

Medi Assist Insurance TPA Private Limited

Balance Sheet as at 31 March 2021

(All amounts are in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	214.20	226.45
Right-of-use assets	5 (a)	232.66	301.82
Goodwill	6	217.63	217.63
Other intangible assets	7	177.31	211.86
Financial assets			
Loans receivables	8 (a)	39.87	37.85
Other financial assets	8 (b)	0.62	17.24
Income tax assets (net)	9	291.43	602.52
Deferred tax assets (net)	10	60.00	2.72
Other non-current assets	11	8.41	-
Total non-current assets		1,242.13	1,618.09
Current assets			
Financial assets			
Investments	12 (a)	740.08	416.57
Trade receivables	12 (b)	1,085.26	1,340.45
Cash and cash equivalents	12 (c)	278.81	89.96
Bank balances other than cash and cash equivalents above	12 (d)	474.35	245.92
Loans receivables	12 (e)	15.43	12.69
Other financial assets	12 (f)	93.90	30.08
Other current assets	13	103.74	77.95
Total current assets		2,791.57	2,213.62
Total Assets		4,033.70	3,831.71
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	40.12	40.12
Other equity	15	1,626.42	1,718.08
Total equity		1,666.54	1,758.20
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	5 (b)	216.69	288.40
Provisions	16	71.86	61.93
Total non-current liabilities		288.55	350.33
Current liabilities			
Financial liabilities			
Lease liabilities	5 (b)	80.56	75.35
Trade payables:	17 (a)		
total outstanding dues of micro enterprises and small enterprises		30.91	0.48
total outstanding dues of creditors other than micro enterprises and small enterprises		468.60	337.42
Other financial liabilities	17 (b)	90.59	32.69
Contract liabilities		1,216.08	1,100.33
Other current liabilities	18	164.78	151.93
Provisions	19	27.09	24.98
Total current liabilities		2,078.61	1,723.18
Total liabilities		2,367.16	2,073.51
Total Equity and Liabilities		4,033.70	3,831.71

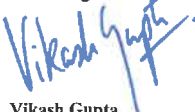
The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for BSR & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Vikash Gupta

Partner

Membership Number: 064597

Place: Bengaluru

Date: 16 November 2021

for and on behalf of the Board of Directors of

Medi Assist Insurance TPA Private Limited

CIN: U85199KA1999PTC025676



Nikhil Chopra

Whole-time Director

DIN: 06412544

Place: Bengaluru

Date: 16 November 2021



Satish Gidugu

Director

DIN: 06643677

Place: Bengaluru

Date: 16 November 2021



Suchitra Krishnakumar

Company Secretary

Membership Number: A29245

Place: Bengaluru

Date: 16 November 2021



Medi Assist Insurance TPA Private Limited

Statement of Profit and Loss for the year ended 31 March 2021

(All amounts are in Indian Rupees in millions except share data and per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Continuing operations			
Income			
Revenue from operations	20	3,149.92	3,043.85
Other income	21	93.03	60.26
Total income		3,242.95	3,104.11
Expenses			
Employee benefits expense	22	1,179.23	1,196.81
Finance costs	23	28.85	31.66
Depreciation and amortisation expenses	24	206.82	164.28
Other expenses	25	1,338.73	1,425.30
Total expenses		2,753.63	2,818.05
Profit before tax for the year from continuing operations		489.32	286.06
Income tax expense:			
Current tax	32	171.29	106.29
Deferred tax		(18.85)	(12.15)
		152.44	94.14
Profit after tax for the year from continuing operations		336.88	191.92
Discontinued operations			
(Loss)/ Profit for the year from discontinued operations	37(a)	(146.56)	6.69
Tax credit/ (charge) for the year		32.23	(4.16)
(Loss)/ Profit after tax for the year from discontinued operations		(114.33)	2.53
Profit after tax for the year		222.55	194.45
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Re-measurement of defined benefit (assets)/ liabilities		(5.63)	(10.89)
Income tax relating to items that will not be reclassified to statement of profit and loss		1.42	2.74
Total other comprehensive income for the year, net of income tax		(4.21)	(8.15)
Total comprehensive income for the year		218.34	186.30
Earnings per share for continuing operations [Face value of Rs. 10 per share (31 March 2020: Rs. 10 per share)]			
Basic	27	83.96	47.83
Diluted		82.87	47.18
Earnings per share for discontinued operations [Face value of Rs. 10 per share (31 March 2020: Rs. 10 per share)]			
Basic	27	(28.50)	0.63
Diluted		(28.50)	0.62
Earnings per share for continuing and discontinued operations [Face value of Rs. 10 per share (31 March 2020: Rs. 10 per share)]			
Basic	27	55.46	48.46
Diluted		54.74	47.80

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for BSR & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Vikash Gupta

Partner

Membership Number: 064597

Place: Bengaluru

Date: 16 November 2021

for and on behalf of the Board of Directors of

Medi Assist Insurance TPA Private Limited

CIN: U85199KA1999PTC025676



Nikhil Chopra

Whole-time Director

DIN: 06412544

Place: Bengaluru

Date: 16 November 2021



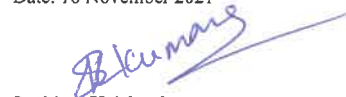
Smish Gidugu

Director

DIN: 06643677

Place: Bengaluru

Date: 16 November 2021



Suchitra Krishnakumar

Company Secretary

Membership Number: A29245

Place: Bengaluru

Date: 16 November 2021



Medi Assist Insurance TPA Private Limited
Statement of Changes in Equity for the year ended 31 March 2021
(All amounts are in Indian Rupees in millions, unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	4,012,370	40.12	4,012,370	40.12
Shares issued during the year	-	-	-	-
Balance at the end of the year	4,012,370	40.12	4,012,370	40.12

B. Other equity

Particulars	Notes	Reserves and surplus		Total equity
		Employee stock option reserve	Retained earnings	
Balance as at 1 April 2019		21.57	1,783.88	1,805.45
Transition impact of Ind AS 116, net of tax	(a)	-	(43.90)	(43.90)
Restated balance as at 1 April 2019		21.57	1,739.98	1,761.55
Profit after tax for the year from continuing operations		-	191.92	191.92
Profit after tax for the year from discontinued operations		-	2.53	2.53
Remeasurements of defined benefit liability/ (asset)		-	(8.15)	(8.15)
Total comprehensive income for the year		-	186.30	186.30
Transactions recorded directly in equity				
Dividend paid (including tax on dividend of Rs. 39.18 million)	(b)	-	(229.77)	(229.77)
Balance as at 31 March 2020		21.57	1,696.51	1,718.08
Balance as at 1 April 2020		21.57	1,696.51	1,718.08
Profit after tax for the year from continuing operations		-	336.88	336.88
Loss after tax for the year from discontinued operations		-	(114.33)	(114.33)
Other comprehensive income, net of income tax		-	(4.21)	(4.21)
Total comprehensive income for the year		-	218.34	218.34
Transactions recorded directly in equity				
Dividend paid	(c)	-	(310.00)	(310.00)
Balance as at 31 March 2021		21.57	1,604.85	1,626.42

(This space is intentionally left blank)



14

Medi Assist Insurance TPA Private Limited
Statement of Changes in Equity for the year ended 31 March 2021
(All amounts are in Indian Rupees in millions, unless otherwise stated)

Notes:

- (a) Refer Note 5(a)(i).
- (b) The Board of Directors of the Company in its meeting held on 23 March 2020 declared an interim dividend of Rs. 47.50 per equity share. Dividends declared by the Company are based on the profits available for distribution.
- (c) The Board of Directors of the Company in its meeting held on 25 March 2021 declared an interim dividend of Rs. 77.26 per equity share. Dividends declared by the Company are based on the profits available for distribution.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Vikash Gupta

Partner

Membership Number: 064597

Place: Bengaluru

Date: 16 November 2021

for and on behalf of the Board of Directors of

Medi Assist Insurance TPA Private Limited

CIN: U85199KA1999PTC025676



Nikhil Chopra

Whole-time Director

DIN: 06412544

Place: Bengaluru

Date: 16 November 2021



Satish Gidugu

Director

DIN: 06643677

Place: Bengaluru

Date: 16 November 2021



Suchitra Krishnakumar

Company Secretary

Membership Number: A29245

Place: Bengaluru

Date: 16 November 2021



Medi Assist Insurance TPA Private Limited
Statement of Cash Flows for the year ended 31 March 2021
(All amounts are in Indian Rupees in millions, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flows from operating activities		
Profit before tax for the year from continuing operations	489.32	286.06
(Loss)/ Profit before tax for the year from discontinued operations	(146.56)	6.69
<i>Adjustments:</i>		
Depreciation and amortisation expenses	206.82	164.28
Allowance for expected credit losses on trade receivables and unbilled receivables	242.34	9.00
Provision for doubtful receivables	-	10.08
Rent concession	(22.92)	-
Provision for doubtful advances	7.73	10.70
Creditors/ Provision no longer required written back	(3.28)	(7.45)
Finance costs	28.85	31.66
Profit on sale of mutual fund investments	(6.80)	(15.61)
Interest income	(39.92)	(5.22)
Net gain on financial assets measured at fair value through profit and loss	(8.11)	(10.37)
Dividend received	-	(2.66)
Operating cash flows before working capital changes	747.47	477.16
Working capital movements:		
Increase/(Decrease) in trade payables	161.61	(37.21)
Increase in other liabilities	186.52	154.92
Increase in provisions	12.04	17.81
(Increase)/ Decrease in trade receivables	12.85	25.15
(Increase) in other assets	(100.28)	(56.60)
Cash generated from operations	1,020.21	581.23
Income taxes refund/ (paid), net	134.09	(216.76)
Net cash flows generated from operating activities (A)	1,154.30	364.47
Cash flows from investing activities		
Purchase of property, plant and equipment including capital advances	(89.97)	(109.48)
Sale of current investments	546.39	2,149.35
Purchase of current investments	(854.97)	(1,835.77)
Maturity proceeds of fixed deposits	-	25.70
Investment in fixed deposits	(212.07)	(262.50)
Dividend received	-	2.66
Interest received	36.73	3.35
Net cash used in investing activities (B)	(573.89)	(26.69)
Cash flows from financing activities		
Finance costs paid	(0.82)	(0.38)
Dividend paid (For the year ended 31 March 2020: including tax on dividend)	(310.00)	(229.77)
Repayment of lease liabilities	(80.74)	(98.04)
Net cash used in financing activities (C)	(391.56)	(328.19)
Net increase in cash and cash equivalents (A+B+C)	188.85	9.59
Cash and cash equivalents at the beginning of the year	89.96	80.37
Cash and cash equivalents at the end of the year	278.81	89.96
Component of cash and cash equivalents (Refer Note 12 (c))		
Balances with banks		
- In current accounts	277.99	89.70
Deposit with original maturity of less than 3 months	0.58	-
Cash on hand	0.24	0.26
Total cash and cash equivalents	278.81	89.96

(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited
 Statement of Cash Flows for the year ended 31 March 2021 (continued)
 (All amounts are in Indian Rupees in millions, unless otherwise stated)

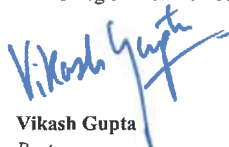
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7:		
Opening balance	363.75	382.24
(a) Non-cash movements in financing activities		
Additions	9.13	51.99
Deletions	-	(3.71)
Interest expense for the year	28.03	31.28
Rent concession	(22.92)	-
(b) Cash movements in financing activities		
Repayment of lease liabilities	(80.74)	(98.05)
Closing balance	297.25	363.75

The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 - "Statement of Cash Flows" notified under section 133 of Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration Number: 101248W/W-100022


Vikash Gupta
 Partner

Membership Number: 064597

Place: Bengaluru
 Date: 16 November 2021


for and on behalf of the Board of Directors of
Medi Assist Insurance TPA Private Limited
 CIN: U85199KA1999PTC025676


Nikhil Chopra
 Whole-time Director
 DIN: 06412544

Place: Bengaluru
 Date: 16 November 2021


Satish Gidugu
 Director
 DIN: 06643677

Place: Bengaluru
 Date: 16 November 2021


Suchitra Krishnakumar
 Company Secretary
 Membership Number: A29245

Place: Bengaluru
 Date: 16 November 2021



I Company overview

Medi Assist Insurance TPA Private Limited ("the Company") holds a license from the Insurance Regulatory and Development Authority (IRDA) to function as a Third Party Administrator (TPA). The Company has signed up contracts with several general and health insurance companies to manage the requirements of their policyholders, as well as with healthcare providers (such as hospitals) to enable a network for policyholders to avail of cashless treatment at pre-negotiated tariffs. The Company primarily derives its income in the form of TPA fees from insurance companies expressed either as a percentage of the insurance premium paid by the insured to the insurance company or as a fixed price per member/ family. The Company also derives income from pre-policy check ups and other allied services provided to insurance companies, and for policy administration services rendered to Governments to enable public health schemes.

The Board of Directors of the Company vide resolution dated 30 December 2020 has approved the discontinuation of the business pertaining to card processing which are mainly generating revenue from Government contracts. Accordingly, the Company has disclosed the discontinuation of card processing business as discontinued operations as per the requirement of Ind AS 105 'Non current asset held for sale and Discontinued operation', the details of which are stated in Refer Note 37. The Company has re-represented the comparative information due to the discontinued operations.

2 Basis of accounting and preparation

I Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) hereafter referred to as "financial statements" as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date 31 March 2021. These financial statements were authorised for issuance by the Company's Board of Directors on 16 November 2021.

II Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

III Basis of measurement

The financial statement have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Financial assets and liabilities (including derivatives instruments)	Fair value
Share based payment at grant date	Fair value
Defined benefit and other long-term employee benefits obligations	Present value of defined benefit obligations

IV Use of estimates and judgements

In preparing these financial statements in conformity with Ind AS requires management has made estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgement, estimates and assumptions are required in particular for:

(a) Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, these are estimated by management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

(b) Recognition of deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

(c) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

(d) Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes Model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this pricing model.

(e) Impairment testing

Property, plant and equipment, goodwill, intangible assets and other assets are tested for impairment at least annually and when event occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

(f) Business combination

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates), liabilities acquired and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

Vg.



2 Basis of accounting and preparation (continued)

(g) Leases

The Company evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Identification of a lease requires significant management judgment. Computation of the lease liabilities and right-to-use assets requires management to estimate the lease term (including anticipated renewals) and the applicable discount rate. Management estimates the lease term based on past practices and reasonably estimated/ anticipated future events. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristic.

(h) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting year.

(i) Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period.

V Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 29: Employee share based payment
- Note 30: Financial instruments.

VI Current and non-current classification

The Company presents assets and liabilities in the Balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include current portion of non-current financial assets/ liabilities respectively.

All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

(This space is intentionally left blank)



3 Significant accounting policies

a. Financial instruments

(i) Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Recognition and initial measurement – financial assets and financial liabilities:

A financial asset (except for trade receivables and contract assets) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in the Statement of Profit and Loss.

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in the Statement of Profit and Loss, using the effective interest method.

Dividend income is recognized in the Statement of Profit and Loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

Finance expenses consist of interest expense on loans and borrowings and financial liabilities. The costs of these are recognized in the Statement of Profit and Loss using the effective interest method.

(ii) Classification and subsequent measurement

Financial assets

The Company classifies financial assets as measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit and loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Amortized cost:

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income ("FVOCI"):

A financial asset is classified and measured at FVOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

Fair value through profit and loss ("FVTPL")

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVOCI. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

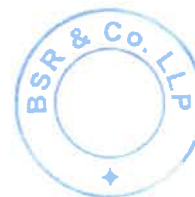
The Company makes an assessment of the objective of the business model in which a financial asset is held at investment level because this reflects the best way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

(This space is intentionally left blank)



3 Significant accounting policies (continued)

a. Financial instruments (continued)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

b. Foreign currency transactions

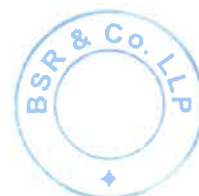
Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

c. Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

(This space is intentionally left blank)



Vy.

3 Significant accounting policies (continued)

d. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit/ (loss) after tax for the years attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

Diluted EPS adjust the figures used in the determination of basic EPS to consider:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

e. Revenue recognition

Income from services

i. Revenue is recognized upon transferring control of promised services to customers in an amount that reflects that consideration we expect to receive in exchange for those services.

The Company derives revenue from rendering Third Party Administration (TPA) services is measured either as a percentage of insurance premium or amount per member/ family covered under the policy depending on the terms of the contract entered into with insurance companies and government agencies. Such amounts are recognized as revenue on a pro-rata basis during the period of the underlying insurance policy. Performance obligations while rendering services are satisfied over time, as and when the services are rendered since the customer simultaneously receives and consumes the benefits provided by the Company.

The Company derives revenue from pre-policy health check-up services in accordance with the terms of the relevant service agreement entered with customers and revenue is recognised at point in time as and when the related services are rendered.

Revenue from card processing income are recognised at point in time as and when the related services are rendered.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Revenue in excess of invoicing are classified as unbilled receivables where related performance obligation are rendered and right to consideration is unconditional. Invoicing in excess of revenues are classified as contract liabilities.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

f. Property, plant and equipment

Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are shown as capital advances.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

Depreciation

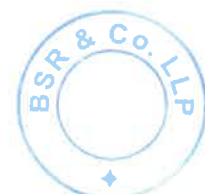
Depreciation on property, plant and equipment is provided on straight-line method over the useful lives determined based on internal assessment by the Management which in certain instances are different from those prescribed under Part C of Schedule II of the Companies Act, 2013 in order to reflect actual usage of the assets. The Company estimates the useful lives for property, plant and equipment as follows:

Category of assets	Useful life (in years)
Furniture and fixtures	10
Computer equipment's - end user devices	3
Computer equipment's - servers and network	6
Electrical equipment	10
Office equipment	5
Air conditioners	10

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use and the depreciation charge for the year is recognised in Statement of Profit and Loss.

Leasehold improvements are depreciated over the lease term of three to six years or the useful lives of the assets, whichever is lower.

(This space is intentionally left blank)



V4

3 Significant accounting policies (continued)

g. Intangible assets

(i) Recognition and measurement

Acquired intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at cost less accumulated amortization and impairment losses, if any.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects obsolescence, demand, competition, and other economic factors (such as the stability of the industry and known technological required to obtain the expected future cash flows from the asset).

Internally generated intangible assets

Expenditure on research activities, undertaken with prospect of gaining new scientific or technical knowledge and understanding, is recognised in Statement of Profit and Loss as Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in Statement of Profit and Loss as

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in Statement of Profit and Loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Management believes that period of amortisation is representative of the period over which the Company expects to derive economic benefits from the use of the assets.

Amortisation methods and useful lives are reviewed periodically including at each financial year end. Amortisation on additions and disposals during the year is provided on proportionate basis.

Goodwill is measured at cost less accumulated impairment loss.

The intangible assets are amortised over the estimated useful lives as given below:

Category of assets	Useful life (in years)
Software and licenses	3
Customer contracts	10
Customer relationship	8

h. Impairment

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets which are measured at amortized cost e.g., loans receivables, deposits and bank balance.
- Trade receivables or unbilled receivables or another financial asset that result from transactions that are within the scope of Ind AS 115.

Loss allowances for trade receivables or unbilled receivables is 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 risk profiling of individual customer 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 recognition, in which case those are measured at lifetime expected credit loss. In addition the Company has also considered credit reports and other credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled receivables and other financial assets is adequate.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Company's procedures for the recovery of amount due.

Impairment of non-financial assets

Goodwill is tested annually tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The impairment test is performed at the level of cash generating unit or groups of cash-generating units which represent the lowest level at which they are monitored for internal management purposes. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGU.

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

The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. Impairment loss recognised in respect of CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of other assets of the CGU on a pro rata basis.

If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially. Impairment loss in respect of the goodwill is not subsequently reversed.

V4



3 Significant accounting policies (continued)

i. Leases

Policy applicable with effect from 1 April 2019

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

Company as a lessee

The Company's lease asset class primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings, the following factors are normally the most relevant:

- (a) If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- (b) If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- (c) Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in building leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

j. Employee benefits

(i) Short-term employee benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits expected to be paid in exchange for employee services is recognized as an expense for the related service rendered by employees.

(ii) Post-employment benefits:

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and employees state insurance to a Government administered scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related

Defined benefit plans:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined by independent qualified actuary using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet dates. The Company classifies the gratuity as current and non-current based on the actuarial valuation report.

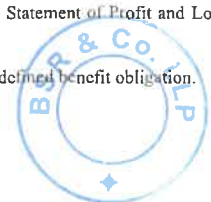
Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in Statement of Profit and Loss is calculated by applying the discount rate used to measure the defined benefit obligation 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.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

The Company have considered all such changes in legislation which have been enacted upto the balance sheet date for the purpose of determining defined benefit obligation.

Vg.



3 Significant accounting policies (continued)

j. Employee benefits (continued)

Compensated absences:

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured by independent qualified actuary using the Projected Unit Credit Method.

Share-based compensation:

The expenses relating to share-based payments in the Statement of Profit and Loss using fair value in accordance with Ind AS 102, Share-Based Payment. These Employee Stock Options Scheme ("ESOS") granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the Statement of Profit and Loss with a corresponding increase to the employee stock option plan reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization).

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

The Holding Company's eligible employees as defined in the "ESOS" scheme are entitled to ESOS of the Company. The Company recharges the compensation expenses relating to these share-based payments using fair value in accordance with Ind AS 102 Share-Based Payment to the Holding Company.

k. Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting dates.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the assets and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction
- temporary differences related to investments in subsidiary and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets recognized or unrecognized are reviewed at each reporting date and are recognized /reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

l. Business combination

In accordance with Ind AS 103, Business combinations, the Company accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Company. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

The Company accounts for the common control transactions in accordance with the 'pooling of interest' method prescribed under Ind AS 103 - Business Combination for common control transactions and as per the provisions of respective schemes approved by the regulators, where all the assets and liabilities of transferor companies would be recorded at the book value as at the Appointed date.

m. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash excluding restricted cash balance and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



3 Significant accounting policies (continued)

n. Non-current Assets held for sale and discontinued operations

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Statement of Profit and Loss.

Non-current assets classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities classified as held for sale are presented separately from other liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

The post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation shall be disclosed separately as a single amount in the Statement of Profit and Loss.

An analysis of the single amount into the revenue, expenses and pre-tax profit or loss of discontinued operations, the related income tax expense as required by Ind AS 12 and the gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation along with the related income tax expense thereon as required by Ind AS 12 may be presented in the notes or in the Statement of Profit and Loss.

o. Provisions (other than for employee benefits) and contingent liabilities

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, 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.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

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

A contingent asset is not recognised but disclosed in the Company's financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each closing date.

p. Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Company and its associate is charged to the Statement of the Profit and Loss.

q. Cash dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders (in the case of interim dividend it is approved by Board of Directors. A corresponding amount is recognised directly in equity.

r. Recent pronouncement on Indian Accounting Standards (Ind AS):

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, Key Managerial Personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

4 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Electrical equipment	Air conditioners	Total
Gross carrying value							
Balance at 1 April 2019	56.47	40.45	42.63	147.79	13.20	19.48	320.02
Additions	27.31	26.26	16.88	27.21	4.69	3.27	105.62
Balance at 31 March 2020	83.78	66.71	59.51	175.00	17.89	22.75	425.64
Accumulated depreciation							
Balance at 1 April 2019	21.69	9.78	19.59	88.81	2.83	4.35	147.05
For the year	10.32	4.02	7.54	25.79	1.84	2.63	52.14
Balance at 31 March 2020	32.01	13.80	27.13	114.60	4.67	6.98	199.19
Net carrying value at 31 March 2020	51.77	52.91	32.38	60.40	13.22	15.77	226.45
Gross carrying value							
Balance at 1 April 2020	83.78	66.71	59.51	175.00	17.89	22.75	425.64
Additions	9.96	8.61	41.12	11.24	-	0.56	71.49
Balance as at 31 March 2021	93.74	75.32	100.63	186.24	17.89	23.31	497.13
Accumulated depreciation							
Balance at 1 April 2020	32.01	13.80	27.13	114.60	4.67	6.98	199.19
For the year	18.54	8.08	17.82	28.86	5.03	5.41	83.74
Balance as at 31 March 2021	50.55	21.88	44.95	143.46	9.70	12.39	282.93
Net carrying value at 31 March 2021	43.19	53.44	55.68	42.78	8.19	10.92	214.20

(This space is intentionally left blank)

AK



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

5 (a) Right-of-use assets

Particulars	Buildings	Total
Gross carrying value		
Balance at 1 April 2019	326.71	326.71
Additions	53.74	53.74
Termination	(2.81)	(2.81)
Balance as at 31 March 2020	377.64	377.64
Accumulated depreciation		
Balance at 1 April 2019	-	-
For the year	75.82	75.82
Balance as at 31 March 2020	75.82	75.82
Net carrying value at 31 March 2020	301.82	301.82
Gross carrying value		
Balance at 1 April 2020	377.64	377.64
Additions	9.30	9.30
Termination	-	-
Balance as at 31 March 2021	386.94	386.94
Accumulated depreciation		
Balance at 1 April 2020	75.82	75.82
For the year	78.46	78.46
Balance as at 31 March 2021	154.28	154.28
Net carrying value at 31 March 2021	232.66	232.66

Transition to Ind AS 116

The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019 using the modified retrospective method with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

Company as a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

On transition, the Company has applied following practical expedients:

- (1) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (2) Applied the exemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition and low value assets.
- (3) Excluded the initial direct costs from the measurement of the right-of-use-asset at the date of transition
- (4) Grandfathered the assessment of contracts which are, or contain leases as was previously identified as leases applying "Ind AS 17- Leases". Accordingly, Ind AS 116 is not applied to those contracts that were not previously identified as containing a lease applying Ind AS 17.
- (5) The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 9.00%.
- (6) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Company has also applied recognition exemptions of short-term leases to all categories of underlying assets.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use assets and finance cost for interest accrued on lease liabilities.

On transition to Ind AS 116 with effect from 1 April 2019, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2019.

(i) Impact of adoption of Ind AS 116 on retained earnings:

Particulars	As at 1 April 2019
Increase in lease liabilities	(382.24)
Increase in right-of-use assets	320.30
Increase in deferred tax assets	18.04
Impact on retained earnings	(43.90)



(This space is intentionally left blank)



5 (b) Lease liabilities

A The following is the movement of lease liabilities during year ended 31 March 2020 and 31 March 2021

Particulars	As at 31 March 2020
Balance at 1 April 2019	382.24
Additions	51.99
Deletions	(3.71)
Interest expense for the year	31.28
Repayment of lease liabilities	(98.05)
Balance at 31 March 2020	363.75

Particulars	As at 31 March 2021
Balance at 1 April 2020	363.75
Additions	9.13
Deletions	-
Interest expense for the year	28.03
Repayment of lease liabilities	(103.66)
Balance at 31 March 2021	297.25

B The following is the break-up of lease liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	80.56	75.35
Non-current lease liabilities	216.69	288.40
	297.25	363.75

C The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	102.67	105.85
One to five years	243.02	325.28
More than five years	-	10.72
	345.69	441.85

D Amount recognized in Statement of profit and loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on lease liabilities- presented under Finance costs	28.03	31.28
Depreciation on right-of-use assets- presented under Depreciation and amortisation expenses	78.46	75.82
Expense relating to short-term leases and low value assets- presented under Other expenses- Rent	23.04	26.91
Less: Rent concession due to COVID-19- presented under Other expenses- Rent	(22.92)	-

During the year ended 31 March 2021, the Company incurred expenses amounting to Rs. 23.04 million (31 March 2020 Rs. 26.91 million) for short-term leases and leases of low-value assets. For the year ended 31 March 2021, the total cash outflows for leases, including short-term leases and low-value assets amounted to Rs. 103.78 million (31 March 2020: Rs. 124.96 million).

During the year ended 31 March 2021, the company received rent concessions as a consequence of COVID-19. Since, the change in lease payments is less than the consideration for the lease immediately preceding the change and there was no substantive change to other terms and conditions of the lease, the Company has elected to apply the practical expedient which permits a lessee to elect not to assess whether a COVID-19-related rent concession as a lease modification. Consequently, the change in lease payments resulting from the COVID-19-related rent concession is accounted for in the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

Impact of the Global Pandemic ("COVID-19")

The Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors for buildings are long term in nature and no changes in terms of those leases are expected due to the COVID-19.



(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

6 Goodwill

Particulars	Amount
Gross carrying value	
Balance as at 1 April 2019	217.63
Additions	-
Balance as at 31 March 2020	217.63
Accumulated impairment loss	
Balance as at 1 April 2019	-
For the year	-
Balance as at 31 March 2020	-
Net carrying value at 31 March 2020	217.63
Gross carrying value	
Balance as at 1 April 2020	217.63
Additions	-
Balance as at 31 March 2021	217.63
Accumulated impairment loss	
Balance as at 1 April 2020	-
For the year	-
Balance as at 31 March 2021	-
Net carrying value at 31 March 2021	217.63

Impairment testing for goodwill:

For the purpose of impairment testing, goodwill is allocated to Health benefit administration which is considered as cash generating unit (CGU). The recoverable amount of the CGU is based on value in use, estimated using discounted cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below. The value assigned to the key assumptions represents management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal source.

Particulars	31-Mar-21	31-Mar-20
Discount rate	16.30%	14.87%
Terminal growth rate	4.00%	4.00%
Budgeted EBITDA ⁽ⁱ⁾ growth rate	18.00%	17.00%

⁽ⁱ⁾ EBITDA refers to Earnings before interest, tax, depreciation and amortisation.

The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital.

The cash flow projections includes specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of long-term compound annual EBITDA growth rate.

Budgeted EBITDA has been estimated taking into account past experience adjusted as follows:

(i) Revenue growth has been projected taking into account the average growth rate levels experienced over past five years and the estimated sales volume and price growth for the next five years. It has been assumed that the sales price would increase in line with forecast inflation over the next five years.

(ii) Based on the assessment, the Company determined that the estimated recoverable value of the CGU is higher than its carrying cost and consequently, the Company has not recorded any impairment loss following the guidance under Ind AS 36 "Impairment of assets". The Company has performed sensitivity analysis for all key assumptions, including the cash flow projections consequent to the change in estimate. The economic conditions arising from the possible effects due to COVID-19 and is unlikely to cause the carrying amount of the CGU exceed its estimated recoverable amount.



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

7 Other intangible assets

Particulars	Software and licenses	Customer relationship	Customer contracts	Total
Gross carrying value				
Balance as at 1 April 2019	77.27	297.76	20.30	395.33
Additions	4.02	-	-	4.02
Balance as at 31 March 2020	81.29	297.76	20.30	399.35
Accumulated amortisation				
Balance as at 1 April 2019	73.68	75.59	1.90	151.17
For the year	3.83	29.94	2.55	36.32
Balance as at 31 March 2020	77.51	105.53	4.45	187.49
Net carrying value at 31 March 2020	3.78	192.23	15.85	211.86
Gross carrying value				
Balance as at 1 April 2020	81.29	297.76	20.30	399.35
Additions	10.07	-	-	10.07
Balance as at 31 March 2021	91.36	297.76	20.30	409.42
Accumulated amortisation				
Balance as at 1 April 2020	77.51	105.53	4.45	187.49
For the year	12.32	29.76	2.54	44.62
Balance as at 31 March 2021	89.83	135.29	6.99	232.11
Net carrying value at 31 March 2021	1.53	162.47	13.31	177.31

Vy.



(This space is intentionally left blank)

Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

8 Non-current financial assets

8 (a) Loans receivables

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Considered good, Unsecured</i>		
Security deposits	30.20	30.28
Earnest money deposit	9.67	7.57
	39.87	37.85

The Company's exposure to credit risk is disclosed in Note 30C.

8 (b) Other financial assets

Particulars	As at	As at
	31 March 2021	31 March 2020
Bank deposits with more than 12 months maturity *	0.62	16.98
Interest accrued but not due on fixed deposits	-	0.26
	0.62	17.24

*Includes bank deposit of Rs. 0.62 million (31 March 2020: Rs. 16.94 million) placed with bank against which bank guarantee have been issued to insurance companies.

9 Income tax assets (net)

Particulars	As at	As at
	31 March 2021	31 March 2020
Advance tax and tax deducted at source, net of provisions	291.43	602.52
	291.43	602.52

10 Deferred tax assets (net)

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Deferred tax assets</i>		
Provision for employee benefits	24.90	21.87
Lease liabilities	74.81	91.55
Allowance for expected credit losses on trade receivables, unbilled and other receivables, advances	81.74	18.80
Other items	5.68	3.94
Total deferred tax assets	187.13	136.16
<i>Deferred tax liabilities</i>		
Excess of depreciation on fixed assets under Income-tax Act, 1961 over depreciation under Companies Act	65.81	54.87
Right-of-use assets	58.56	75.96
Temporary difference arising from fair value adjustment of financial assets and liabilities, net	2.76	2.61
Total deferred tax liabilities	127.13	133.44
Deferred tax assets (net)*	60.00	2.72

*Refer Note 31.

11 Other non-current assets

Particulars	As at	As at
	31 March 2021	31 March 2020
Capital advances	8.41	-
	8.41	-

(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

Current assets

12 Financial assets

12 (a) Investments

Particulars	As at	As at
	31 March 2021	31 March 2020
(i) Investments in mutual funds - Unquoted- Fair value through profit and loss	740.08	416.57
	<u>740.08</u>	<u>416.57</u>
Aggregate amount of unquoted investments and market value thereof	740.08	416.57

12 (b) Trade receivables

Particulars	As at	As at
	31 March 2021	31 March 2020
Considered good - Unsecured	362.46	622.35
Credit impaired	248.67	49.08
Total receivables	611.13	671.43
Less: Allowance for expected credit losses	(248.67)	(49.08)
Total (A)	362.46	622.35
Unbilled receivables		
Considered good - Unsecured		
Unbilled receivables	722.80	718.10
Unsecured, considered doubtful		
Unbilled receivables	42.75	-
Less: Allowance for expected credit losses	(42.75)	-
Total (B)	722.80	718.10
Total (A+B)	1,085.26	1,340.45

The Company's exposure to credit risk and loss allowances are disclosed in Note 30C.

12 (c) Cash and cash equivalents

Particulars	As at	As at
	31 March 2021	31 March 2020
Cash on hand	0.24	0.26
Balances with banks		
- In current accounts	277.99	89.70
Deposit with original maturity of less than 3 months*	0.58	-
	<u>278.81</u>	<u>89.96</u>

The Company's exposure to credit risk is disclosed in Note 30C.

* Includes bank deposit of Rs. 0.54 million (31 March 2020: Rs Nil) placed with bank against which bank guarantee have been issued to insurance companies.

12 (d) Bank balances other than cash and cash equivalents above

Particulars	As at	As at
	31 March 2021	31 March 2020
Deposits with original maturity of more than three months but less than 12 months (Note a)	474.35	245.92
	<u>474.35</u>	<u>245.92</u>

The Company's exposure to credit risk is disclosed in Note 30C.

(a)(i) Includes bank deposit of Rs. 229.14 million (31 March 2020: 236.5 million) which are under lien with bank towards overdraft facility availed by the Holding Company.



(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited**Notes to the financial statements (continued)***(All amounts are in Indian Rupees in millions, unless otherwise stated)***12 Financial assets****12 (c) Loans receivables**

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Considered good - Unsecured</i>		
Security deposits	15.43	12.69
<i>Credit impaired</i>		
Security deposits	0.08	0.08
Less: Provision for security deposits	(0.08)	(0.08)
	15.43	12.69

The Company's exposure to credit risk is disclosed in Note 30C.

12 (f) Others financial assets

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Considered good - Unsecured</i>		
Accrued interest income	3.68	1.85
Other receivables*	90.22	28.23
<i>Unsecured, considered doubtful</i>		
Other receivables	14.87	14.87
Less: Provision for other receivables	(14.87)	(14.87)
	93.90	30.08

The Company's exposure to credit risk is disclosed in Note 30C.

*Refer Note 35.

13 Other current assets

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Considered good - Unsecured</i>		
Balances with government authorities	77.84	36.21
Advances to suppliers	14.54	20.84
Advances to employees	3.66	2.46
Prepaid expenses	7.70	18.44
<i>Considered doubtful - Unsecured</i>		
Advance to supplier	18.43	10.70
Less: Provision for advance to supplier	(18.43)	(10.70)
	103.74	77.95

(This space is intentionally left blank)

Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees millions except share data and per share data, unless otherwise stated)

14 Equity share capital

Particulars	As at	
	31 March 2021	31 March 2020
Authorised:		
6,020,000 (31 March 2020: 6,020,000) equity shares of Rs. 10 each	60.20	60.20
	60.20	60.20
Issued and Subscribed and Paid-up:		
4,012,370 (31 March 2020: 4,012,370) equity shares of Rs. 10 each	40.12	40.12
	40.12	40.12

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Balance at the beginning of the year	4,012,370	40.12	4,012,370	40.12
Shares issued during the year	-	-	-	-
Balance at the end of the reporting year	4,012,370	40.12	4,012,370	40.12

b) Rights, preference and restrictions attached to the shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share. Voting rights cannot be exercised in respect of shares on which any call or other sum presently payable has not been paid. Failure to pay any amount called up on shares may lead to forfeiture of shares.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by Holding company:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up held by				
Medi Assist Healthcare Services Limited (includes 5 equity shares held jointly with one of the directors)	4,012,370	40.12	4,012,370	40.12
	4,012,370	40.12	4,012,370	40.12

d) List of shareholders holding more than 5% shares of a class of shares

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid-up held by				
Medi Assist Healthcare Services Limited (includes 5 equity shares held jointly with one of the directors)	4,012,370	40.12	4,012,370	40.12
	4,012,370	40.12	4,012,370	40.12

e) Shares reserved for issue under employee stock option schemes:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Under employee stock option scheme, 2012: 304,940 equity shares of Rs. 10 each*	304,940	3.05	304,940	3.05

*Refer Note 29.

f) The Company has not allotted any fully paid up equity share by way of bonus shares, or in pursuant to contract without payment being received in cash nor has bought back any class of equity shares during the period of five year immediately preceding the balance sheet date.

g) The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans, long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.



(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees millions except share data and per share data, unless otherwise stated)

15 Other equity

Particulars	Notes	As at	
		31 March 2021	31 March 2020
Retained earnings*			
Balance at the beginning of the year		1,696.51	1,783.88
Transition impact of Ind AS 116, net of tax		-	(43.90)
Movement during the year			
Total comprehensive income for the year		218.34	186.30
Transactions with owners recorded directly in equity:			
Dividend paid (including tax on dividend of Rs. 39.18 million for the financial year 19-20)		(310.00)	(229.77)
Balance at the end of the reporting year	(a)	<u>1,604.85</u>	<u>1,696.51</u>
Employee stock option outstanding account			
Balance at the beginning of the year		21.57	21.57
Movement during the year		-	-
Balance at the end of the reporting year	(b)	<u>21.57</u>	<u>21.57</u>
Total (a+b)		<u>1,626.42</u>	<u>1,718.08</u>

* The amount of per share dividend recognised as distributions to equity shareholders for the year ended 31 March 2021 and 31 March 2020 was Rs. 77.26 and Rs. 47.50 respectively.

(a) Retained earnings

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

(b) Employee stock option outstanding account

The employee stock option outstanding account is used to recognize grant date fair value of the options issued to the employees of Company and its Holding Company under the company's stock option plan. For further details Refer Note 29 for Employee stock option scheme details.

Vy.



(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

Non-Current liabilities

16 Provisions (non-current)

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Provision for employee benefits:</i>		
Gratuity*	71.86	61.93
	71.86	61.93

*Refer Note 28.

17 Current financial liabilities

17 (a) Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro, small and medium enterprises*	30.91	0.48
Total outstanding dues of creditors other than micro, small and medium enterprises**	468.60	337.42
	499.51	337.90

*Refer Note 36.

**Refer Note 35.

17 (b) Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Employee benefits payable *	25.82	23.27
Creditors for capital goods	2.18	8.46
Other payables *^	62.59	0.96
	90.59	32.69

* Refer Note 35.

^ Refer Note 36.

18 Other current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory liabilities	164.78	151.93
	164.78	151.93

19 Provisions (current)

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Provision for employee benefits:</i>		
Gratuity*	22.92	21.78
Employee compensated absences	4.17	3.20
	27.09	24.98

*Refer Note 28.

(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

20 Revenue from operations

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<i>Sale of services :</i>		
Third Party Administration (TPA) fees	3,236.62	3,122.34
Card processing income	-	3.60
Add: opening unearned income	1,100.33	984.23
	4,336.95	4,110.17
Less: closing unearned income	1,216.08	1,100.33
Income from sale of services	3,120.87	3,009.84
<i>Other operating revenue:</i>		
Income from facilitating pre-policy health check up services	29.05	34.01
	3,149.92	3,043.85

(A) Disaggregate of revenue information

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue :

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Major products/ service lines		
Income from services	3,120.87	3,006.24
Income from card processing	-	3.60
Income from facilitating pre-policy health check up services	29.05	34.01
	3,149.92	3,043.85
Timing of transfer of goods and services		
Services transferred over time	3,120.87	3,006.23
Services transferred point in time	29.05	37.61
	3,149.92	3,043.84
Contract counterparties		
Government customers	499.25	569.48
Others insurers	2,650.67	2,474.37
	3,149.92	3,043.85

(B) Contract balances

(i) The following table provides information about receivables, contract assets and contract liabilities from contract with customers.

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Trade receivables	12 (b)	1,085.26	1,340.45
Contract liabilities		1,216.08	1,100.33

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

The contract liabilities primarily relate to billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments. Invoices are payable within contractually agreed credit period.

(ii) Significant changes in the contract liabilities balances during the period are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Movement in contract liabilities:</i>		
Opening balance	1,100.33	984.23
Revenue recognised that was included in the contract liability balance at the beginning of the year	(1,100.33)	(984.23)
Increases due to invoicing during the year, excluding amounts recognised as revenue during the year	1,216.08	1,100.33
Closing balance	1,216.08	1,100.33

(C) Transaction price allocated to remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

Particulars	As at 31 March 2021	As at 31 March 2020
Within 1 year	1,216.08	1,100.14
1-3 years	-	0.19
	1,216.08	1,100.33



(This space is intentionally left blank)



21 Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net gain on financial assets measured at FVTPL	8.11	10.37
Profit on sale of investment in mutual funds	6.80	15.61
Creditors/ Provision no longer required written back	3.28	7.45
Interest income on:		
term deposits	38.30	3.89
income tax refund	31.17	17.47
financial assets at amortised cost	1.62	1.33
Dividend income	-	2.66
Miscellaneous income	3.75	1.48
	93.03	60.26

22 Employee benefits expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, bonus and allowances	1,060.79	1,074.48
Contribution to provident and other funds*	91.50	91.49
Staff welfare expenses	26.94	30.84
	1,179.23	1,196.81

*Refer Note 28.

23 Finance costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on lease liabilities*	28.03	31.28
Bank guarantee commission	0.52	0.30
Other interest costs	0.30	0.08
	28.85	31.66

*Refer Note 5(b).

24 Depreciation and amortisation expenses

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on right-of-use assets	(a)	78.46	75.82
Depreciation of property, plant and equipment	(b)	83.74	52.14
Amortisation of intangible assets	(c)	44.62	36.32
		206.82	164.28

(a) Refer Note 5(a).

(b) Refer Note 4.

(c) Refer Note 7.

(This space is intentionally left blank)



25 Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Software subscription charges *	276.70	311.66
Sub-contracting expenses	321.90	288.62
Business support services *	164.35	175.43
Legal and professional *	100.50	135.79
Allowance for expected credit losses on trade receivables and unbilled receivables	122.62	13.99
Postage and communication	72.82	71.57
Repair and maintenance	54.85	63.15
Printing and stationery	45.21	111.72
Claims disallowed	44.79	27.25
Power and fuel charges	21.08	39.54
Travelling and conveyance	16.34	73.67
Rent **	0.12	26.91
Security expenses	14.67	16.36
Enrolment card charges	10.01	13.03
Insurance awareness initiatives	2.74	11.29
Provision for doubtful advances	3.34	10.70
Provision for doubtful receivables	-	10.08
Corporate social responsibility (Refer Note 33)	7.47	9.47
Housekeeping charges	4.66	6.98
Auditors' remuneration ***	2.30	2.00
Rates and taxes	10.10	1.46
Bad debts written off	60.94	0.08
Less: Utilisation of provision	(22.96)	-
Director sitting fees *	0.40	0.25
Miscellaneous expenses	3.78	4.30
	1,338.73	1,425.30

* Refer Note 35.

** Represents lease rentals for short term leases and leases of low-value assets.

*** Auditors' remuneration (excluding Goods and services tax)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Statutory audit fees	2.20	1.80
Tax audit fees	-	0.10
Other services (certification fees)	0.10	0.10
	2.30	2.00



(This space is intentionally left blank)



Medi Assist Insurance TPA Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

26 Contingent liabilities and commitments

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Contingent liabilities:			
i) Bonus as per The Payment of Bonus (Amendment) Act, 2015 for the period from 1 April 2014 to 31 March 2015	(a)	5.71	5.71
ii) Demands raised by income-tax authorities for various assessment years with regard to taxation of non-deduction of tax on payments made by the Company to various hospitals towards settlement of cashless claims. [Gross amount paid to Income tax authority under protest of Rs. Nil (31 March 2020: Rs. 55.02 million)]		-	55.02
iii) Demands raised by income-tax authorities for assessment years 2017-18 on account of disallowance of amortisation on goodwill and prior period expenditure and disallowance u/s 14A to the extent applicable [Amount paid to Income tax authority under protest of Rs. 8.02 million (31 March 2020: 8.02 million)]		20.75	20.75
iv) Disallowed u/s 40(a)(ia) of the Income-tax Act, 1961, for payments made to various hospitals during the financial year 2007-08 and 2008-09	(b)	464.96	464.96
v) Employee Provident Fund	(c)		
vi) Bank guarantee		180.83	9.42
Commitments:			
i) Estimated amount of contracts, remaining to be executed on capital account and not provided for		10.98	3.50

Notes:

- (a) The Payment of Bonus (Amendment) Act, 2015 was notified by the Government of India with retrospective effect from 1 April 2014. The Honorable High Court, Karnataka based on the writ Petition no 5272/2016 and 5311/2016, has vide its order dated 2 February 2016, stayed the operation of the said notification for the financial year 2014-15. The obligation to pay the Bonus for the financial year 2014-15 will arise only if the High Court disposes off the writ petition in favour of the Government. Hence, the Company has taken a view that an amount of Rs 5.71 million which is the approximate statutory bonus liability, for the eligible employees in respect of financial year 2014-15, has been considered as an contingent liability.
- (b) As per Income tax assessment order, the Assessing Officer has disallowed u/s 40(a)(ia) on payments made to various hospitals during the financial year 2007-08 and 2008-09 totaling to Rs 118.92 million Rs 964.75 million respectively and accordingly raised a demand of Rs 29.71 million and Rs. 435.25 million u/s 143(3) of the IT Act respectively against Dedicated Healthcare Services TPA (India) Private Limited (DHS). The Company filed an appeal against these above Orders as the payments to hospitals were made from the funds received from insurance companies were an advance and all payments were adjusted against the advance received. The payments were not claimed as an expenditure, hence, these cannot be disallowed under said section. The Company received favorable orders from CIT(A) on 8 August 2012, ITAT on 10 December 2014, and the High Court on 30 November 2015. However, the Income Tax department has filed an appeal with The Honorable Supreme Court of India. Further, the Company had acquired DHS on dated 30 September 2016 and pursuant to the merger order dated 6 April 2018, DHS merged with the Company from the appointed date specified in the Scheme i.e. 1 October 2016.
- (c) In light of judgment of Honourable Supreme Court dated 28 February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Company evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company does not expect any material impact of the same.

27 Earnings per share ("EPS")

(All amounts are in Indian Rupees in millions except share data and per share data, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to ordinary shareholders		
Net profit for the year attributable to the equity share holders from continuing operations (a)	336.88	191.92
Net (loss)/ profit for the year attributable to the equity share holders from discontinued operation (b)	(114.33)	2.53
Weighted average number of equity shares outstanding for basic earning per share (c)	4,012,370	4,012,370
Weighted average number of equity shares outstanding for diluted earning per share (d)	4,065,361	4,067,741
Basic earning per share of Rs 10 each (for continuing operation) [a/c]	83.96	47.83
Diluted earning per share of Rs 10 each (for continuing operation) [a/d]	82.87	47.18
Basic earning per share of Rs 10 each (for discontinued operation) [b/c]	(28.50)	0.63
Diluted earning per share of Rs 10 each (for discontinued operation) [b/d]^	(28.50)	0.62
Basic earning per share of Rs 10 each (for continuing and discontinued operation) [(a+b)/c]	55.46	48.46
Diluted earning per share of Rs 10 each (for continuing and discontinued operation) [(a+b)/d]	54.74	47.80

^ In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

The computation of equity shares used in calculating basic and diluted earning per share is set out below:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Weighted average number of equity shares outstanding during the year for calculating basic EPS	4,012,370	4,012,370
Effect of dilutive potential equity shares		
- Employee stock options	52,991	55,371
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	4,065,361	4,067,741



(This space is intentionally left blank)

28 Employee benefits

The Company contributes to the following post-employment plans.

a. Defined contribution plan:

The contributions paid/ payable to Employee Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes and other funds, are determined under the relevant approved schemes and / or statutes and are recognised as expense in the statement of profit and loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/ appropriate authorities.

The Company makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards employee provident fund and employees state insurance which are defined contribution plans. The Company has no obligation other than to make the specified contribution. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to employee provident fund and employee state insurance for the year aggregated to Rs. 73.57 million (31 March 2020: Rs. 76.60 million).

b. Defined benefit plan:

The Company has a defined benefit gratuity plan governed by The Payment of Gratuity Act, 1972. The plan entitles an employee who has rendered atleast five years of continuous service to receive 15 days salary for every completed year of service or part thereof in excess of six months based on the rate of last drawn salary (basic plus dearness allowance) by the employee concerned. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial gains/ (losses) are recognised under other comprehensive income in the statement of profit and loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

Particulars	As at	As at
	31 March 2021	31 March 2020
Defined benefit obligation	101.28	91.00
Fair value of plan assets	(6.50)	(7.29)
Net defined benefit obligation	(94.78)	(83.71)
Current liabilities	(22.92)	(21.78)
Non-current liabilities	(71.86)	(61.93)

(i) Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components

Reconciliation of present value of defined benefit obligation

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	91.00	71.65
Current service cost	13.92	13.43
Interest cost	4.52	4.73
Benefits paid	(10.61)	(8.95)
Actuarial (gains)/ losses recognised in other comprehensive income		
Changes in demographic assumptions	1.85	-
Changes in financial assumptions	1.65	3.57
Experience adjustment	1.39	6.57
Transfer out*	(2.44)	-
Balance at the end of the year	101.28	91.00

* During the year, the Company has transferred certain employees to its Holding Company. Transfer out represents the gratuity liability transferred by the Company to the Holding Company pertaining to the transferred employees valued by the Independent Actuary.

Reconciliation of present value of plan assets

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	(7.29)	(6.97)
Addition on business combination	-	(2.86)
Contributions paid by the employer	(10.21)	(6.60)
Benefits paid	10.61	8.95
Interest income	(0.35)	(0.55)
Return on planned assets recognised in other comprehensive income		
Re-measurements on Plan Assets – Loss/ (Gain)	0.74	0.75
Balance at the end of the year	(6.50)	(7.29)



(This space is intentionally left blank)



28 Employee benefits (continued)

Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	13.92	13.43
Interest cost	4.52	4.73
Interest income	(0.35)	(0.55)
	18.09	17.61

Expense recognised in Other Comprehensive Income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Changes in demographic assumptions	1.85	-
Changes in financial assumptions	1.65	3.57
Experience adjustment	1.39	6.57
Re-measurements on Plan Assets – Gain/ (loss)	0.74	0.75
	5.63	10.89

ii. Plan assets

Plan assets comprise the following

Particulars	As at 31 March 2021	As at 31 March 2020
Managed by - Reliance Nippon Life Insurance and Life Insurance Corporation	6.50	7.29
	6.50	7.29

The 100% of the plan assets have been invested with Insurance Company in non-unit linked.

The Company expects to pay Rs. 14 million in its contribution to Defined benefit plan in financial year 2021-22.

The average duration of the defined benefit plan obligation at the end of reporting period is 2 years (31 March 2020: 2 years).

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	4.50%	5.10%
Expected return	5.10%	6.60%
Future salary growth	8.00%	8.00%
Mortality	IALM 2012-14 Ult	IALM 2012-14 Ult
Rate of employee turnover	35.00%	38.00%

Assumptions regarding future mortality have been based on published statistics and mortality tables

iv. Sensitivity analysis

Particulars	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.01)	3.20	(2.46)	2.60
Future salary growth (1% movement)	3.06	(2.95)	2.50	(2.42)
Rate of employee turnover (1% movement)	(0.64)	0.67	(0.52)	0.53

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Negative amounts represents decrease and positive amounts represents increase in gratuity liability respectively.

v. Expected future cash flows

Particulars	As at 31 March 2021		As at 31 March 2020	
	Discounted	Undiscounted	Discounted	Undiscounted
1 st following year	34.58	35.35	38.30	39.26
2 nd following year	28.19	30.11	25.93	27.94
3 rd following year	23.78	26.54	17.87	20.23
4 th following year	20.49	23.91	12.98	15.45
5 th following year	17.09	20.83	8.97	11.22
Thereafter	36.61	49.66	24.21	34.51



V.S.

Medi Assist Insurance TPA Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

28 Employee benefits (continued)

vi. Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

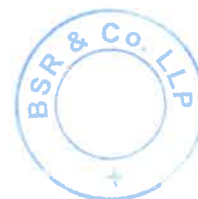
- a) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- b) Investment Risk- If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- c) Discount Rate- Reduction in discount rate in subsequent valuations can increase the plan's liability.
- d) Mortality- Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- e) Withdrawals- Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(c) Other long-term employee benefits:

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years. During the year ended 31 March 2021, the Company has incurred an expense on compensated absences amounting to Rs. 0.97 million (31 March 2020: Rs. 0.36 million). The Company determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.



(This space is intentionally left blank)



29 Employee share based payment

2012 plan

The Company has established Employee Stock Option Scheme 2012 ("ESOS 2012") with effect from 30 April 2012 to enable the employees of the Company and employees of Holding Company to participate in the future growth and success of the Company. ESOS 2012 is operated at the discretion of the Board.

The Company has granted to its employee 87,842 employee stock options on 30 April 2012, 17,333 employee stock options on 30 April 2013, 28,198 employee stock options on 1 June 2014, 6,374 employee stock options on 1 June 2015, 13,500 employee stock options on 15 September 2015, 29,000 employee stock options on 15 July 2016 and 45,394 employee stock options on 1 July 2017. These options which confer a right but not an obligation on the employee to apply for equity shares of the Company once the terms and conditions set forth in the Employee Stock Option Scheme 2012 ("ESOS 2012") and the option agreement have been met. Vesting of options would be subject to continued employment with the Company and meeting the requisite performance parameters. As at the balance sheet date 86,257 options were vested to the employees.

The Company had below share based payment arrangement under ESOS 2012 as on 31 March 2021

Particulars	Date of grants	Number of option granted	Exercise price
Grant I	30-Apr-12	45,400	140
Grant II	30-Apr-12	40,124	140
Grant III	30-Apr-12	2,318	140
Grant IV	30-Apr-13	17,333	235
Grant V	1-Jun-14	28,198	966
Grant VI	1-Jun-15	6,374	1,244
Grant VII	15-Sep-15	13,500	1,244
Grant VIII	15-Jul-16	29,000	1,368
Grant IX	1-Jul-17	18,110	1,505
Grant X	1-Jul-17	15,405	1,505
Grant XI	1-Jul-17	7,434	1,505
Grant XII	1-Jul-17	4,445	1,505

Conditions

Vesting condition	Continued employment with the Company and fulfilment of performance parameters
Exercise period	Exercise on listing/ strategic sale
Method of settlement	Equity

Vesting schedule

	Grant I	Grant II	Grant III	Grant IV, V, VI, VII, VIII and IX	Grant X	Grant XI	Grant XII
At the end of 1 year	15%	33%	100%	15%	35%	65%	100%
At the end of 2 year	20%	33%	-	20%	30%	35%	-
At the end of 3 year	30%	34%	-	30%	35%	-	-
At the end of 4 year	35%	-	-	35%	-	-	-

Modification of Employee Stock Option Scheme

In the month of August 2018, the Company modified the ESOP vesting period, for all the ESOP grants the modification was towards accelerating the vesting period. The fair value of the ESOP on the date of modification of the equity instrument and that of the original equity instrument estimated on the date of modification is detailed below as pre and post modification value. In accordance with the modification by accelerating the vesting period the amount of grant date fair value of the options was recognized as an expenses in the statement of profit and loss immediately. The fair value of the modified options was determined using the same models and principles as described above.

Modified Vesting schedule

	Grant I	Grant II	Grant III	Grant IV, V, VI, VII, VIII and IX	Grant X	Grant XI	Grant XII
Immediate	100%	100%	100%	100%	100%	100%	100%

Fair value of options Pre and Post modification:

Particulars	Date of grants	Fair Value Pre Modification	Fair Value Post Modification
Grant I	30-Apr-12	2,160	2,139
Grant II	30-Apr-12	2,160	2,139
Grant III	30-Apr-12	2,160	2,139
Grant IV	30-Apr-13	2,085	2,049
Grant V	1-Jun-14	1,512	1,363
Grant VI	1-Jun-15	1,295	1,103
Grant VII	15-Sep-15	1,296	1,103
Grant VIII	15-Jul-16	1,224	986
Grant IX	1-Jul-17	1,174	858
Grant X	1-Jul-17	1,123	858
Grant XI	1-Jul-17	1,096	858
Grant XII	1-Jul-17	1,096	858

Fair market value as on the date of modification Rs. 2,270 per option.

Reconciliation of outstanding employee stock options:

For the year ended 31 March 2021

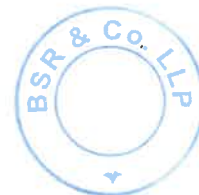
Particulars	Shares arising out of options	Range of exercise prices (Rs.)	Weighted average exercise price (Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2020	86,257	140 - 1,505	709	1.00
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Options outstanding at 31 March 2021	86,257	140 - 1,505	709	1.00
Exercisable options at 31 March 2021	86,257	140 - 1,505	709	1.00

For the year ended 31 March 2020

Particulars	Shares arising out of options	Range of exercise prices (Rs.)	Weighted average exercise price (Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	86,257	140 - 1,505	709	1.00
Add: Options granted during the year	-	-	-	-
Less: Options cancelled during the year	-	-	-	-
Options outstanding at 31 March 2020	86,257	140 - 1,505	709	1.00
Exercisable options at 31 March 2020	86,257	140 - 1,505	709	1.00

Expenses summary of shared based payment

For details on employee benefits Refer Note 22.



41

30 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are presented below, other than those with carrying amounts that are reasonable approximations of fair values"

As at 31 March 2021	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Loans receivables	-	-	39.87	39.87	-	-	-	-
Other financial assets	-	-	0.62	0.62	-	-	-	-
Current								
Investments	740.08	-	-	740.08	740.08	-	-	740.08
Trade receivables	-	-	1,085.26	1,085.26	-	-	-	-
Cash and cash equivalents	-	-	278.81	278.81	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	474.35	474.35	-	-	-	-
Loans receivables	-	-	15.43	15.43	-	-	-	-
Other financial assets	-	-	93.90	93.90	-	-	-	-
	740.08	-	1,988.24	2,728.32	740.08	-	-	740.08
Financial liabilities								
Non-current								
Lease liabilities	-	-	216.69	216.69	-	-	-	-
Current								
Lease liabilities	-	-	80.56	80.56	-	-	-	-
Trade payables	-	-	499.51	499.51	-	-	-	-
Other financial liabilities	-	-	90.59	90.59	-	-	-	-
	-	-	887.35	887.35	-	-	-	-
As at 31 March 2020								
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Loans receivables	-	-	37.85	37.85	-	-	-	-
Other financial assets	-	-	17.24	17.24	-	-	-	-
Current								
Investments	416.57	-	-	416.57	416.57	-	-	416.57
Trade receivables	-	-	1,340.45	1,340.45	-	-	-	-
Cash and cash equivalents	-	-	89.96	89.96	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	245.92	245.92	-	-	-	-
Loans receivables	-	-	12.69	12.69	-	-	-	-
Other financial assets	-	-	30.08	30.08	-	-	-	-
	416.57	-	1,774.19	2,190.76	416.57	-	-	416.57
Financial liabilities								
Lease liabilities								
Lease liabilities	-	-	288.40	288.40	-	-	-	-
Current								
Lease liabilities	-	-	75.35	75.35	-	-	-	-
Trade and other payables	-	-	337.90	337.90	-	-	-	-
Other financial liabilities	-	-	32.69	32.69	-	-	-	-
	-	-	734.34	734.34	-	-	-	-

B. Measurement of fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.
- All other financial assets except mutual funds and financial liabilities are recognised at amortised cost. Hence, there are no financial assets/ liabilities classified under Level 2 and Level 3.

C. Financial risk management

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the risk management framework.

The Company's management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The management is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the management.

Management assessment of recoverability of trade receivables: During the year, the Company carried out a detailed customer-wise assessment of the recoverability of the trade receivables. Basis that assessment, the company has created an allowance for expected credit losses on trade receivables which the management considers as adequate.

The Company has exposure to the following risks arising from financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk

i. Market risk

Market risk is the risk that changes in market prices – such as interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

The Company's fixed rate fixed deposit are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a changes in market interest rates.

Currency risk

The Company primarily renders services and sells goods and services in domestic currency i.e. Indian rupees. Hence, no exposure to currency risk.



30 Financial instruments – Fair values and risk management (continued)

C. Financial risk management (continued)

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables

- a. Trade receivables
- b. Unbilled receivables
- c. Cash and cash equivalents and other bank balances
- d. Guarantee given on behalf of Holding Company to bank
- e. Loans receivables
- f. Other financial assets

(a) Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The Company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans receivables.

The maximum exposure to credit risk for trade receivables was as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Trade receivables	611.13	671.43
Unbilled receivables	765.55	718.10
	1,376.68	1,389.53

Impairment

The ageing of trade receivables is as follows:

	As at	As at
	31 March 2021	31 March 2020
Less than 1 year	351.52	386.88
1-2 years	66.94	148.14
2-3 years	101.61	105.21
More than 3 years	91.06	31.20
Unbilled receivables	765.55	718.10
	1,376.68	1,389.53

The movement in the allowance for expected credit losses in respect of trade receivables during the year was as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	49.08	40.08
Impairment loss recognized (from continuing operations and discontinued operation)	222.55	9.00
Amounts utilised	(22.96)	-
Balance at the end of the year	248.67	49.08

Management assessment of recoverability of trade receivables

Trade receivables forms a significant part of the financial assets carried at amortized cost. The Company has performed detailed customer wise specific assessment of recoverability of the trade receivables and has accordingly recognised the Impairment loss. Further, the Company is closely monitoring the developments across various business lines. Basis the aforesaid detailed assessment made by Management, provision made towards trade receivables is considered adequate.

(b) Unbilled receivables

Unbilled receivables forms a significant part of the financial assets carried at amortized cost. The Company has performed detailed customer wise specific assessment of recoverability of the unbilled receivables and has accordingly recognised the impairment loss. Further, the Company is closely monitoring the developments across various business lines. Basis the aforesaid detailed assessment made by Management, provision made towards unbilled receivables is considered adequate

The movement in the allowance for expected credit losses in respect of unbilled receivables during the year was as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	-	-
Impairment loss recognized	42.75	-
Balance at the end of the year	42.75	-

(c) Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held primarily with bank and financial institution counterparties.

(d) Guarantee given behalf of Holding Company to bank

The credit risk on financial guarantee contract for the Corporate guarantee given to HDFC Bank Limited is remote. Refer Note 12(d)(a)(i).

(e) Loans receivables

These represents security deposits given towards office premises taken on lease under contractual arrangement and EMD deposit for participation in tender.

(f) Other financial assets

The Company has performed the credit risk assessment for other financial assets and has created allowance for doubtful other financial assets.



V4.

30 Financial instruments – Fair values and risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements

As at 31 March 2021

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
Financial liabilities						
Trade payables	499.51	499.51	-	-	-	499.51
Other current financial liabilities	90.59	90.59	-	-	-	90.59
	590.10	590.10	-	-	-	590.10

As at 31 March 2020

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
Financial liabilities						
Trade payables	337.90	337.90	-	-	-	337.90
Other current financial liabilities	32.69	32.69	-	-	-	32.69
	370.59	370.59	-	-	-	370.59

Vy.



31 Movement in deferred tax

i. Movement in deferred tax balances for the year ended 31 March 2020

Particulars	Deferred tax assets/(liabilities) as at 31 March 2019	Recognised in equity	Deferred tax assets/(liabilities) as at 1 April 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Deferred tax assets/(liabilities) as at 31 March 2020	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and intangible assets	(54.87)	-	(54.87)	1.08	-	(54.87)	-	54.87
Right-of-use assets	-	(93.27)	(93.27)	17.31	-	(75.96)	-	75.96
Lease liabilities	-	111.31	111.31	(19.76)	-	91.55	91.55	-
Employee benefits	19.66	-	19.66	(0.53)	2.74	21.87	21.87	-
other receivables and provision for doubtful advance and	15.25	-	15.25	3.55	-	18.80	18.80	-
Investments	(11.38)	-	(11.38)	8.77	-	(2.61)	-	2.61
Security deposit	0.02	-	0.02	1.30	-	1.32	1.32	-
Temporary differences on expenses	1.19	-	1.19	1.43	-	2.62	2.62	-
	(31.21)	18.04	(13.17)	13.15	2.74	2.72	136.16	133.44

ii. Movement in deferred tax balances for the year ended 31 March 2021

Particulars	Deferred tax assets/(liabilities) as at 31 March 2020	Recognised in equity	Deferred tax assets/(liabilities) as at 1 April 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Deferred tax assets/(liabilities) as at 31 March 2021	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and intangible assets	(54.87)	-	(54.87)	(10.94)	-	(65.81)	-	65.81
Right-of-use assets	(75.96)	-	(75.96)	17.40	-	(58.56)	-	58.56
Lease liabilities	91.55	-	91.55	(16.74)	-	74.81	74.81	-
Employee benefits	21.87	-	21.87	1.61	1.42	24.90	24.90	-
Allowance for expected credit losses on trade receivables and other receivables provision for doubtful advances and deposits	18.80	-	18.80	62.94	-	81.74	81.74	-
Investments	(2.61)	-	(2.61)	(0.15)	-	(2.76)	-	2.76
Security deposit	1.32	-	1.32	(0.36)	-	0.96	0.96	-
Temporary differences on expenses	2.62	-	2.62	2.10	-	4.72	4.72	-
	2.72	-	2.72	55.86	1.42	60.00	187.13	127.13

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.



(This space is intentionally left blank)

32 Tax expense relating to continuing operations

(a) Amount recognised in Statement of Profit and Loss

Particulars	For the year ended	
	31 March 2021	31 March 2020
Current tax	171.29	86.90
Taxes for earlier year	-	19.39
Deferred tax (credit)/ charge	(18.85)	(12.15)
Tax expense for the year	152.44	94.14

(b) Amounts recognised in Other Comprehensive Income

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Before tax	Tax benefit	Before tax	Tax benefit
Items that will not be reclassified to statement of profit and loss				
Re-measurement of defined benefit (assets)/ liabilities	(5.63)	1.42	(10.89)	2.74
	(5.63)	1.42	(10.89)	2.74

(c) Reconciliation of effective tax rate

Particulars	For the year ended		For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Profit before tax for the year from continuing operations		489.32		286.06
Domestic tax rate		25.168%		25.168%
Tax using company's domestic rate		123.15		72.00
Tax effect of:				
Exempt income		-		(0.67)
CSR expenses		1.88		2.38
Effect of expenses not deductible for tax computation		2.40		-
Income tax expense for earlier year		-		19.39
Effect of tax base of goodwill non deductible for amortisation*		23.16		-
Tax rate change		-		3.52
Other permanent differences		1.85		(2.49)
		152.44		94.13
Current tax		171.29		86.90
Taxes for earlier year		-		19.39
Deferred tax (credit)/ charge		(18.85)		(12.15)
		152.44		94.14

During the Financial year (FY) 19-20, the Company decided to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the FY 19-20 and onwards.

* Pursuant to the Finance Bill enacted in February 2021, the amortisation of goodwill will not be allowed as tax deduction with effect from 1 April 2020, hence, the corresponding tax base of goodwill as at 1 April 2020 became Nil. Therefore, deferred tax charge for the year ended 31 March 2021 includes Rs. 23.16 million being the deferred tax liability recognised by the Company on the difference between the book base and tax base of goodwill consequent upon enactment of above provisions.



(This space is intentionally blank)

33 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, the Company has formulated a CSR policy and has constituted a CSR committee. The area for CSR activities is livelihood enhancement and employment enhancing vocational skills by way of providing training in a wide array of functional areas to persons at various locations of the Company across India. During the year Rs. 7.47 million (31 March 2020: Rs. 9.47 million) was spent towards the CSR activities.

- a) Gross amount required to be spent by the Company for the year was Rs. 7.13 million (31 March 2020: Rs 7.16 million).
 b) Amount spent during the year:

For the year ended 31 March 2021

Particulars	Amount paid	Not paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	7.47	-	7.47
	7.47	-	7.47

For the year ended 31 March 2020

Particulars	Amount paid	Not paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	9.47	-	9.47
	9.47	-	9.47

34 Segment reporting

(a) The Company is engaged in the business of Health Benefits Administration and Health Management Services, The CODM reviews these activities under the context of Ind AS 108 Operating Segment as one single primary segment to evaluate the overall performance assessment of entity's operating segment.

(b) **Information about major customers (external customers):**

- (i) For the year ended 31 March 2021, revenue from operations of two customers of the Company represented approximately 36% and 17%, of the Company's revenue from operations.
 (ii) For the year ended 31 March 2020, revenue from operations of three customers of the Company represented approximately 33%, 17% and 14% of the Company's revenue from operations.



35 Related party disclosures

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

A. Names of the related parties and description of relationship

(i) Holding company	Medi Assist Healthcare Services Limited
(ii) Key Management Personnel	Dr. Vikram Jit Singh Chhatwal - Whole time Director (till 1 March 2021) - Director (w.e.f 1 March 2021) Satish Venkata Naga Gidugu - Whole time Director (appointed w.e.f 1 April 2020 till 1 March 2021) - Director (w.e.f 1 March 2021) Mrs. Srimathi Ranganathan- Non- Executive Director Mr. Nikhil Chopra (Whole-time Director w.e.f 3 March 2021) Mrs. Himani Atul Kapadia (Additional Director w.e.f 3 March 2021) Suchitra Krishnakumar- Company Secretary
(iii) Entities under Common Control	Mandaala Wellness Private Limited ('MWPL')

B. Summary of transactions with the above related parties are as follows :

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Support service fee paid to			
Medi Assist Healthcare Services Limited		164.35	225.17
Mandaala Wellness Private Limited	(a)	47.38	-
Software subscription charges paid to			
Medi Assist Healthcare Services Limited		269.20	301.42
Reimbursement of expenses to			
Medi Assist Healthcare Services Limited		-	162.16
Health screenings		28.13	46.03
Facilities and other expenses		1.76	-
Staff Medical Insurance		-	-
Mandaala Wellness Private Limited	(a)	186.28	-
Health screenings		-	-
Accrued expenses			
Mandaala Wellness Private Limited	(a)	5.29	-
Expenses cross charged			
Medi Assist Healthcare Services Limited	(b)	73.12	-
Transfer of gratuity liability			
Medi Assist Healthcare Services Limited		2.44	-
Dividend paid			
Medi Assist Healthcare Services Limited		310.00	190.59
Corporate guarantee given			
Medi Assist Healthcare Services Limited		-	300.00
Reimbursement of expense to Director			
Medi Assist Healthcare Services Limited		1.52	-
Guarantee income			
Medi Assist Healthcare Services Limited		3.44	0.50



35 Related party disclosures (continued)

B. Summary of transactions with the above related parties are as follows :

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Remuneration to Key Managerial Personnel			
i) Short term employee benefits	(c)	25.75	18.60
ii) Director sitting fees		0.40	0.25
iii) Sub-contracting charges		-	5.76

(a) These transaction are carried out with MWPL through Medi Assist Healthcare Services Limited, who acted on behalf of MWPL.

(b) The expenses reflected in Statement of Profit and Loss are net of those cross charged to the holding company and that the management is confident of recovering the entire other receivable balance including the cross charge amount.

(c) As the liability for gratuity compensated absence is provided on an actuarial basis for the Company as a whole, the amount pertaining to Director is not ascertainable and, therefore not included above.

C. The Company has the following amount due from/ to related parties

Particulars	As at 31 March 2021	As at 31 March 2020
Amount payable towards rendering of services (Trade payables)		
Medi Assist Healthcare Services Limited	181.01	120.86
Mandala Wellness Private Limited	50.70	2.94
Other payables		
Mandala Wellness Private Limited	58.64	-
Medi Assist Healthcare Services Limited	2.44	-
Other receivable		
Medi Assist Healthcare Services Limited	90.22	28.23
Other financial liabilities		
Employee benefits payable	5.53	3.60

36 Micro, small and medium enterprise

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006 ('the Act')'. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 and 31 March 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has following dues to micro and small enterprises as at 31 March 2021 and 31 March 2020.

The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
Principal	30.91	0.48
Interest	0.11	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.11	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-



VS

37 Discontinued Operation

The financial performance and cash flows for discontinued operations:

(a) Summary of discontinued operation

During the Financial year 2020-21, the Company has decided to discontinue the business operations pertaining to card processing which are mainly generating from Government contract. The company has disclosed the discontinuation of card processing business as discontinued operations as per the requirement of Ind AS 105 'Non current asset held for sale and Discontinued operation'. The Company has re-represented the comparative information due to the discontinued operations.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue		
Revenue from operations	366.78	197.41
Total income	366.78	197.41
Expenses		
Employee benefits expenses	18.51	9.84
Other expenses	494.83	180.88
Total expenses	513.34	190.72
(Loss)/ Profit before tax from a discontinued operation	(146.56)	6.69
Tax Credit		
Related to pre-tax profit/(loss)	32.23	4.16
	32.23	4.16
(Loss)/ Profit after tax from a discontinued operation	(114.33)	2.53

(b) Net cash flows attributable to the discontinued operations

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Net cash generated/ used in from operating activities	(A)	94.35	(22.80)
Net cash generated/ used in investing activities	(B)	-	-
Net cash generated/ used in financing activities	(C)	-	-
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		94.35	(22.80)

38 In the month of July 2019 the Company during its internal reconciliation process review, identified certain mismatches in the cashless insurance claim settlement process, where the payments made by the Insurance Company to some of the hospitals that are part of a Government Insurance Scheme could not be reconciled and matched with the corresponding hospital records. On further investigation, it was found that two of the employees of the Company gained unauthorized access to the insurance company's system login and made changes to the hospital bank account details. The employees misappropriated an amount of Rs. 13.13 million includes amounts for previous years starting from 2015-16 using this unauthorized access. During the internal inquiry, both the employees confessed to misappropriating the funds, subsequently, both the employees were terminated from their services.

On informing the Insurance Company about the incident, the Insurance Company raised a demand of Rs. 13.13 million on 24 October 2019. In accordance with the terms of service agreement as a TPA the employees of Medi Assist do not have any access to the process of making any changes to the bank account numbers in the master database of the Insurance Company System. The Company agreed to deposit the entire amount with the Insurance Company so that the impacted hospitals are not deprived of funds.

The Company filed a complaint before the Commissioner of Police on 10 September 2019. Based on the complaint an FIR has been filed with the Police. Of the aforesaid amount the Company has recovered an amount of Rs. 3 million till date. Further, the Company has formally lodged an insurance claim under the relevant Insurance policies relating to this matter and the claim is being reviewed by the Insurer.

39 The COVID-19 pandemic has significantly impacted global economies, resulting in workforce and travel restrictions, supply chain and production disruptions and reduced demand and spending across many sectors. The Company has continued to adopt measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement captions upto the date of approval of the financial statements by the Board of Directors. The Company will continue to closely monitor any material changes to future economic conditions.

40 The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.



(This space is intentionally blank)



Medi Assist Insurance TPA Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

41 Events after the reporting date:

The Company evaluated all events or transactions that occurred after the balance sheet date through, the date at which the financial statements were available to be issued and determined that there are no other items to disclose except those already disclosed in the financial in earlier notes.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Vikash Gupta

Partner

Membership Number: 064597

Place: Bengaluru

Date: 16 November 2021

for and on behalf of the Board of Directors of

Medi Assist Insurance TPA Private Limited

CIN: U85199KA1999PTC025676



Nikhil Chopra

Whole-time Director

DIN: 06412544

Place: Bengaluru

Date: 16 November 2021



Satish Gidugu

Director

DIN: 06643677

Place: Bengaluru

Date: 16 November 2021



Suchitra Krishnakumar

Company Secretary

Membership Number: A29245

Place: Bengaluru

Date: 16 November 2021

