the Group's insurance Company.

Company uses point in time approach to recognise the revenue, since there are no unsatisfied performance obligations pending after sale of product. The control of product is immediately transferred to customer at the time of sale of product. Company recognises partner pay-outs provision on estimate basis. A refund liability is measured at the amount of consideration received (or receivable) for which the entity does not expect to be entitled and such amount is deducted from revenue in accordance with Ind AS 115.

The Company assesses the timing of the transfer of services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and provision of service is up-to 12 months. If the difference in timing arises for reasons other than the provision of finance to either the customer or the Company, no financing component is deemed to exist.

Contract asset and liabilities

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset. A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of consideration is due.

ii. Foreign currency transactions and translation

Functional and presentational currency

The financial statements are presented in INR which is also functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences arising on non-trading activities are taken to other income/expense in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

iii. Property, plant and equipment and depreciation/ amortisation

Property, Plant and Equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, if any, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

a) Recognition and measurement

Property, plant and equipment is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably.

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



b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Depreciation on assets added/disposed during the period is provided on pro rata basis with reference to the month in which such asset is added/disposed.

Estimates are used for computing asset's expected useful life and expected residual value at the end of its life. The estimated useful life is reviewed at least annually.

The estimated useful life are as follows:

- Leasehold Improvements – Period of lease
- Computers – 3 years
- Others – Furniture, Networking installations, Vehicle and Office equipment – 3 to 10 years.

Leasehold improvement assets are depreciated over the estimated useful life of asset or the relevant lease term, whichever is lower.

iv. Intangible Assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The useful life is estimated based on number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life of amortisable intangibles is reviewed and where appropriate are adjusted, annually.

For internally developed intangibles, such as software, platforms, applications, expenditure pertaining to research is charged to the Statement of profit and loss. Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of profit and loss.

The intangible assets are amortised using the straight-line method over a period of three years, which is the management's estimate of its useful life. The useful life of an intangible asset is reviewed at each financial year end and adjusted prospectively.

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

v. Financial instruments

a) Non-derivative financial instruments:

Non-derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, employee and other advances, and non-current assets; Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognised only when the Company has not retained control over the financial asset.
- Financial liabilities, which include trade payables, eligible current and non-current liabilities.
- Non- derivative financial instruments are recognised initially at fair value.

After initial recognition, non-derivative financial instruments are measured as described below:



a. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, and are considered part of the Company's cash management system.

b. Investments

Financial instruments measured at fair value through profit or loss (FVTPL):

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in Statement of profit and loss. The gain or loss on disposal is recognised in Statement of profit and loss. Interest income is also recognised in Statement of profit and loss for FVTPL instruments.

c. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables and other assets.

d. Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

vi. Equity

a) Share capital

The authorised share capital of the Company as at March 31, 2022 is Rs 500 Lakhs divided into 50 Lakhs equity shares of Rs 10 each. Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

b) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

vii. Impairment

a) Financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost for e.g. deposits, trade receivables and bank balances. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss. The Company follows simplified approach for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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



month ECL is a portion of lifetime ECL which results from default events that are possible within 12 months after reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ income in the statement of Profit and Loss. This amount is reflected under the head 'Other expenses' in the statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost and revenue receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non - financial assets

The Company assesses long-lived assets such as property, plant and equipment and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets.

viii. Employee benefits

a) Defined Benefit Plans

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as defined benefit plans. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks are borne by the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

Re-measurement comprising actuarial gains or losses and the return on plan assets (excluding interest) are immediately recognised in other comprehensive income, net of taxes and permanently excluded from profit or loss. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income, net of taxes.

The Company has the following employee benefit plans:

a) Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the Life Insurance Corporation of India (LIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC). However, any deficit in plan assets managed by LIC and BALIC as compared to the liability based on an independent actuarial valuation is recognized as a liability.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

b) Defined contribution plans

The Company contributes to two defined contribution plans for its employees:

- Contribution to provident fund is made to Government Provident Fund Authority
- Contribution to Employees Pension Scheme 1995 is made to Government Provident Fund Authority



The Company recognises contribution payable to these fund/ schemes as an expenditure when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

c) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay because of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

d) Employee stock option scheme

The fair value of options granted under the Bajaj Finserv Limited -Employee Stock Option Scheme (BFS-ESOS) is recognised as an employee benefits expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price).
- excluding the impact of any service and non-market performance conditions (e.g., continuance of an employee of the entity over a specified period), and including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

ix. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount to be recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company accrues the estimated cost of provisions (OPD, diagnostic, telemedicine or similar healthcare) at the time when the revenue is recognised. The accruals are based on the Company's experience, benefits offered in the product and industry practices. Provision amount for OPD, diagnostic, telemedicine or similar healthcare is derived based on the respective components considered in product pricing. Provisioning amounts are tracked periodically and actual utilisations, if any, are adjusted against provision amount. If the customer does not utilize the benefit, the unused provision is reversed once the product period expires or at the end of contract term.

Finance cost

Finance cost comprise notional interest cost on lease liabilities as per IND AS 116. Gain or loss arising on re-measurement of financial assets at FVTPL.

x. Other income

The Company recognises income on accrual basis.



Income tax

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss.

a) Current income tax

Current income tax for the current periods are measured at the amount expected to be recovered by the taxation authorities based on the taxable income/ (loss) for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

b) Deferred income tax

Deferred income tax, if any, is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets are measured at the tax rates that are expected to apply in the period when the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities

xi. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

xii. Cash flow statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated. The amendment to Ind AS 7, require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

xiii. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker. The Company operates only in one segment in Health ecosystem and has operations only in India, with same risk, rewards and returns, hence, the Segment reporting is not presented.

xiv. Leases

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



Company as a lessee

The Company applies a single recognition and measurement approach for all leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in para 6. Impairment of non-financial assets.

b) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

As a practical expedient in para 15 of Ind AS 116, Company has not separated non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component

xv. Fair value measurement

The Company measures financial instruments, such as, investment in mutual funds at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



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



Note 3: Property, plant and equipment

Particulars	Computers	Furniture and Fixtures	Leasehold Improvements	Plant and Machinery	Office equipment	Vehicles	Total
Gross Block							
As at March 31, 2020	51.72	59.44	162.39	101.42	53.26	-	428.23
Additions	71.76	0.67	23.89	9.40	0.94	18.34	125.00
Disposals/ movement	-	-	-	-	-	-	-
As at March 31, 2021	123.48	60.11	186.28	110.82	54.20	18.34	553.23
Additions	280.39	27.38	67.62	32.92	35.39	171.86	615.56
Disposals/ movement	-	-	-	-	-	-	-
As at March 31, 2022	403.87	87.49	253.90	143.74	89.59	190.20	1,168.79
Accumulated Depreciation							
As at March 31, 2020	5.87	2.62	16.24	6.24	5.59	-	36.56
Additions	26.15	5.96	35.47	21.06	10.83	0.87	100.34
Disposals/ movements	-	-	-	-	-	-	-
As at March 31, 2021	32.02	8.58	51.71	27.30	16.42	0.87	136.90
Additions	90.34	7.89	48.59	26.17	15.70	12.64	201.33
Disposals/ movements	-	-	-	-	-	-	-
As at March 31, 2022	122.36	16.47	100.30	53.47	32.12	13.51	338.23
Net Block							
Net book value as at March 31, 2021	91.46	51.53	134.57	83.52	37.78	17.47	416.33
Net book value as at March 31, 2022	281.51	71.02	153.60	90.27	57.47	176.69	830.56

*No revaluation in current or previous year

Note 4: Right of Use Asset

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Leasehold Premises	Total
Gross Block		
As at March 31, 2020	544.56	544.56
Additions	-	-
Disposals/ movement	-	-
As at March 31, 2021	544.56	544.56
Additions	1,353.98	1,353.98
Disposals/ movement	187.96	187.96
As at March 31, 2022	1,710.58	1,710.58
Accumulated Depreciation		
As at March 31, 2020	72.61	72.61
Additions	108.93	108.93
Disposals/ movements	-	-
As at March 31, 2021	181.54	181.54
Additions	166.82	166.82
Disposals/ movements	33.27	33.27
As at March 31, 2022	315.09	315.09
Net Block		
Net book value as at March 31, 2021	363.02	363.02
Net book value as at March 31, 2022	1,395.49	1,395.49

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Bajaj Finserv Health Limited
Notes to Financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Note 5: Intangible assets

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Computer software	Internally generated intangible asset	Intangible assets under development*	Total
Gross Block				
As at March 31, 2020	14.61	25.08	985.55	1,025.24
Additions	-	1,812.17	201.29	2,013.46
Disposals/ movement	-	-	-985.55	-985.55
As at March 31, 2021	14.61	1,837.25	201.29	2,053.15
Additions	0.45	1,294.62	-	1,295.07
Disposals/ movement	-	201.29	-201.29	-
As at March 31, 2022	15.06	3,333.16	-	3,348.22
Accumulated Amortisation				
As at March 31, 2020	1.50	1.40	-	2.90
Additions	4.87	398.39	-	403.26
Disposals/ movement	-	-	-	-
As at March 31, 2021	6.37	399.79	-	406.16
Additions	5.01	883.02	-	888.03
Disposals/ movement	-	-	-	-
As at March 31, 2022	11.38	1,282.81	-	1,294.19
Net Block				
Net book value as at March 31, 2021	8.24	1,437.46	201.29	1,646.99
Net book value as at March 31, 2022	3.68	2,050.35	-	2,054.03

-No revaluation in current or previous year

*Intangible assets under development are internally generated assets

	As at				
	31 March 2022				
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

	As at				
	31 March 2021				
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	201.29	-	-	-	201.29
Total	201.29	-	-	-	201.29

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Bajaj Finserv Health Limited
Notes to Financial statements for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

Note 6: Financial assets

Note 6(a): Other Financial Assets - Non-current
(Unsecured, Considered Good)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	306.88	40.64
Total Other Financial asset	306.88	40.64

Note 6(b): Other Financial Assets - current
(Unsecured, Considered Good)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposit with original maturity of more than 3 months*	25.00	25.00
Other financial assets	-	39.88
Total Other Financial asset	25.00	64.88

*Of which Rs. 25 lakh pertains to short term deposit, placed with the bank as security towards bank guarantee

Note 6(c): Current Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in mutual funds		
Mutual Funds (At Fair Value through P&L)		
Quoted		
5,359.15 (March 31, 2021: 1789.22) units in L&T Liquid Fund Direct Plan-Growth	156.22	50.44
4,066.88 (March 31, 2021: 2028.69) units in IDFC Cash Fund Direct Plan-Growth	104.56	50.43
Total (mutual funds)	260.78	100.87
Aggregate book value of quoted investments	260.78	100.87
Aggregate market value of quoted investments	260.78	100.87

All investments mentioned above are within India

Note 6(d): Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	869.53	122.95
Receivables from related parties	19.90	102.10
Total receivables	889.43	225.05

Trade receivables are non-interest bearing and are generally received within 365 days

Break-up for trade receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
Secured, considered good	-	-
Unsecured, considered good	457.63	221.55
Trade Receivables which have increase in credit risk	876.75	17.68
Trade Receivables - credit impaired	-	-
	1,334.38	239.23
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit risk	444.95	14.18
Trade Receivables - credit impaired	-	-
	444.95	14.18
Total Trade receivables	889.43	225.05

Trade receivables ageing schedule

Particulars	31 March 2022				
	Not due	Less than 6 months	6 months-1 year	1-2 years	Total
(i) Undisputed Trade receivables – considered good	-	448.85	8.78	-	457.63
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	772.89	101.49	1.55	0.82	876.75
Gross Trade receivables	772.89	550.34	10.33	0.82	1,334.38
Less: Impairment Allowance (allowance for bad and doubtful debts)					444.95
Trade receivables net of Impairment Allowance					889.43

Particulars	31 March 2021				
	Not due	Less than 6 months	6 months-1 year	1-2 years	Total
(i) Undisputed Trade receivables – considered good	112.47	109.08			221.55
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	15.55	2.13			17.68
Gross Trade receivables	128.02	111.21	-	-	239.23
Less: Impairment Allowance (allowance for bad and doubtful debts)					14.18
Trade receivables net of Impairment Allowance					225.05



Bajaj Finserv Health Limited

Notes to Financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Note 6(e) Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	1,599.66	315.96
Deposits with original maturity of less than three months	-	-
Total cash and cash equivalents	1,599.66	315.96

Note 7: Unrecognised Deferred tax assets

Particulars	Balance Sheet		Statement of profit and loss	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities				
On account of timing differences in:				
Defined benefit plans provisions - OCI	(1.34)	(1.34)	0.00	1.34
Fixed asset- impact of depreciation/ amortisation charged for financial reporting purpose	(165.01)	(76.85)	88.16	73.71
Fair valuation of mutual funds including FMP	(1.95)		1.95	
Deferred tax assets				
Recognized to the extent of Deferred tax liability	168.29	78.19	(90.10)	(75.05)
Net deferred tax (liability)/ asset	-	-	-	-

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Note 8: Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
GST credit receivable	1,476.35	808.19
Prepayment to gratuity fund	59.81	178.07
Prepayment toward share based payment (Refer note 27)	248.93	68.34
Capital advance	-	76.80
Total other non current assets	1,785.09	1,131.40

Note 9: Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	219.61	57.41
Prepayment toward share based payment (Refer note 27)	205.97	62.62
Supplier advances*	393.07	88.21
GST deposits	66.56	1.59
Total other current assets	885.21	209.83

*Advances to related parties contribute to 74% of supplier advances as on March 31, 2022 (March 31, 2021: 99%)



Note 10: Equity share capital and other equity

10(a) Equity share capital

Authorised, Issued, Subscribed and paid up equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
50,00,000 equity shares of Rs 10 each	500.00	500.00
Issued, subscribed and fully paid up		
25,00,000 equity shares of Rs 10 each (PY 25,00,000 equity shares)	250.00	250.00
	250.00	250.00

(i) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	Number of shares (in lakhs)	Equity share capital (par value)
As at March 31, 2020	25	250.00
Equity share capital issued, subscribed and fully paid up during the year	-	-
As at March 31, 2021	25	250.00
Equity share capital issued, subscribed and fully paid up during the year	-	-
As at March 31, 2022	25	250.00

Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(ii) Shares of the company held by holding company

Particulars	As at March 31, 2022 (in lakhs)	As at March 31, 2021 (in lakhs)
Bajaj Finserv Limited (immediate and ultimate holding company)	25	25

(iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Bajaj Finserv Limited (immediate and ultimate holding company)	25	100%	25	100%

iv) Details of promoter shareholding

Promoter name	As at March 31, 2022			As at March 31, 2021		
	Number of shares (in lakhs)	% holding	% change during the year	Number of shares (in lakhs)	% holding	% change during the year
Bajaj Finserv Limited (immediate and ultimate holding company)	25	100%	0%	25	100%	0%

10(b) Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Retained earnings	(20,487.98)	(7,471.11)
Total reserves and surplus	(20,487.98)	(7,471.11)

Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	(7,471.11)	(1,161.85)
Net profit/ (loss) for the period	(12,944.95)	(6,314.41)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(71.92)	5.15
Total Retained earnings	(20,487.98)	(7,471.11)

10(c) Instruments entirely in equity

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	8,750.00	3,250.00
Add: Additions during the year	15,000.00	5,500.00
Closing balance	23,750.00	8,750.00



Bajaj Finserv Health Limited
Notes to Financial statements for the year ended March 31, 2022
 (All amounts in INR lakhs, unless otherwise stated)

Note 11: Financial Liabilities

Note 11(a): Lease Liabilities

Following is the breakup of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	399.47	94.39
Non Current lease liabilities	974.46	295.96
Total	1,373.93	390.35

Following is movement in lease liabilities during period ended March 31, 2022 and March 31, 2021

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	390.35	473.56
Additions	1,272.80	-
Deletions	157.14	-
Finance cost accrued during the period	66.45	47.48
Payment of lease liabilities	198.53	130.69
Total	1,373.93	390.35

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	414.07	136.41
One to five years	1,399.93	341.38
More than five years	-	-
Total	1,814.00	477.79

11(b) Other current financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Employee benefits payable	1,083.57	505.00
Capital creditor	115.59	184.90
Other payables	96.55	179.60
Total other current financial liabilities	1,295.71	869.50

*Other payable comprises of liability for expenses



11(c) Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
-total outstanding dues of micro enterprises and small enterprises	3.23	17.33
-total outstanding dues of creditors other than micro enterprises and small enterprises	2,351.34	1,083.87
Total trade payables	2,354.57	1,101.20

Trade payables are non-interest bearing and are generally on terms of 30 days from receipt of invoice.

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables	1,277.93	394.95
Trade payables to related parties (Refer note 23)	1,076.64	706.25
Total trade payables	2,354.57	1,101.20

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2022 and March 31, 2021 is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Principal amount remaining unpaid	3.23	17.33
(b) Interest due thereon remaining unpaid	-	-
(c) Interest paid by the Company in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the MSMED Act	-	-
(e) Interest accrued and remaining unpaid	-	-
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises or the purpose of disallowance as a deductible expenditure under section 23.	-	-

Particulars	Undisputed outstanding as at 31 March 2022		
	Not yet due	Less than 1 year	Total
MSME	-	3.23	3.23
Others	1,245.52	1,105.82	2,351.34

Particulars	Undisputed outstanding as at 31 March 2021		
	Not yet due	Less than 1 year	Total
MSME	0.26	17.07	17.33
Others	265.50	818.37	1,083.87



Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

Note 12: Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for cancellation	-	106.67
Provision for diagnostic benefits	254.28	5.46
Provision for OPD Benefits	542.92	82.39
Total	797.20	194.52

(i) Information about individual provisions and significant estimates

Provision for diagnostic benefits

Provision is made for estimated liabilities of servicing customers for diagnostic benefits at the end of the reporting period. Management estimates the provision based on any recent trends that suggest expected claims.

Provision for OPD benefits

Provision is made for estimated liabilities of servicing customers for OPD benefits at the end of the reporting period. Management estimates the provision based on any recent trends that suggest expected claims

(ii) Movements in provisions

Movements in each class of provision during the financial year are set out below:

Particulars	Cancellation provision	Provision for diagnostic benefit	Provision for OPD benefits	Total
As at April 01, 2020	13.22	5.63	7.54	26.39
Charged/(credited) to profit or loss				
-additional provisions recognised	106.67	5.71	83.28	195.66
-unused amounts reversed	-	5.60	7.51	13.11
Amounts used during the year	13.22	0.28	0.92	14.42
As at March 31, 2021	106.67	5.46	82.39	194.52
As at April 01, 2021	106.67	5.46	82.39	194.52
Charged/(credited) to profit or loss				
-additional provisions recognised	-	316.40	580.32	896.72
-unused amounts reversed	26.67	2.89	68.92	98.48
Amounts used during the year	80.00	64.69	50.87	195.56
As at March 31, 2022	-	254.28	542.92	797.20



Note 13: Provisions

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Provision for compensated absences	284.70	-	284.70	168.44	-	168.44
Total employee benefit obligations	284.70	-	284.70	168.44	-	168.44

i) Defined benefit plans:

a) Gratuity -

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age.

Movement in defined benefit obligations

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligations at the beginning of the year	267.61	164.28
Current service cost	99.56	57.06
Interest on defined benefit obligations	18.11	11.11
Remeasurement due to:		
Actuarial loss/(gain) arising on account of financial assumption	(32.37)	0.00
Actuarial loss/(gain) arising on account of experience changes	101.52	(4.32)
Benefits paid	(2.90)	0.00
Liabilities assumed/ (settled)*	0.00	39.48
Defined benefit obligation as at the end of the year	451.53	267.61

*on account of inter group transfer

Movement in plan assets

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan asset as at the beginning of the year	445.68	349.54
Employer contribution	49.42	40.46
Interest on plan assets	21.91	15.37
Remeasurement due to:		
Actual return on plan assets less interest on plan assets	(3.28)	0.60
Benefits paid	(2.90)	0.00
change in asset ceiling	0.51	0.23
Assets acquired	0.00	39.48
Fair value of plan asset as at the end of the year	511.34	445.68

*Assets acquired include receivable amount of Rs 121.12 Lakhs towards inter group transfer of senior employees

Reconciliation of net liability/ asset

Particulars	As at March 31, 2022	As at March 31, 2021
Net defined benefit liability/(asset) as at the beginning of the year	(178.07)	(185.26)
Expense charged to statement of profit and loss	95.76	52.80
Amount recognised outside Profit and loss	71.92	(5.15)
Employer contribution	(49.42)	(40.46)
Remeasurement due to:		
Actuarial loss/(gain) arising on account of experience changes	0.00	-
Liabilities assumed/ (settled)	0.00	-
Net defined benefit liability/(asset) as at the end of the year	(59.81)	(178.07)

Expenses charged to the Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
Current service cost	99.56	57.06
Interest on net defined benefit liability/ (asset)	(3.80)	(4.26)
Expenses charged to the Statement of Profit and Loss	95.76	52.80

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Bajaj Finserv Health Limited
Notes to Financial statements for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

Remeasurement gains/(losses) in other comprehensive income

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial loss/(gain) arising on account of financial assumption	(32.37)	0.00
Actuarial loss/(gain) arising on account of experience changes	101.52	(4.32)
Actual return on plan assets less interest on plan assets	3.28	(0.60)
Adjustment to recognise effect of asset ceiling	(0.51)	(0.23)
Expenses charged to the Statement of OCI	71.92	(5.15)

Amount recognised in Balance sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded defined benefit obligation	451.53	267.61
Fair value of plan assets	511.34	445.68
Net defined benefit asset recognised in Balance Sheet	59.81	178.07

Key actuarial assumptions

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (p.a.)	6.80%	6.80%
Salary escalation rate (p.a.)	10.00%	10.00%
Mortality table	IALM(2012-14) U/I	IALM(2012-14) U/I
Withdrawal rate	3.00%	3.00%

Category of plan assets

Particulars	As at March 31, 2022	As at March 31, 2021
Insurer Managed funds	511.34	445.68
Total plan assets	511.34	445.68

Sensitivity analysis for significant assumptions is as shown below

The following table summarises the impact in absolute terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the discount rate and salary escalation rate

Particulars	As at March 31, 2022		As at March 31, 2021	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Defined benefit obligation due to sensitivity in discount rate	418.82	487.68	247.30	290.04
Defined benefit obligation due to sensitivity in salary escalation rate	486.56	419.45	289.25	247.78

Projected Plan Cash Flow

Particulars	As at March 31, 2022		As at March 31, 2021	
	Senior Staff	Junior Staff	Senior Staff	Junior Staff
Within the next 12 months (next annual reporting period)	4.36	1.23	2.19	0.37
Between 2 and 5 years	32.70	10.89	18.26	3.89
Between 5 and 10 years	57.58	19.10	29.57	6.85
Beyond 10 years	751.44	803.47	585.16	273.39
Total Expected Payments	846.08	834.69	635.18	284.50

Note 14: Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory and other liabilities	449.36	243.36
Refund liability	6.83	14.23
Advance from customers	41.41	7.11
Total Other liabilities	497.60	264.70

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Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

Note 15: Revenue From Operations

The company derives the following types of revenue :

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contracts with customers		
-Sale of services	8,789.90	994.04
Total revenue from operations	8,789.90	994.04

The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations.

Reconciliation of revenue recognised with contract price

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Gross collections as per contracted price	13,640.14	1,816.06
Deductions for:		
Contract liabilities- Insurance premium	4,017.83	581.69
Net cancellation	832.41	240.33
Revenue from continuing operations	8,789.90	994.04

Note 16: Other income

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Net fair value gain of financial assets measured at fair value through profit and loss	9.94	7.79
Interest income from fixed deposits	4.86	5.13
Business support service	-	36.83
Unwinding of discount on security deposits	16.16	4.39
Total other income	30.96	54.14

Note 17: Employee benefits expense

Particular	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus		5,490.52	2,622.93
Contribution to provident and other funds		198.22	102.08
Share based payment to employees	27	378.76	90.16
Gratuity	13	95.76	52.80
Staff welfare expenses		255.19	29.82
Total employee benefit expense		6,418.45	2,897.79

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Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

Note 18: Depreciation and amortisation expense

Particular	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	3	201.42	100.34
Depreciation on right-of-use asset	4	166.82	108.93
Amortisation of intangible assets	5	888.03	403.27
Total depreciation and amortisation expense		1,256.27	612.54

Note 19: Other expenses

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Business support expenses (refer note 23)	668.09	1,347.29
Sales commission	5,659.06	851.09
Sub-contracting expenses	2,574.66	620.70
Customer Service claims/provider claims	1,588.00	75.67
Fees for Technical services*	964.03	446.84
Brand and marketing	961.97	166.50
Communication charges	683.88	169.58
Expected credit loss for trade receivables	430.77	14.19
Miscellaneous expenses	204.57	20.92
Travel and conveyance	87.60	11.85
Office expenses	75.06	23.63
Legal and professional fees	93.87	28.62
Recruitment expenses	13.81	18.00
Repairs and maintenance	7.98	1.71
Rates and taxes	6.29	7.19
Payments to auditors (refer note 19(a) below)	5.00	1.00
Total other expenses	14,024.64	3,804.78

*Development costs that are not eligible for capitalisation have been expensed in the period incurred and recognised in other expenses

Note 19(a): Details of payments to auditors

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Payment to auditor		
As auditor:		
Audit fee	5.00	1.00
Out of pocket expenses	-	-
Total payments to auditor	5.00	1.00

Note 20: Finance costs

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on leased liabilities	66.45	47.48
Finance costs expensed	66.45	47.48



Note 21: Fair value measurements

Financial instruments by category

Particular	As at March 31, 2022				As at March 31, 2021			
	Fair Value			Carrying Value	Fair Value			Carrying Value
	FVPL	FVOCI	Amortised Cost		FVPL	FVOCI	Amortised Cost	
Financial assets								
Investments								
- Mutual funds	260.78	-	-	260.78	100.87	-	-	100.87
Trade receivables	-	-	889.43	889.43	-	-	225.05	225.05
Cash and cash equivalents	-	-	1,599.66	1,599.66	-	-	315.96	315.96
Security deposits	-	-	306.88	306.88	-	-	40.64	40.64
Other financial assets	-	-	25.00	25.00	-	-	64.88	64.88
Total financial assets	260.78	-	2,820.97	3,081.75	100.87	-	646.53	747.40
Financial liabilities								
Trade payables	-	-	2,354.56	2,354.56	-	-	1,101.20	1,101.20
Lease liabilities	-	-	1,373.93	1,373.93	-	-	390.35	390.35
Other financial liabilities	-	-	1,295.71	1,295.71	-	-	869.50	869.50
Total financial liabilities	-	-	5,024.20	5,024.20	-	-	2,361.05	2,361.05

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the quoted mutual funds are based on price quotations at the reporting date. The fair value of obligations under leases is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Note 22: Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the deemed equity, if any) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	As at March 31, 2022	As at March 31, 2021
A) Profit attributable to the equity holders of the company:	(12,944.95)	(6,314.41)
B) Weighted average number of equity shares for basic earnings per share	25.00	25.00
Earning per Share (Basic) (Rs)	(517.80)	(252.58)
C) Weighted average number of equity shares for diluted earnings per share	1,649.59	564.25
Earning per Share (Diluted) (Rs)*	(517.80)	(252.58)

*Diluted Earning per share is same as Basic earning per share since potential equity shares is having anti-dilutive impact

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Note 23: Disclosure of transactions with related parties as required by the Indian Accounting Standard -24:

Name of related party and nature of relationship	Nature of transaction	March 31, 2022		March 31, 2021	
		Transaction Value for the year ended March 31, 2022	Outstanding amounts carried in the Balance Sheet	Transaction Value for the year ended March 31, 2021	Outstanding amounts carried in the Balance Sheet
Holding company:					
Bajaj Finserv Ltd (Holding company)	Contribution from group in nature of equity	(15,000.00)	(24,000.00)	(5,500.00)	(9,000.00)
	Business Support Charges	668.09	-	1,332.90	-
	Tangible assets purchased	31.05	-	18.34	-
	Reimbursement	-	-	0.06	-
	Reimbursement for share based payment	702.70	-	221.12	-
Subsidiaries and fellow subsidiary:					
Bajaj Allianz General Insurance Co. Ltd. (Fellow subsidiary)	Insurance premium paid for employees during the year	35.84	-	18.69	-
	Advance premium paid	-	57.62	-	0.86
	Insurance premium paid for master policy agreement	1,536.55	-	339.35	-
	Closing balance of advance for master policy	-	54.57	-	27.43
	Revenue	(397.58)	399.14	-	-
Bajaj Allianz Life Insurance Co. Ltd. (Fellow subsidiary)	Insurance premium paid for employees during the year	41.68	-	8.32	-
	Advance premium paid	-	1.26	-	1.17
	Insurance premium paid for master policy agreement	1,678.42	-	224.43	-
	Closing balance of float advance	-	234.37	-	60.17
	Rent expenses	39.76	-	-	-
	Security deposit paid	-	23.11	-	-
	Reimbursement	0.36	-	-	-
Bajaj Finance Ltd (Fellow subsidiary)	Subvention cost charged during the year	188.05	-	24.06	-
	Business support services received	-	-	14.39	-
	Business support services provided	-	-	(36.83)	34.26
	Tangible assets purchased	25.14	-	0.77	(0.84)
	Marketing Fees receivable during the period	(168.17)	9.63	(14.51)	5.92
	Marketing fees payable during the year	5,425.13	(1,076.64)	755.58	(706.25)
	Outstanding payable balance at year end	-	(26.01)	-	96.18
	Reimbursement	-	-	221.91	-
Bajaj Finserv Direct Limited (Fellow subsidiary)	Business Support Charges	24.20	-	-	-
Bajaj Holdings and Investment Ltd (Associate of holding co)	Reimbursement	0.04	-	(0.02)	-
Key Managerial Personnel					
Devang Mody (Whole Time Director)	Remuneration including perquisites	1,035.57	-	101.92	5.27

All above transactions are in the ordinary course of business and on arms' length basis excluding tax impact.

Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions between the related parties.

In other cases, disclosure have been made only when there have been transactions with those parties.

Note 24: Capital Management

Objectives, policies and processes of capital management

The Company has no capital other than Equity. The Company is not exposed to any regulatory imposed capital requirements.

The cash surpluses are currently invested in income generating through short term/ liquid mutual funds and short term fix deposits depending on economic conditions in line with the guidelines set out by the management. Safety of capital is of prime importance to ensure availability of funds and liquidity for operations. Investment objective is to provide safety on the surplus funds.

Particulars	As at March 31, 2022	As at March 31, 2020
Equity	3,512.02	1,528.89
Adjustments:		
Tangible and other assets	(5,481.19)	(3,234.08)
Working capital	2,229.95	1,806.06
Investments in Mutual Funds	260.78	100.87



Note 25: Fair Value Hierarchy**1. Quantitative Disclosures****a. Quantitative disclosure of fair value measurement hierarchy for assets**

Particulars	March 31, 2022		March 31, 2021	
	Fair value measurement using		Fair value measurement using	
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Investments held for trading under FVTPL	260.78	-	100.87	-
Total	260.78	-	100.87	-

b. Fair value of financial instruments not measured at fair value**Fair value of financial instruments not measured at fair value as at March 31, 2022 and March 31, 2021**

Management considers the carrying amounts of financial assets and financial liabilities in the financial statements, except as per note above.

2. Financial risk management objectives and policies

The principal financial liabilities of company comprise trade and other payables, lease liabilities. The main purpose of these financial liabilities is to finance the operations of company and to provide guarantees to support its operations. The principal financial assets of company include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The company is exposed to market risk, credit risk. The Group's senior management oversees the management of these risks.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to the risk of changes in market interest rates relates primarily to the long term lease payments.

The Company invests the surplus fund generated from operations in short term deposits with banks and mutual funds. Bank deposits are made for a short term period of upto 12 months carry interest rate as per prevailing market interest rate. Considering these bank deposits are short term in nature, there is no significant interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk of changes in foreign exchange rates for company relates primarily to the operating activities (when expense is denominated in a foreign currency). Loss booked due to fluctuation in exchange rate amounts to Rs 3.92 lakhs in FY 21-22.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including short term deposits with banks and financial institutions, and other financial instruments.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the finance department in accordance with the guidance from holding company. Investments of surplus funds are made only with approved counterparties keeping view of credit risk associated with each counterparty.



Note 25 continued: Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and availability of funding to meet obligations when due and to close out market positions. Management monitors forecasts of the liquidity position of company and cash and cash equivalents on the basis of expected cash flows.

The table below shows an analysis of assets and liabilities analysed (maturity analysis) according to when they are to be recovered or settled

Particulars	31-Mar-22			31-Mar-21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Property, plant and equipment	-	830.56	830.56	-	416.33	416.33
Right of Use Asset	-	1,395.49	1,395.49	-	363.02	363.02
Other intangible assets	-	2,054.03	2,054.03	-	1,445.70	1,445.70
Intangible assets under development	-	-	-	-	201.29	201.29
Other assets	885.21	1,785.09	2,670.30	209.83	1,131.40	1,341.22
Current tax assets	-	83.60	83.60	-	2.63	2.63
Investments	260.78	-	260.78	100.87	-	100.87
Trade receivables	889.43	-	889.43	225.05	-	225.05
Cash and cash equivalents	1,599.66	-	1,599.66	315.96	-	315.96
Security deposits	-	306.88	306.88	-	40.64	40.64
Other Financial assets	25.00	-	25.00	64.88	-	64.88
Total Assets	3,660.08	6,455.65	10,115.73	916.59	3,601.01	4,517.60
Liabilities						
Provisions	1,081.90	-	1,081.90	362.96	-	362.96
Other current liabilities	497.60	-	497.60	264.70	-	264.70
Trade payables	2,354.56	-	2,354.56	1,101.20	-	1,290.11
Lease liabilities	399.48	974.46	1,373.94	94.39	295.96	390.35
Other financial liabilities	1,295.71	-	1,295.71	869.50	-	680.59
Total Liabilities	5,629.25	974.46	6,603.71	2,692.75	295.96	2,988.71
Net	(1,969.17)	5,481.19	3,512.02	(1,776.16)	3,305.05	1,528.89

Note 26: Capital and other commitments

(a) Capital Commitments

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Capital commitments [estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)]	47.99	217.62

(b) Other Commitments

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Bank guarantee*	50.00	50.00

*Issued against bank deposit of Rs 25 lakhs

Note 27: Share-based payments (Employee option plan)

The company has adopted the employee stock options plan, 2018 (ESOP scheme) formulated by its holding company, for its employees and employees of its subsidiaries, pursuant to the resolution passed by shareholders at the annual general meeting. The employee stock options plan is designed to provide incentive to the employees of the company to deliver long term returns and is an equity settled plan. The ESOP scheme is administered by the board and holding company shares will be issued under the scheme to employees. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Options granted under ESOP scheme would vest in not less than one year and not more than four years from the date of grant of the options. The board of the company has approved grant with related vesting conditions. Vesting of the options would be subject to continuous employment with the company and hence the options would vest with the passage of time. Fair value of options is reimbursed to the parent company amounting to Rs. 702.70 lakhs (FY21-Rs 221.12 lacs) which is amortized over the vesting period.

Once vested, the options remains exercisable for a period of nine years. Options granted under the plan are for no consideration and carry no dividend or voting rights. On exercise, each option is convertible into one equity share of the holding company.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening asset of share based payment transaction	130.96	-
Payment toward share based payment	702.70	221.12
Expense arising from share based payment transaction	378.76	90.16
Closing asset of share based payment transaction	454.90	130.96

Below is summary of options granted under the plan

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	13,850.00	-
Granted during the year	20,975.00	13,850.00
Exercised during the year	1,113.00	-
Forfeited during the year	-	-
Closing balance	33,712.00	13,850.00



Fair value of options granted

Tranche 1

The fair value at grant date of options granted on May 21, 2020 was Rs 1,596.56. The fair value at grant date is determined using the black scholes model, which takes into account the exercise price, the term of option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option

Tranche 2

The fair value at grant date of options granted on April 28, 2021 was Rs 3,350.16. The fair value at grant date is determined using the black scholes model, which takes into account the exercise price, the term of option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option

The model inputs for options granted during the year ended March 31, 2021

	Tranche 1 1-4 years	Tranche 2 1-4 years
a) Options granted for no consideration and vesting period is	Rs 4,702.05 per option	Rs 10,091.35 per option
b) Exercise price	May 21, 2020	Apr 28, 2021
c) Grant date	May 20, 2024	Apr 27, 2025
d) Exercise date	Rs 4,702.05	Rs 10,091.35
e) Share price at grant date	35.56%	34.64%
f) Expected price volatility of the company's shares	0.05%	0.05%
g) Expected dividend yield	6.35%	5.69%
h) risk free interest rate		

Expected price volatility is based on historic volatility (based on remaining life of options), adjusted for expected changes to future volatility due to publicly available information

Note 28 : Contingent liabilities

The company has no contingent liabilities in current year and previous year.

Note 29 : Additional Regulatory Requirements

i) Ratios

Ratio	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	% Variance	Explanation
(a) Current Ratio	Current Assets	Current Liabilities	0.65	0.34	91%	Increase in investments has resulted in the improvement of the ratio
(b) Return on Equity Ratio	Net Income	Shareholder's Equity	(3.69)	(4.13)	11%	
(c) Trade receivables turnover ratio	Revenue	Average accounts receivable	15.77	8.79	79%	Monthly mode collection leading to increased ratio
(d) Trade payables turnover ratio	Purchases	Average accounts payable	7.95	6.20	28%	Increased credit period has resulted in the decline of the ratio
(e) Net capital turnover ratio	Revenue	Working Capital	(4.46)	(0.15)	2781%	Increased revenue leading change in ratio
(f) Net profit ratio	Net profit	Net sales	(1.47)	(6.35)	77%	Improved margins leading improvement in ratio
(g) Return on Capital employed	Earning before interest and tax	Capital employed	(2.89)	(3.46)	17%	
(h) Return on investment	Earning before interest and tax	Average Operating assets	(1.77)	(1.54)	15%	

ii) Relationship with struck off companies

Current year

Name of struck off Company	Nature of transactions with struck-off company	Balance outstanding	Relationship with the struck off company
		NIL	

Previous year

Name of struck off Company	Nature of transactions with struck-off company	Balance outstanding	Relationship with the struck off company
		NIL	

iii) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

iv) no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The accompanying notes are integral part of the financial statements
As per our report of even date

For KHIMJI KUNVERJI & CO LLP
Chartered Accountants
ICAI Firm's Registration Number: 105146W/W100621



Vinli K Jain
Partner
Membership No : 145911
Mumbai: 25 April 2022



On behalf of the Board of Directors



Devang Mody
Director
DIN:87794726



Manesh Sharma
Finance Head
Pune: 25 April 2022


V. Rajagopalan
Director
DIN:02997795

