



1st

ANNUAL
REPORT

2021-22



CORPORATE INFORMATION

Board of Directors

Sanjiv Bajaj
Chairman

(From 11 February 2022)

Ganesh Mohan
Whole-time Director & CEO
(From 01 April 2022)

Deepak Reddy
(Up to 11 February 2022)

Ajay Sathe
(Up to 11 February 2022)

Malvika S Sinha
(From 11 February 2022)

Sandesh Kirkire
(From 11 February 2022)

Chief Financial Officer

S Sreenivasan
(From 11 February 2022)

Company Secretary

Uma Shende
(From 11 February 2022)

Auditors

KKC & Associates LLP
(Earlier known as Khimji Kunverji & Co LLP)

Registered Office

S. No. 208/1B, Lohagaon,
Viman Nagar, Pune-411014

Corporate Office

Bajaj Finserv Asset Management Limited,
8th Floor, E wing, Solitaire Business Hub,
Viman Nagar, Pune- 411014

Corporate Identity Number:

U65990PN2021PLC205292

Independent Auditor's Report

To
The Members of
Bajaj Finserv Asset Management Limited

Report on the audit of the Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of Bajaj Finserv Asset Management Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the period 18 October 2021 to 31 March 2022 ('the period') then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the period then ended.

Basis for Opinion

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

Other Information

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 11.1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control.

- 11.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- 11.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 11.4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 11.5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding

independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, we report that:
 - 16.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 16.2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - 16.3. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - 16.4. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - 16.5. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - 16.6. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - 16.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the period is in accordance with the provisions of Section 197 of the Act.
17. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 17.1. The Company does not have any pending litigations which would impact its financial position;
 - 17.2. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 17.3. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - 17.4. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf

of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

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

17.6. The Company has not paid and / or declared dividend during the period.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

ICAI Membership No: 145911

UDIN: 22145911AHWOPK8481

Place: Mumbai

Date: 27 April 2022

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

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE").

The Company is maintaining proper records showing full particulars of intangible assets.

- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, all PPE were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- ii. (a) The Company's business does not involve inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

- (b) In our opinion and according to the information and explanations given to us, the Company does not have sanctioned working capital limits from banks or financial institutions which are secured on the basis of any security. Accordingly, the provision of clause 3(ii)(b) of the Order is not applicable to it..

- iii. In our opinion and according to the information and explanations given to us, the Company has not made investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year including other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii)(a) to (f) of the Order is not applicable to the Company.

- iv. In our opinion and according to the information and explanations given to us the Company has not granted any loans covered, made any investments or provided any guarantees and securities under Section 185 and Section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.

- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax,

provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities in all cases during the year

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) In our opinion and according to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company did not have any outstanding loans or other borrowings to financial institutions, banks, government and dues to debenture holders..
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans, during the year.
- (d) According to the information and explanations given to us, and the procedures performed

by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provision of clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment/ private placement of shares/ fully/ partly/ optionally convertible debentures during the year.
- xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.
- (b) In our opinion and according to the information and explanations given to us, no report under subsection (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable

accounting standards. The provision of section 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. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act. Accordingly, the provision of clause 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company. and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a CIC as defined in the regulations made by Reserve Bank of India.

(d) According to the information and explanation given to us, in the group (in accordance with Core Investment Companies (CIC's) (Reserve Bank) Directions, 2016) there are 16 companies forming part of the promoter/promoter group of the Company which are CICs. Further, as informed these CIC's are unregistered CICs as per Para 9.1 of Notification No. RBI/2020-21/24 dated 13th August 2020 of the Reserve Bank of India

xvii. The Company has incurred cash losses in the financial year. The amount of cash loss is Rs.2,71,23,643. Since the company have commenced its operations in current year, details of immediately preceding financial year are not applicable to the Company.

xviii. The company has been incorporated during the year and accordingly paragraph 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our examination of the records of the Company, the provision of CSR is not applicable to the Company. Accordingly, the provision of clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

xxi. Reporting under clause xxi of the Order is not applicable.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

ICAI Membership No: 145911

UDIN: 22145911AHWOPK8481

Place: Mumbai

Date: 27 April 2022

Annexure "B" to the Independent Auditors' report on the Financial Statements of Bajaj Finserv Asset Management Limited for the period 18 October 2021 till 31 March 2022

(Referred to in paragraph "16.6" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

Opinion

1. We have audited the internal financial controls with reference to the Financial Statements of Bajaj Finserv Asset Management Limited ("the Company") as at 31 March 2022 in conjunction with our audit of the Financial Statements of the Company for the period 18 Oct 2021 till 31 March 2022 ("the period") ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

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

Meaning of Internal Financial Controls with reference to the Financial Statements

7. A company's internal financial controls with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally

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

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

8. Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion

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

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner

ICAI Membership No: 145911

UDIN: 22145911AHWOPK8481

Place: Mumbai

Date: 27 April 2022

Balance Sheet as at 31 March 2022

		(In ₹)
Particulars	Note No.	As at 31 March 2022
ASSETS		
Financial assets		
Cash and cash equivalents	3	10,49,226
Investments	4	55,19,05,664
Other financial assets	5	20,65,942
		55,50,20,832
Non-financial assets		
Deferred tax assets (net)	6	6,20,795
Property, plant and equipment	7	1,54,54,789
Right-of-use-asset	8	2,46,41,289
Other non-financial assets	9	1,02,62,230
		5,09,79,103
Total		60,59,99,935
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Trade payables	10	-
Total outstanding dues of micro enterprises and small enterprises		-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-
Lease liabilities	11	2,48,91,999
Other financial liabilities	12	58,20,842
		3,07,12,841
Non-financial Liabilities		
Other non-financial liabilities	13	31,55,991
		31,55,991
Equity		
Equity share capital	14	60,00,00,000
Other equity	15	(2,78,68,897)
		57,21,31,103
Total		60,59,99,935

Summary of significant accounting policies followed by the Company

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

On behalf of the Board of Directors

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 105146W/W100621

Ganesh Mohan
Director

Sanjiv Bajaj
Chairman

Vinit K Jain
Partner
ICAI Membership Number: 145911
Mumbai: 27 April 2022

S Sreenivasan
Chief Financial Officer

Uma Shende
Company Secretary

Pune: 27 April 2022

Statement of Profit and Loss for the period 18 October 2021 to 31 March 2022

(In ₹)		
Particulars	Note No.	For period 18 October 2021 to 31 March 2022
Revenue from operations		
Interest income	16	31,218
Net gain on fair value changes	17	26,62,587
Total revenue from operations		26,93,805
Other income	20	-
Total income		26,93,805
Expenses		
Finance cost	18	3,95,380
Employee benefits expenses	19	40,12,110
Depreciation, amortisation and impairment	20	13,66,049
Other expenses	21	2,54,09,958
Total expenses		3,11,83,497
Profit/(loss) before tax		(2,84,89,692)
Tax expense		
Current tax		-
Deferred tax	22	(6,20,795)
Total tax expense		(6,20,795)
Profit/(loss) for the period/year		(2,78,68,897)
Other comprehensive income		
Items that will not be reclassified to profit or loss		-
Items that will be reclassified to profit or loss		-
Other comprehensive income for the period/year (net of tax)		-
Total comprehensive income for the year		(2,78,68,897)
Basic and diluted Earnings/(Loss) per share (in ₹)	23	(4.20)
(Nominal value per share ₹ 10)		
Summary of significant accounting policies followed by the Company	2	

The accompanying notes are an integral part of these financial statements

As per our report of even date

On behalf of the Board of Directors

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 105146W/W100621

Ganesh Mohan
Director

Sanjiv Bajaj
Chairman

Vinit K Jain
Partner
ICAI Membership Number: 145911
Mumbai: 27 April 2022

S Sreenivasan
Chief Financial Officer

Uma Shende
Company Secretary

Pune: 27 April 2022

Statement of Cash Flows for the period ended 31 March 2022

Particulars	(In ₹)	
	Period ended 31 March 2022	
	₹	₹
I. Operating activities		
Profit/(Loss) before tax		(2,84,89,692)
Adjustments to reconcile profit before tax to net cash flows:		
Add/(Less) :		
i) Depreciation, amortisation and impairment	13,66,049	
ii) Finance cost	3,95,380	
ii) Profit on sale of current investments, net	(26,62,587)	
		(9,01,158)
Cash from operations before working capital changes		(2,93,90,850)
Working capital changes		
i) Trade payables	-	
ii) Other financial and non-financial liabilities	89,76,833	
iii) Other financial and non-financial assets	(1,23,28,172)	
		(33,51,339)
Net cash from operating activities before income tax		(3,27,42,189)
Taxes paid		-
Net cash (used)/generated from operating activities		(3,27,42,189)
II. Investing activities		
Purchase of property, plant and equipment	(1,56,91,798)	
(Purchase)/sale of investments (net)	(54,92,43,077)	
Net cash (used)/generated from investing activities		(56,49,34,875)
III. Financing activities		
Proceeds from issues of shares	60,00,00,000	
Cash payment of operating lease liabilities	(12,73,710)	
Net cash (used)/generated from financing activities		59,87,26,290
Net change in cash and cash equivalents		10,49,226
Cash and cash equivalents as at 18 October 2021		-
Cash and cash equivalents as at the end of the period		10,49,226

Summary of significant accounting policies followed by the Company

2

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

On behalf of the Board of Directors

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 105146W/W100621

Ganesh Mohan
Director

Sanjiv Bajaj
Chairman

Vinit K Jain
Partner
ICAI Membership Number: 145911

S Sreenivasan
Chief Financial Officer

Uma Shende
Company Secretary

Mumbai: 27 April 2022

Pune: 27 April 2022

Statement of Changes in Equity for the period ended 31 March 2022

A Equity share capital

(In ₹)		
Particulars	Note No.	For period 18 October 2021 to 31 March 2022
As at 18 October 2021		-
Changes in equity share capital during the period		60,00,00,000
At the end of the period	14	60,00,00,000

B Other equity

(In ₹)			
Particulars	Note No.	Reserves and surplus	Total other equity
		Retained earnings	
Balance as at 18 October 2021		-	-
Profit/(loss) for the period		(2,78,68,897)	(2,78,68,897)
Other comprehensive income (net of tax)		-	-
Total comprehensive income for the period ended 31 March 2022		(2,78,68,897)	(2,78,68,897)
Balance as at 31 March 2022	15	(2,78,68,897)	(2,78,68,897)
Summary of significant accounting policies followed by the Company	2		

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

On behalf of the Board of Directors

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 105146W/W100621

Ganesh Mohan
Director

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Vinit K Jain
Partner
ICAI Membership Number: 145911
Mumbai: 27 April 2022

S Sreenivasan
Chief Financial Officer

Uma Shende
Company Secretary

Pune: 27 April 2022

Notes to standalone financial statements for the period ended 31 March 2022

1. Bajaj Finserv Asset Management Ltd. (the 'Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 2013. The Company is incorporated to manage various mutual fund schemes as per the provision of SEBI (mutual fund) regulations, 1996. SEBI vide its communication dated 1 December 2021 has approved appointment of Company to act as Asset Management Company. The Company was appointed as the Asset Management Company of Bajaj Finserv Mutual Fund by the Trustee vide Investment Management Agreement dated 11 February 2022 executed between Bajaj Finserv Mutual Fund Trustee Ltd and Bajaj Finserv Asset Management Ltd.

Bajaj Finserv Mutual Fund is in the process of obtaining Certificate of Registration as Mutual Fund. The Company's registered office is at Bajaj Finserv Ltd. Corporawte Office, Viman Nagar, Pune, Maharashtra, India.

2. Significant accounting policies followed by the Company

2A Basis of preparation

The Company was incorporated on 18 October 2021. These are first financial statements of the Company for the period 18 October 2021 to 31 March 2022. 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 financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency.

2B Summary of significant accounting policies followed by the Company

1. Use of estimates

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

2. Revenue recognition

Income

The Company recognises income (including rent, etc.) on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed.

3. Property, plant and equipment and depreciation/ amortisation

A. Property, plant and equipment

- i) Property, plant and equipment, capital work in progress except land are carried at cost of acquisition or construction as the case may be, less accumulated depreciation and amortisation. Land is carried at cost of acquisition. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the Management. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. When significant parts of property, plant and equipment are required to be replaced at intervals, the

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Changes in the expected useful life are accounted for by changing the period or methodology, as appropriate, and treated as changes in accounting estimates. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

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

B. Depreciation and amortisation

a) Tangible assets

- i. Depreciation is calculated using the straight line method to write down the cost of property and equipment (including components thereof) to their residual values over their estimated useful lives. Land is not depreciated. The estimated useful lives are as follows;
 - Furniture – 10 years
 - Computers – 3 to 6 years
 - Office equipment – 5 years
 - Leasehold improvements – lease tenure
- ii. Useful life of assets/components are determined by the Management by internal technical assessments.
- iii. Depreciation on additions is being provided on pro rata basis from the month of such additions.
- iv. Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.
- v. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if necessary and appropriate.

C. Impairment of property, plant and equipment

An assessment is done at each Balance Sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset / Cash Generating Unit (CGU) is made. Where the carrying value of the asset / CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

4. Investment property

Land and buildings which are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are expensed when incurred. Depreciation on investment property is provided on a pro rata basis on

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

straight line method over the estimated useful lives. Useful life of assets, as assessed by the Management, corresponds to those prescribed by Schedule II- Part 'C' of the act.

5. Investments and financial assets

I. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (FVTOCI), or through profit or loss (FVTPL)), and
- those to be measured subsequently at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as 'measured at fair value', gains and losses will either be recorded in profit or loss or other comprehensive income, as elected. For assets classified as 'measured at amortised cost', this will depend on the business model and contractual terms of the cash flows.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test (Solely Payments of Principal and Interest)

As a second step of its classification process the Company assesses the contractual terms of financial instruments to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

II. Measurement

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

Initial Measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value including, in the case of 'a financial asset not at 'FVTPL', transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at 'FVTPL' are expensed in profit or loss.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the financial asset and the cash flow characteristics of the financial asset. There are two measurement categories into which the Company classifies its financial instruments:

Subsequently measured at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Debentures, Bonds etc. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in investment income using the effective interest rate method.

Subsequently measured at FVTPL

Financial assets that do not meet the criteria for amortised cost, are measured at FVTPL e.g. investments in mutual funds. A gain or loss on a financial asset that is subsequently measured at FVTPL is recognised in profit or loss and presented net in the Statement of Profit and Loss with other gains/(losses) in the period in which it arises.

III Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL impairment loss allowance (or reversal) is recognised during the period only if material and is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

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

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

IV. Derecognition of financial assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

6. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

7. Taxation

- a. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income computation and Disclosure standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- b. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- c. Deferred tax is provided using the asset-liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.
- d. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.
- e. The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- f. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- g. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

8. Goods and service tax/value added taxes paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- When the tax incurred on a purchase of assets, goods or services is not eligible for recovery from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

9. Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When the likelihood of outflow of resources is remote, no provision or disclosure is made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

10. Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

11. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

12. Fair value measurement

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

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company has set policies and procedures for both recurring and non-recurring fair value measurement of financial assets, which includes valuation techniques and inputs to use for each case.

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

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

3 Cash and cash equivalents

(In ₹)	
Particulars	As at 31 March 2022
Balance with bank	10,49,226
	10,49,226

4 Investments

(In ₹)	
Particulars	As at 31 March 2022
Investments carried at fair value through profit and loss	
In mutual funds	
Nippon India Overnight Fund - Direct Growth Plan	19,79,733
Nippon India Liquid Fund - Direct Growth Plan	30,07,91,599
IDFC India Liquid Fund - Direct Growth Plan	24,91,34,332
Total	55,19,05,664
All investments above are within India.	

5 Other financial assets

(Unsecured, considered good, unless stated otherwise)

(In ₹)	
Particulars	As at 31 March 2022
Security deposit	20,65,942
	20,65,942

6 Deferred tax assets (net)

(In ₹)	
Particulars	As at 31 March 2022
Deferred tax assets	
On account of timing difference in	
Disallowance u/s 35D of Income Tax Act, 1961	11,79,272
Other temporary differences	63,235
Gross deferred tax assets	12,42,507
Deferred tax liabilities	
On account of timing difference in	
Changes in fair value of financial asset carried at FVTPL	3,67,973
Property, plant and equipment	2,53,739
Gross deferred tax liabilities	6,21,712
Deferred tax assets (net)	6,20,795

Unrecognised deferred tax asset on business loss amounts to ₹ 65,50,446 as at 31 March 2022.

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

7 Property, plant and equipment

Current Year

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 18 October 2021	Additions	Deductions and Adjustments	As at 31 March 2022	As at 18 October 2021	Deductions and Adjustments	For the Year	As at 31 March 2022	As at 31 March 2022
Leasehold improvements	-	1,02,16,734	-	1,02,16,734	-	-	95,187	95,187	1,01,21,547
Furniture	-	6,04,189	-	6,04,189	-	-	5,322	5,322	5,98,867
Office equipment	-	18,00,203	-	18,00,203	-	-	24,552	24,552	17,75,651
Computers	-	30,70,672	-	30,70,672	-	-	1,11,948	1,11,948	29,58,724
Total	-	1,56,91,798	-	1,56,91,798	-	-	2,37,009	2,37,009	1,54,54,789

8 Right-of-use-assets

Particulars	Leasehold premises			Total
	As at 18 October 2021	Additions	Deductions and Adjustments	
Cost				
At 18 October 2021	-	-	-	-
Additions		2,57,70,329		2,57,70,329
Balance as at 31 March 2022		2,57,70,329		2,57,70,329
Depreciation				
At 18 October 2021	-	-	-	-
Charged during the period		11,29,040		11,29,040
As at 31 March 2022		11,29,040		11,29,040
Net book value as at 18 October 2021	-	-	-	-
Net book value as at 31 March 2022		2,46,41,289		2,46,41,289

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

9 Other non-financial assets

(In ₹)	
Particulars	As at 31 March 2022
GST receivable	38,49,065
Pre-paid expenses	7,83,703
Capital advance	56,29,462
	1,02,62,230

10 Trade payables

(In ₹)	
Particulars	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-
	-

On the basis of information requested from vendors with regards to their registration (filing of Memorandum) under 'The Micro, Small and Medium Enterprises Development Act, 2006. (27 of 2006)' and in view of the terms of payments not exceeding 45 days, which has been promptly paid, no liability exists as at 31 March 2022 and hence no disclosures have been made in this regard.

11 Lease Liabilities

As a lessee

The Company has taken premises on operating leases. The lease arrangements is for a period of five year which is cancellable. The lease is renewable for further period on mutually agreeable terms and also include escalation clauses.

(In ₹)	
Particulars	As at 31 March 2022
Premises	
As at 18 October 2021	-
Addition during the period	2,57,70,329
Accretion of interest	3,95,380
Payments	(12,73,710)
	2,48,91,999

The maturity analysis of lease liabilities is disclosed in note 26.

12 Other financial liabilities

(In ₹)	
Particulars	As at 31 March 2022
Capital creditors	54,75,842
Employee benefits payable	3,00,000
Other payable	45,000
	58,20,842

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

13 Other non-financial assets

(In ₹)	
Particulars	As at 31 March 2022
Taxes and duties payable	30,19,496
Other payables	1,36,495
	31,55,991

14 Equity Share capital

(In ₹)	
Particulars	As at 31 March 2022
Authorised	
6,00,00,000 equity shares of ₹10/- each	60,00,00,000
Issued, subscribed and fully paid-up shares	
6,00,00,000 equity shares of ₹10/- each	60,00,00,000
	60,00,00,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March 2022	
	Nos.	₹
Equity shares		
As at 18 October 2021	-	-
Equity shares issued during the period	6,00,00,000	6,00,00,000
Outstanding at the end of the period	6,00,00,000	6,00,00,000

b. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2022	
	Nos.	% Holding
Equity shares of ₹ 10 each fully paid		
Bajaj Finserv Limited	6,00,00,000	100.00%

c. Details of promoter shareholding

Shares held by promoters at the end of the period

Particulars	As at 31 March 2022	
	Nos.	% Holding
Promoter name		
Bajaj Finserv Limited	6,00,00,000	100.00%

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

15 Other equity

(In ₹)	
Particulars	As at 31 March 2022
Reserves and surplus :	
Surplus in the statement of profit and loss	
Balance as at 18 October 2021	-
Profit/ (loss) for the period	(2,78,68,897)
Balance as at the end of the period	(2,78,68,897)

16 Interest income

(In ₹)	
Particulars	For the period ended 31 March 2022
Interest income	
Interest on security deposit	31,218
	31,218

17 Net gain on fair value changes

(In ₹)	
Particulars	For the period ended 31 March 2022
Gain on valuation and realisation of mutual funds at FVTPL	26,62,587
Fair value changes:	
Realised	12,00,522
Unrealised	14,62,065
	26,62,587

18 Finance Cost

(In ₹)	
Particulars	For the period ended 31 March 2022
Interest on lease liabilities	3,95,380
	3,95,380

19 Employee benefits expenses

(In ₹)	
Particulars	For the period ended 31 March 2022
Salaries, wages and bonus to employees	38,72,592
Contribution to provident and other funds	1,39,518
	40,12,110

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

20 Depreciation, amortisation and impairment

(In ₹)	
Particulars	For the period ended 31 March 2022
Depreciation on right-of-use-assets	11,29,040
Depreciation on property, plant and equipment	2,37,009
	13,66,049

21 Other expenses

(In ₹)	
Particulars	For the period ended 31 March 2022
Rent	35,908
Rates and taxes	58,32,400
Payment to auditor	50,000
Director's fees	40,000
Business support service expenses	1,50,08,499
Repairs and maintenance charges	9,33,618
Legal and professional charges	33,75,850
Stamp duty on mutual fund	56,925
Miscellaneous expenses	76,758
	2,54,09,958
Payment to auditor	
As auditor	
Audit fee	50,000
	50,000

22 Tax expense

(In ₹)	
Particulars	For the period ended 31 March 2022
Tax expense	
Current tax	
Current tax on profits for the period	-
Deferred tax	
Decrease/(increase) in deferred tax assets	(6,20,795)
(Decrease)/increase in deferred tax liabilities	(6,20,795)
Total deferred tax expenses/(benefit)	
Tax expenses	(6,20,795)

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

23 Earnings/(loss) per share

(In ₹)

Particulars	For the period ended 31 March 2022
Profit/(loss) for the period (₹)	(2,78,68,897)
Weighted average number of shares outstanding during the period (Nos)	66,30,548
Earnings/(loss) per share (Basic and Diluted) ₹	(4.20)
Face value per share ₹	10

24 Fair value measurement

(i) Financial instruments by category

(In ₹)

Particulars	As at 31 March 2022			Carrying Value
	Fair Value			
	FVTPL	FVTOCI	Amortised cost	
Financial assets				
Investments				
- Mutual funds	55,19,05,664	-	-	55,19,05,664
Cash and cash equivalents	-	-	10,49,226	10,49,226
Other financial assets	-	-	20,65,942	20,65,942
Total Financial assets	55,19,05,664	-	31,15,168	55,50,20,832
Financial liabilities				
Trade payables	-	-	-	-
Lease liabilities	-	-	208.62	2,48,91,999
Other financial liabilities	-	-	994.67	58,20,842
Total Financial liabilities	-	-	1,203.29	3,07,12,841

ii) Fair value hierarchy

This section explains the basis of estimates made in determining the fair values of the financial instruments that are

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Accounting Standard, which are explained herein below.

Financial assets measured at fair value - recurring fair value measurements at 31 March 2022

(In ₹)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL		-	-	-	-
Liquid mutual funds	4	55,19,05,664	-	-	55,19,05,664
Total financial assets		55,19,05,664	-	-	55,19,05,664

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation method used to determine fair value

- Open ended mutual funds at NAV's declared by AMFI

25 Financial risk management

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through a risk management framework, including ongoing identification, measurement and monitoring subject to risk limits and other controls. The Company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the Company is exposed to and how the entity manages the risk.

Risk	Exposure Arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss	Credit ratings	Setting limits on the amount of acceptable risk, diversification of investment limits, dealing with creditworthy counterparties only
	Trade receivables	Credit Limit & Aging analysis	No. of overdue days, monitoring of credit limits
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as, credit risk, liquidity risk, and investment of available funds.

Other risk (Market Risk)

The Company has deployed its surplus funds in debt instruments (including through mutual funds) and money market instruments. The Company is exposed to price risk on such investments; which arises on account of movement in interest rates, liquidity and credit quality of underlying securities.

The Company has invested its surplus funds primarily in debt instruments mutual funds with AAA & STABLE A1+ rating and thus the Company does not have significant risk exposure here.

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

26 Maturity analysis of assets and liabilities

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

(In ₹)

Particulars	As at 31 March 2022		
	Within 12 months	After 12 months	Total
Assets			
Financial assets			
Investments	55,19,05,664	-	55,19,05,664
Cash and cash equivalents	10,49,226	-	10,49,226
Other financial assets	-	20,65,942	20,65,942
Non-financial assets			
Deferred tax assets (net)	-	6,20,795	6,20,795
Property, plant and equipment	-	1,54,54,789	1,54,54,789
Right-to-use-asset	-	2,46,41,289	2,46,41,289
Other non-financial assets	46,32,768	56,29,462	1,02,62,230
Total assets	55,75,87,658	4,84,12,277	60,59,99,935
Liabilities			
Financial liabilities			
Trade payables	-	-	-
Lease liabilities	57,72,361	1,91,19,638	2,48,91,999
Other financial liabilities	58,20,842	-	58,20,842
Non-financial liabilities			
Other non-financial liabilities	31,55,991	-	31,55,991
Total	1,47,49,194	1,91,19,638	3,38,68,832

27 Disclosure of transactions with related parties as required by the Ind AS 24

(In ₹)

Sr. No.	Name of related party and nature of relationship	Nature of transaction	2021-22	
			Transaction Value	Outstanding amount carried in the balance sheet
[a] Holding Company				
	Bajaj Finserv Limited	Contribution to equity 6,00,00,000 shares of Rs 10 each	60,00,00,000	60,00,00,000
		Revenue expenses reimbursement paid	58,32,400	-
		Business support services received	1,37,44,015	-
[b] Key management personnel and their relatives				
	Sandesh Madhukar Kirkire	Sitting Fees	20,000	-
	Malvika S Sinha	Sitting fees	20,000	-
[c] Other entities				
	Bajaj Holdings & Investment Limited	Business support services received	12,64,484	-
	Bajaj Allianz General Insurance Company Limited	Purchase of plant property & equipment	15,63,948	-

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

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.

Related parties as defined under para 9 of Ind AS 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company.

28 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	31 March 2022
Equity	57,21,31,103
Less: Tangible and other assets	1,52,04,079
Deferred tax assets (net)	6,20,795
Working capital	44,00,565
Investments in debt and similar investments	55,19,05,664

29 Capital and other commitments

(In ₹)

Particulars	As at 31 March 2022
Capital commitments, net of capital advances	18,00,880
	18,00,880

30 Other notes

- The Company has performed an assessment to identify transactions with struck off companies as at 31 March 2022 and no such company was identified.
- No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Notes to standalone financial statements for the period ended 31 March 2022 (Contd.)

31 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

As per our report of even date

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 105146W/W100621

Vinit K Jain

Partner
ICAI Membership Number: 145911
Mumbai: 27 April 2022

On behalf of the Board of Directors

Ganesh Mohan
Director

Sanjiv Bajaj
Chairman

S Sreenivasan
Chief Financial Officer

Uma Shende
Company Secretary

Pune: 27 April 2022



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