

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BAJAJ AUTO CREDIT LIMITED
REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS**

OPINION

We have audited the accompanying Ind AS Financial statements of **BAJAJ AUTO CREDIT LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements including Summary of Significant and Material Accounting Policies and Other Explanatory Information (hereinafter referred to as "the Ind AS Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income, (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

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

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

KEY AUDIT MATTERS	HOW THEY WERE ADDRESSED IN OUR AUDIT
Impairment on Financial Assets basis Expected Credit Losses (ECL) on Loans Assets	Our audit procedures in respect of this matter included;



KEY AUDIT MATTERS	HOW THEY WERE ADDRESSED IN OUR AUDIT
<p>(Refer Note 2.7, 6, 26 to the Financial Statements)</p> <p>The loan balance aggregating to Rs. 18,834.68 Crore and the amount of impairment allowances aggregating to Rs. 385.14 Crore as at March 31, 2026 are significant to the financial statements. Given the materiality of the loan portfolio and associated impairment allowance, the complexity and model-dependency of the ECL computation, and the significant degree of Management judgement and estimation involved, we have determined the impairment allowance on the loan assets to be a Key Audit Matter.</p>	<ul style="list-style-type: none"> i. Obtained and reviewed the Company's ECL policy document and model governance framework, including the basis for segmentation of the loan portfolio, and assessed whether the segmentation criteria are consistent with the Company's ECL policy. ii. Understood and evaluated the design, and tested the operating effectiveness of key controls put in place by the management in relation to Computation of ECL, assumptions used and source data used by the management. iii. Assessed the appropriateness of the PD estimation methodology, the adequacy of the model, the default definition applied, and the statistical robustness of the model framework. iv. Verified the DPD-based stage classification of loan accounts and tested a sample of accounts for correct staging, income recognition treatment in accordance with IRAC norms, and reversal of accrued interest on Stage 3 accounts. v. Assessed the adequacy of disclosures made in the financial statements in relation to the ECL methodology and significant assumptions
<p>Information Technology and General Controls:</p> <p>The Company's financial accounting and reporting processes are pervasively dependent on controls embedded within its information technology (IT) systems. Given the significant volume and diversity of transactions processed daily across multiple and discrete IT systems, any control lapses, validation failures, incorrect input data, or erroneous data extraction carry a material risk of misstatement in the financial statements.</p> <p>In view of the pervasive nature of the Company's reliance on IT systems for financial reporting, the design and operating effectiveness of IT General Controls (ITGCs) including access management, change management, computer operations, and program development controls – over systems relevant to financial reporting have been assessed as a Key Audit Matter</p>	<p>Our audit procedures in respect of this matter included;</p> <ul style="list-style-type: none"> i. Assessment of the design, implementation, and operating effectiveness of ITGCs over financially relevant IT systems. ii. Review of user access controls, privileged access management, and segregation of duties within key IT systems iii. Testing of change management procedures to ascertain whether changes to applications and data were subject to appropriate authorization, testing, and documentation. iv. Testing of key business cycle controls and the logic underlying reports generated through the IT infrastructure that were relevant to financial reporting or were utilised in the exercise of internal financial controls with reference to the standalone financial statements. Where controls were found to require supplementary validation, compensating controls were evaluated and alternate procedures were performed to assess whether any unaddressed

KEY AUDIT MATTERS	HOW THEY WERE ADDRESSED IN OUR AUDIT
	IT risks existed that could materially impact the standalone financial statements

INFORMATION OTHER THAN THE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report but does not include the Ind AS Financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS Financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial statements.

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

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors

in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Financial Statements of the year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure I' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS Financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to IND AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure II'. Our report expresses an unmodified opinion on the

adequacy and operating effectiveness of the Company's internal financial controls with reference to IND AS financial statements of the Company.


- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in the financial statement - Refer Note 34(a) to the Financial Statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 5, 6, 15, 32 to the Financial Statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c. Based on our audit procedures that have been considered to be reasonable and appropriate in the given circumstances, nothing has come to our notice that has caused us to believe that the representations under aforesaid sub-clauses, 2(g)(iv)(a) and 2(g)(iv)b, contain any material misstatement.
 - v. The company has neither declared nor paid any dividend during the year under consideration and therefore the compliance required under section 123 of the Companies Act, 2013 is not applicable.
 - vi. Based on our examination, which included test checks, the Company has used non-integrated Loan Management System (LMS) and accounting software for maintaining

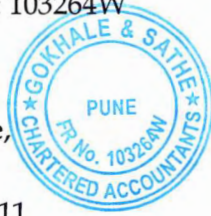
its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in both the softwares.

Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with. In our opinion, the company has preserved, the audit trail, as per the statutory requirements for record retention.

- h) With respect to the matter to be included in Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information, according to the explanations given to us and based on our examination of the records of the Company, the Company has not paid / provided for Managerial Remuneration.

For Gokhale & Sathe,
Chartered Accountants,
Firm Registration No.: 103264W


Kaustubh Deshpande,
Partner
Membership No: 121011
UDIN: 26121011FSEUOX3523
Place: Pune
Date: May 5, 2026



ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BAJAJ AUTO CREDIT LIMITED of even date)

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that;

- i. In respect of the Company's Property Plant and Equipment:
 - a) I) The Company maintains proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
II) The Company maintains proper records showing full particulars of Intangible Assets
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has a program of physical verification of Property, Plant and Equipment at periodic intervals which, in our opinion provides for physical verification of Property, Plant and Equipment at reasonable intervals. Pursuant to the program, property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies have been noticed on such verification.
 - c) According to the information and explanations given by the management and based on the examination of books of account and other records, the Company does not hold any immovable property as at the balance sheet date.
 - d) The company has not revalued its Property, Plant and Equipment or Intangible Assets during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable to the Company.
 - e) According to the information and explanations given by the management, no proceedings have been initiated or pending against the company as at March 31, 2026 for holding any benami property under Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise - Refer Note 64 to the Financial statements.
- ii.
 - a) The Company's operations do not involve inventories as it is engaged primarily in lending activities and accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.
 - b) During the financial year, the company has been sanctioned working capital limits in excess of rupees five crore from two bankers against security of standard loans assets.

Based on the information and explanations provided by the management and our examination of the books of account and other records made available to us, and further having regard to copies of the quarterly statements and bank submissions as represented to

have been so made, we report that the quarterly statements submitted by the management to the respective banks during the year that is prepared on the basis of a pre-defined drawing power methodology that considers charge registered book debts are, in all material respects, in agreement with the corresponding balances as extracted and reconciled from the books of account of the Company for each of the four quarters of the year ended March 31, 2026. Also refer Note 64 to the Financial statements

iii.

As disclosed in Corporate Information to the IND AS financial statements, the Company is engaged in the business of mainly financing two-wheeler, three-wheeler vehicles, as the case may be, pursuant to the Certificate of Registration (CoR) received from RBI to carry on the business of a NBFC.

During the year, in the ordinary course of its business, the Company has made investments in and granted secured loans to other parties. The company has neither provided guarantee/security nor advances in nature of loans to companies, firms, limited liability partnerships and other parties.

With respect to such investments and loans:

- a. Based on our examination and the information and explanations given to us, reporting under clause 3(iii)(a) of the Order is not applicable to the Company as it is a non-banking financial company registered with the Reserve Bank of India engaged in the business of granting loans
- b. In our opinion, having regard to the nature of the Company's business, the investments made and the terms and conditions of the grant of loans are not prejudicial to the Company's interest. The company has not made an advance in the nature of loans/ given any guarantee/ provided any securities.
- c. in respect of loans (referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 2.7 to the financial statements explains the Company's accounting policy relating to impairment of loans assets. In accordance with that policy, loan assets with balances as at the year-end of Rs. 349.21 crores (PY Rs. 76.08 crores) were categorized as credit impaired ("Stage 3"), loan assets with balances as at the year-end of Rs.488.92 crores (PY Rs. 186.29 crores) were categorized as those where the credit risk has increased significantly since initial recognition ("Stage 2"). In all other cases, loan assets aggregating to Rs.17,996.55 crores (PY Rs. 9240.92 crores), the repayment of interest and principal were identified as regular. Disclosures in respect of such loans have been provided in Note 56 to the financial statements.

Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- d. The total amount overdue for more than ninety days, in respect of loans, as at the year end, is Rs. 349.21 crores (PY Rs. 76.08 crores). In such instances, in our opinion, based on information

and explanations provided to us, reasonable steps have been taken by the Company for recovery of due principal amounts and the interest thereon through its existing collections infrastructure. Refer Note 56 in the financial statements for details of the amount of principal and interest overdue as at March 31, 2026.

- e. The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- f. In our opinion and according to information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanation given to us and based on the examination of the Books of Account, the company has neither given any loan nor a guarantee nor a security nor has it made investments to parties covered by section 185 of the Act. Further, the company has complied with sub-section (1) of section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it. The provisions of sub-sections (2) to (11) of section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of granting loans.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits and accordingly, the requirements under paragraph 3(v) of the Order are not applicable to the Company.
- vi. In our opinion and according to the information and explanation given to us, the rules made by the central government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 are not prescribed for the company and accordingly, the requirements under paragraph 3(vi) of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us and based on the examination of the books of accounts, in respect of statutory dues:
 - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services tax, Provident Fund, Income-tax, Employee state insurance, Professional tax and other material statutory dues applicable to the Company. According to the information and explanations given to us, there were no undisputed amounts payable in respect of statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and based on the examination of books of accounts, there were no transactions which were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 as there have been no assessments

under Income Tax Act, 1961 and accordingly the requirements of the clause 3(viii) are not applicable.

ix.

- a) According to the information and explanation given to us, based on the examination of books of accounts and audit procedures performed, the company has not defaulted in repayment of loans or borrowings from any lender during the year under consideration.
- b) According to the information and explanation given to us, based on the examination of books of accounts and audit procedures performed, the company has not been declared as a willful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanation given to us, based on the examination of books of accounts and audit procedures performed, in our opinion, the term loans have been applied for the purpose for which the loans were obtained.
- d) According to the information and explanation given to us, based on the examination of books of account, financial ratios, audit procedures performed and overall examination of Financial statements, funds raised on short term basis have not been utilized for long-term purposes.
- e) According to the information and explanation given to us and based on the examination of the books of accounts, the company does not have any subsidiary, associate or joint venture and accordingly, the requirements of 3(ix)(e) are not applicable.
- f) According to the information and explanation given to us and based on the examination of the books of accounts, the company does not have any subsidiary, associate or joint venture and accordingly, the requirements of 3(ix)(f) are not applicable.

x.

- a) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. However, the Company has raised funds through private placement of Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCD) amounting to ₹500 crore.

Further, it has also raised funds through issue of subordinated Unsecured Non-Convertible Debentures (NCD) to the holding company on private placement basis amounting to ₹ 500 crore during the year that were subsequently listed.

The funds raised through such NCD issues have been used for the purposes for which these were raised.

- b) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. However, the company has made issue of Equity Shares on Rights basis to

its existing shareholders u/s 62(1)a of the Companies Act, 2013 during the year and the funds raised have been used for the purposes for which these were raised.

- xi.
- a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, except for instances reported by the management of the company and as detailed out in Note 64(x) to the Financial Statement for the year under consideration and for which the Management has taken appropriate steps for recovery of dues, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- b) No report under sub-section (12) of section 143 of the Companies Act is required to be filed by us, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government as fraud instances reported by management in FMR1 returns were below the threshold limit. According to the information and explanations given to us, no reporting of fraud has been done by the Company Secretary. Further, as the provisions of Cost Audit are not applicable in the case of the company, the management has not appointed Cost Accountant accordingly, reporting of fraud is not applicable in case of Cost Accountant.
- c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints having an immaterial impact, and for which the Management has taken appropriate steps.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii)(a) to 3(xii)(c) of the Order is not applicable.
- xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the company is required to have an internal audit system as per provisions of the Companies Act 2013 and accordingly paragraphs 3(xiv)(a) and 3(xiv)(b) of the Order are applicable. The Company has an adequate internal audit system commensurate with the size and the nature of its business. The company has appointed internal auditor and we have considered the internal audit report issued during the year, along with the draft report for quarter ended March 31, 2026, in determining the nature, timing and extent of our audit procedures.

- xv. According to the information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi.
- a. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The company has obtained Certificate of Registration (CoR) on August 29, 2023 from the Reserve Bank of India (RBI) to commence/ carry on the business of a Non-Banking Financial Company (NBFC) under section 45-IA of the RBI Act, 1934 and has commenced its business operations of NBFC on January 1, 2024.
 - b. In our opinion and based on our examination, the Company has conducted the non-banking financial activities with a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act. In our opinion, and according to the information and explanation given to us, the company has not conducted Housing Finance Activities.
 - c. The Company is not a Core Investment Company (CIC) as defined under the regulation made by the Reserve Bank of India and accordingly requirements of paragraph 3(xvi)(c) is not applicable.
 - d. In our opinion, and according to the information and explanation given to us, the Group (in accordance with Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the group and there are 20 CICs forming part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. According to the information and explanation given to us, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There were no resignations of the statutory auditor of company during the year and accordingly the requirements of 3(xviii) is not applicable.
- xix. In our opinion and according to the information and explanations given to us, on the basis of the financial ratios (Refer Note 38, 39 and 61 to Financial statement), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx.
- a. In our opinion and based on our examination, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- b. The Company does not have an ongoing project and accordingly no amount, that is unspent under Section 135(5) of the Companies Act, is required to be transferred to special account in compliance with the provisions of Section 135(6) of the Companies Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.
- xxi. According to the information and explanation given to us and based on the examination of the books of accounts, the company does not have any subsidiary, associate or joint venture and accordingly is not required to prepare Consolidated Financial Statements under the act or the applicable accounting standards and therefore, the requirements of 3(xxi) are not applicable.

For **Gokhale & Sathe**,
Chartered Accountants
Firm Registration No.: 103264W



Kaustubh Deshpande,
Partner
Membership No: 121011
UDIN: 26121011FSEUOX3523
Place: Pune
Date: May 05, 2026

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BAJAJ AUTO CREDIT LIMITED of even date)

Report on the Internal Financial Controls with reference to IND AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**OPINION**

We have audited the Internal Financial Controls with reference to IND AS financial statements of BAJAJ AUTO CREDIT LIMITED ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS Financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to IND AS financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal control with reference to IND AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to IND AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to IND AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to IND AS financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls with reference to IND AS financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to IND AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to IND AS financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to IND AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control with reference to IND AS financial statements includes those policies and procedures that

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to IND AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any

evaluation of the internal financial controls with reference to IND AS financial statements to future periods are subject to the risk that the internal financial control with reference to IND AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Gokhale & Sathe,**
Chartered Accountants

Firm Registration No.: 103264W



Kaustubh Deshpande,
Partner

Membership No: 121011

UDIN: 26121011FSEUOX3523

Place: Pune

Date: May 05, 2026

**BAJAJ AUTO CREDIT LIMITED
BALANCE SHEET**

Particulars	Note No.	(Amount Rs. In crores)	
		As at	
		Mar-26	Mar-25
ASSETS			
Financial assets			
Cash and cash equivalents	3	259.62	972.33
Bank Balances other than cash and cash equivalents	4	0.75	0.17
Derivative financial instruments	5	231.46	1.14
Loans	6	18,449.54	9,392.95
Investments	7	224.70	78.30
Other Financial assets	8	522.92	457.76
Sub total		19,688.99	10,902.66
Non-financial assets			
Current Tax assets (Net)	9	25.07	7.88
Deferred Tax assets (Net)	10	116.31	53.00
Property, Plant and Equipment	11	21.51	16.00
Intangible assets	11	17.64	20.86
Intangible assets under development	11	1.40	-
Other Non-financial assets	12	50.66	33.38
Sub total		232.59	131.12
Total Assets		19,921.58	11,033.78
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	5	14.62	18.56
Payables			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	13	0.40	6.78
Total outstanding dues of creditors other than micro enterprises and	13	5.99	0.20
Other payables			
Total outstanding dues of micro enterprises and small enterprises	13	-	-
Total outstanding dues of creditors other than micro enterprises and	13	140.86	113.95
Debt securities	14	511.96	-
Borrowings (other than debt securities)	15	15,237.86	8,436.52
Subordinated Liabilities	16	517.19	-
Other financial liabilities	17	62.51	37.49
Sub total		16,491.39	8,613.50
Non-Financial liabilities			
Provisions	18	25.66	9.29
Other non-financial liabilities	19	25.37	13.77
Sub total		51.03	23.06
EQUITY			
Equity Share Capital	20	2,700.00	2,400.00
Other equity	21	679.16	(2.78)
Sub total		3,379.16	2,397.22
Total Liabilities and equity		19,921.58	11,033.78

Summary of material accounting policies followed by the Company

2

The accompanying notes form an integral part of the financial statements
In terms of our report of even date
For Gokhale & Sathe, Chartered Accountants
ICAI Firm Registration Number: 103264W

For and on behalf of the board of directors of
Bajaj Auto Credit Limited

CA Kausubh Deshpande
Partner
Membership Number: 121011



Rajiv Bajaj
Chairman
DIN : 00018262

Kevin D'sa
Managing Director
DIN : 00425661

Place: Pune
Date: 5th May 2026

Nilesh Thakkar
Chief Financial Officer

Dr. J Sridhar
Company Secretary

**BAJAJ AUTO CREDIT LIMITED
STATEMENT OF PROFIT AND LOSS**

Particulars	Note No.	(Amount Rs. In crores)	
		Year ended	Year ended
		Mar-26	Mar-25
Revenue From Operations	22		
Interest Income		3,032.53	1,002.46
Fees and Commission income		195.03	31.48
Net gain on fair value changes		18.39	6.87
Total revenue from operations		3,245.95	1,040.81
Other income	23	1.65	0.04
Total income		3,247.60	1,040.85
EXPENSES			
Fees and Commission expense	24	291.64	48.32
Finance Costs	25	908.38	320.81
Impairment on financial instruments	26	542.83	147.34
Employee Benefits expenses	27	239.75	198.30
Depreciation and amortization	28	9.87	4.93
Other expenses	29	356.23	243.00
Total expenses		2,348.70	962.70
Profit before exceptional items and tax		898.90	78.15
Exceptional items	30	10.32	-
Profit before tax		888.58	78.15
Tax expense			
Current Tax	9	292.80	56.12
Deferred Tax	10	(69.06)	(36.27)
Total tax Expense		223.74	19.85
Profit after tax		664.84	58.30
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains/(loss) of defined benefit plan		(2.92)	(0.58)
Tax impact on above		0.74	0.15
Items that will be reclassified to profit or loss			
Cash flow hedge reserve		35.51	(32.43)
Tax impact on above		(8.94)	8.16
Change in Fair value of FVOCI investment		(9.74)	0.52
Tax impact on above		2.45	(0.13)
Other comprehensive income (net of tax)		17.10	(24.31)
Total Comprehensive Income		681.94	33.98
Earnings per equity share			
Basic & Diluted (Rs.)	35	2.49	0.43

Summary of material accounting policies followed by the Company

2

The accompanying notes form an integral part of the financial statements
In terms of our report of even date

For Gokhale & Sathe, Chartered Accountants

ICAI Firm Registration Number: 103264W



CA Kaustubh Deshpande
Partner
Membership Number: 121011



Place: Pune
Date: 5th May 2026

**For and on behalf of the board of directors of
Bajaj Auto Credit Limited**



Rajiv Bajaj
Chairman
DIN : 00018262



Kevin D'sa
Managing Director
DIN : 00425661




Niles Thakkar
Chief Financial Officer



Dr. J Sridhar
Company Secretary

**BAJAJ AUTO CREDIT LIMITED
STATEMENT OF CASHFLOWS**

Particulars	(Amount Rs. In crores)	
	Year Ended	
	Mar-26	Mar-25
I. Operating activities		
Profit/ (Loss) Before Tax	888.58	78.15
Adjustments to reconcile profit before tax to net cash flows :		
Interest income	(3,032.53)	(1,002.46)
Depreciation and amortisation	9.87	4.93
Finance costs	908.38	320.81
Impairment on financial instruments	542.83	147.34
Net gain on fair value changes	(18.39)	(6.87)
Cash inflow from interest on loans	2,763.33	827.94
Cash outflow towards finance cost	(831.78)	(305.73)
Operating profit/(loss) before working capital changes	1,230.29	64.11
Movement in working capital:		
(Increase)/decrease in Loans	(9,346.40)	(8,662.46)
(Increase)/decrease in Other financial assets	(67.47)	(213.26)
(Increase)/decrease in other non financial assets	(17.27)	(26.69)
Increase/(decrease) in financial liabilities	18.48	(6.73)
Increase/(decrease) in non-financial liabilities	11.60	7.20
Increase/(decrease) in trade payables	26.33	106.45
Increase/(decrease) in provisions	13.45	3.02
Net cash flow from / (used in) from operating activities before income-tax	(9,361.28)	(8,792.48)
Income-tax paid (net of refund)	(310.00)	(64.00)
Net cash flows from/(used in) operating activities [I]	(8,440.99)	(8,792.37)
II. Investing activities		
Sale of investments	17,727.11	7,204.79
Purchase of investments	(17,863.16)	(7,083.76)
Interest received on investments	13.07	1.73
Investment in fixed deposit	(0.54)	(214.70)
Proceeds from fixed deposit	2.95	225.30
Purchase of intangibles assets	(1.90)	(9.97)
Purchase of property, plant and equipment	(1.66)	(2.78)
Net cash flows from/(used in) investing activities [II]	(124.13)	120.61
III. Financing activities		
Proceeds from Borrowings (other than debt securities)	11,500.00	8,916.40
(Repayment) of Borrowings (other than debt securities)	(4,905.68)	(1,460.47)
Proceed from Debt Securities	2,453.45	-
(Repayment) of Debt Securities	(1,990.00)	-
Proceed from Subordinated Liabilities	500.00	-
Payment of lease liability	(5.36)	(2.38)
Increase in equity share capital	300.00	2,105.00
Net cash flows from/(used in) financing activities [III]	7,852.41	9,558.55
Net increase/(decrease) in cash and cash equivalents (I+II+III)	(712.71)	886.80
Cash and cash equivalents at the beginning of the year	972.33	85.54
Cash and cash equivalents at the end of the year	259.62	972.33
Components of cash and cash equivalents		
Cash on hand	-	-
Bank balance	259.62	972.33
Total Cash and cash equivalents	259.62	972.33

In terms of our report of even date
For Gokhale & Sathe, Chartered Accountants
ICAI Firm Registration Number: 103264W




CA Kaustubh Deshpande
Partner
Membership Number: 121011

Place: Pune
Date: 5th May 2026

For and on behalf of the board of directors of
Bajaj Auto Credit Limited




Rajiv Bajaj
Chairman
DIN : 00018262



K. Srinivas
Managing Director
DIN : 00425661




Niles Thakkar
Chief Financial Officer



D. J. Sridhar
Company Secretary

BAJAJ AUTO CREDIT LIMITED
STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(Amount Rs. In crores)

Particulars	Note No.	As at	
		Mar-26	Mar-25
Balance as at the beginning of the year		2,400	295
Changes in equity share capital during the year		300	2,105
Balance as at Mar 31, 2026	20	2,700	2,400

B. Other Equity

(Amount Rs. In crores)

Particulars	Note No.	Reserves and Surplus		Other Comprehensive Income on		Total Other Equity
		Statutory Reserve #	Retained Earnings	Cash Flow Hedge reserve	Investment through OCI	
Balance as at March 31, 2024		-	(36.76)	-	-	(36.76)
Profit / (loss) for the year		-	58.30	-	-	58.30
Other comprehensive income (net of tax) *		-	(0.43)	(24.27)	0.39	(24.31)
Total comprehensive income for the year ended March 31, 2025		-	21.10	(24.27)	0.39	(2.78)
Transfer to Statutory reserve		11.66	(11.66)			-
Balance as at March 31, 2025	21	11.66	9.44	(24.27)	0.39	(2.78)
Profit for the period			664.84			664.84
Other comprehensive income (net of tax) *			(2.18)	26.57	(7.29)	17.10
Total comprehensive income for the Year Ended ended Mar 31, 2026		11.66	672.10	2.30	(6.90)	679.16
Transfer to Statutory reserve		132.97	(132.97)			-
Balance as at Mar 31, 2026	21	144.63	539.13	2.30	(6.90)	679.16

* OCI under retained earning amounting to Rs. 2.92 crore is related to actuarial gains/ (losses) on defined benefit plans for FY 2025-26.

The company has transferred a sum of twenty percent of net profit of that year to the statutory reserve fund created pursuant to Section 45 IC(1) of the Reserve Bank of India Act, 1934. No appropriation of any sum from the reserve fund is permitted except for the purpose as may be specified by the Reserve Bank of India from time to time.

The accompanying notes form an integral part of the financial statements

In terms of our report of even date

For Gokhale & Sathe, Chartered Accountants

ICAI Firm Registration Number: 103264W

CA Kaustubh Deshpande
Partner
Membership Number: 121011



Place: Pune
Date: 5th May 2026

For and on behalf of the board of directors of
Bajaj Auto Credit Limited

Rajiv Bajaj
Chairman
DIN : 00018262

Kevin D'sa
Managing Director
DIN : 00425661



Nilesh Thakkar
Chief Financial Officer

Dr. J Sridhar
Company Secretary

BAJAJ AUTO CREDIT LIMITED
STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	Quarter ended			Year Ended	
		31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
		(Reviewed)	(Reviewed)	(Reviewed)	(Audited)	(Audited)
Revenue From Operations	22					
Interest Income		941.39	841.30	442.91	3,032.53	1,002.46
Fees and Commission income		61.14	63.11	17.31	195.03	31.48
Net gain on fair value changes		4.41	4.73	0.42	18.39	6.87
Others		-	-	-	-	-
Total revenue from operations		1,006.94	909.14	460.64	3,245.95	1,040.81
Other income	23	0.89	0.12	0.04	1.65	0.04
Total income		1,007.83	909.26	460.68	3,247.60	1,040.85
EXPENSES						
Fees and Commission expense	24	110.33	86.22	27.79	291.64	48.32
Finance Costs	25	274.05	254.85	131.42	908.38	320.81
Impairment on financial instruments	26	144.91	151.54	69.34	542.83	147.34
Employee Benefits expenses	27	67.44	46.53	59.60	239.75	198.30
Depreciation and amortization	28	2.67	2.44	1.71	9.87	4.93
Other expenses	29	101.31	89.67	82.49	356.23	243.00
Total expenses		700.71	631.25	372.35	2,348.70	962.70
Profit / (loss) before exceptional items and tax		307.12	278.01	88.33	898.90	78.15
Exceptional items		-	10.32	-	10.32	-
Profit/(loss) before tax		307.12	267.69	88.33	888.58	78.15
Tax expense						
Current Tax	9	84.33	86.84	36.23	292.80	56.12
Deferred Tax	10	(7.00)	(19.40)	(14.00)	(69.06)	(36.27)
Total tax (Income) / Expense		77.33	67.44	22.23	223.74	19.85
Profit/(loss) after tax		229.79	200.25	66.10	664.84	58.30
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial gains/ (loss) of defined benefit plan		(2.92)	-	(0.58)	(2.92)	(0.58)
Tax impact on above		0.74	-	0.15	0.74	0.15
Items that will be reclassified to profit or loss						
Cash flow hedge reserve		37.73	(1.08)	(22.09)	35.51	(32.43)
Tax impact on above		(9.50)	0.27	5.56	(8.94)	8.16
Change in Fair value of FVOCI investment		(4.38)	(1.21)	0.52	(9.74)	0.52
Tax impact on above		1.10	0.30	(0.13)	2.45	(0.13)
Other comprehensive income (net of tax)		22.77	(1.71)	(16.57)	17.10	(24.31)
Total Comprehensive Income		252.56	198.54	49.53	681.94	33.98
Earnings per equity share						
Basic & Diluted (Rs.)	35	0.85	0.74	0.30	2.49	0.43

The accompanying notes form an integral part of the financial statements
In terms of our report of even date

For Gokhale & Sathe, Chartered Accountants

ICAI Firm Registration Number: 103264W



CA Kaustubh Deshpande
Partner
Membership Number: 121011



Place: Pune
Date: 5th May 2026

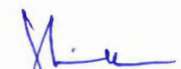
For and on behalf of the board of directors of
Bajaj Auto Credit Limited


Rajiv Bajaj
Chairman
DIN : 00018262


Kevin D'sa
Managing Director
DIN : 00425661




Nilesh Thakkar
Chief Financial Officer


Dr. J Sridhar
Company Secretary

Corporate information

Bajaj Auto Credit Ltd. (the "Company") is a company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of financing two wheeler and three wheeler vehicles manufactured by Bajaj Auto Limited and its affiliates. The registered office of the Company is located at Mumbai-Pune Road, Akurdi, Pune 411035.

The name of the Company changed to Bajaj Auto Credit Limited (CIN U65929PN2021PLC206668) from the previous name of Bajaj Auto Consumer Finance Ltd with effect from 26 December 2023.

During the year ended 31 March 2025, the company has been granted certificate of registration as corporate agent (Composite) from IRDAI w.e.f 5th Feb 2025.

The company has commenced its business on 1 January 2024 after it received the Certificate of Registration (CoR) dated 29 August 2023 from Reserve Bank of India (RBI) to commence/ carry on the business of a Non-Banking Financial Company (NBFC) under section 45-IA of the RBI Act, 1934.

1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013, and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act, as also the updated Master Direction-Reserve Bank of India (Non-Banking Financial Company -Scale Based Regulation) Directions read with circulars issued by RBI thereunder.

The Company uses accrual basis of accounting in preparation of financial statements (other than Statement of Cash flows).

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded off to the nearest Crores (INR 00,00,000), except where otherwise indicated.

The Financials have been prepared in Schedule III Division III format as prescribed by The Companies Act, 2013, as the company is registered with RBI, under section 45-IA of the Reserve Bank of India Act, 1934, to carry on the business of a Non-Banking Financial Institution (NBFI).

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company will be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

2 Summary of material accounting policies followed by the Company

2.1 Basis for measurement of financial statements:

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.2 Presentation of financial statements

The Company presents its Balance Sheet in the order of liquidity.

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity and other comprehensive income in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Ind AS. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

2.3 Use of Estimates

The preparation of the financial statements, in conformity with IND AS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liability) at the date of the financial statements and the reported amounts of revenues and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates and the difference between actual results are recognized in the periods in which the estimate is revised, or the results are known/materialize. In particular, information about significant areas of estimation that have most significant effect on amounts recognized in the financial statements are given below:

- (i) Note 32 - Fair value measurement
- (ii) Note 26 - Impairment of financial instruments based on expected credit losses
- (iii) Note 30 - Measurement of assets and obligations for defined benefit plans
- (iv) Note 10 - Recognition of deferred tax assets
- (v) Note 34 - Disclosure of contingent liabilities



2.4 Measurement of Fair Values

Financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value

measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- (ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;
- (iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.5 Revenue Recognition

Interest income:

The Company recognises interest income using effective interest rate (EIR) method as per Ind AS 109 'Financial Instruments' on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than creditimpaired assets.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

Revenue from operations other than interest income :

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'.

(a) Fees and commission income,

The Company recognises:

- Service and administration charges on completion of contracted service;
- Bounce and penal charges on realisation;
- Insurance commission income on delivery of services to the customer;
- Income on loan foreclosure and prepayment on realisation.

(b) Other operating income

- The Company recognises recoveries against written off financial assets on realisation.
- Any other operating income is recognised on completion of service.

Net gain on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains/loss on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis and unrealised gain/loss on fair value change of financial assets measured at FVTPL.

Taxes

Incomes are recognised net of the goods and services tax, wherever applicable.

2.6 Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR method as per Ind AS 109 'Financial Instruments'.

(ii) Fees and commission expense

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as recovery charges are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Employee benefit expenses

The cost attributable to the services rendered by the employees of the Company is recognised as employee benefits expenses in the Statement of Profit and Loss.

(iv) Other expenses

Expenses are recognised on accrual basis inclusive of the goods and services tax for which input credit is not statutorily permitted.

2.7 Financial Instruments:

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

All financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Company recognises the financial instruments on settlement date.

Recognized financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in the Statement of Profit or Loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- (i) If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognized in profit or loss on initial recognition (i.e. day 1 profit or loss);
- (ii) In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would consider when pricing the asset or liability.



Financial assets

Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

- (i) Amortized cost;
- (ii) Fair value through other comprehensive income (FVTOCI); or
- (iii) Fair value through profit and loss (FVTPL).

Initial recognition and measurement

Financial asset is recognized on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. Financial asset measured at amortized cost and Financial measured at fair value through other comprehensive income is presented at gross carrying value in the Financial statements.

Assessment of Business model

The company is required to classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (i) The entity's business model for managing the financial assets and
- (ii) The contractual cash flow characteristics of the financial asset.

An assessment of the applicable business model for managing financial assets was carried out for the classification of a financial asset. The company is primarily in the business of providing retail loans to its end customers. The business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

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

- (i) business model objective is to hold financial assets in order to collect contractual cash flows and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount.

As the company is in the business of retail loans the financial asset gives rise on cash flows that are solely payments of interest and principal. The company's business model refers to how the company manages its financial assets in order to generate cash flows. That is, the business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

Financial asset at amortized cost

Amortized cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR (Effective Interest Rates). For the purpose of SPPI (Solely payment of Principal and Interest) test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form. The EIR amortization is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement.

Accordingly, the Company measures bank balances, loans, trade receivables and other financial instruments at amortized cost.

The 'amortized cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

Unamortized transaction incomes and impairment allowance on Financial asset is included under the head "Loans". The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any expected credit loss allowance.

Financial asset at fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as "Contractual cash flows of Asset collected through hold and sell model and SPPI", such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI. The EIR amortization is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealized gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual gain/loss realized is recorded in the profit and loss statement and the unrealized gain/losses recorded in OCI are recycled to the statement of profit and loss.



Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortized cost or FVTOCI, is classified as at FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

Impairment of Financial Asset

Impairment Approach

(I) General approach

Expected credit losses ('ECL') are recognised for applicable financial assets held under amortised cost.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' for which a 12 month ECL is recognised.

Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Life time ECL is recognised for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial assets ('lifetime ECL').

Financial assets are written off in full, when there is no realistic prospect of recovery. The Company may apply enforcement activities to certain qualifying financial assets written off.

Treatment of the different stages of financial assets and the methodology of determination of ECL

(a) Credit impaired (stage 3)

The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of principal and/or interest are past due for more than 90 days;
- The loan is otherwise considered to be in default.
- Loan accounts where principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared.

(b) Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, any overdue of more than 1 day past due and up to 90 days past due as on the reporting date is considered as an indication of financial assets to have suffered a significant increase in credit risk. Additionally, for mortgage loans, the Company recognised stage 2 based on other indicators such as frequent delay in payments beyond due dates

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioural trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioural trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

(c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial assets in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using behavioural analysis and other performance indicators, determined statistically. Overdue upto 1 days is classified in Stage 1.

(d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of forward economic guidance (FEG) model.

Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors. In addition, the estimation of ECL takes into account the time value of money.



The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

- Determination of PD is covered above for each stages of ECL.
- EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.
- LGD represents expected losses on the EAD in the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company recalibrates above components of its ECL model on a periodical basis by using the available incremental and recent information, except where this information does not represent the future outcome. Further, the Company assesses changes to its statistical techniques for a granular estimation of ECL.

(II) Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables falling under the scope of Ind AS 115. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables falling under the scope of Ind AS 115. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and other financial assets and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated for changes in the forward looking estimates.

Financial liabilities

Financial liabilities are classified as measured at amortized 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. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in Statement of profit and loss.

Derecognition

The Company derecognizes 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. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

A financial liability is derecognized when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognized in Statement of profit and loss.

2.8 Property, plant and equipment and Other intangible assets:

Property, plant and equipment

Tangible

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital Work-in-progress:

Capital work-in-progress for IT projects, supply of administrative purposes is carried at cost until construction and installation are complete, and the asset is ready for its intended use.

Depreciation and Amortization:

Depreciation is recognized (other than on capital work-in-progress) on a straight-line basis over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement.

The estimated useful lives of assets are stated below:

Computers & Hardware - 3 years

Estimated useful life of assets consistent with the useful life specified in the Schedule II of the Companies Act, 2013.

The economic useful lives of assets are assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.



Impairment of fixed assets

At the end of each year, the management reviews the carrying values of assets to determine whether there is any indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of individual asset, the management estimates the recoverable amount of the cash generating unit to which the asset belongs. Intangible assets are also tested for impairment every financial year even if there is no indication that the asset is impaired.

If the recoverable amount of an asset of cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or the cash generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset of cash generating unit is increased to the revised estimate of a recoverable amount, not exceeding the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash generating unit in prior years. A reversal of impairment loss is recognized immediately in the Statement of Profit and Loss.

Derecognition of assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

Intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a straight-line basis over their estimated useful lives of 3-7 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of profit and loss when the asset is derecognized.

2.9 Leases

The Company as a lessee follows Ind AS 116 'Leases' for accounting of equipments like Laptops taken on lease

Measurement of lease liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments over primary period of lease discounted using the Company's incremental cost of borrowing of similar tenure and directly attributable costs. Subsequently, the lease liability is increased by interest on lease liability, reduced by lease payments made and remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-use assets

At the time of initial recognition, the Company measures right-of-use assets as present value of all lease payments over primary period of lease discounted using the Company's incremental cost of borrowing of similar tenure. Subsequently, right-of-use assets is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'. Depreciation on right-of-use assets is provided on straight-line basis over the lease period. 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. The Company recognises the lease payments associated with these leases as an expense over the lease term.

2.10 Cash and cash equivalents:

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

2.11 Foreign currency transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency').

On initial recognition, all foreign currency transactions are recorded at the foreign exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currency outstanding at the close of the financial year are revalued at the appropriate exchange rates prevailing at the close of the year.

The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.



2.12 Employee Benefits:

Short-term Employee Benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period in which the related service is rendered at the undiscounted amount of the benefit that is expected to be paid in exchange for that service.

Other long-term employee benefits

The liability for earned leave, casual leave and exigency leave is not expected to be settled wholly within twelve months after the end of the period in which the employees render the related services. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method with actuarial valuations being carried out at each Balance Sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Statement of Profit and Loss.

Post-employment benefits

(i) Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when the employees have rendered the service entitling them to the contribution.

Provident fund:

Provident fund contributions are made to Company's Provident Fund Trust. The contributions are accounted for as defined benefit plans and the contributions are recognised as employee benefit expense when they are due. Deficits, if any, of the fund as compared to liability based on an independent actuarial valuation is to be additionally contributed by the Company and hence recognised as a liability.

Super Annuation fund: The Company contributes to Super annuation fund Scheme and recognises such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

Employees' state insurance: The Company contributes to Employees State Insurance Scheme and recognises such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

(ii) Defined benefit plans

Gratuity:

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

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

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

2.13 Earnings per share:

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

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



2.14 Taxation:

- a) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961; and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b) Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- c) Deferred tax is provided using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.

The Company offsets deferred tax assets and deferred tax 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 taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.15 Provisions and Contingent liabilities:

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

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

2.16 Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS) and Interest rate swap (IRS). Derivative contracts are initially recognised at fair value on the date of entering into contract and are subsequently remeasured to their fair value at each Balance Sheet date. The resulting gains/losses are recognised in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument. For hedging instrument, the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship.

The Company designates its CCIRS and IRS derivatives as cash flow hedges of a recognised liability. The Company recognises derivatives with a positive fair value as a financial asset and derivatives with a negative fair value as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedge

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows :

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve).

When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.



3 Cash and Cash equivalents :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Cash on hand	-	-
Balances with banks		
- In Current Account	259.62	121.41
- In Fixed Deposits (with original maturity of 3 months or less)	-	850.92
Total	259.62	972.33

4 Bank balance other than cash and cash equivalents :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Fixed deposits (with original maturity more than 3 months)*	0.75	0.17
Total	0.75	0.17

* fixed deposit with banks are lien marked against Overdraft and Bank Guarantee

5 Derivative Financial Instruments at FVTOCI

(Amount Rs. In crores)

Particulars	As at					
	Mar-26			Mar-25		
	Notional amounts*	Fair value - Assets	Fair value - Liabilities	Notional amounts	Fair value - Assets	Fair value - Liabilities
Cash flow hedges						
- Cross currency interest rate swap	1,866.00	231.46	-	1,866.00	1.14	6.32
- Interest rate swap	2,137.50	-	14.62	1,637.50	-	12.24
Total	4,003.50	231.46	14.62	3,503.50	1.14	18.56

Derivative transactions comprises Cross Currency Interest Rate Swaps (CCIRS) and Interest rate swap (IRS). The Company undertakes such transactions for hedging interest/foreign exchange risk on borrowings. The Asset Liability Management Committee periodically monitors and reviews the risks involved.

The notional amount for CCIRS represents underlying foreign currency borrowings for which the Company has entered to hedge the variable interest rate and foreign exchange risks.

The notional amount for IRS represents underlying India currency borrowings for which the Company has entered to hedge the variable interest rate risks.

* Notional Value represents original value of contract

6 Loans :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
	At amortised cost	At amortised
(A) Term loans		
Term Loans to customers under Financing	18,834.68	9,503.28
Total (gross)	18,834.68	9,503.28
Less: Impairment loss allowance	(385.14)	(110.34)
Total	18,449.54	9,392.95
(B) Out of above		
(I) Secured by tangible assets		
Against hypothecation of automobiles	18,834.68	9,503.28
Less: Impairment loss allowance	(385.14)	(110.34)
Total (i)	18,449.54	9,392.95
(II) Unsecured		
Less: Impairment loss allowance	-	-
Total (ii)	-	-
Total (B) = (I+II)	18,449.54	9,392.95
(C) Out of above		
(I) Loans in India		
(i) Public sector	-	-
Less: Impairment loss allowance	-	-
Sub-total (i)	-	-
(ii) Others	18,834.68	9,503.28
Less: Impairment loss allowance	(385.14)	(110.34)
Sub-total (ii)	18,449.54	9,392.95
Total (I) = (i+ii)	18,449.54	9,392.95
(II) Loans outside India		
	-	-
Total (C) = (I+II)	18,449.54	9,392.95

Summary of EIR impact on loans -

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Total gross loan	18,941.95	9,577.11
Less: EIR impact	(107.27)	(73.83)
Total for gross term loan net of EIR impact	18,834.68	9,503.28



Summary of loans by stage distribution -

Particulars	As at 31 March 2026			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	17,996.55	488.92	349.21	18,834.68
Less: Impairment loss allowance	(172.38)	(49.64)	(163.12)	(385.14)
Net carrying amount	17,824.18	439.28	186.09	18,449.54

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	9,240.92	186.29	76.08	9,503.28
Less: Impairment loss allowance	(55.44)	(20.66)	(34.24)	(110.34)
Net carrying amount	9,185.48	165.63	41.84	9,392.95

Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans

Particular	For the year ended 31 March 2026							
	Stage 1		Stage 2		Stage 3		Total	
	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance
As at 31 March 2025	9240.92	55.44	186.29	20.66	76.08	34.24	9503.28	110.34
Transfer during the Year								
transfer to Stage 1	19.80	1.88	-19.18	-1.66	-0.62	-0.22	(0.00)	0.00
transfer to Stage 2	-380.72	-3.58	380.98	3.67	-0.26	-0.09	0.00	0.00
transfer to Stage 3	-495.36	-5.91	-146.05	-17.35	641.41	23.25	-	0.00
	(856.28)	(7.61)	215.75	(15.34)	640.53	22.94	-	0.00
Impact of Change in Credit Risk on Account of Stage movement	-	-1.74	-	24.35	-	296.59	-	319.20
New credit exposures net of repayments	12,778.73	119.20	187.27	20.50	74.04	31.86	13,040.04	171.56
Repayment net of additional disbursement	-3,166.82	7.09	-100.39	-0.53	-191.63	27.30	(3,458.84)	33.85
Amount written off during the year	0.00	0.00	0.00	0.00	-249.81	-249.81	(249.81)	(249.81)
As at 31 March 2026	17,996.55	172.38	488.92	49.64	349.21	163.12	18,834.68	385.14

Particular	For the year ended 31 March 2025							
	Stage1		Stage2		Stage3		TOTAL	
	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance
As at 31 March 2024	710.69	3.08	0.15	0.01	-	-	710.84	3.10
Transfer during the Year								
transfer to Stage 1	0.01	0.00	(0.01)	(0.00)	-	-	-	-
transfer to Stage 2	(24.31)	(0.11)	24.31	0.11	-	-	0.00	-
transfer to Stage 3	(35.25)	(0.18)	(0.07)	(0.01)	35.32	0.19	-	-
Impact of Change in Credit Risk on Account of Stage movement	-	(0.00)	-	1.95	-	15.79	-	17.74
New credit exposures net of repayments	8781.67	51.46	165.92	18.60	91.99	57.29	9039.58	127.35
Repayment net of additional disbursement	(191.90)	1.19	(4.02)	(0.00)	(12.19)	-	(208.11)	1.19
Amount written off during the year	-	-	-	-	(39.04)	(39.04)	(39.04)	(39.04)
As at 31 March 2025	9240.92	55.44	186.29	20.66	76.08	34.24	9,503.28	110.34

Break-up of loans details -

(Amount Rs. In crores)

As at

Particulars	Mar-26	Mar-25
Loans considered good - Secured	17,996.55	9,240.92
Loans considered good - unsecured	-	-
Loans with significant increase in credit risk	488.92	186.29
Loan - credit impaired	349.21	76.08
Total	18,834.68	9,503.28
Loss allowance	(385.14)	(110.34)
Total loans	18,449.54	9,392.95

No loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013) that are repayable on demand or without specifying any terms or period of
No Loans receivable from private companies in which a director is a director or a member.
No Loans which are not in default /stressed loans acquired or transferred from other entities.

7 Investments :

(Amount Rs. In crores)

As at

Particulars	Mar-26	Mar-25
i. At amortised cost	-	-
ii. Fair value through Profit or Loss		
Investment in Mutual Funds (Quoted)		
iii. Fair value through OCI		
Investment In 182 T-bill (Gsec)	-	-
Investment in SDL (State development loan) bond	224.70	78.30
Total	224.70	78.30

No Impairment allowance on above investment



(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Out of above		
In India	224.70	78.30
Outside India	-	-
Total	224.70	78.30

8 Other financial assets :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Advances to Dealers*	433.04	444.37
Receivables from related party	5.54	0.64
Others receivables	68.65	14.80
Total	527.23	459.81
Less: Impairment loss allowance	(4.31)	(2.04)
Total other financial assets	522.92	457.76

*Represents short term interest free advances provided to dealers of Bajaj Auto Limited which are adjusted against loan disbursements of the Company

9 Current Tax Assets (Net)

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Advance income tax	374.00	64.00
Less : Provision for tax	(348.93)	(56.12)
Total	25.07	7.88

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Statement of Profit and Loss	292.80	56.12

10 Deferred Tax Assets (Net)

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Deferred Tax Assets	116.31	53.00
Total	116.31	53.00

Movement in Deferred tax asset/(liability) :

(Amount Rs. In crores)

Particulars	Balance as at 31 Mar 2026	Recognised in profit and loss	Recognised in OCI	Balance as at 31 March 2025	Recognised in profit and loss	Recognised in OCI	Balance as at 31 March 2024
Assets & Liabilities							
Carried forward tax losses	-	-	-	-	(3.07)	-	3.07
Expenses allowed on actual payment	5.20	3.35	-	1.85	1.39	-	0.46
Impairment loss allowance (ECL)	82.60	57.29	-	25.31	24.29	-	1.03
EIR impact on financial instruments measured at amortised cost	27.00	8.42	-	18.58	14.70	-	3.88
Cash flow hedge reserve	(0.78)	-	(8.94)	8.16	-	8.16	-
Reversals of employee benefits	1.23	-	0.74	0.49	-	0.15	0.34
Others	0.40	0.25	-	0.15	(0.05)	-	0.20
Property, Plant and Equipment and Right of use asset	(1.66)	(0.25)	-	(1.41)	(0.99)	-	(0.42)
Fair value on instruments designated under FVTOC	2.32	-	2.45	(0.13)	-	(0.13)	-
Others	-	-	-	-	0.01	-	(0.01)
Total	116.31	69.06	(5.75)	53.00	36.27	8.18	8.55

Changes in deferred tax assets/(liability) in profit and loss charged during the year

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Statement of Profit and Loss	69.06	36.27
Total charged to profit or loss	69.06	36.27
Other comprehensive income	(5.75)	8.18
Total charged to other comprehensive income	63.31	44.45

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Reconciliation of tax expenses and profit before tax multiplied by average corporate tax

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Profit/(loss) before tax	888.58	78.15
At average corporate tax rate of 25.168% (Previous year - 25.168%)	223.64	19.67
Tax on expenditure not considered for tax provision	0.10	0.18
Effect of past year carry forward loss	-	(0.24)
Tax expenses	223.74	19.61



12 Other non financial assets :

(Amount Rs. In crores)
As at

Particulars	Mar-26	Mar-25
Prepaid Expenses	8.16	6.55
Balances with Government authorities	35.37	15.82
Advances to Suppliers	6.46	10.71
Advances to Employee	0.67	0.30
Total	50.66	33.38

13 Payables :

(Amount Rs. In crores)

Particulars	Mar-26	Mar-25
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.40	6.78
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5.99	0.20
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises#	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	140.86	113.95
Total (I)	147.25	120.92

13.1 Disclosures relating to Micro, Small and Medium Enterprises Development Act, 2006 are

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at the year-end are furnished below:

(Amount Rs. In crores)

Particulars	Mar-26	Mar-25
Principal amount due to suppliers under MSMED Act, as at the year end (since	0.40	6.78
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day,	0.01	8.03
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already	0.00	0.10
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Ageing schedule as at 31 Mar 2026

(Amount Rs. In crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.40	-	-	-	0.40
(ii) Others	140.86	5.99	-	-	-	146.85
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	140.86	6.39	-	-	-	147.25

Ageing schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Others	113.95	0.20	-	-	-	114.15
(ii) MSME	-	6.78	-	-	-	6.78
Total	113.95	6.97	-	-	-	120.92

14 Debt Securities :

(Amount Rs. In crores)
As at

Particulars	Mar-26	Mar-25
(a) loans in India		
At amortised cost:		
Non-Convertible Debenture- Secured	511.96	-
(b) loans outside India	-	-
Total	511.96	-

Terms of NCD

ISIN	Issue Date	Terms of Repayment	Total Number of Installment	Installment Remaining	Redemption Date	Interest Rate	As At 31 Mar 2026	
							Number of NCDs	Amount
INE18UV07012	27-Nov-25	Bullet	1	1	27-Nov-28	7.25%	50000	500.00
Total								500.00
Add: Interest Accrued								12.41
Less : Impact of EIR								(0.45)
Total								511.96

The Debenture are fully secured by first pari-passu charge by way hypothecation of loan receivable



15 Borrowings :

(Amount Rs. In crores)
As at

Particulars	Mar-26	Mar-25
(a) loans in India		
At amortised cost:		
Term loan from banks	13,151.54	6,548.92
At FVTOCI	-	-
At FVTPL	-	-
(b) loans outside India		
At amortised cost		
External commercial borrowing	2,086.32	1,887.60
At FVTOCI	-	-
At FVTPL	-	-
Total	15,237.86	8,436.52
Out of Above		
Secured (*Against hypothecation of loans, book debts)	15,237.86	8,436.52
Unsecured	-	-
Total	15,237.86	8,436.52

Term loans other than ECB is denominated in Indian currency and secured against loans and External commercial borrowing is denominated in foreign currency and secured against loans. The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

There is no default in repayment of principal as the case may be and interest charged in respect of

Term Loan repayment for FY 25-26

Original maturity of loan	Residual maturity of loan								Total	
	Due within 1 year		Due in 1 to 2 years		Due in 2 to 3 years		Due in more than 3 years		Total No. of instalments	Rs in crore
	Total No. of instalments	Rs in crore	Total No. of	Rs in crore	Total No. of	Rs in crore	Total No. of	Rs in crore		
Monthly										
Up to 3 years	-	-	5.00	500.00	-	-	-	-	5.00	500.00
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	-	-	-	-	-	-	-	-	-	-
Quarterly										
Up to 3 years	202.00	4,009.18	146.00	3,025.52	57.00	2,041.39	1.00	12.50	406.00	9,088.59
Over 3 to 4 years	35.00	913.97	37.00	938.97	44.00	1,683.48	22.00	780.66	138.00	4,317.08
Over 4 years	-	-	-	-	-	-	-	-	-	-
Half yearly										
Up to 3 years	2.00	80.00	2.00	80.00	-	-	-	-	4.00	160.00
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	-	-	-	-	-	-	-	-	-	-
On Maturity (Bullet)										
Up to 3 years	3.00	650.00	-	-	1.00	500.00	-	-	4.00	1,150.00
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	-	-	-	-	-	-	-	-	-	-
Total									557.00	15,215.67
Add : Interest accrue but not due										22.93
Less : Impact of EIR										-0.74
Total										15,237.86

* Interest rate ranges from 5.40% to 8.70% p.a as at 31 March 2026

Term Loan repayment for FY 24-25

Original maturity of loan	Residual maturity of loan								Total	
	Due within 1 year		Due in 1 to 2 years		Due in 2 to 3 years		Due in more than 3 years		Total No. of instalments	Rs in crore
	Total No. of instalments	Rs in crore	Total No. of instalments	Rs in crore	Total No. of instalments	Rs in crore	Total No. of instalments	Rs in crore		
Monthly										
Up to 3 years	-	-	-	-	5.00	500.00	-	-	5.00	500.00
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	-	-	-	-	-	-	-	-	-	-
Quarterly										
Up to 3 years	143.00	1,539.58	147.00	1,595.83	69.00	785.41	-	-	359.00	3,920.83
Over 3 to 4 years	12.00	475.00	12.00	475.00	14.00	680.40	16.00	1,115.29	54.00	2,745.68
Over 4 years	-	-	-	-	-	-	10.00	855.81	10.00	855.81
Half yearly										
Up to 3 years	-	-	-	-	-	-	-	-	-	-
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	-	-	-	-	-	-	-	-	-	-
On Maturity (Bullet)										
Up to 3 years	2.00	400.00	-	-	-	-	-	-	2.00	400.00
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	-	-	-	-	-	-	-	-	-	-
Total									430.00	8,422.32
Add : Interest accrue but not due										14.61
Less : Impact of EIR										-0.41
Total										8,436.52

* Interest rate ranges from 7.20% to 8.70% p.a as at 31 March 2025



16 Subordinated Liabilities

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
(a) loans in India		
At amortised cost:		
Other subordinated liabilities (From Others) - Unsecured	517.19	-
Total	517.19	-

Particulars	Maturity date	Terms of Principal repayment	Installments due based on tranches	Interest rate	Amount as at 31st March 2026
INE18UV08010	25-Sep-30	Bullet	1	8.00%	200.00
INE18UV08028	15-Oct-30	Bullet	1	8.00%	300.00
Interest Accrued					17.36
Impact of EIR					(0.17)
Total					517.19

17 Other financial liabilities :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Lease liability	19.97	13.43
Employee Benefits accrued	22.24	14.42
Other	20.30	9.65
Total	62.51	37.49

* Disclosures as required by Ind AS 116 - 'Leases' are stated below -

The Company as a lessee follows Ind AS 116 'Leases' for accounting of laptops taken on lease. The leases considered for

The following is the break-up of current and non-current lease liabilities

(Amount Rs. In crores)

Particular	As at	
	Mar-26	Mar-25
Current	4.60	2.74
Non - Current	15.37	10.69
Total	19.97	13.43

The following is the movement in lease liabilities -

Particular	(Amount Rs. In crores)
Opening Balance as at 1 April 2024	
Additions	15.06
Deletion	-
Finance cost accrued during the year	0.74
Payment of lease liabilities accrued during the year	(2.38)
Balance as at March 31, 2025	13.43
Additions	10.00
Deletion	-
Finance cost accrued during the year	1.38
Payment of lease liabilities accrued during the year	(4.83)
Balance as at March 31, 2026	19.97

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

Particular	(Amount Rs. In crores)
For FY 2024-25	
Less than one year	3.69
One to five years	12.50
More than five years	-
Total	16.19
For FY 2025-26	
Less than one year	5.99
One to five years	16.05
More than five years	-
Total	22.04

Amount recognised in statement of profit and loss -

(Amount Rs. In crores)

Particular	As at	
	Mar-26	Mar-25
Interest on lease Liability	1.38	0.74
Depreciation on right of use asset	3.84	1.80
Expenses related to short term leases	0.24	0.58
Total	5.46	3.12



18 Provisions :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Provision for employee benefits		
Provision for gratuity	7.22	0.65
Provision for leave	18.33	8.64
Provision for Super annuation	0.11	(0.00)
Other Provisions		
Others	-	-
Total provisions	25.66	9.29

Particulars	Provision for gratuity	Provision for leave	Provision for Super annuation
As at March 31, 2025	0.65	8.64	(0.00)
Additions	6.38	9.69	0.11
As at Mar 31, 2026	7.22	18.33	0.11

19 Other non-financial liabilities :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Statutory dues payable	24.80	13.70
Others	0.57	0.08
Total	25.37	13.77



11 **Property, Plant and equipment and Intangible asset:**

(Amount Rs. In crores)

Particular	Computer & hardware	Right to use of Asset - Computer	Software	Intangible assets under development	Furniture & Fixtures	Office Equipments	Total
I. Gross carrying amount							
As at 1 April 2024	1.28	-	9.51	3.67	-	-	14.47
Additions	2.78	15.06	1.48	8.49	-	-	27.82
Disposals	-	-	12.16	(12.16)	-	-	-
Balance as at March 31, 2025	4.07	15.06	23.15	-	-	-	42.28
Additions	0.03	10.00	0.50	1.90	1.47	0.16	14.05
Disposals	-	-	-	-	-	-	-
Transfer / Capitalised	-	-	-	(0.50)	-	-	(0.50)
Balance as at March 31, 2026	4.10	25.06	23.65	1.40	1.47	0.16	55.84
II. Accumulated depreciation							
As at 1 April 2024	0.07	-	0.42	-	-	-	0.49
Depreciation / Amortisation for the year	1.25	1.80	1.87	-	-	-	4.93
Adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2025	1.32	1.80	2.29	-	-	-	5.42
Depreciation / Amortisation for the year	1.98	3.84	3.72	-	0.27	0.06	9.87
Adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2026	3.30	5.64	6.01	-	0.27	0.06	15.29
Net book value as at March 31, 2025	2.74	13.26	20.86	-	-	-	36.86
Net book value as at March 31, 2026	0.79	19.42	17.64	1.40	1.20	0.10	40.55

The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the current or previous year.

Intangible assets under development ageing schedule :

Intangible assets under development - March 26	Amount in Intangible asset under					Total
	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	
Projects in Progress	1.40	-	-	-	-	1.40
Projects Temporarily Suspended	-	-	-	-	-	-

Intangible assets under development - March 25	Amount in Intangible asset under					Total
	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	
Projects in Progress	-	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-	-

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the current and previous financial year.



20 Equity share capital

(i) Equity share capital

Authorised equity share capital	(Amount Rs. In crores)	
	Number of shares	Amount
As at March 31, 2024	3,00,00,00,000	3,000
Increase during the year	4,50,00,00,000	4,500
As at March 31, 2025	7,50,00,00,000	7,500
Increase during the period	-	-
As at Mar 31, 2026	7,50,00,00,000	7,500

Issued, subscribed and paid-up equity share capital	(Amount Rs. In crores)	
	Number of shares	Amount
As at March 31, 2024	29,50,00,000	295
Change during the period	2,10,50,00,000	2,105
As at March 31, 2025	2,40,00,00,000	2,400
Change during the period	30,00,00,000	300
As at Mar 31, 2026	2,70,00,00,000	2,700

(ii) Rights, preferences and restrictions attached to shares

The Company has single class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The company, being a 100% subsidiary of Bajaj Auto Ltd, currently has only one shareholder. No dividend has been proposed by the Board of Directors so far and if and when proposed will be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Number of equity shares held by holding company or ultimate holding or its subsidiaries

Particulars	As at	
	Mar-26	Mar-25
Bajaj Auto Limited	2,70,00,00,000	2,40,00,00,000
	2,70,00,00,000	2,40,00,00,000

(iv) Details of shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2026	
	Number of shares	% of holding
Bajaj Auto Limited	2,70,00,00,000	100%
Total	2,70,00,00,000	100%

	As at 31 March 2025	
	Number of shares	% of holding
Bajaj Auto Limited	2,40,00,00,000	100%
	2,40,00,00,000	100%

(v) Details of shareholding of promoters

	As at 31 March 2026		
	Number of shares	% of total no. of shares	% of change during the year
Bajaj Auto Limited	2,70,00,00,000	100.00%	0%

	As at 31 March 2025		
	Number of shares	% of total no. of shares	% of change during the year
Bajaj Auto Limited	2,40,00,00,000	100.00%	0%



21 Other equity :

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Statutory Reserves	144.63	11.66
Retained earnings	539.13	9.44
Cash Flow Hedge reserve	2.30	(24.27)
Investment through OCI	(6.90)	0.39
Total Reserve & Surplus	679.16	(2.78)

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Statutory Reserve:		
Balance as at the beginning of the year	11.66	-
Transfer from Retained Reserve	132.97	11.66
Balance as at the end of period	144.63	11.66

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Retained earnings:		
Balance as at the beginning of the year	9.44	(36.76)
Profit for the period	664.84	58.30
Cost on issue of equity	-	-
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation net off tax	(2.18)	(0.43)
Transfer to Statutory Reserve	(132.97)	(11.66)
Balance as at the end of period	539.13	9.44

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Cash flow hedge reserve:		
Balance as at the beginning of the year	(24.27)	-
Other Comprehensive income for the year (net of tax)	26.57	(24.27)
Balance as at the end of period	2.30	(24.27)

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Investment through OCI:		
Balance as at the beginning of the year	0.39	-
Other Comprehensive income for the period (net of tax)	(7.29)	0.39
Balance as at the end of period	(6.90)	0.39

Nature and Purpose of Reserve -

Retained Earnings -

Retained earnings represents the surplus in Profit and Loss Account after appropriations made to/from retained earnings.

Statutory Reserves -

Every year the Company transfers sum of not less than twenty percent of net profit of that year to this statutory reserve fund created pursuant to Section 45 IC(1) of the Reserve Bank of India Act, 1934. No appropriation of any sum from the reserve fund is permitted except for the purpose as may be specified by the Reserve Bank of India from time to time.

Investment through OCI

The Company has elected to recognise changes in the fair value of investments in SDL bonds in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity.

Cash flow hedge reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.



22 Revenue From Operations

Interest income :

(Amount Rs. In crores)

Particulars	Year ended Mar-26			Year ended Mar-25		
	On Financial Assets measured at			On Financial Assets measured at		
	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL
Interest income						
- on loans	-	3,007.54	-	-	987.33	-
- on deposit with bank	-	2.99	-	-	1.63	-
- on Investment	15.50	-	-	2.82	-	-
- on others	-	6.50	-	-	10.69	-
Total	15.50	3,017.03	-	2.82	999.64	-

Fees and commission income :

(Amount Rs. In crores)

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Service and administration charges	131.98	29.43
Insurance commission income	55.67	0.64
Foreclosure income	7.38	1.41
Total	195.03	31.48

Net gain on fair value changes :

(Amount Rs. In crores)

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Net gain on sale of Mutual Fund - Realised	18.39	6.87
Fair value gain on Mutual Fund - Unrealised	-	-
Total	18.39	6.87

23 Other income :

(Amount Rs. In crores)

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Others	1.65	0.04
Total Income	1.65	0.04

24 Fees and Commission Expense :

(Amount Rs. In crores)

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Recovery cost	291.49	48.32
Loan portfolio management service charges	0.15	-
Total Income	291.64	48.32

25 Finance costs:

(Amount Rs. In crores)

Particulars	Year ended Mar-26			Year ended Mar-25		
	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL
	Interest on borrowings	-	838.28	-	-	319.99
Interest on debt securities	-	48.97	-	-	-	-
Interest on Subordinated liabilities	-	19.29	-	-	-	-
Other interest expense	-	1.84	-	-	0.83	-
Total	-	908.38	-	-	320.81	-

26 Impairment on financial assets :

(Amount Rs. In crores)

Particulars	Year ended Mar-26			Year ended Mar-25		
	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL
	On loans	-	540.52	-	-	146.28
On others	-	2.31	-	-	1.06	-
Total	-	542.83	-	-	147.34	-



27 Employee benefits expenses :

(Amount Rs. In crores)

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Salaries and wages	224.73	185.59
Contribution to provident and other funds	12.17	7.42
Staff welfare expenses	2.85	5.29
Total	239.75	198.30

28 Depreciation and amortisation expenses :

(Amount Rs. In crores)

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Depreciation on property plant and equipment	2.31	1.25
Depreciation on right of use assets	3.84	1.80
Amortisation of intangible assets	3.72	1.87
Total	9.87	4.93

29 Other expenses :

(Amount Rs. In crores)

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Auditor's fees and expenses (Refer Note 29.1)	0.41	0.18
Legal and Professional charges	6.55	3.65
Rent, taxes and energy costs	1.03	1.99
Repairs and maintenance	0.49	0.40
Advertisement and publicity	2.22	1.72
Information technology expenses	102.25	78.11
Bank charges	5.07	2.84
Communication cost	7.15	5.71
Printing, stationery and paper	1.99	2.22
Miscellaneous Expenses	7.15	5.39
Business support services	35.63	20.14
Director sitting fees	0.25	0.15
Customer operation related cost	148.36	97.74
Travelling & Conveyance Expenses	31.87	17.72
Employee training, recruitment and management expenses	5.55	5.03
CSR Expenditure	0.26	-
Total	356.23	243.00

29.1 Payment to auditors (net of GST credit availed)

(a) As auditor	0.34	0.13
(b) Taxation matters	0.03	0.03
(c) Company law matters	-	-
(d) Other services	0.01	0.02
(e) Reimbursement of expenses	0.03	0.01
Total	0.41	0.18

29.2 Details of CSR Expenses:

(a) Gross amount required to be spent by the company during the year	0.26	-
(b) Amount spent during the year on purpose other than	0.26	-
(c) Yet to be spent/excess spent (a-b)	(0.00)	-

There is no shortfall in the CSR amount required to be spent by the company as per section 135(5) of the Act for the financial year ended March 31, 2026.

CSR activities was training and skill development which are specified under Schedule VII of the companies Act, 2013

The company has neither made any CSR contributions towards its related parties nor recorded any provision for CSR expenditure during the financial year ended March 31, 2026



30 Employee benefits

Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder.

Funded schemes

Gratuity :

The Company provides for gratuity payments to employees. The gratuity benefit payable to the employees of the Company is greater of the provisions of the Payment of Gratuity Act, 1972 and the Company's gratuity scheme.

(Amount Rs. In crores)
As at 31 March

Particulars	2026	2025
Amount recognized in Balance Sheet		
Present value of funded defined benefit obligation (DBO)	26.53	11.46
Fair value of plan assets	19.31	10.81
Net funded obligation	7.22	0.65
Present value of unfunded defined benefit obligation	-	-
Amount not recognized due to asset ceiling	-	-
Net defined benefit liability / (asset) recognized in balance sheet	7.22	0.65

Expense recognized in the Statement of profit and loss		
Current service cost	3.02	0.89
Past service cost	-	-
Administration expenses	-	-
Past service cost*	10.32	-
Administration expenses	-	-
Interest on net defined benefit liability / (asset)	0.31	0.08
(Gains) / losses on settlement	-	-
(Gains) / losses on settlement	-	-
Total expense charged to statement of profit and loss	13.65	0.98

*BACL has recognized an additional gratuity expense of ₹10.32 crore, arising from the new Labour Code, as an exceptional item in the Statement of Profit and Loss for the year ended March 31, 2026."

Amount recorded as Other Comprehensive Income		
Opening amount recognized in OCI outside statement of profit and loss	1.95	1.37
Remeasurements during the period due to		
Changes in financial assumptions	(0.50)	(1.33)
Changes in demographic assumptions	1.02	-
Experience adjustments	2.34	1.74
Actual return on plan assets less interest on plan assets	0.06	0.18
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized in OCI outside statement of profit and loss	4.87	1.95

(Amount Rs. In crores)
As at 31 March

Particulars	2026	2025
Reconciliation of net liability / (asset)		
Opening net defined benefit liability / (asset)	0.65	1.59
Last year reversal	-	-
Expense charged to statement of profit and loss	13.65	0.98
Amount recognized outside statement of profit and loss	2.92	0.58
Employer contributions	-	-
Impact of liability assumed or (settled)*	-	-
Employer contributions	(10.00)	(2.50)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	7.22	0.65

* on account of inter group employee transfer and the corresponding liability has been appropriately accounted.



(Amount Rs. In crores)

As at 31 March

Particulars	2026	2025
Movement in benefit obligation		
Opening of defined benefit obligation	11.46	6.39
Current service cost	3.02	0.89
Past service cost	10.32	-
Interest on defined benefit obligation	1.04	0.44
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	(0.50)	(1.33)
Actuarial loss / (gain) arising from change in demographic assumptions	1.02	-
Actuarial loss / (gain) arising on account of experience changes	2.34	1.74
Benefits paid	(2.17)	(0.15)
Liabilities assumed / (settled)	-	3.48
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	26.53	11.46

(Amount Rs. In crores)

As at 31 March

Particulars	2026	2025
Movement in plan assets		
Opening fair value of plan assets	10.81	4.80
Employer contributions	10.00	2.50
Interest on plan assets	0.73	0.35
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.06)	(0.18)
Benefits paid	(2.17)	(0.15)
Liabilities assumed / (settled)	-	-
Assets acquired / (settled)	-	3.48
Assets distributed on settlements	-	-
Closing fair value of plan assets	19.31	10.81

(Amount Rs. In crores)

As at 31 March

Particulars	2026	2025
Disaggregation of assets		
Category of assets		
Insurer managed funds	19.31	10.81
Others	-	-

Sensitivity Analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50/100 basis points.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Senior staff				
Impact of increase in 50 bps on DBO	-3.20%	2.15%	-2.93%	2.98%
Impact of decrease in 50 bps on DBO	3.37%	-2.07%	3.08%	-2.86%
Junior staff				
Impact of increase in 50 bps on DBO	-3.74%	2.96%	-3.67%	3.78%
Impact of decrease in 50 bps on DBO	4.00%	-2.91%	3.91%	-3.58%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.



Funding arrangement and policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to insurance companies. The insurance companies in turn manage these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

Projected plan cash flow

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan:

(Amount Rs. In crores)					
Particulars	Less than a year	Between 1 - 2 years	Between 3-5 years	Over 5 years	Total
31 March 2026					
Senior staff	0.80	1.37	2.28	9.92	14.37
Junior staff	1.89	1.78	6.15	26.04	35.86
31 March 2025					
Senior staff	0.55	0.88	2.27	5.70	9.41
Junior staff	0.73	0.61	1.78	7.40	10.52

As at 31st March		
Weighted average duration of defined benefit obligation (in years)	2026	2025
Senior Staff	6.57	6.01
Junior Staff	7.73	7.57

As at 31st March		
Principal Actuarial Assumptions (Expressed as Weighted Averages)	2026	2025
Discount rate (p.a.)	7.10%	6.85%
Salary escalation rate (p.a.) - Senior staff	10.00%	10.00%
Salary escalation rate (p.a.) - Junior staff	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

Unfunded Schemes :

Compensated Absences

The compensated absences cover the Company's liability for earned leave, casual leave & exigency leave.

Entire amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(Amount Rs. In crores)		
As at 31st March		
Particulars	2026	2025
Present value of unfunded obligations #	18.33	8.64
Expense recognized in the Statement of profit and loss	9.69	8.64
Amount recorded as Other Comprehensive Income		
Discount rate (p.a.)	7.10%	6.85%
Salary escalation rate (p.a.)	10.00%	10.00%

Compensated absences

(Amount Rs. In crores)		
As at 31st March		
Particulars	2026	2025
Compensated absences expected to be settled after 12 months	12.51	5.89

Defined contribution plans

The Company also has certain defined contribution plans i.e., contribution to provident fund, employee state insurance plan and superannuation funds.

Contributions are made to provident fund for eligible employees at specified % of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

The expense recognised towards the defined contribution plans is as follows:

(Amount Rs. In crores)		
As at 31st March		
Particulars	2026	2025
Employer's Contribution to Provident fund	6.46	3.64



Bajaj Auto Credit Limited
Notes to financial statements for the year ended March 31, 2026 (Contd.)

31 Related party transactions

Name of the related parties and nature of relationship

(i) Where control exists:

Investing Entity of Holding Company

Bajaj Holdings & Investment Ltd.

Holding Company

Bajaj Auto Limited

(ii) Other related parties with whom transactions have taken place during the year:

Parties under common control with whom transaction have taken place during the year/previous year

- 1 Bajaj Financial Securities Ltd.
- 2 Bajaj General Insurance Company limited(Formerly known as Bajaj Allianz General Insurance Company limited)
- 3 Bajaj life Insurance Company limited(Formerly known as Bajaj Allianz life Insurance Company limited)
- 4 Bajaj Finance Limited
- 5 Bajaj FinServ Direct Limited
- 6 Hind Musafir Agency Limited
- 7 Chetak Technology Limited
- 8 Bajaj Auto Employees Superannuation trust
- 9 Bajaj Auto Senior staff group gratuity trust

(iii) Key Management Personnel

- 1 Rajiv Bajaj - Chairman
- 2 Kevin D'sa - Managing Director
- 3 Rakesh Sharma - Director
- 4 Nilesh Thakkar - CFO
- 5 Dr. J Sridhar - Company Secretary

(Amount Rs. In crores)

(iv) Disclosure of transactions with related party as required by Indian accounting standards 24 :

	Name of related party and Nature of relationship	Nature of transaction	FY 2025-26		FY 2024-25	
			Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
A	Holding Company					
	Bajaj Auto Limited (related party where control exists)	Issue of equity shares to BAL (26,50,00,000 shares of ₹ 10 each)	300.00	(2,700.00)	2,105.00	(2,400.00)
		Reimbursement of expenses to BAL	38.78	(4.94)	18.48	(0.00)
		Subvention income receivable from BAL	24.43	-	0.13	-
		NCD (Non-Convertible Debenture)	500.00	(500.00)	-	-
		Interest on NCD (Non-Convertible Debenture)	19.29	(19.29)	-	-
B	Other entities/persons:					
	Bajaj Holdings & Investment Ltd.	Reimbursement of expenses	-	-	-	-
	Bajaj Financial Securities Ltd.	Reimbursement of NPS Payment	-	-	-	-
	Bajaj General Insurance Co. Ltd (formerly known as Bajaj Allianz General Insurance Co. Ltd)	Insurance expenses related to laptop	-	-	0.09	-
		Advance towards employee insurance	3.70	1.93	2.21	2.76
		Advance towards customer related insurance	-	2.46	0.17	0.17
		Commission income	65.69	6.53	0.75	0.75
	Bajaj Life Insurance Co. Ltd. (former)	Insurance Expenses	1.39	0.16	0.01	0.48
	Bajaj Finance Ltd.	Purchase of asset from BFL	1.76	-	3.01	0.11
		Lease Charges and Other charges	(0.20)	(0.03)	0.02	(0.01)
		Services rendered (Others)	4.67	-	-	-
		Services received	1.10	-	-	-
		Business Support service related to salary	4.10	-	-	-
	Hind Musafir Agency Limited	Reimbursement Of Travelling expenses	-	-	0.50	-
	Bajaj FinServ Direct Limited	Support charges and Commission on leads	0.58	-	0.37	-
	Bajaj Auto Employees Superannuation trust	Contribution made during the year	-	-	0.11	-
	Bajaj Auto Senior staff group gratuity trust	Contribution made during the year	10.00	-	2.50	-
	Chetak Technology Limited	Professional Service	-	-	0.01	(0.01)

Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions between the related parties. In other cases, disclosure has been made only when there have been transactions with those parties.

Related parties as defined under clause 9 of the Indian Accounting Standard - 24 "Related Party Disclosures" have been identified based on representations made by key managerial personnel and information available with the company.

All above transactions are in the ordinary course of business and on arms' length basis. All outstanding balances are unsecured and are repayable in cash. Above transactions are inclusive of GST and before TDS.



32 Fair value measurement

i) Financial instruments by category

(Amount Rs. In crores)

Particulars	2026			2025		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Mutual fund	-	-	-	-	-	-
- State Development Loan (SDL) Bonds	-	224.70			78.30	
Loans	-	-	18,449.54	-	-	9,392.95
Other financial assets	-	-	522.92	-	-	457.76
Cash and cash equivalents	-	-	259.62	-	-	972.33
Bank Balance other than cash and cash equivalents	-	-	0.75	-	-	0.17
Derivative financial assets	-	231.46			1.14	-
Total financial assets	-	456.16	19,232.83	-	79.44	10,823.22
Financial liabilities						
Derivative financial liabilities		14.62	-		18.56	-
Trade payable			6.39			6.97
Other payable			140.86			113.95
Borrowing			16,267.00			8,436.52
Other financial liabilities			62.51			37.49
Total financial liabilities	-	14.62	16,476.76	-	18.56	8,594.94

ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Ind AS 113, 'Fair Value Measurement'. An explanation of each level follows underneath the table.

(Amount Rs. In crores)

Financial assets measured at fair value - recurring fair value measurements as at 31 March 2026					
Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTOCI					
- State Development Loan (SDL) Bonds	7	-	224.70		224.70
Derivative financial assets	5		231.46		231.46
Total financial assets		-	456.16	-	456.16
Derivative financial liabilities	5		14.62		14.62
Total financial liabilities			14.62		14.62

(Amount Rs. In crores)

Financial assets measured at fair value - recurring fair value measurements as at 31 March 2025					
Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTOCI					
- State Development Loan (SDL) Bonds	7		78.30		78.30
Derivative financial assets	5		1.14		1.14
Total financial assets					79.44
Derivative financial liabilities	7	-	18.56		18.56
Total financial liabilities		-	18.56	-	18.56



Financial assets and financial liabilities measured at amortised cost, including their levels in the fair value hierarchy:

Particulars	(Amount Rs. In crores)				
	Carrying value		Fair Value Hierarchy	Fair value	
	2026	2025		2026	2025
Financial assets					
Loans	18,449.54	9,392.95	Level 3	18,449.54	9,392.95
Other financial assets	522.92	457.76	Level 3	522.92	457.76
Cash and cash equivalents	259.62	972.33	Level 3	259.62	972.33
Bank Balance other than cash and cash equivalents	0.75	0.17	Level 3	0.75	0.17
Total financial assets	19,232.83	10,823.22		19,232.83	10,823.22
Financial liabilities					
Trade payable	6.39	6.97	Level 3	6.39	6.97
Other payable	140.86	113.95	Level 3	140.86	113.95
Borrowing	16,267.00	8,436.52	Level 3	16,267.00	8,436.52
Other financial liabilities	62.51	37.49	Level 3	62.51	37.49
Total financial liabilities	16,476.76	8,594.94		16,476.76	8,594.94

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Techniques used to determine fair value

Valuation Techniques used to determine fair value include

- Fair values of investments held under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;
- Fair values of investments held under FVTOCI have been determined under level 2 using ICRA valuation report of the underlying instruments;
- Derivative financial instrument i.e. cross currency interest rate swap (CCIRS) held for the purpose of hedging foreign currency denominated external commercial borrowings are accounted as a cash flow hedge. Fair value of CCIRS has been determined under Level 2 using discounted cash flow method by deriving future forward rates from published zero coupon yield curve. All future cashflows for both the paying and receiving legs in the swap contract are discounted to present value using these forward rates to arrive at the fair value as at reporting date.
- Derivative financial instrument i.e. Interest rate swap (IRS) held for the purpose of hedging floating interest rate are accounted as a cash flow hedge. Fair value of IRS has been determined under Level 2 using discounted cash flow method. All future cashflows for both the paying and receiving legs in the swap contract are discounted to present value using these interest rates to arrive at the fair value as at reporting date.
- The Company has determined that the carrying values of loans are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values. Fair value is same as carrying value as there is no significant change in interest rate charged to customers. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.
- The Company has determined that the carrying values of cash and cash equivalents, bank balances, other financial asset, trade payables, other payables, borrowings, and other financial liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.



33 Financial risk management

A summary of the major risks arising from financial instrument which are faced by the Company, its measurement, monitoring and management are described as under:

Nature of Risk	Exposure arising from	Measurement, monitoring and management of risk
(A) Credit risk	Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company.	Credit risk is: - Measured as the amount at risk due to repayment default by customers or counterparties to the Company. Various metrics such as instalment default rate, overdue position, contribution of stage 2 and stage 3 assets etc. are used as leading indicators to assess credit risk. - monitored by CRO through review of level of credit exposure, portfolio monitoring, contribution of repeat customers, customer and portfolio. - managed by a robust control framework by the risk unit.
(B) Market risk	Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the market variables such as interest rates and foreign exchange rates.	Market risk is - - Measured by using changes in interest rates and foreign currency fluctuation resulting impact on net interest income and other metrics. - Monitored by assessment of key parameters like fluctuation in the interest rate and foreign currency fluctuation and probable interest rate movements on both fixed and floating rate assets and liabilities. - Managed by the Company's treasury team under the guidance of ALCO and Investment Committee and in accordance with approved Investment and hedging policy.
(C) Liquidity and Funding risk	Liquidity risk arises from mismatches in the timing of cash flows.	Liquidity and funding risk is: - Measured by identification of gaps in the structural and dynamic liquidity and liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework. - Monitored by periodic reviews by ALCO of liquidity position and LCR position. - Managed by the Company's treasury team through various means like HQLA, liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions from banks.

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

A) Credit risk

Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company. The Company assesses the credit quality of financial instruments that are subject to credit risk.

Classification of financial asset under various stage -

Stage 1: unimpaired and without significant increase in credit risk since initial recognition on which a 12-month allowance for ECL is recognised;
Stage 2: a significant increase in credit risk since initial recognition on which a Lifetime ECL is recognised; and
Stage 3: objective evidence of impairment and therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Treatment and classification methodology of different stages of financial assets is detailed in note no. 2.7

(Amount Rs. In crores)

Particulars	As at 31 March	
	2026	2025
Term Loans to customers under Financing	18,834.68	9,503.28
ECL	385.14	110.34
Net carrying value	18,449.54	9,392.95

(Amount Rs. In crores)

Particulars	As at 31 March	
	2026	2025
Advances to dealer	453.04	444.37
ECL	4.31	2.04
Net carrying value	448.73	442.33



Collateral valuation

The Company offers two and three wheeler to customers and loans is secured by collateral. Although collateral is an important risk mitigant of credit risk, the Company's practice is to lend on the basis of assessment of the customer's ability to repay than placing primary reliance on collateral. Based on the nature of product and the Company's assessment of the customer's credit risk, a loan may be offered with suitable collateral. Depending on its form, collateral can have a significant effect in mitigating the Company's credit risk. The type of collateral obtained are as follow:

Product group	Nature of securities
Two and three wheeler finance	Hypothecation of underlying two and three wheeler

B) Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates risk and foreign exchange rates and credit spreads on investment and borrowings.

(i) Interest rate risk

On investment book other than equity

The Company manages the duration of its investment portfolio with an objective to optimise the return with minimal possible fair value change impact. The interest rate risk on the investment portfolio and corresponding fair value change impact is monitored and other parameters as defined in its investment and market risk policy.

Carrying value and fair value of investment as at -

(Amount Rs. In crores)

Particulars	As at 31 March			
	2026		2025	
	Carrying value	Fair value	Carrying value	Fair value
Investment at FVTPL	0.00	0.00	-	-
Investment at FVOCI	224.70	224.70	78.30	78.30
Investment at amortised cost	-	-	-	-

Carrying value and amortised cost of assets and liabilities as at

(Amount Rs. In crores)

Particulars	As at 31 March			
	2026		2025	
	Carrying value	Amortised cost	Carrying value	Amortised cost
Loans	18,834.68	18,834.68	9,503.28	9,503.28
Borrowings	16,267.00	16,267.00	8,436.52	8,436.52
Interest bearing trade advances	-	-	-	-

(ii) Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its external commercial borrowing (ECB). The Company has hedged the entire ECB exposure for the full tenure. The Company evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs for raising ECB. The Company manages its currency risks by entering into over the counter (OTC) derivatives contracts as hedge positions and the same are being governed through the Board approved Interest rate risk, Currency risk and Hedging policy.

The Company's exposure of foreign currency risk at the end of the reporting period expressed in INR are as follows :

(Amount Rs. In crores)

Particulars	As at 31 March	
	2026	2025
Hedged	-	-
ECB	(1,866.00)	(1,866.00)
Derivative financial instrument*	1,866.00	1,866.00
Unhedged	-	-

*Represents the notional amount of the derivative financial instrument



Hedging policy

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

Impact of hedging activities -

Disclosure of effects of hedge accounting on financial position :

Cash flow hedge foreign exchange risk 31 March 2026

(Amount Rs. In crores)

Type of hedge and risk	Nominal value	Carrying amount of hedge instrument asset	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans i.e. INR USD CCIRS	1,866.00	231.46	-	-231.46	215.78
Indian currency loans i.e. INR IRS *	2,137.50	-	14.62	14.62	-

* This is interest rate swap (IRS) which is INR currency denominated loans for which we have taken hedged to covert floating rate loan into fixed rate.

Cash flow hedge foreign exchange risk 31 March 2025

(Amount Rs. In crores)

Type of hedge and risk	Nominal value	Carrying amount of hedge instrument asset	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans i.e. INR USD CCIRS	1,866.00	1.14	6.32	5.18	16.80
Indian currency loans i.e. INR IRS *	1,637.50	-	12.24	12.24	-

* This is interest rate swap (IRS) which is INR currency denominated loans for which we have taken hedged to covert floating rate loan into fixed rate.

(b) Disclosure of effects of hedge accounting on financial performance

Cash flow hedge foreign exchange risk 31 March 2026

(Amount Rs. In crores)

Type of hedge and risk	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in the Statement of Profit and Loss because of the reclassification
Foreign currency loans i.e. INR USD CCIRS	(231.46)	-	-	-
Indian currency loans i.e. INR IRS	14.62	-	-	-

Cash flow hedge foreign exchange risk 31 March 2025

(Amount Rs. In crores)

Type of hedge and risk	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in the Statement of Profit and Loss because of the reclassification
Foreign currency loans i.e. INR USD CCIRS	5.18	-	-	-
Indian currency loans i.e. INR IRS	12.24	-	-	-

Movements in cash flow hedging reserve -

(Amount Rs. In crores)

Particulars	As at 31 March	
	2026	2025
Balance - As at 31 March 2025 / 2024	(24.27)	-
Change in value of hedge of CCIRS and IRS	35.51	(32.43)
Deferred tax relating to the above (net)	(8.94)	8.16
Balance - As at 31 March 2026 / 2025	2.30	(24.27)



C) Liquidity risk

The Company principal source of liquidity are "cash and cash equivalents", bank balance other than "cash and cash equivalents" and cash flows that are generated from operations and investment for the purpose of maintaining liquidity ratio as per RBI. The Company has a Board approved Liquidity Risk Management Framework which covers liquidity risk management policy, strategies and practices, liquidity coverage ratio (LCR), liquidity risk measurement - currency risk, interest rate risk and liquidity risk monitoring framework. The Company exceeds the regulatory requirement of LCR which mandates maintaining prescribed coverage of expected net cash outflows for a stressed scenario in the form of high quality liquid assets (HQLA).

(Amount Rs. In crores)

Particulars	As at 31 March	
	2026	2025
Net working capital includes -		
Cash and cash equivalents	259.62	972.33
Bank Balance other than cash and cash equivalents	0.75	0.17

The Company's ALCO monitors asset liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet.

The table below summarises the maturity profile of the undiscounted contractual cashflow of the Company's financial liabilities :

(Amount Rs. In crores)

Particular	As at 31 March 2026			As at 31 March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Derivative financial instruments	14.62	-	14.62	18.56	-	18.56
Trade payables	6.39	-	6.39	6.97	-	6.97
Other payables	140.86	-	140.86	113.95	-	113.95
Borrowings	6,643.12	11,555.72	18,198.84	2,952.32	6,837.62	9,789.94
Other financial liabilities	48.53	16.05	64.58	27.76	12.50	40.26
Total	6,853.52	11,571.77	18,425.29	3,119.57	6,850.12	9,969.69



34 Contingent Liabilities and commitments

(a) Contingent liability

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
Disputed claims against the Company not acknowledged as debts	0.02	0.00

(b) Capital and other commitments

(Amount Rs. In crores)

Particulars	As at	
	Mar-26	Mar-25
(i) Capital commitments		
for)		
-Tangible	-	-
-Intangible	-	9.10
(ii) Other commitments	-	-
Total	-	9.10

35 Earnings per share :

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares.

The following table shows the income and share data used in the basic and diluted EPS calculations:

Particulars	Year ended	Year ended
	Mar-26	Mar-25
(a) Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	6,64,84,09,193	58,29,90,964
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,67,20,54,795	1,36,36,30,137
Basic Earnings per share	2.49	0.43
(b) Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	6,64,84,09,193	58,29,90,964
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,67,20,54,795	1,36,36,30,137
Diluted Earnings per share	2.49	0.43

36 Details of segment wise income from insurance partners as required by Insurance Regulatory and Development Authority of India (IRDAI) are as below:

Particulars	Year ended	Year ended
	Mar-26	Mar-25
Income from insurance intermediation		
Commission income - General insurance	55.67	0.64

37 Segment information

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 'Operating Segment'.



38 Capital

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of Reserve Bank of India (Non-Banking Financial Companies - Prudential Norms on Capital Adequacy (Directions RBI/DOR/2025-26/345 DOR.CAP.REC.264/21-01-002/2025-26). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

(i) Capital management

Objective

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

Planning

The Company's assessment of capital requirement is aligned to the mandatory regulatory capital and its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and market.

The Company monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO).

The Company endeavours to maintain its CRAR higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

Further, the Company makes investment in Fixed deposits in banks and in mutual funds during the year. These investments are funded by the Company through its equity share capital.

(ii) Regulatory capital

(Amount Rs. In crores)

As at

Particulars	Mar-26	Mar-25
Tier I capital	3,235.65	2,316.43
Tier II capital	572.38	55.44
Total capital (Tier I + Tier II)	3,808.03	2,371.86
Risk weighted assets	19,485.63	9,994.45
Tier I CRAR	16.61%	23.18%
Tier II CRAR	2.94%	0.55%
CRAR (Tier I + Tier II)	19.54%	23.73%

(iii) Dividend distribution made and proposed

No dividend is proposed and declared for the year ended March 2026 and year ended March 2025.



39 Capital to Risk Assets Ratio (CRAR)

(Amount Rs. In crores)

As at 31 March

Particulars	2026	2025
1. CRAR %	19.54%	23.73%
2. CRAR - Tier I capital (%)	16.61%	23.18%
3. CRAR - Tier II capital (%)	2.94%	0.55%
4. Amount of subordinated debt raised	500.00	-

40 Investments

(Amount Rs. In crores)

As at 31 March

Particulars	2026	2025
Value of Investments		
(i) Gross Value of Investments		
(a) In India	224.70	78.30
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	224.70	78.30
(b) Outside India	-	-
Total	224.70	78.30
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/write-back of	-	-
(iv) Closing balance	-	-



41 Derivatives

(a) Forward Rate Agreement/Interest Rate Swap

(Amount Rs. In crores)

Particulars	As at 31 March	
	2026	2025
(i) Notional principal of swap agreements	4,003.50	3,503.50
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) Fair value of the swap books	216.84	(17.43)

(b) Exchange Traded Interest Rate (IR) Derivatives

(Amount Rs. In crores)

Particulars	As at 31 March	
	2026	2025
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding on (instrument-wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

(c) Disclosure on Risk Exposure in Derivatives

(Amount Rs. In crores)

Particulars	As at 31 March			
	2026		2025	
Descriptions	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount) For Hedging	1,866.00	2,137.50	1,866.00	1,637.50
(ii) Marked to Market Positions				
a) Asset (+)	231.46	-	1.14	-
b) Liability (-)	-	(14.62)	(6.32)	(12.24)
(iii) Credit Exposure	-	-	-	-
(iv) Unhedged Exposures	-	-	-	-

Refer note 33 Financial risk management and note 2.7 Derivative financial instruments of accounting policy



Asset Liability Management Maturity pattern of certain items of assets and liabilities

(In accordance with Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 - RBI/DoR/2025-26/355 DoR.I.RG.REC.No. 274/13-10-004/2025-26.)

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As at March 31, 2026

(Amount Rs. In crores)

	1 day to 7 days	8 to 14 days	15 day to 30 days	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks	8.42	4.17	491.72	367.42	810.12	1,448.91	2,575.10	9,269.36	1,293.16	-	16,268.38
Assets											
Loans and Advances*	895.74	-	-	658.57	657.08	1,974.34	3,792.90	9,257.46	1,598.59	-	18,834.68
Deposits with banks	-	-	-	-	-	-	-	-	-	-	-
Advances to dealer	-	-	453.04	-	-	-	-	-	-	-	453.04
Investments	-	-	-	-	-	-	224.70	-	-	-	224.70

As at March 31, 2025

(Amount Rs. In crores)

	1 day to 7 days	8 to 14 days	15 day to 30 days	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks	17.81	-	54.17	154.17	233.89	445.83	1,447.92	4,111.64	1,971.10	-	8,436.52
Assets											
Loans and Advances*	392.27	-	-	268.32	271.50	831.41	1,689.90	4,958.97	1,090.91	-	9,503.28
Deposits with banks	40.04	204.22	606.66	-	-	-	-	-	-	-	850.92
Advances to dealer	-	-	444.37	-	-	-	-	-	-	-	444.37
Investments	-	-	-	-	-	-	-	78.30	-	-	78.30

* EIR impact on loans and advances is considered over respective buckets

43 Exposures to Capital Market, Real Estate Sector and other sector

(i) There are no exposure to capital market and real estate sector during the year ended 31 March 2026 and 31 March 2025.

(ii) Sectoral exposure

(Amount Rs. In crores)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs (₹ crores)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs (₹ crores)	Percentage of Gross NPAs to total exposure in that sector
1. Industry						
(i) Auto loans						
- Two wheeler loan	10,726.45	219.77	2.05%	5,726.29	59.41	1.04%
- Three wheeler loan	8,215.50	130.71	1.59%	3,850.82	16.83	0.44%
Total	18,941.95	350.48	1.85%	9,577.11	76.24	0.80%

(iii) Intra-group exposure

There are no exposure to intra-group during the year ended 31 March 2026 and 31 March 2025.

(iv) Unhedged foreign currency exposure

The Company's exposure of unhedged foreign currency risk at the end of the reporting period is Nil and previous year was Nil.



44 **Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the applicable NBFC :**

For the year ended 31 March 2026 and 31 March 2025, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the board of the NBFC.

45 **Registration obtained from other financial sector regulators :**

Regulators	Registration Number
RBI- Reserve Bank of India	N-13.02465
Financial Intelligence Unit - (Operating under Economic Int)	FR0045675
IRDAI	CA1024

46 **Disclosure of Penalties imposed by RBI and other regulators :**

During the FY 25-26 company has paid fine Rs.NIL- to RBI towards certain Non-compliance. Previous year figures was Nil.

47 **Breach of covenant**

During the year end 31 March 2026, there are no instances of breach of any covenant of loans availed. Previous year figures was Nil.

48 **Ratings assigned by credit rating agencies and migration of ratings :**

During FY 2025-26

Particulars	Rating Assigned	Date of Rating	Rating Valid up to	Name of the Rating Agency	Amount (Rs in crores)
Term Loans	CRISIL AAA/Stable	19-Nov-2025	1 year	CRISIL Ltd	1,200.00
Short Term Loans	CRISIL A1+	19-Nov-2025	1 year	CRISIL Ltd	300.00
Commercial paper	CRISIL A1+	19-Nov-2025	1 year	CRISIL Ltd	2,000.00
Term Loans	CARE AAA Stable	30 June 2025	1 year	CARE	10,000.00
Term Loans	IND AAA/Stable	10 July 2025	1 year	India Rating & Research	3,000.00
Non-convertible debentures	ICRA AAA (Stable)	06-Mar-2026	1 year	ICRA Ltd	2,000.00
Subordinated bonds/debt	ICRA AAA (Stable)	06-Mar-2026	1 year	ICRA Ltd	750.00
Term Loans	ICRA AAA (Stable)	06-Mar-2026	1 year	ICRA Ltd	5,000.00

During FY 2024-25

Particulars	Rating Assigned	Date of Rating	Rating Valid up to	Name of the Rating Agency	Amount (Rs in crores)
Term Loans	CRISIL AAA/Stable	08-Nov-24	1 year	CRISIL Ltd	1,500
Commercial Paper	CRISIL A1+	08-Nov-24	1 year	CRISIL Ltd	1,000
Term Loans	IND AAA/Stable	15-Apr-24	1 year	India Rating & Research	3,000
Term Loans	CARE AAA Stable	31-Jan-25	1 year	CARE	3,000
Term Loans*	CARE AAA Stable	27-Mar-25	1 year	CARE	3,000



49 Provision for Contingencies

(Amount Rs. In crores)
As at 31 March

Particular	2026	2025
Breakup of Provision for contingencies shown under the head Expenditure in Profit and loss Account		
Provision for Depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	-	-
Other provision and contingencies	-	-
Leave encashment	18.33	8.64
Gratuity	7.22	0.65
Super annuation	0.11	(0.10)
ECL provision on financial assets	389.44	112.38

50 Draw Down from Reserves

There has been no draw down from the Statutory Reserves under section 45-1C of The Reserve Bank of India Act, 1934, for the year ended 31 March 2026 and 2025

Concentration of Deposits, Advances, Exposure and NPA's
(In accordance with Reserve Bank of India (Non-Banking Financial Companies - Concentration Risk Management) Directions, 2025- RBI/DOR/2025-26/351 DOR.CRE.REC.270/07-03-008/2025-26.)

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Concentration of Advances

	As at March 31, 2026	As at March 31, 2025
Total Advances to twenty largest borrowers	1.76	1.47
Percentage of Advances to twenty largest borrowers to Total advances	0.01%	0.02%

Concentration of Exposures:

	As at March 31, 2026	As at March 31, 2025
Total Advances to twenty largest borrowers	1.76	1.47
Percentage of Advances to twenty largest borrowers/ customers to Total Exposure of the applicable NBFC on borrower/Customers	0.01%	0.02%

Concentration of NPAs

	As at March 31, 2026	As at March 31, 2025
Total Exposure to top four NPA accounts	0.23	0.16



Sector-wise NPAs

March 26 -

Sector	Total advances in the sector	Percentage of NPAs to Total Advances in that
Auto Loans	18,941.95	1.85%

March 25 -

Sector	Total advances in the sector	Percentage of NPAs to Total Advances in that
Auto Loans	9,577.11	0.80%

52. Movement of NPAs

(Amount Rs. In crores)
As at 31 March

Particulars	2026	2025
(i) Net NPAs to Net Advances (%)	-	-
(ii) Movement of NPAs (Gross)	-	-
Opening balance	76.08	-
Additions during the year	714.57	76.08
Reductions during the year	441.44	-
Closing balance	349.21	76.08
(iii) Movement of Net NPAs	-	-
Opening balance	41.84	-
Additions during the year	335.88	41.84
Reductions during the year	191.63	-
Closing balance	186.09	41.84
(iv) Movement of provisions for NPAs (excluding provision on standard assets)	-	-
Opening balance	34.24	-
Provisions made during the year	378.69	34.24
Write-off/write-back of excess provision	249.81	-
Closing balance	163.12	34.24

53. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There are no overseas assets of the company for the year ended 31 March 2026 and 2025.

54. Off-balance Sheet SPVs sponsored

There are no off-balance sheet SPVs sponsored by the company for the year ended 31 March 2026 and 2025.



55 Disclosure of Customer Complaints

A. Complaints received by the NBFC from its customers

Particular	As at March 31, 2026	As at March 31, 2025
1. No. of complaints pending at the beginning of the year	0	0
2. No. of complaints received during the year	97	13
3. No. of complaints redressed during the year	97	13
3.1 Of which, number of complaints redressed during the year	0	0
4. No. of complaints pending at the end of the year	0	0
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	5	0
5.1. Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	3	0
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	2	0
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

B. Top five grounds of complaints received by the NBFCs from customers

Ground	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the no. of complaints received over the previous year	Number of complaints pending at the end of the year	Number of complaints pending beyond 30 days
FY 2025-2026						
1	Debt Management Services	Nil	53	489%	Nil	None
2	Repayment Management	Nil	13	333%	Nil	None
3	DCC Payment Related	Nil	7	100%	Nil	None
4	Sales Related Issue	Nil	6	100%	Nil	1
5	Settlement/Waiver Related	Nil	5	100%	Nil	None
FY 2024-2025						
1	Debt Management Services	Nil	9	100%	Nil	None
2	Repayment Management	Nil	3	100%	Nil	None
3	Credit Bureau Related	Nil	1	100%	Nil	None
4	None	NA	-	-	NA	None
5	None	NA	-	-	NA	None



56 The disclosures as required by the Reserve Bank of India (Non-Banking Financial Companies - Income Recognition, Asset Classification and Provisioning) Directions, 2025- RBI/DOR/2025-26/356 DOR.STR.REC.No.275/21.04.049/2025-26.
For the year ended 31 March 2026

(Amount Rs. In crores)

Asset classification as per RBI norms (1)	Asset classification as per Ind AS 109 (2)	Gross carrying amount as per Ind AS(3)	Loss allowance (provisions)as required under Ind AS 109(4)	Net carrying amount (5) = (3) - (4)	Provision required as per RBI Master direction* (6)	Difference between Ind AS 109 provision and IRACP norms (7) = (4) - (6)
(a) Performing assets						
Standard	Stage 1	17,996.55	172.38	17,824.17	71.28	101.09
	Stage 2	488.92	49.63	439.28	1.88	47.75
Subtotal (a)		18,485.47	222.01	18,263.46	73.16	148.85
(b) Non-performing assets (NPA)						
(i) Substandard	Stage 3	347.55	162.28	185.27	34.88	127.40
(ii) Doubtful up to :						
1 year	Stage 3	1.66	0.84	0.82	0.33	0.51
1 to 3 years	Stage 3	-	-	-	-	-
more than 3 years	Stage 3	-	-	-	-	-
(iii) loss assets	Stage 3	-	-	-	-	-
Subtotal (b)		349.21	163.12	186.09	35.22	127.91
Total (a+b)		18,834.68	385.14	18,449.54	108.38	276.76

For the year ended 31 March 2025

(Amount Rs. In crores)

Asset classification as per RBI norms (1)	Asset classification as per Ind AS 109 (2)	Gross carrying amount as per Ind AS(3)	Loss allowance (provisions)as required under Ind AS 109(4)	Net carrying amount (5) = (3) - (4)	Provision required as per RBI Master direction* (6)	Difference between Ind AS 109 provision and IRACP norms (7) = (4) - (6)
(a) Performing assets						
Standard	Stage 1	9,240.92	55.44	9,185.48	37.25	18.18
	Stage 2	186.29	20.66	165.63	0.75	19.91
Subtotal (a)		9,427.20	76.10	9,351.11	38.00	38.09
(b) Non-performing assets (NPA)						
(i) Substandard	Stage 3	76.08	34.24	41.84	7.65	26.59
(ii) Doubtful up to :						
1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
more than 3 years	Stage 3	-	-	-	-	-
(iii) loss assets	Stage 3	-	-	-	-	-
Subtotal (b)		76.08	34.24	41.84	7.65	26.59
Total (a+b)		9,503.28	110.34	9,392.95	45.65	64.68



57 Schedule to Balance sheet

(Amount Rs. In crores)

As at 31 March

Particulars	2026		2025	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures:				
Secured	511.96	-	-	-
Unsecured (other than falling wit	517.19	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term loans and ECB	15,237.86	-	8,436.52	-
(d) Inter-corporate loans and bor	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Other Loans (specify nature)	-	-	-	-

(Amount Rs. In crores)

As at 31 March

Particulars	2026	2025
	Amount outstanding	Amount outstanding
(1) Break-up of Loans and Advances		
(a) Secured	18,449.54	9,392.95
(b) Unsecured	-	-
(2) Break-up of Investments		
Current Investments		
(i) Quoted		
(a) Units of mutual funds	-	-
(ii) Unquoted		
(a) Units of SDL	224.70	78.30
(3) Borrower group-wise classification of assets financed (net of provision) - Secured		
(1) Related Parties	-	-
(2) Other than related parties	18,449.54	9,392.95
(4) Investor group-wise classification of all investments		
(1) Related Parties	-	-
(2) Other than related parties (Book value - 230.35) (PY Book Value- 76.11)	224.70	78.30
(5) Other information		
(i) Gross Non-Performing Assets		
(a) Related parties		
(a) Other than related parties	349.21	76.08
(ii) Net Non-Performing Assets		
(a) Related parties		
(a) Other than related parties	186.09	41.84



58 Details of financing of parent company products

Total loan assets represents financing of two wheeler and three wheeler vehicles manufactured/ marketed by parent company.

59 Related party transactions disclosures -

(Amount Rs. In crores)

Related Party	Holding (as per ownership or control)		Ultimate Holding		Key Management Personnel		Other Related Parties		Total	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Advances given - Outstanding and maximum	0.00	-	-	-	-	-	4.55	3.42	4.55	3.42
Purchase of asset	-	-	-	-	-	-	1.76	2.55	1.76	2.55
Reimbursement of expenses	38.78	18.38	-	0.00	-	-	-	-	38.78	18.38
Other income	24.43	0.13	-	-	-	-	65.69	0.65	90.12	0.78
Equity capital Infusion	300.00	2,105.00	-	-	-	-	-	-	300.00	2,105.00
NCD (Non-Convertible Debenture)	500.00	-	-	-	-	-	-	-	500.00	-
Interest on NCD (Non-Convertible Debenture)	19.29	-	-	-	-	-	-	-	19.29	-
Remuneration	-	-	-	-	-	5.03	-	-	-	5.03
Others receivables	-	-	-	-	-	-	6.53	0.75	6.53	0.75
Others	-	-	-	-	-	-	6.96	3.19	6.96	3.19
Total	882.50	2,123.51	-	0.00	-	5.03	85.50	10.56	968.00	2,139.09

There are no transactions with directors or relatives of directors & KMP. RPT policies are available on website of the Company.

60 1. Composition of the Board
(In accordance with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions RBI/DOR/2025-26/344 DOR.GOV.REC.No.263/18-10-013/2025-26.)

Name Of Director	Director Since	Capacity (i.e. Executive /Non-Executive / etc)	DIN	Number of Board Meetings		No. of Directorship	Remunerations		
				Held	Attended		Salary & Other Compensation	Sitting Fees	Commission
Rajiv Bajaj	06-12-2021	Chairman Non-Executive Director	00018262	5	5	11	-	-	-
Rakesh Sharma	06-12-2021	Non- Executive Director	08262670	5	5	7	-	-	-
Kevin D'sa	25-09-2023	Managing Director	00425661	5	5	2	-	-	-
Pradip Shah	01-01-2024	Independent Director	00066242	5	4	17	-	\$ 50,000 per meet	NA
Arun Nathani	01-02-2024	Independent Director	00619854	5	4	3	-	\$ 50,000 per meet	NA
Smita Mankad	01-03-2024	Independent Director	02009838	5	5	14	-	\$ 50,000 per meet	NA

Details of change in composition of the Board during the current

Details of change in composition of the Board during the FY 2024-25

Name Of Director	Capacity (i.e. Executive /Non-Executive / etc)	Nature of change (resignation, appointment)	Effective Date
S Ravikumar	Non- Executive	Resignation	30-04-2024



2. Committees of the Board and their composition

(i) Names of the committees of the Board.

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Risk Management Committee
- d. Stakeholders Relationship Committee
- e. IT Strategy Committee
- f. Special Committee of Board for monitoring and follow-up of cases of frauds (SCBMF)
- g. Review Committee
- h. Customer Service Committee
- i. Corporate Social Responsibility Committee

(ii) For each committee, mention the summarized terms of reference and provide the following details.

AUDIT COMMITTEE

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Smita Mankad	17-04-2024	Chairperson	5	5	Nil
Pradip Shah	17-04-2024	Member	5	4	Nil
Arun Nathani	17-04-2024	Member	5	4	Nil

NOMINATION AND REMUNERATION COMMITTEE

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Pradip Shah	17-04-2024	Chairman	3	2	Nil
Arun Nathani	17-04-2024	Member	3	2	Nil
Rajiv Bajaj	25-09-2023	Member	3	3	Nil

RISK MANAGEMENT COMMITTEE

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Pradip Shah	17-04-2024	Chairman	2	2	Nil
Arun Nathani	17-04-2024	Member	2	1	Nil
Kevin D'sa	17-04-2024	Member	2	2	Nil

STAKEHOLDER RELATIONSHIP COMMITTEE

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Smita Mankad	17-04-2024	Chairperson	1	1	Nil
Arun Nathani	17-04-2024	Member	1	0	Nil
Kevin D'sa	17-04-2024	Member	1	1	Nil

IT STRATEGY COMMITTEE

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Arun Nathani	17-04-2024	Chairman	4	4	Nil
Rakesh Sharma	17-04-2024	Member	4	3	Nil
Kevin D'sa	17-04-2024	Member	4	4	Nil



SPECIAL COMMITTEE OF BOARD FOR MONITORING AND FOLLOW-UP OF CASES OF FRAUDS

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Kevin D'sa	15-10-2024	Chairman	1	1	Nil
Nilesh Thakkar	15-10-2024	Member	1	1	Nil
Anil Rathi	15-10-2024	Member	1	1	Nil
Raj Tailor	15-10-2024	Member	1	1	Nil
Raul Verma	15-10-2024	Member	1	1	Nil
Jaison John	15-10-2024	Member	1	1	Nil

REVIEW COMMITTEE

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Kevin D'sa	15-10-2024	Chairman	0	0	Nil
Pradip Shah	15-10-2024	Member	0	0	Nil
Smita Mankad	15-10-2024	Member	0	0	Nil

CUSTOMER SERVICE COMMITTEE

Name Of Director	Member Since	Capacity	Number of Meetings of the		No. of shares held in the
			Held	Attended	
Arun Nathani	27-01-2025	Chairman	3	3	Nil
Kevin D'sa	27-01-2025	Member	3	3	Nil
Rakesh Sharma	27-01-2025	Member	3	3	Nil

**I. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
FY 2025-26**

Name Of Director	Member Since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Rajiv Bajaj	17-03-2026	Chairman	0	0	NIL
Rakesh Sharma	17-03-2026	Member	0	0	NIL
Arun Nathani	17-03-2026	Member	0	0	NIL

3 General Board Meetings

Type of Meeting (Annual/ Extra Ordinary)	Date and Place	Special resolutions passed
Annual General Meeting	17.07.2025 - Pune	0
Extra-Ordinary General Meeting	11.08.2025 - Pune 17.03.2026 - Pune	<u>11.08.2025 - 3 Special resolutions</u> 1. Alteration to MOA to incorporate changes in the object clause concerning borrowing; 2. Alteration to AOA to incorporate clauses with respect to Nominee Director; 3. Approval for issuance of Subordinated Debt/ Non-Convertible Debentures) <u>17.03.2026 - 1 Special resolution</u> 1. Approval for the continuation of Shri Kevin D'sa as Managing Director (DIN: 00425661) for another six months upto 30 September 2026.



61 List of other disclosures that are not applicable/not permitted/with no exposure/no transactions both in the current and previous year.

- (i) The Company does not have sales out of amortised cost business model
- (ii) The Company has not restructured any loan.
- (iii) The Company does not have inter group exposure.
- (iv) The Company has not undertaken any transactions related to currency futures and options.
- (v) The Company has not advanced any loan to director/Senior officer and their relatives.
- (vi) The Company has not advanced any loan to entities associated with the director and their relatives.
- (vii) The Company has not undertaken any transaction related to Credit Default Swaps and hence guidelines related to this is not applicable.
- (viii) The Company has not issued any Perpetual Debt Instruments
- (ix) The Company does not have any unsecured advances.

62 Additional regulatory information required by Schedule III - Division III

Financial ratios

Ratio	Numerator	Denominator	Current period	Previous period	% Variance	Reasons for variance
1. CRAR %	Total capital (Tier I + Tier II)	Risk weighted assets	19.54%	23.73%	-4.19%	Capital infusion
2. CRAR - Tier I capital (%)	Tier I capital	Risk weighted assets	16.61%	23.18%	-6.57%	Capital infusion
3. CRAR - Tier II capital (%)	Tier II capital	Risk weighted assets	2.94%	0.55%	2.38%	Issurance of Sub-debt
4. Liquidity coverage ratio	HQLA	Net Cash outflow	153.85%	310.36%	-	



63 Disclosures as required for liquidity risk pursuant Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DOR/2025-26/339 DOR.FIN.REC.No.258/03.10.119/2025-26.

(i) Funding Concentration based on significant counterparty (both deposits and borrowings):

Financial Year	Number of Significant Counterparties	Amount (Rs. crore)	% of Total deposits	% of Total Liabilities
2025-26	16	15,595.01	NA	94.27%
2024-25	12	8,436.52	NA	97.68%

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits): Not Applicable

(iii) Top 10 borrowings (amount in Rs. crore and % of total borrowings):

Financial Year	Amount (Rs. crore)	% of total borrowings
2025-26	12,650.15	77.77%
2024-25	7,661.26	90.81%

(iv) Funding Concentration based on significant instrument/product:
FY 2025-26

Sr No.	Name of the instrument/product	Amount (Rs. crore)	% of Total Liabilities
1	Secured NCD	511.96	3.09%
2	Borrowings from Banks	13,151.54	79.50%
3	CP	-	0.00%
4	ECB	2,086.32	12.61%
5	Subordinated Debt	517.19	3.13%
	Total	16,267.00	98.34%

FY 2024-25

Sr No.	Name of the instrument/product	Amount (Rs. crore)	% of Total Liabilities
1	Secured NCD	-	0.00%
2	Borrowings from Banks	6,548.92	75.82%
3	CP	-	0.00%
4	ECB	1,887.60	21.86%
5	Subordinated Debt	-	0.00%
	Total	8,436.52	97.68%

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities, and total assets:

Particulars	FY 2025-26	FY 2024-25
	Weightage	Weightage
CP as % of Total Public funds	0.00%	0.00%
CP as % of Total Liabilities	0.00%	0.00%
CP as % of Total Assets	0.00%	0.00%

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities, and total asset: (Not Applicable)

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities, and total assets:

Particulars	FY 2025-26	FY 2024-25
	Weightage	Weightage
**Other short-term liabilities as % of Total Public funds	36.45%	29.81%
**Other short-term liabilities as % of Total Liabilities	35.85%	29.12%
**Other short-term liabilities as % of Total Assets	29.77%	22.80%

(vi) Institutional set-up for liquidity risk management:

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk. The Board approves the governance structure, policies, strategy and the risk tolerance limit for the management of liquidity risk.

The Board of Directors approves the constitution of Risk Management Committee (RMC) for the effective supervision and management of various aspects including liquidity risks faced by the company. The meetings of RMC are held at quarterly interval.

The Board of Directors also approves constitution of Asset Liability Committee (ALCO), consisting of the Company's top management which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and tolerance limits approved by the Board. The role of the ALCO also includes periodic revision of interest rates, diversification of source of funding and its mix, maintenance of enough liquidity and investment of surplus funds. ALCO meetings are held once in a quarter or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/approval/ratification.



Appendix 1 - LCR Disclosure:

(Amount Rs. In crores)

Sr No.	Particulars	Q4 FY26		Q3 FY26		Q2 FY26		Q1 FY26	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total HQLA	292.34	292.34	282.32	282.32	281.99	281.99	127.63	127.63
	TOTAL HQLA	292.34	292.34	282.32	282.32	NA	NA	NA	NA
Cash Outflows									
2	Deposits	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	485.92	558.80	159.25	183.14	150.23	172.77	61.85	71.13
5	Additional requirements	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	175.00	201.25	162.52	186.90	143.66	165.21	93.37	107.37
7	Other contingent funding obligations	-	-	-	-	-	-	0	0
	TOTAL CASH OUTFLOWS	660.92	760.06	321.77	370.04	293.89	337.98	155.22	178.50
Cash Inflows									
8	Secured lending	300.00	225.00	1,000	750	1,500.00	1,125.00	1,000.00	750.00
9	Inflows from fully performing exposures	895.74	671.80	694.47	520.85	587.17	440.38	505.72	379.29
10	Other cash inflows	-	-	-	-	-	-	-	-
	TOTAL CASH INFLOWS	1,195.74	896.80	1,694.47	1,270.85	2,087.17	1,565.38	1,505.72	1,129.29
11	TOTAL HQLA	292.34	292.34	282.32	282.32	281.99	281.99	127.63	127.63
12	TOTAL NET CASH OUTFLOWS		190.01		92.51		73.47		44.63
13	LIQUIDITY COVERAGE RATIO (%)		153.85%		305%		334%		286%

FY 2024-25

Sr No.	Particulars	Q4 FY25		Q3 FY25		Q2 FY25		Q1 FY26	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total HQLA	135.14	135.14	46.51	46.51	NA	NA	NA	NA
	TOTAL HQLA	135.14	135.14	46.51	46.51	NA	NA	NA	NA
Cash Outflows									
2	Deposits	-	-	-	-	NA	NA	NA	NA
3	Unsecured wholesale funding	-	-	-	-	NA	NA	NA	NA
4	Secured wholesale funding	62.58	71.97	56.33	64.77	NA	NA	NA	NA
5	Additional requirements	-	-	-	-	NA	NA	NA	NA
(i)	Outflows related to derivative exposures	18.56	21.35	9.25	10.63	NA	NA	NA	NA
(ii)	Outflows related to loss of funding on	-	-	-	-	NA	NA	NA	NA
(iii)	Credit and liquidity facilities	-	-	-	-	NA	NA	NA	NA
6	Other contractual funding obligations	70.31	80.85	92.44	106.30	NA	NA	NA	NA
7	Other contingent funding obligations	-	-	-	-	NA	NA	NA	NA
	TOTAL CASH OUTFLOWS	151.45	174.17	158.01	181.71	-	-	-	-
Cash Inflows									
8	Secured lending	-	-	-	-	NA	NA	NA	NA
9	Inflows from fully performing exposures	392.27	294.21	285.24	213.93	NA	NA	NA	NA
10	Other cash inflows	-	-	-	-	NA	NA	NA	NA
	TOTAL CASH INFLOWS	392.27	294.21	285.24	213.93	-	-	-	-
11	TOTAL HQLA	135.14	135.14	46.51	46.51	NA	NA	NA	NA
12	TOTAL NET CASH OUTFLOWS		43.54		45.43	0.00	0.00	0.00	0.00
13	LIQUIDITY COVERAGE RATIO (%)		310.36%		102.38%		NA		NA

	Total Unweighted Value (average)	31st March 2026		31st December 2025	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Assets to be included as HQLA without any haircut	67.63	67.63	56.84	56.84
2	Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-
3	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-
4	Approved securities held as per the provisions of section 45 IB of RBI Act	224.70	224.70	78.30	78.30
	Total HQLA	292.34	292.34	135.14	135.14



- (i) Unweighted values calculated as outstanding balances maturing within one month (for inflows and outflows).
(ii) Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).
(iii) Unsecured wholesale funding includes cash outflow on account of unsecured borrowing repayments.
(iv) Secured wholesale funding includes all Secured borrowing repayments.
(v) Components of HQLA :
[†] Bank Balances
[‡] SDL

64 Other regulatory information

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Relationship with struck off companies

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iii) Compliance with number of layers of companies

The company has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) Compliance with approved scheme(s) of arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(v) Utilisation of borrowings availed from banks and financial institutions

The company has taken term loans and working capital loans from bank and utilised such loan for intended purpose.

(vi) Undisclosed income

The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(vii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) The company does not have any immovable property and hence title deed requirements is not applicable.

(ix) Disclosure pertaining to stock statement filed with banks or financial institutions

The Company has availed the facilities (secured borrowings) from the lenders inter alia on the condition that, the Company shall provide or create or arrange to provide or have created, security interest by way of a first pari passu charge of the loans. Security interest is created by charge creation towards security on behalf of security holders.

For the financial year ended 31 March 2026, the quarterly statements or returns of current assets filed by the Company with banks, by applying pre-defined methodology that considers charged registered debt are in agreement with books of accounts.

(x) The disclosures as required by the Master Direction Monitoring of frauds in NBFCs issued by RBI (RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.No. 7/23.04.001/2024-25.)

There were 4 cases amounting to ₹ 0.50 crore reported as fraud during the year.



65 Registration of charges or satisfaction with Registrar of Companies

The company is in process of registering the charge bank guarantee. Further, charges are being registered wherein the statutory period is yet to expire

66 The comparative amounts reported in the financial statements for the year ended 31 March 2025 have been regrouped wherever required in accordance with the requirements of Schedule III Division III. Figures appearing as 0.00 in the financial statement are due to rounding off effect and their respective value below Rs. 50,000.

67 Ultimate Beneficiary

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

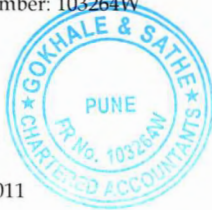
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

In terms of our report of even date
For Gokhale & Sathe, Chartered Accountants
ICAI Firm Registration Number: 103264W

CA Kaustubh Deshpande
Partner
Membership Number: 121011



For and on behalf of the board of directors of
Bajaj Auto Credit Limited

Rajiv Bajaj
Chairman
DIN : 00018262

Kevin D'sa
Managing Director
DIN : 00425661



Nilesht Thakkar
Chief Financial Officer

Dr. J Sridhar
Company Secretary

Place : Pune
Date: 5th May 2026