

Directors' Report

The Directors present their first annual report and audited financial results for the financial year ended 31 March 2020.

Financial Results

Since, the Company got incorporated on 5 July 2019, the Board at its meeting held on 18 July 2019, approved the first financial year of the Company commencing from 5 July 2019 till 31 March 2020.

Highlights

In Rupees Lakhs	
Particulars	For the year ended on 31 March 2020
Income	97
Expenditure excluding depreciation	1139
Depreciation	112
Profit / (Loss) before Tax	(1155)
Provision for Tax – Current	-
Deferred	-
Profit / (Loss) After Tax	(1155)
Other comprehensive income	-
Actuarial gain/(losses)	(7)
Tax on above	-
Other comprehensive income for the year (net of tax)	-
Total comprehensive income / (Loss) for the year	(1162)

Company's Operations

The Company got incorporated on 5 July 2019 for operating in the healthcare ecosystem creating solutions for Indian consumers to better manage their healthcare and provide solutions for healthcare financing by means of loans and insurance.

During the year under review, the Company has commenced activities with the launch of a first of its kind offering 'Managed Care' and Co-branded Loyalty card in the Indian market and has earned an operating income of Rs. 61 Lakhs during its first year of operation and Rs.36 Lakhs of other income from short term investments.

Future outlook

The Company has launched a pilot product 'Managed Care Solution' in December 2019; a first of its kind offering in the Indian healthcare market. Managed Care is a comprehensive offering for health management and comprises of benefits of primary healthcare like OPD consultations as well as lab tests along with loyalty and application benefits. It also includes widely covered hospitalization insurance.

The Company will also explore new revenue earning opportunities by customizing its bundled offering, launching platform for doctors, telemedicine and multiple tie-ups in the Indian health ecosystem for optimization of scale of operation and growth.

Share Capital

The paid-up Equity Share Capital as on 31 March 2020 was Rs. 2.50 Crore. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

Dividend

Your Directors do not recommend any amount to be paid by way of Dividend for the year under review.

Extract of Annual Return

The extract of Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, in the prescribed Form MGT- 9 is annexed to this report.

Particulars of Employees

The particulars under section 197(12) of the Companies Act, 2013 read with rules thereunder are provided by way of annexure to this report.

Number of meetings of the Board

During the financial year 2019-20, the Board of Directors met four times, viz., 18 July 2019, 27 August 2019, 21 October 2019 and 28 January 2020. The gap between any two meetings has been less than one hundred and twenty days.

Following table sets out the details of attendance of Directors at the Board meetings-

Name of Director	Category	No. of meetings attended
Shri Anish Praful Amin	Director	4/4
Shri V Rajagopalan	Director	4/4
Shri Devang Pravin Mody	Director	4/4

Material Changes and Commitments

During the year under review, the Company has entered into various contracts/agreements with Bajaj group companies including an agreement with Bajaj Finserv Direct Ltd. (BFSD) for availing UPI facility, agreement with Bajaj Finance Ltd. (BFL), Master Policy arrangement with Bajaj Allianz General Insurance company Ltd. (BAGIC) and MOU with Bajaj Finserv group companies for inter-company services.

Conservation of Energy and Technology Absorption

The Company not being involved in any industrial or manufacturing activities has no particulars to report regarding conservation of energy and technology absorption as required under Section 134 of the Companies Act, 2013 and Rules made thereunder.

Foreign Exchange Earnings and Outgo

Total foreign exchange earned by the Company was Nil during the year under review.

Total foreign exchange outflow during the year under review was Rs.1.56 Lakh.

Particulars of Loans, Guarantees or Investments

Information regarding Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are detailed in the Financial Statements.

Amounts transferred to general reserve

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

Related Party Transactions

All Related Party Transactions (RPTs) entered into by the Company during the financial year under review, were on arms' length basis and in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013. A statement showing the disclosure of transactions with related parties as required under Ind AS 24 is set out separately in this Annual Report. There are no details to be disclosed in Form AOC- 2 in that regard.

Corporate Social Responsibility

The Company is not covered under the provisions of section 135 of the Companies Act, 2013 concerning Corporate Social Responsibility (CSR) and hence, there is no requirement for any disclosure to be made on Corporate Social Responsibility initiatives of the Company.

Director's Responsibility Statement

As required under clause (c) of sub-section (3) of section 134 of the Companies Act, 2013, directors, to the best of their knowledge and belief, state that:

- i. in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details in respect of frauds reported by auditors under section 143(12)

During the year under review, there were no frauds reported by the Statutory Auditors to the Board under section 143(12) of the Companies Act, 2013.

Adequacy of internal financial controls

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

Audit Committee and Nomination and Remuneration Committee

Section 177 and Section 178 of the Companies Act, 2013 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.

Risk Management Policy

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

Fixed Deposits

The Company has not accepted any fixed deposits from the public.

Cost records

The Company is not required to maintain cost records pursuant to section 148 of the Companies Act, 2013 read with rules thereunder.

Directors

As per the provisions of the Companies Act, 2013, appointment of all three directors viz. Anish Praful Amin, V Rajagopalan and Devang Pravin Mody, who were appointed as first directors of the Company are due for approval of the shareholders at the ensuing Annual General Meeting (hereinafter referred to as 'AGM') of the Company. The information as required to be disclosed in case of appointment of the director is provided in the Notice of the ensuing AGM General Meeting.

During the year under review, Shri Devang Mody, director, were designated as Chief Executive Officer (CEO) of the Company.

The Board, at its meeting held on 18 July 2019, appointed Shri V Rajagopalan as a Chairman of the Company

There was no other change in the Directors during the year under review, except as above.

Presentation of financial results

The financial results of the Company for the year ended 31 March 2020 have been disclosed as per Schedule III to the Companies Act, 2013 and IND AS.

A Cash Flow Statement and Profit & Loss Account for the year 2019-20 are attached to the balance sheet.

Significant and Material Orders Passed by the Regulators or Courts

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

Towards the end of March 2020, many of the States/Union Territories across the country in view of the heightened concern over the spread of Corona Virus ('COVID-19') issued directives inter-alia, to facilitate work from home for majority of its employees. In line with the 21 days' lockdown announced by the Central Government, all offices of the Company were closed from 25 March 2020 providing employees facility to "Work from Home" to ensure continuity of operations of the Company.

Other disclosures

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 of Women at Workplace and has constituted of Internal Complaints Committee. There was no case reported during the year under review under the said policy.

Details as prescribed under section 134 of the Companies Act, 2013 and Rules made thereunder, applicable to the Company, have been specifically given in this Report, wherever applicable.

Secretarial standards of ICSI

Pursuant to the approval given on 10 April 2015, by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India (ICSI), the Secretarial Standards on Meetings of the Board of Directors (SS-1) AND General Meetings (SS-2) came into effect from 1 July 2015. The said standards were amended with effect from 1 October 2017. The Company is in compliance with the same.

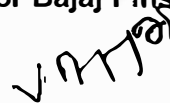
Auditors

In terms of provisions of section 139(6) of the Companies Act, 2013 and rules made thereunder, the Board of Directors at its meeting held on 18 July 2019, appointed S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) as the first Statutory Auditors of the Company to hold office from the date of registration of the Company i.e. 5 July 2019 till the Conclusion of first AGM of the Company.

Accordingly, in terms of section 139(1) approval of the shareholders of the Company at ensuing first AGM of the Company is being accorded to appoint S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of ensuing first AGM till the conclusion of Sixth AGM, to be scheduled in the year 2025.

The Statutory Audit Report for the year 2019-20 does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors

On behalf of Board of Directors,
For Bajaj Finserv Health Limited



Place: Pune
Date: 18 May 2020

V Rajagopalan
Chairman & Director
(DIN: 02997795)

ANNEXURE-A					
EXTRACT OF ANNUAL RETURN (Form MGT-9)					
As on the financial year ended on 31 March 2020					
[Pursuant to Section 92(3) of the Companies Act 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]					
I. Registration and other details					
1	Corporate Identification Number (CIN)	U85320PN2019PLC185286			
2	Registration Date	5 July 2019			
3	Name of the Company	Bajaj Finserv Health Limited			
4	Category/Sub-category of the Company	Company Limited by shares/ Indian Non-Government Company			
5	Address of the registered office and contact details	Bajaj Auto Limited, Mumbai - Pune Road, Akurdi, Pune, Maharashtra, - 411035 E-mail Id:- sonal.tiwari@bajajfinserv.in Tel. No:- +91 20 7130 0500			
6	Whether listed company	No			
7	Name, address and contact details of the Registrar and Transfer Agent	NOT APPLICABLE			
II. Principal business activities of the Company					
Sr. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the Company		
1	Retail sale via e-commerce	47912	84%		
2	Other information technology and computer service activities n.e.c	62099	16%		
III. Particulars of holding, subsidiary and associate companies					
Sr. No.	Name and address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held as on 31 March 2020	Applicable section
1	Bajaj Finserv Limited; Address: Bajaj Auto Limited, Complex, Mumbai - Pune Road, Pune - 411035	L65923PN2007PLC130075	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)

i) Category-wise shareholding

	Category of shareholders	No. of Shares held at the beginning of the year (As on 5-July-2019)				No. of Shares held at the end of the year (As on 31-March-2020)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
	A Promoters									
	1 Indian									
	a Individual/ HUF	-	-	-	-	-	-	-	-	-
	b Central Govt	-	-	-	-	-	-	-	-	-
	c State Govt(s)	-	-	-	-	-	-	-	-	-
	d Bodies Corporate	-	24,99,994	24,99,994	99.99	-	25,00,000	25,00,000	100.00	0.01
	e Banks / FI	-	-	-	-	-	-	-	-	-
	f Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (1)	-	24,99,994	24,99,994	99.99	-	25,00,000	25,00,000	100	0.01
	2 Foreign									
	a NRIs-Individual	-	-	-	-	-	-	-	-	-
	b Others- Individuals	-	-	-	-	-	-	-	-	-
	c Bodies Corporate	-	-	-	-	-	-	-	-	-
	d Banks / FI	-	-	-	-	-	-	-	-	-
	e Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoter (A)=(A)(1)+(A)(2)	-	24,99,994	24,99,994	99.99	-	25,00,000	25,00,000	100.00	0.01
	B Public Shareholding									
	1 Institutions									
	a Mutual Funds	-	-	-	-	-	-	-	-	-
	b Banks / FI	-	-	-	-	-	-	-	-	-
	c Central Govt	-	-	-	-	-	-	-	-	-
	d State Govt(s)	-	-	-	-	-	-	-	-	-
	e Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f Insurance Companies	-	-	-	-	-	-	-	-	-
	g FIs/FPIs	-	-	-	-	-	-	-	-	-
	h Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
	2 Non-Institutions									
	a Bodies Corp.									
	i Indian	-	-	-	-	-	-	-	-	-
	ii Overseas	-	-	-	-	-	-	-	-	-
	b Individuals									
	i Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	6	6	0.01	-	-	-	-	0.01
	ii Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
	c Others (specify)									
	i Non Resident Indians	-	-	-	-	-	-	-	-	-
	ii Clearing Members	-	-	-	-	-	-	-	-	-
	iii Trusts	-	-	-	-	-	-	-	-	-
	iv NBFCs	-	-	-	-	-	-	-	-	-
	v Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
	Sub-total (B)(2):-	-	6	6	0.01	-	-	-	-	0.01
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	6	6	0.01	-	-	-	-	0.01
	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	-	25,00,000	25,00,000	100.00	-	25,00,000	25,00,000	100.00	-

ii) Shareholding of promoters								
Sr. No.	Shareholder's name	Shareholding at the beginning of the year [As on 5-July-2019]			Shareholding at the end of the year [As on 31-March-2020]			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	
1	Bajaj Finserv Limited	24,99,994	99.99	-	25,00,000	100.00	-	0.01
	Total	24,99,994	99.99	-	25,00,000	100.00	-	0.01

(iii) Change in promoters' shareholding					
Sr.No.	Name of the promoters	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Bajaj Finserv Limited				
	At the beginning of the year 5 July 2019	24,99,994	99.99	24,99,994	99.99
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity, etc.)	Increase in Shareholding as 6 Equity shares were acquired by way of transfer on 21 October 2019			
	At the end of the year 31 March 2020	25,00,000	100.00	25,00,000	100.00

(iv) Change in Top ten shareholders other than promoters (other than directors, promoters and holders of GDRs and ADRs)

Sr.No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	JAYARAMAN SRIDHAR				
	At the beginning of the year 5 July 2019	1	0.00	1	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	Decrease in Shareholding as 1 Equity share was transferred on 21 October 2019			
	At the end of the year 31 March 2020	-	0.00	-	0.00
2	SREENIVASAN SIVASUBRAMONIAM				
	At the beginning of the year 5 July 2019	1	0.00	1	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	Decrease in Shareholding as 1 Equity share was transferred on 21 October 2019			
	At the end of the year 31 March 2020	-	0.00	-	0.00
3	RANJIT KISHORILAL GUPTA				
	At the beginning of the year 5 July 2019	1	0.00	1	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	Decrease in Shareholding as 1 Equity share was transferred on 21 October 2019			
	At the end of the year 31 March 2020	-	0.00	-	0.00
4	SONAL RAMANAND TIWARI				
	At the beginning of the year 5 July 2019	1	0.00	1	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	Decrease in Shareholding as 1 Equity share was transferred on 21 October 2019			
	At the end of the year 31 March 2020	-	0.00	-	0.00

v). Shareholding of Directors and Key Managerial Personnel					
S.No.	Name of the directors/key managerial personnel (KMP)	Shareholding at the beginning of the year		Cumulative shareholding during the year	
1	RAJAGOPALAN	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year 5 July 2019	1	0.00	1	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Decrease in Shareholding as 1 Equity share was transferred on 21 October 2019			
	At the end of the year 31 March 2020	-	0.00	-	0.00
2	ANISH PRAFUL AMIN	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year 5 July 2019	1	0.00	1	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Decrease in Shareholding as 1 Equity share was transferred on 21 October 2019			
	At the end of the year 31 March 2020	-	0.00	-	0.00
V. INDEBTEDNESS					
Indebtedness of the Company including outstanding / accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
	i) Principal Amount	-	-	-	-
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)					
Change in Indebtedness during the financial year					
	i) Addition	-	-	-	-
	ii) Reduction	-	-	-	-
Net Change					
Indebtedness at the end of the financial year					
	i) Principal Amount	-	-	-	-
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)					

VI. Remuneration of directors and key managerial personnel
A. Remuneration to managing director, whole-time directors and / or Manager during financial year 2019-20

Sr. No.	Particulars of remuneration	(Managing Director)	Total amount (in Rs.)
1	Gross Salary		
	(a) Salary as per provisions contained in section 17 (1) of the income Tax Act, 1961	-	-
	(b) Value of perquisites under section 17 (2) of Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
	Commission	-	-
4	-as % of profit	-	-
	-others, specify	-	-
5	Others - Contribution to PF etc.	-	-
	TOTAL (A)	-	-
	Ceiling as per the Act		-
Notes: Salary and perquisites include all elements of remuneration i.e. salary, allowances and benefits. No bonus, pension and performance linked incentive is paid to any of the directors. The Company has not issued any stock options to any of the directors. The term of Managing Director does not exceed five years. Appointment of Managing Director is governed by a service contract for a period of 5 years and notice period is of 90 days and is in compliance with the applicable provisions of the Companies Act, 2013.			

B. Remuneration to other directors
1. Independent Directors

Sr. No.	Particulars of Remuneration					Total
i	Fee for attending Board / Committee Meetings	-	-	-	-	-
ii	Commission	-	-	-	-	-
iii	Others	-	-	-	-	-
	TOTAL (B)(1)					

2. Other Non-Executive Directors

Sr. No.	Particulars of Remuneration					Total
i	Fee for attending Board / Committee Meetings	-	-	-	-	-
ii	Commission	-	-	-	-	-
iii	Others	-	-	-	-	-
	TOTAL (B)(2)	-	-	-	-	-
	TOTAL (B)(1) + (B)(2)	-	-	-	-	-
	Total Managerial Remuneration (A+B)	-	-	-	-	-
	Overall ceiling as per the Act	-	-	-	-	-

C. Remuneration to key managerial personnel other than managing director, whole-time directors and / or Manager during financial year 2019-20

Sr. No.	Particulars of remuneration	Key Managerial Personnel		Total Amount (in Rs.)
	Gross Salary			
1	(a) Salary as per provisions contained in section 17 (1) of the income Tax Act, 1961	-	-	-
	(b) Value of perquisites under section 17 (2) of Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
	Commission	-	-	-
4	-as % of profit	-	-	-
	Others	-	-	-
5	Others	-	-	-
	Contribution to provident fund etc.	-	-	-
	Total	-	-	-

VII. Penalties/punishment/compounding of offences

	During the year 2019-20, there were no penalties/punishment/compounding of offences under the Companies Act, 2013.

INDEPENDENT AUDITOR'S REPORT

To the Members of Bajaj Finserv Health Limited

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of Bajaj Finserv Health Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the period from July 5, 2019 to March 31, 2020, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive loss, its cash flows and the changes in equity for the period from July 5, 2019 to March 31, 2020.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 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 audit opinion on the Ind AS financial statements.

Other Information

The other information comprises the information included in the Director report, but does not include the Ind AS financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibility of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- ▶ Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of 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.
- ▶ Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) No managerial remuneration has been paid or provided by the Company to its directors for the period from July 5, 2019 to March 31, 2020;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm registration number: 324982E/E300003
UDIN: 20089802AAAABI7714


per Arvind Sethi
Partner
Membership No: 089802

Pune
May 18, 2020

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**Re: Bajaj Finserv Health Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed assets have been physically verified by the management during the period from July 5, 2019 to March 31, 2020 and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given by the management, there are no immovable properties included in property, plant and equipment of the Company and accordingly, the requirements under clause 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, income-tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to employees' state insurance are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance are not applicable to the Company.
 - (c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the period from July 5, 2019 to March 31, 2020.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/ further public offer/ debt instruments or term loans hence, reporting under clause (ix) of the Order is not applicable to the Company and hence not commented upon.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the period from July 5, 2019 to March 31, 2020.
- (xi) According to the information and explanations given by the management, the Company has neither paid nor provided for any managerial remuneration and accordingly, reporting under clause (xi) of the Order is not applicable to the Company and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period from July 5, 2019 to March 31, 2020 and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

UDIN: 20089802AAAABI7714


per **Arvind Sethi**

Partner

Membership No: 089802

Pune

May 18, 2020

Annexure 2 referred to in Para 2 (f) under the heading "Report on other legal and regulatory requirements" to the independent auditor's report of even date on the financial statements of Bajaj Finserv Health Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of Bajaj Finserv Health Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the period from July 5, 2019 to March 31, 2020.

Management's Responsibility for Internal Financial Controls

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion


In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

UDIN: 20089802AAAABI7714


per **Arvind Sethi**
Partner
Membership No: 089802Pune
May 18, 2020

Bajaj Finserv Health Limited
Balance sheet as at March 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

	Note No	As at March 31, 2020
ASSETS		
Non-current assets		
Property, plant and equipment	3	391.67
Right of Use Asset	4	471.96
Capital work-in-progress	3	1.76
Other intangible assets	5	36.79
Intangible assets under development	5	985.55
Financial assets		
i. Loans	6(a)	36.24
Deferred tax assets	7	-
Other non-current assets	8	443.00
Total non-current assets		2,366.97
Current assets		
Financial assets		
i. Investments	6(c)	200.89
ii. Trade receivables	6(d)	1.15
iii. Cash and cash equivalents	6(e)	1,064.39
iv. Other financial assets	6(b)	0.96
Other current assets	9	35.78
Total current assets		1,303.17
Total assets		3,670.14
EQUITY AND LIABILITIES		
Equity		
Equity share capital	10(a)	250.00
Other equity		
Equity Component of Compound Financial Instrument		3,250.00
Retained Earnings	10(b)	-1,161.85
Other Equity		2,088.15
Total equity		2,338.15
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
i. Lease Liabilities	11(a)	390.35
Employee benefit obligations	13	36.87
Total non-current liabilities		427.22
Current liabilities		
Financial liabilities		
i. Trade payables	11(c)	
total outstanding dues of micro enterprises and small enterprises		4.06
total outstanding dues of creditors other than micro enterprises and small enterprises		92.05
ii. Lease Liabilities	11(a)	83.21
iii. Other current financial liabilities	11(b)	429.23
Provisions	12	26.39
Employee benefit obligations	13	4.34
Other current liabilities	14	265.49
Total current liabilities		904.77
Total liabilities		1,331.99
Total equity and liabilities		3,670.14

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 SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration number: 324982E/E300003

per Arvind Sethi
Partner
Membership number: 089802
Pune
Date:



On behalf of the Board of Directors

Anish Amin V Rajagopalan
Director Director
DIN:00070679 DIN:02997795

Makarand Athavale
Finance Head



Bajaj Finserv Health Limited
Profit and loss account for the period from July 05, 2019 to March 31, 2020
 (All amounts in INR lakhs, unless otherwise stated)

	Note No	Period from July 05, 2019 to March 31, 2020
Revenue from contract with customers	15	60.68
Other income	16	36.17
Total income		96.85
Expenses		766.78
Employee benefits expense	17	112.07
Depreciation and amortisation expense	18	338.31
Other expenses	19	34.23
Finance costs	20	1,251.39
Total expenses		-1,154.54
Profit/ (loss) before tax		
Income tax expense		-
- Current tax		-
- Deferred tax		-
Total tax expense		-1,154.54
Profit/ (loss) for the period		
Other comprehensive income/ (loss)		
Items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	13	-7.31
Other comprehensive income/ (loss) for the period, net of tax		-7.31
Total comprehensive income/ (loss) for the period, net of tax		-1,161.85
Basic earnings per share (In Rupees)		-46.18
Diluted earnings per share (In Rupees)		-46.18
(Nominal value per share Rs 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 S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Registration number: 324982E/E300003

per Arvind Sethi
 Partner
 Membership number: 089802
 Pune
 Date:



On behalf of the Board of Directors

Anish Amin V.Rajagopalan
 Director Director
 DIN:00070679 DIN:02997795

Makarand Athavale
 Finance Head



Bajaj Finserv Health Limited
Statement of cash flows for the period from July 05, 2019 to March 31, 2020
 (All amounts in INR lakhs, unless otherwise stated)

	Period from July 05, 2019 to March 31, 2020
Cash flow from operating activities	
Loss before income tax from Continuing operations	-1,154.54
Loss before income tax	-1,154.54
Adjustments for	112.07
Depreciation and amortisation expense	-2.18
Changes in fair value of financial assets at fair value through profit or loss	-1.49
Unwinding of discount on security deposits	-13.79
Interest income classified as investing cash flows	34.23
Finance costs	
Change in operating assets and liabilities	96.11
Increase in trade payables	189.98
(Increase) in other financial assets and liabilities	-486.09
(Increase)/decrease in other assets	265.49
Increase/(decrease) in other liabilities	41.21
Increase/(decrease) in employee benefit obligations	26.39
Increase/(decrease) in provisions	-892.61
Cash generated from operations	-
Income taxes paid	-892.61
Net cash inflow from operating activities	-
Cash flows from investing activities	-1,291.27
Payments for property, plant and equipment	-2,655.00
Payments for purchase of investments	2,475.00
Proceeds from sale of investments	13.79
Interest received	-1,457.48
Net cash outflow from investing activities	-
Cash flows from financing activities	250.00
Proceeds from issues of shares	3,250.00
Proceeds from borrowings	-0.12
Finance cost paid	-85.40
Principal elements of finance lease payments	-
Net cash inflow (outflow) from financing activities	3,414.48
Net increase (decrease) in cash and cash equivalents	1,064.39
Cash and cash equivalents at the beginning of the financial year	-
Effects of exchange rate changes on cash and cash equivalents	-
Cash and cash equivalents at end of the year	1,064.39
Reconciliation of cash and cash equivalents as per the cash flow statement	
Cash and cash equivalents as per above comprise of the following	
	Year ended March 31, 2020
Cash and cash equivalents	1,064.39
Balances per statement of cash flows	1,064.39

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 S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Registration number: 324982E/E300003

On behalf of the Board of Directors

Anish Amin
 Director
 DIN:00070679

V.Rajagopalan
 Director
 DIN:02997795

per Arvind Sethi
 Partner
 Membership number: 089802
 Pune
 Date:



Makarand Athavale
 Finance Head



Bajaj Finserv Health Limited

Statement of changes in equity for the period ended March 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Note No	Period from July 05, 2019 to March 31, 2020
As at July 05, 2019		-
Changes in equity share capital	10	250.00
As at March 31, 2020		250.00

B. Other equity

Particulars	Note No	Equity component of Compound Financial Instruments	Reserves and surplus	Total other equity
			Retained earnings	
Balance at July 05, 2020		-	-	-
Profit/ (loss) for the year	10	-	-1,154.54	-1,154.54
Other comprehensive income		-	-7.31	-7.31
Total comprehensive income for the period		-	-1,161.85	-1,161.85
Equity component of loan*		3,250.00	-	3,250.00
Balance at March 31, 2020		3,250.00	-1,161.85	2,088.15

* Equity component of loan received includes term loan received from Bajaj Finserv Limited; compulsorily converted into equity shares/ fully and compulsory convertible preference share/ debentures at face value of Rs. 10 per share.

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 S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration number: 324982E/E300003

per Arvind Sethi
Partner
Membership number: 089802
Pune



2

On behalf of the Board of Directors

Anish Amin

Anish Amin
Director
DIN:00070679

V. Rajagopalan
V. Rajagopalan
Director
DIN:02997795

Makarand Athavale
Makarand Athavale
Finance Head



Notes to the financial statements for the year ended March 31, 2020

1. The Company overview

Bajaj Finserv Health Limited (the "Company"), is operating in the health-tech Space. The Company creates healthcare solution to improve and manage healthcare in India with advanced technological intervention, and is also engaged in business of marketing, promoting and selling Healthcare plans/products in connection with health, preventive healthcare, wellness and management of illness to intending customers, through online and/or integrated healthcare ecosystem. The Company was incorporated on July 05, 2019 vide CIN: U85320PN2019PLC185286 as a wholly owned subsidiary of Bajaj Finserv Limited

The registered office of the company is at BAJAJ AUTO LIMITED, MUMBAI-PUNE ROAD, AKURDI, PUNE, Pune, Maharashtra, 411035 and its corporate office is at BAJAJ FINSERV HEALTH LIMITED, 4th Floor, Phoenix Fountainhead, Off Nagar Road, Viman Nagar, Pune-411014.

2. Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

The Company was incorporated during financial year 2019-20 and hence the financial statement are for the period from July 05, 2019 to March 31, 2020. The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

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.

All amounts included in the financial statements are reported in lacs of Indian rupees (' in lacs) except share and per share data, 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.

(ii) Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items which have been measured at fair value as required by relevant Ind AS:

- a) Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
- b) The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets.

(iii) 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 and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- a) **Revenue recognition:** 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 product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on



their relative stand-alone selling price. 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 standalone selling price.

b) Impairment testing: Investments in intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset is less than its carrying value. The recoverable amount of the asset is higher of value in use and fair value less cost of disposal.

c) Deferred taxes: Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

d) Defined benefit plans and compensated absences: The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected-unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e) Useful lives of property, plant and equipment: The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. Estimates used while calculating depreciation are asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

f) Useful lives of intangible assets: The Company amortises intangible assets on a straight-line basis over estimated useful lives of the assets. 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 is reviewed at least annually.

3. Significant accounting policies

(i) Functional and presentation currency

These financial statements are presented in Indian rupees, which is the functional currency of the Company.

(ii) Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results of operating activities

(iii) Financial instruments

a) Non-derivative financial instruments:

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled 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 long and short-term loans and borrowings, bank overdrafts, 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 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, unbilled 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.

(iv) Equity

a) Share capital

The authorised share capital of the Company as at March 31, 2020 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.

d) Retained earnings

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

(v) Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

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. Assets acquired under finance lease and leasehold improvements are amortised over the shorter of estimated useful life of the asset or the related lease term. The estimated useful life of assets is reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as per companies act.



When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

(vi) 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 amortization of an intangible asset with a finite useful life reflects the way the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles is reviewed and where appropriate are adjusted, annually. The estimated useful lives of the amortisable intangible assets are as per companies act.

For internally developed intangible asset, Expenditure pertaining to research if any, 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.

(vii) Leases

Upon lease commencement company recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. After lease commencement, the right-of-use asset is measured using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease; rate is considered to be as expected incremental borrowing rate.

(viii) Impairment

A) Financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets trade receivables, contract assets and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables, contract assets if any are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial Financial Statements. In current financial statements, since there is no such significant risk identified, provision for expected credit loss is not required.

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.

(ix) Employee benefits

a) Post-employment and pension 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. Provident fund

Employees receive benefits from a provident fund, which is a defined benefit plan. The employer and employees each make periodic contributions to the plan. A portion of the contribution is made to the approved provident fund trust managed by the Company while the remainder of the contribution is made to the government administered pension fund. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return.

B. Gratuity

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the third-party fund managers. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company recognises actuarial gains and losses in other comprehensive income, net of taxes.

b) Termination benefits

Termination benefits are expensed when the Company can no longer withdraw the offer of those benefits.

c) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

d) 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.

(x) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a 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 recognised as a 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.



(xi) Revenue

The Company derives revenue majorly from the following sources:

Managed Care Product / Comprehensive Product

Managed Care Product is comprehensive offering and comprises benefits such as Insurance, OPD, Laboratory benefit, Loyalty card access to HealthRx mobile app.

Co-Branded Card / Loyalty card

Company has launched co-branded cards with ecosystem partners. Cobranded card offers wholistic digital health management solution, thus bringing in the complete healthcare ecosystem which also includes benefits and discounts at OPD, IPD, Pharmacy etc.,

Software as a service (SaaS)

Software as a service that is company derive revenue from fees charged to customers for use of company hosted cloud offerings, for use to on-premise software products and for standardized and premium support services. License period start when such access is granted. Revenue is recognised over time as the services are performed. Where performance obligation is the grant of a right to continuously access and use a cloud offering for a certain term. Revenue is recognised based on time elapsed and thus rateably over this term.

To recognise revenues, the Company adopted under 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 third-party prices for similar deliverables or the company uses expected cost-plus margin approach in estimating the stand-alone selling price.

The method for recognizing revenues and costs depends on the nature of the services rendered:

A. Fixed-price contracts

i) Volume based contracts

Revenues and costs are recognised as the related services are rendered.

B. Products

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

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances. The insurance component of the Revenue is sold under the group arrangement with the Insurance company and does not form part of the revenues of the Company, being a passthrough arrangement of the premiums.

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. Also refund liability is recognised and deducted from revenue.

The Company accrues the estimated cost of provisions (OPD/ diagnostic, etc) 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.

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 transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, 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 that consideration is due. For example, the company recognises a receivable for revenues related to volume-based contracts. The Company presents such receivables as part of unbilled receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

(xii) Finance cost

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL.

(xiii) Other income

Other income comprises interest income on deposits.

(xiv) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss items directly recognised in equity or in other comprehensive income.

a) Current income tax

Current income tax for the current periods are measured at the amount expected to be recovered from 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 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



(xv) 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.

(xvi) 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).

4. Changes in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes because of adoption of this new accounting standard is described below.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Group adopted Ind AS 116 with the date of formation of company on 5 July 2019.

The effect of adoption of Ind AS 116 is as follows;

Impact on balance sheet (increase / (decrease)):

	March 31, 2020
Assets	
Right-of-use Assets	471.95
Total Assets	471.95
Liabilities	
Lease liabilities	473.56
Total Lease liabilities	473.56

Impact on statement of profit and loss (increase/(decrease) in profit)

	March 31, 2020
Depreciation and Amortisation	(72.61)
Other Expenses	84.68
Finance cost	(34.23)
Income tax expense	
Profit for the period	(22.16)

There is no material impact on other comprehensive income or the basic and diluted earnings per share.



Bajaj Finserv Health Limited
Notes to Financial statements for the year ended March 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

Particulars	Computers	Furniture and Fixtures	Leasehold Improvements	Plant and Machinery	Office equipment	Total	Capital work-in-progress
Cost							
At July 05, 2019	-	-	-	-	-	-	-
Additions	51.72	59.44	162.39	101.42	53.26	428.23	1.76
At March 31, 2020	51.72	59.44	162.39	101.42	53.26	428.23	1.76
Depreciation							
At July 05, 2019	-	-	-	-	-	-	-
Depreciation charge for the year	5.87	2.62	16.24	6.24	5.59	36.56	-
At March 31, 2020	5.87	2.62	16.24	6.24	5.59	36.56	-
Net book value at July 05, 2019	-	-	-	-	-	-	-
Net book value at March 31, 2020	45.85	56.82	146.15	95.18	47.67	391.67	1.76

Note 4: Right of Use Asset

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Leasehold Premises	Total
Cost		
At July 05, 2019	-	-
Additions	544.56	544.56
At March 31, 2020	544.56	544.56
Depreciation		
At July 05, 2019	-	-
Depreciation charge during the period	72.61	72.61
At March 31, 2020	72.61	72.61
Net book value at July 05, 2019	-	-
Net book value at March 31, 2020	471.96	471.96

Note 5: Intangible assets

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Computer software	Internally generated intangible asset	Intangible assets under development*	Total
Cost				
At July 05, 2019	-	-	-	-
Additions	14.61	25.08	985.55	1,025.24
At March 31, 2020	14.61	25.08	985.55	1,025.24
Amortisation				
At July 05, 2019	-	-	-	-
Amortisation charge for the period	1.50	1.40	-	2.90
At March 31, 2020	1.50	1.40	-	2.90
Net book value at July 05, 2019	-	-	-	-
Net book value at March 31, 2020	13.11	23.68	985.55	1,022.34

*Intangible assets under development are internally generated assets

The breakup of expenses capitalized as internally generated intangible assets under development is as under :

Particulars	Amount
Employee Benefits	303.72
Third party vendors	706.91
Total	1,010.64



Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Note 6: Financial assets**Note 6(a): Loans**

(Unsecured, Considered Good)

Particulars	As at March 31, 2020
Security deposits	36.24
Total Loans	36.24

Note 6(b): Other Financial Assets

(Unsecured, Considered Good)

Particulars	As at March 31, 2020
Other financial assets	0.96
Total Other Financial asset	0.96

Note 6(c): Current Investments

Particulars	As at March 31, 2020
Mutual Funds (At Fair Value through P&L)	
Quoted	
1459.38 units in SBI Liquid fund Direct growth	45.37
1664.09 units in L&T Liquid fund Direct plan-Growth	45.29
4589.4 units in IDFC Cash fund Direct plan-Growth	110.23
Total (mutual funds)	200.89
Aggregate book value of quoted investments	200.89
Aggregate market value of quoted investments	200.89

All investments mentioned above are within India

Note 6(d): Trade Receivables

(Unsecured, Considered Good)

Particulars	As at March 31, 2020
Trade receivables	1.14
Receivables from related parties (Refer note 23)	0.01
Total receivables	1.15

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.



Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Note 6(e) Cash and cash equivalents

Particulars	As at March 31, 2020
Balances with banks	
- in current accounts	814.39
Deposits with maturity of less than three months	250.00
Total cash and cash equivalents	1,064.39

Note 7: Unrecognised Deferred tax assets

Unrecognised Deferred tax asset not recorded in Balance Sheet

Particulars	As at March 31, 2020
Deferred tax relates to the following:	
Deferred tax assets	
Disallowance u/s 43B of the Income Tax Act, 1961	89.96
Deferred Tax Assets as result of amortisation of preliminary expenses	1.75
Disallowance for provision	6.86
Deferred Tax Assets as result of current year Loss	260.18
Gross deferred tax assets	358.75
Deferred tax liabilities	
Depreciation and amortisation	3.15
Gratuity under 40(A)(7)	48.17
Unrealised net gain on fair value changes	0.57
Gross deferred tax liabilities	51.88
Unrecognized Deferred tax assets, net	306.87

Note 8: Other non-current assets

Particulars	As at March 31, 2020
GST credit receivable	257.75
Prepayment to gratuity fund	185.25
Total other non current assets	443.00

Note 9: Other current assets

Particulars	As at March 31, 2020
Prepaid expenses	22.00
Supplier advances	10.59
Other current assets	3.19
Total other current assets	35.78



Bajaj Finserv Health Limited
Notes to Financial statements for the year ended March 31, 2020
(All amounts in INR lakhs, unless otherwise stated)

Note 10: Equity share capital and other equity

10(a) Equity share capital

Issued, Subscribed and paid up equity share capital

Particulars	Number of shares (in lakhs)	Amount
As at July 05, 2019	-	-
Increase during the period of Rs 10 each	25	250.00
As at March 31, 2020	25	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 July 05, 2019	-	-
Equity share capital issued, subscribed and fully paid up during the year	25	250.00
As at March 31, 2020	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, 2020
Bajaj Finserv Limited (immediate and ultimate holding company)	25

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

Particulars	As at March 31, 2020	
	Number of shares (in lakhs)	% holding
Bajaj Finserv Limited (immediate and ultimate holding company)	25	100%

10(b) Reserves and surplus

Particulars	As at March 31, 2020
Retained earnings	-1,161.85
Total reserves and surplus	-1,161.85

Retained earnings

Particulars	As at March 31, 2020
As at July 05, 2019	-
Net profit/ (loss) for the period	-1,154.54
Items of other comprehensive income recognised directly in retained earnings	
- Remeasurements of post-employment benefit obligation, net of tax	-7.31
As at March 31, 2020	-1,161.85



Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2020**

(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, 2020

Particulars	As at March 31, 2020
Current lease liabilities	83.21
Non Current lease liabilities	390.35
Total	473.56

Following is movement in lease liabilities during period ended March 31, 2020

Particulars	As at March 31, 2020
Balance as at July 05, 2020	-
Additions	524.00
Finance cost accrued during the period	34.24
Payment of lease liabilities	84.68
Total	473.56

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis

Particulars	As at March 31, 2020
Less than one year	83.21
One to five years	390.35
More than five years	-
Total	473.56

11(b) Other financial liabilities

Particulars	As at March 31, 2020
Provision for performance bonus	304.73
Capital Creditor	124.50
Total other current financial liabilities	429.23

11(c) Trade payables

Particulars	As at March 31, 2020
Trade payables	
-total outstanding dues of micro enterprises and small enterprises	4.06
-total outstanding dues of creditors other than micro enterprises and small enterprises	92.05
Total trade payables	96.11

Trade payables are non-interest bearing and are generally on terms of 30 to 90 days.

Particulars	As at March 31, 2020
Trade payables	95.27
Trade payables to related parties	0.84
Total trade payables	96.11



Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Note 12: Provisions

Particulars	As at March 31, 2020
Provision for cancellation	13.22
Provision for diagnostic benefits	5.63
Provision for OPD Benefits	7.54
Total	26.39

*(i) Information about individual provisions and significant estimates***Provision for cancellation**

Provision is made for estimated cancellation claims in respect of products sold at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on any recent trends that may suggest future claims could differ from historical amounts.

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 may suggest future claims could differ from historical amounts.

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 may suggest future claims could differ from historical amounts.

(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 July 05, 2019	-	-	-	-
Charged/(credited) to profit or loss				
additional provisions recognised	13.22	5.63	7.54	26.39
As at March 31, 2020	13.22	5.63	7.54	26.39



Bajaj Finserv Health Limited

Notes to Financial statements for the year ended March 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Note 13: Employee benefit obligations

Particulars	31 March 2020		
	Current	Non-current	Total
Provision for compensated absences	4.34	36.87	41.21
Total employee benefit obligations	4.34	36.87	41.21

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, 2020
Defined benefit obligations at the beginning of the year	-
Current service cost	17.44
Remeasurement due to:	
Actuarial loss/(gain) arising on account of experience changes	8.15
Liabilities assumed/ (settled)*	138.69
Defined benefit obligation as at the end of the year	164.28

*on account of inter group transfer

Movement in plan assets

Particulars	As at March 31, 2020
Fair value of plan asset as at the beginning of the year	-
Employer contribution	210.01
Remeasurement due to:	
Actual return on plan assets less interest on plan assets	1.51
change in asset ceiling	-0.67
Assets acquired	138.69
Fair value of plan asset as at the end of the year	349.54

*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, 2020
Net defined benefit liability/(asset) as at the beginning of the year	-
Expense charged to statement of profit and loss	17.44
Amount recognised outside Profit and loss	7.31
Employer contribution	-210.01
Remeasurement due to:	
Actuarial loss/(gain) arising on account of experience changes	-
Liabilities assumed/ (settled)	-
Net defined benefit liability/(asset) as at the end of the year	-185.26

Expenses charged to the Statement of Profit and Loss

Particulars	As at March 31, 2020
Current service cost	17.44
Expenses charged to the Statement of Profit and Loss	17.44



Bajaj Finserv Health Limited

Notes to Financial statements for the year ended March 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Remeasurement gains/(losses) in other comprehensive income

Particulars	As at March 31, 2020
Experience adjustments	8.15
Actual return on plan assets less interest on plan assets	-1.51
Adjustment to recognise effect of asset ceiling	0.67
Expenses charged to the Statement of OCI	7.31

Amount recognised in Balance sheet

Particulars	As at March 31, 2020
Present value of funded defined benefit obligation	164.28
Fair value of plan assets	349.54
Net defined benefit asset recognised in Balance Sheet	185.26

Key actuarial assumptions

Particulars	As at March 31, 2020
Discount rate (p.a)	6.80%
Salary escalation rate (p.a)	10.00%

Category of plan assets

Particulars	As at March 31, 2020
Insurer Managed funds	227.57
Total plan assets	227.57

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, 2020	
	0.5% increase	0.5% decrease
Defined benefit obligation due to sensitivity in discount rate	22.56	27.71
Defined benefit obligation due to sensitivity in salary escalation rate	27.61	22.61

Projected Plan Cash Flow

Particulars	As at March 31, 2020	
	Senior Staff	Junior Staff
Within the next 12 months (next annual reporting period)	1.68	0.11
Between 2 and 5 years	8.39	1.24
Between 5 and 10 years	52.94	3.62
Beyond 10 years	348.74	118.08
Total Expected Payments	411.75	123.05

Note 14: Other current liabilities

Particulars	As at March 31, 2020
Statutory and other liabilities	264.92
Refund liability	0.13
Advance from customers	0.44
Total Other liabilities	265.49



Bajaj Finserv Health Limited**Notes to Financial statements for the period from July 05, 2019 to March 31, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Note 15: Revenue From Operations

The company derives the following types of revenue :

Particular	Period ended March 31, 2020
Revenue from contracts with customers	
-Sale of services	60.68
Total revenue from operations	60.68

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	Period ended March 31, 2020
Revenue as per contracted price	106.01
Adjustments for:	
Contract liabilities- Insurance premium to BAGIC	28.91
Refund liabilities	16.42
Revenue from continuing operations	60.68

Disaggregation of revenue

Particular	Period ended March 31, 2020
Disaggregation of revenue for Managed Care product	
Revenue for Loyalty Co-branded card	2.86
Revenue for OPD and laboratory benefits	40.20
Revenue for HealthRx Mobile App	9.82
Revenue for loyalty cobranded cards sold	7.80
Revenue from continuing operations	60.68

Note 16: Other income and other gains/(losses)

Particular	Period ended March 31, 2020
Net fair value gain of financial assets measured at fair value through profit and loss	20.89
Interest income from Fixed deposits	13.79
Unwinding of discount on security deposits	1.49
Total other income	36.17

Note 17: Employee benefits expense

Particular	Notes	Period ended March 31, 2020
Salaries, wages and bonus		650.01
Contribution to provident and other funds		32.67
Gratuity	13	17.44
Leave compensation		53.80
Staff welfare expenses		12.86
Total employee benefit expense		766.78



Bajaj Finserv Health Limited**Notes to Financial statements for the period from July 05, 2019 to March 31, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Note 18: Depreciation and amortisation expense

Particular	Notes	Period ended March 31, 2020
Depreciation of property, plant and equipment	3	109.17
Amortisation of intangible assets	5	2.90
Total depreciation and amortisation expense		112.07

Note 19: Other expenses

Particular	Period ended March 31, 2020
Repairs and maintenance	0.26
Sub-contracting expenses	101.01
Security Charges	6.74
Water and electricity charges	9.79
Rates and taxes	2.31
Legal and professional fees	63.49
Travel and conveyance	6.42
Recruitment expenses	11.21
Fees for Technical services	44.02
Training and conference expenses	5.38
Sales commission	6.89
Brand and marketing	8.26
Market Analytical expense	14.76
Service warranties	26.85
Payments to auditors (refer note 19(a) below)	1.53
Miscellaneous expenses	29.39
Total other expenses	338.31

Note 19(a): Details of payments to auditors

Particular	Period ended March 31, 2020
Payment to auditors	
As auditor:	
Audit fee	1.00
Out of Pocket expenses	0.53
Total payments to auditors	1.53

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

Note 20: Finance costs

Particular	Period ended March 31, 2020
Interest expense on leased liabilities	34.23
Finance costs expensed	34.23



Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Note 21: Fair value measurements**Financial instruments by category**

Particular	As at March 31, 2020			
	Fair Value			Carrying Value
	FVPL	FVOCI	Amortised Cost	
Financial assets				
Investments				
- Mutual funds	200.89	-	-	200.89
Trade receivables	-	-	1.15	1.15
Cash and cash equivalents	-	-	1,064.39	1,064.39
Security deposits	36.24	-	-	36.24
Other Financial assets	-	-	0.96	0.96
Total financial assets	237.13	-	1,066.50	1,303.63
Financial liabilities				
Trade payables	-	-	96.11	96.11
Lease liabilities	473.56	-	-	473.56
Other financial liabilities	-	-	429.23	429.23
Total financial liabilities	473.56	-	525.34	998.90

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) 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, 2020
A) Profit attributable to the equity holders of the company:	-1,154.54
B) Weighted average number of equity shares for basic earnings per share	25
Earning per Share (Basic) (Rs)	-46.18
C) Weighted average number of equity shares for diluted earnings per share	25
Earning per Share (Diluted) (Rs)	-46.18



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

YTD 31-Mar-20			
Name of related party and nature of relationship	Nature of transaction	Transaction Value	Outstanding amounts carried in the Balance Sheet
Holding company:			
Bajaj Finserv Ltd (Holding company)	Contribution from group in nature of equity	-3,500.00	-3,500.00
	Tangible assets purchased	30.78	-
	Intangible assets purchased	66.00	-
	Reimbursement	122.90	-
Subsidiaries and fellow subsidiary:			
Bajaj Allianz General Insurance Co. Ltd. (Fellow subsidiary)	Insurance premium paid for employees during the year	0.85	-
	Advance premium paid	0.51	0.51
	Insurance premium paid for master policy agreement	28.99	-
	Closing balance of float advance	-	8.80
Bajaj Allianz Life Insurance Co. Ltd. (Fellow subsidiary)	Insurance premium paid for employees during the year	2.55	-
	Advance premium paid	0.04	0.04
Bajaj Finance Ltd (Fellow subsidiary)	Subvention cost charged during the year	3.61	-
	Business support services provided	11.37	-
	Tangible assets purchased	2.27	-
	Marketing fees paid during the year	2.28	-
	Outstanding Receivable balance at year end	-	0.01
	Outstanding Marketing fees payable at year end	-	-0.84
Key Managerial Personnel			
Devang Mody (Director) w.e.f July 05, 2019		-	-
Anish Arun (Director) w.e.f July 05, 2019		-	-
V Rajagopalan (Director) w.e.f July 05, 2019		-	-

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 is cash surplus and 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 debt instruments (through mutual funds) and money market instruments 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 capital for operations. Investment objective is to provide safety and adequate return on the surplus funds.

Particulars	As at March 31, 2020
Equity	2,338.15
Less: Tangible and other assets	-1,939.76
Working capital	-197.51
Investments in Mutual Funds	200.88



Bajaj Finserv Health Limited**Notes to Financial statements for the year ended March 31, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Note 25: Fair Value Hierarchy**1. Quantitative Disclosures**

a. Quantitative disclosure of fair value measurement hierarchy for assets

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020

Particulars	Date of valuation	Fair value measurement using	
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Investments held for trading under FVTPL	31-Mar-20	200.89	-
Security deposits	31-Mar-20	-	36.24
Lease Liabilities	31-Mar-20	-	473.56
Total		200.89	509.80

b. Fair value of financial instruments not measured at fair value

Fair value of financial instruments not measured at fair value as at 31 March 2020

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note above approximate their fair values.

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 loans, 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 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. Average interest earned on term deposit and a mutual fund for the year ended March 31, 2020 was 3.72% p.a.

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). However payable amount to vendor is insignificant and hence there is no significant foreign currency risk.

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 deposits with banks and financial institutions, and other financial instruments. The company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on groups internal assessment. The exposure of company to customers is diversified. However out of trade receivable balance of Rs. 1.15 lakhs as of March 31, 2020, Grant medical foundation's Ruby Hall Clinic owes around Rs. 1.14 lakhs which is greater than 10% of total receivable balance.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the finance department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.



Bajaj Finserv Health Limited

Notes to Financial statements for the year ended March 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

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	Within 12 months	After 12 months	Total
Assets			
Financial assets			
Investments	200.89	-	200.89
Trade receivables	1.15	-	1.15
Cash and cash equivalents	1,064.39	-	1,064.39
Security deposits	-	36.24	36.24
Other Financial assets	0.96	-	0.96
Total financial assets	1,267.39	36.24	1,303.63
Liabilities			
Financial liabilities			
Trade payables	96.11	-	96.11
Lease liabilities	83.21	390.35	473.56
Other financial liabilities	429.23	-	429.23
Total financial liabilities	608.55	390.35	998.90

Note 26: Commitments**(a) Capital Commitments**

Particular	Period ended March 31, 2020
Capital commitments (estimated amount of contracts remaining to be executed on capital account not provided for (net of advances))	285.62

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

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration number: 324982E/E300003

per Arvind Sethi
Partner

Membership number: 089802

Pune

Date:

On behalf of the Board of Directors

Anish Amin
Director
DIN:00070679V.Rajagopalan
Director
DIN:02997795Makarand Athavale
Finance Head

Bajaj Finserv Health Limited

CIN No: U85320PN2019PLC185286

Registered Office: Bajaj Auto Limited Complex, Mumbai - Pune Road, Akurdi, Pune 411035

NOTICE

Notice is hereby given that the First Annual General Meeting of the members of Bajaj Finserv Health Limited will be held on **15 July 2020 at 4.00 p.m.** at 6th Floor, Bajaj Finserv Corporate Office, Viman Nagar, Pune 411 014, to transact the following:

ORDINARY BUSINESS:

1. To consider and adopt the financial statements of the Company for the financial period ended 31 March 2020 together with the Directors' and Auditors' Reports thereon.
2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to section 139 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, S R B C & Co. LLP, Chartered Accountants, (Firm Registration Number 324982E/E300003) be and are hereby appointed as Statutory Auditors of the Company for a period of five years from the conclusion of first Annual General Meeting till the conclusion of the 6th Annual General Meeting on such remuneration as may be decided by Board of Directors.

"RESOLVED FURTHER that the Board of Directors be and are hereby authorised to fix the remuneration of Statutory Auditors for the period commencing from the year 2020-21, until the conclusion of sixth AGM of the Company, scheduled in the year 2025.

"RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorised to do all acts, deeds, matters, and things as may be considered necessary to give effect to this resolution."

SPECIAL BUSINESS:

3. Appointment of Shri Anish Praful Amin (DIN 00070679) as a Director of the Company

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

"RESOLVED that Shri Anish Praful Amin (DIN 00070679), who was appointed as first director of the Company pursuant to section 152 of the Companies Act, 2013 and as per the Articles of the Company and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as director of the Company, liable to retire by rotation, pursuant to section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder with effect from 5 July 2019".

4. Appointment of Shri V Rajagopalan (DIN 02997795) as a Director of the Company

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


"RESOLVED that Shri V Rajagopalan (DIN 02997795), who was appointed as first director of the Company pursuant to section 152 of the Companies Act, 2013 and as per the Articles of the Company and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as director of the Company, liable to retire by rotation, pursuant to section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder with effect from 5 July 2019".

5. Appointment of Shri Devang Pravin Mody (DIN 07794726) as a Director of the Company

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

"RESOLVED that Shri Devang Pravin Mody (DIN 07794726), who was appointed as first director of the Company pursuant to section 152 of the Companies Act, 2013 and as per the Articles of the Company and in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as director of the Company, liable to retire by rotation, pursuant to section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder with effect from 5 July 2019".

By order of the Board of directors
For Bajaj Finserv Health Limited


Sonal Tiwari
Authorised Signatory

Date: 18 May 2020
Place: Pune



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies / bodies corporate etc., must be supported by an appropriate resolution/ authority, as applicable.
3. Documents referred to in the Notice shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, up to the date of the meeting.
4. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Akurdi, Pune, which are open for inspection in terms of the applicable provisions of the Companies Act, 2013 by members and others as specified below:
 - i. Register of contracts or arrangements in which directors are interested under section 189 of the Companies Act, 2013, on all working days during business hours. The said Register shall also be produced at the commencement of the annual general meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
 - ii. Register of Directors & Key Managerial Personnel and their shareholding under section 170 of the Companies Act, 2013, on all working days during business hours. The said Register shall be kept open for inspection at the annual general meeting of the Company and shall be made accessible to any person attending the meeting.
- 6 Corporate members are requested to send in advance, duly certified copy of the Board Resolution / Power of Attorney authorising their representative to attend the annual general meeting.
7. Members / Proxies are requested to bring the attendance slip/proxy form duly filled and signed for attending the meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement to item No. 3 to 5 of the Notice

Section 149 of the Companies Act, 2013, which came into effect from 1 April 2014, requires every public Company to have not less than three directors on the Board of the company. Accordingly, at the time of incorporation Shri Anish Amin, Shri V Rajagopalan and Shri Devang Mody were appointed as first directors of the Company with effect from date of incorporation i.e. 5 July 2019 pursuant to section 152 and other applicable provisions, if any, of the Companies Act, 2013. All of them holds office until the ensuing first Annual General Meeting of the Company.

Therefore, as required under section 152 of the Companies Act, 2013, appointment of these directors is set out in the items 3 to 5 of the Notice for approval of shareholders.

In respect of the appointments of the aforesaid directors, a notice in writing in the prescribed manner as required by section 160 of the Companies Act, 2013 and Rules made thereunder, has been received by the Company, regarding candidature of the aforesaid directors for the office of the director.

Pursuant to Section 152 and other applicable provisions of the Act and the Rules made thereunder, the Company is required to obtain approval of its shareholders. Accordingly, the Company seeks your approval for the proposed appointments of the aforesaid directors of the Company.

None of the Directors, of the Company and their relatives are, concerned or interested, in these resolutions, except to the extent of their respective shareholding, if any, in the Company.

Detailed profiles of directors are given below:

3. Anish Praful Amin (00070679)

As regards appointment of Anish Praful Amin referred to in item no. 3 of the Notice, the following necessary disclosures are made for the information of the members.

Information about the appointee

Shri Anish Amin, joined Bajaj Finserv Limited as President – Group Assurance, Risk and M & A, in Feb 2019. He is a fellow member of the Institute of Chartered Accountants of India, was previously a senior partner at Dalal & Shah (a member of the PwC International Network). He has over 31 years of experience, including as a partner of Pricewaterhouse India for the last 10 years. He was a part of the assurance practise at Pricewaterhouse India and handled a practise comprising of wide ranging businesses including manufacturing, trading, media, finance and insurance. He was also their sector leader for the Insurance industry.

Anish has expertise in the areas of compliance with accounting standards, company law matters and general regulatory frameworks.

Major Directorships

Bajaj Finserv Health Limited
Maharashtra Scooters Limited
Bajaj Auto Holdings Limited

Committee positions: Nil

**Chairmanship and membership of audit committee and stakeholder's relationship committee are considered.*

Shareholding in the Company as on 31 March 2020 is one share jointly with Bajaj Finserv Ltd.

Anish Praful Amin is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013.

He was first appointed on the Board with effect from 5 July 2019 as a first director and he is not being paid any amount in the form of remuneration.

He is not related to any of the directors or key managerial personnel of the Company. He has attended all the four Board meetings of the Company held during the year viz., 18 July 2019, 27 August 2019, 21 October 2019 and 28 January 2020 respectively.

None of the directors, except Anish Praful Amin himself is concerned or interested in the said item.

The Board commends item no. 3 of the Notice for approval by shareholders.

4. V Rajagopalan (DIN 02997795)

As regards appointment of V Rajagopalan referred to in item no. 4 of the Notice, the following necessary disclosures are made for the information of the members.

Information about the appointee

V. Rajagopalan has held the position of Vice President (Finance) of Bajaj Finserv Limited since 1 January 2009 and as President (Legal and Taxation) from 2014 onwards. He is spearheading the new business initiatives of the Group in the field of financial services. In his present role, he is responsible for acquisitions & structuring initiatives besides treasury, regulatory and legal oversight at the corporate level for the group's financial services businesses.

Major Directorships

Bajaj Finserv Health Limited
Maharashtra Scooters Limited
Bajaj Auto Holdings Limited
Bajaj Allianz Financial Distributors Limited
Bajaj Allianz Staffing Solutions Limited
Bajaj Electoral Trust

Committee positions:

Maharashtra Scooters Limited

**Chairmanship and membership of audit committee and stakeholder's relationship committee are considered.*

Shareholding in the Company as on 31 March 2020 is one share jointly with Bajaj Finserv Ltd.

V Rajagopalan is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013.

He was first appointed on the Board as a first director with effect from 5 July 2019 and he is not being paid any amount in the form of remuneration.

He is not related to any of the directors or key managerial personnel of the Company. He has attended all the four Board meetings of the Company held during the year viz., 18 July 2019, 27 August 2019, 21 October 2019 and 28 January 2020 respectively.

None of the directors, except V Rajagopalan himself is concerned or interested in the said item.

The Board commends item no. 4 of the Notice for approval by shareholders.

5. Devang Pravin Mody (DIN 07794726)

As regards appointment of Devang Pravin Mody referred to in item no. 5 of the Notice, the following necessary disclosures are made for the information of the members.

Information about the appointee

Devang Mody has been associated with Bajaj Finserv Group for the past 12 years. As President of Consumer Finance in Bajaj Finance Limited, he was the architect of the hugely popular 0% EMI loans in the consumer durables segment. He was also instrumental in extending the scope of EMI products to categories such as Furniture, Apparels, Grocery, Travel and Elective Surgeries at Hospitals including Ruby Hall Clinic- a move that was an industry first. The EMI card is another brain child of Shri Mody with close to 4 crores of such cards being in circulation across the country today. He has also worked with GE India & EY before joining Bajaj Finserv.

Major Directorships

Bajaj Finserv Health Limited

Committee positions: NIL

Shareholding in the Company as on 31 March 2020 is nil.

Devang Pravin Mody is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013.

He was first appointed on the Board with effect from 5 July 2019 as a first director and he is not being paid any amount in the form of remuneration.

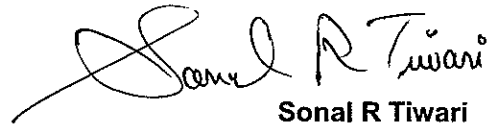
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He is not related to any of the directors or key managerial personnel of the Company. He has attended all the four Board meetings of the Company held during the year viz., 18 July 2019, 27 August 2019, 21 October 2019 and 28 January 2020 respectively.

None of the directors, except Devang Pravin Mody himself is concerned or interested in the said item.

The Board commends item no. 5 of the Notice for approval by shareholders.

For Bajaj Finserv Health Limited



Sonal R Tiwari
Authorised Signatory

Place: Pune

Date: 18 May 2020



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BAJAJ FINSERV HEALTH LIMITED

Registered office:
Bajaj Auto Ltd. Complex,
Mumbai-Pune Road, Pune
411 035
Email: sonal.tiwari@bajajfinserv.in
Website: www.bajajfinserv.in
Phone : (020) 3040 5700, Fax: (020) 3040 5792

PROXY FORM

FORM NO. MGT-11

Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U85320PN2019PLC185286
Name of the Company : BAJAJ FINSERV HEALTH LIMITED
Registered office : Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune 411 035

Name of the member(s):

Registered Address:

Email ID:

Folio

No/ Client ID:

DP ID:

I/We, being the member(s) of ____ shares of the above-named Company, hereby appoint:

Name: Address:

Email Id: signature:

or failing him

Name: Address:

Email Id: signature:

as my/our proxy to attend and vote for me/us and on my/our behalf at the FIRST Annual General Meeting of the Company, to be held on **15 July 2020, at 4.00 p.m.** at 6th Floor, Bajaj Finserv Corporate Office, Viman Nagar, Pune 411 014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Description	For	Against
	Ordinary Business		
1.	Adoption of Financial Statements for the financial year ended 31 March 2020		
2.	Appointment of S R B C & Co. LLP, Chartered Accountants, (Firm Registration Number 324982E/E300003) as Statutory Auditor of the Company		
	Special Business		
3.	Appointment of Shri Anish Praful Amin (DIN 00070679) as a Director		
4.	Appointment of Shri V Rajagopalan (DIN 02997795) as a Director		

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5.	Appointment of Shri Devang Pravin Mody (DIN 07794726) as a Director		
----	---	--	--

Signed this ____ day of ____ 2020.

Affix revenue stamp

Signature of the shareholder

signature of the Proxyholder(s)

Note:

This form of proxy in order to be effective should be duly completed, signed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the venue)

I HEREBY RECORD MY PRESENCE AT THE FIRST ANNUAL GENERAL MEETING OF
BAJAJ FINSERV HEALTH LIMITED, HELD ON 15 JULY, 2020, AT 4.00 P.M. AT

Full Name of the Shareholder /
Authorized representative

Folio No,

No. of equity shares held

Name of Proxy (if any)

Signature of the Shareholder
/Proxy/Corporate Representative*

** Strike out whichever is not applicable*