

**BAJAJ AUTO LIMITED  
ANNUAL REPORT 2023-24**



**THE WORLD'S  
FAVOURITE  
INDIAN**







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FAVOURITE  
INDIAN

BAJAJ AUTO LIMITED  
17th ANNUAL REPORT 2023-24

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## Board of Directors

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**Niraj Bajaj**, Chairman  
**Madhur Bajaj**, Vice Chairman  
(up to 24 January 2024)  
**Rajiv Bajaj**, Managing Director and CEO  
**Sanjiv Bajaj**  
**D J Balaji Rao** (up to 28 November 2023)  
**Pradeep Shrivastava**, Executive Director  
**Dr. Naushad Forbes**  
**Anami N. Roy**  
**Rakesh Sharma**, Executive Director  
**Lila Poonawalla** (up to 31 March 2024)  
**Pradip Shah**  
**Abhinav Bindra**  
**Vinita Bali** (from 1 April 2024)

## Audit Committee

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**Anami N. Roy**, Chairman  
**Dr. Naushad Forbes**  
**Pradip Shah**  
**Vinita Bali** (from 18 April 2024)

## Stakeholders' Relationship Committee

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**Pradip Shah**, Chairman  
**Niraj Bajaj**  
**Abhinav Bindra**

## Nomination and Remuneration Committee

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**Dr. Naushad Forbes**, Chairman  
**Niraj Bajaj**  
**Abhinav Bindra**

## Corporate Social Responsibility Committee

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**Rajiv Bajaj**, Chairman  
**Pradeep Shrivastava**  
**Dr. Naushad Forbes**  
**Abhinav Bindra**  
**Vinita Bali** (from 18 April 2024)

## Risk Management Committee

---

**Anami N. Roy**, Chairman  
**Pradip Shah**  
**Dinesh Thapar**

## Duplicate Share Certificate Issuance Committee

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**Rajiv Bajaj**, Chairman  
**Pradeep Shrivastava**  
**Rakesh Sharma**

## Management

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**Rajiv Bajaj**  
Managing Director and CEO

**Pradeep Shrivastava**  
Executive Director

**Rakesh Sharma**  
Executive Director

**Abraham Joseph**  
Chief Technology Officer  
(up to 31 March 2024)  
(Managing Director of  
Chetak Technology Ltd.  
w.e.f. 1 April 2024)

**S Ravikumar**  
Chief Business Development Officer

**Dinesh Thapar**  
Chief Financial Officer

**Ravi Kyran Ramasamy**  
Chief Human Resources Officer

**Amitabh Lal Das**  
General Counsel

**Sarang Kanade**  
President (Motorcycle Business)

**Samardeep Subandh**  
President (Intra-City Business)

**Kevin D'sa**  
President (Retail Finance)  
(Managing Director of  
Bajaj Auto Credit Ltd.  
w.e.f. 25 September 2023)

**K S Grihapathy**  
President (Export Business)

**Eric Vas**  
President (Urbanite Business)

**Sumeet Narang**  
President (Probiking Business)

**Ramtilak Ananthan**  
Chief Technology Officer  
(from 1 April 2024)

**C P Tripathi**  
Advisor (CSR)

## Company Secretary

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**Rajiv Gandhi**

## Auditors

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**S R B C & CO LLP**  
Chartered Accountants

## Secretarial Auditor

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**Shyamprasad D Limaye**  
Practising Company Secretary

## Cost Auditor

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**R.B. Laddha & Co**  
Cost Accountants

## Bankers

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Citibank N A  
Standard Chartered Bank  
ICICI Bank  
HDFC Bank  
Bank of America  
DBS Bank  
HSBC Bank  
Axis Bank  
State Bank of India  
Central Bank of India

## Registered Office

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Mumbai-Pune Road,  
Akurdi, Pune 411 035.

**CIN: L65993PN2007PLC130076**

## Works

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- Mumbai-Pune Road,  
Akurdi, Pune 411 035.
- Bajaj Nagar,  
Waluj, Aurangabad 431 136.
- Chakan Plant-1 – Plot No. A1,  
Chakan Industrial Area,  
Village Mahalunge, Chakan,  
Pune 410 501.
- Chakan Plant-2 – Plot No. E2,  
Chakan Industries Area,  
Village Nanekarwadi,  
Chakan, Pune 410 501.
- Plot No. 2, Sector 10,  
IIE Pantnagar,  
Udhamsinghnagar,  
Uttarakhand 263 531.

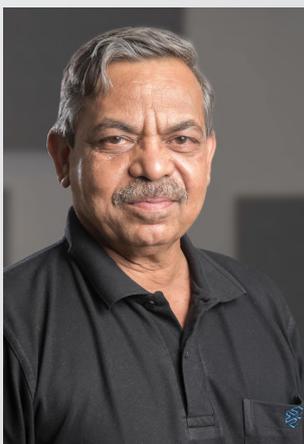


**Niraj R. Bajaj**  
Chairman

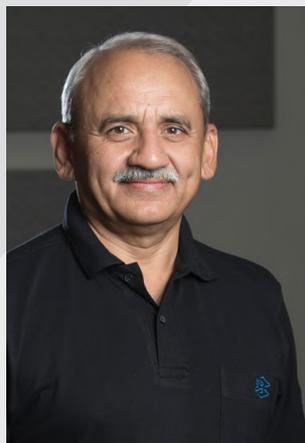
# MANAGEMENT TEAM



**Rajiv Bajaj**



**Pradeep Shrivastava**



**Rakesh Sharma**



**Abraham Joseph**



**S Ravikumar**



**Dinesh Thapar**



**Ravi Kyran Ramasamy**



**Amitabh Lal Das**



**Sarang Kanade**



**Samardeep Subandh**



**Kevin D'sa**



**K S Grihapathy**



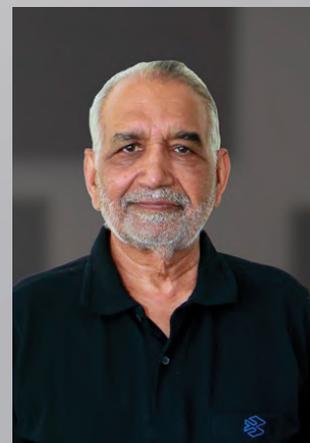
**Eric Vas**



**Sumeet Narang**



**Ramtilak Ananthan**



**C P Tripathi**



# CHAIRMAN'S LETTER

Dear Shareholders,

It is my honour and privilege to report back to you with exciting news on the year gone by. Your Company has posted record results for FY2024. The resilient, competitive and profitable growth in the year has propelled the financial results to new highs.

Let me outline some of these achievements –

1. Revenue clocked an all-time high at ₹ 44,685 crores, up 23% year-on-year, arising from the record sales of both vehicles and spares.
2. At ₹ 8,825 crores, EBITDA registered its highest ever, growing a solid 35% over previous year.
3. EBITDA margin at 19.7% was up a significant +180 basis points over previous year driven by dynamic results management, richer product mix and operating leverage. What is also noteworthy is that your Company delivered this accretion after absorbing the significant investments on building its electric scooters business, underscoring the commitment to its growth.
4. Profit Before Tax at ₹ 9,822 crores and Profit After Tax at ₹ 7,479 crore, both up 33% over last year, also hit new peaks.
5. The strong track record of cash generation was upheld as nearly ₹ 6,600 crores of Free Cash Flow was added this year, the highest ever and up 45% compared to last year.

Apart from the records, another hallmark of the performance was the consistency of growth across all quarters. This reflects your Company's resilient business model, where a strong domestic performance more than made up for muted exports which continued to be impacted by the challenging context in overseas markets.

As a result of the landmark performance, the Balance Sheet of your Company remains very healthy with surplus cash and cash equivalent as on 31 March 2024 standing at ₹ 16,386 crores – this after making capital investments of ~₹ 800 crores and paying a significant ~₹ 8,900 crores to shareholders between dividend and the share buyback. This financial position allows your Company to invest sufficiently for its competitive and sustainable future growth as well as reward its shareholders from time to time.

Across our businesses, I am pleased to say that there is much to cheer about.

Our domestic business delivered its largest revenue, on sustained momentum that led to double-digit growth for eight successive quarters. This was driven by robust volume-led growth across all businesses and market share gains.

- Your Company's domestic motorcycle sales by volume grew by 20% in FY2024, compared to the previous year. It maintained its strong competitive performance and, thanks to the Pulsar, emerged as the largest 125cc+ player of the year.
- FY2024 was by far the biggest year for our 125cc+ segment, where led by Pulsar models, our growth was eight times that of the rest of the industry. Your Company has been at the forefront of driving the trend of premiumization across the industry.
- KTM delivered its best ever sales.
- The introduction of Triumph has added strength to the premium portfolio, delivering over 40,000 units in the eight months post its launch, with the Speed 400 and Scrambler 400X experience being made available across 56 cities domestically and 16 export markets by the end of the year.

- Chetak electric scooters delivered strong results, staying resolute to its journey of expansion over the last couple of years. At over 115,000 units, sales in the year were up 3X over the previous one, enabling it climb to the #3 position in the industry, up from #7 last year
- Domestic sales of commercial vehicles surged ahead, closing the year with historic high volumes that grew significantly ahead of the industry. The year also saw the successful rollout of electric three-wheelers, with segment leadership in early launch cities leading to the acceleration of network expansion across the country.

As for Exports, your Company had to navigate continued rough macro-economic conditions across its key markets. The business acted decisively to adapt and manage currency constraints and market volatility. Against this backdrop, it stepped up its sales in the second half to close the full year with flat revenue. The robust growth in Latin American markets which achieved its highest sales, further aided by the Middle East, partially alleviated the slowdown in Africa and Asia.

Now coming to how I see the next year.

It is anticipated that India, now the fastest growing economy in the world, will achieve upwards of 7% real GDP growth in FY2024, and various forecasts expect this buoyancy to continue in FY2025. With stable CPI inflation at around 5%, we envisage double digit nominal GDP growth. In such a milieu and barring any unforeseen event, I would expect domestic demand to continue to pave the way for another year of growth up ahead.

In this context, to deliver another year of competitive and profitable performance, the priorities for our business are clear:

- Sustain the momentum on our domestic business and continue to drive growth across all segments
- Navigate the challenging international landscape and stay the course on recovering our exports volumes
- Maintain the thrust on differentiated product innovation, impactful in-market activation and superior customer experience
- Expand our capacity, capabilities and network for our new businesses, namely Chetak electric scooters, electric three wheelers and Triumph motorcycles
- Build and develop our strategic growth enablers through our wholly owned subsidiaries -
  - Chetak Technology Limited - as a powerhouse for disruptive and EV technology
  - Bajaj Auto Credit Limited – as a captive financing arm (that commenced business in January 2024) which seeks complete its national presence across the sales network by the end of March 2025
- Continue focus on dynamic financial management to ensure competitive and profitable growth with strong cash flow generation

On behalf of you, our shareholders, I offer our sincerest congratulations to your Company's Managing Director, Shri Rajiv Bajaj, and his management team and workers for delivering such a record performance in FY2024.

Given the state of the business and with such a passionate team that is capable of making a difference, I have absolute confidence that your Company is well placed to deliver yet another big year in FY2025.

I would like to thank you, our shareholders, for your support and continued trust. We appreciate it greatly.

Yours sincerely,



Niraj Bajaj  
Chairman  
18 April 2024

# MANAGEMENT DISCUSSION AND ANALYSIS

Among the major nations of the world, India will have posted the highest GDP growth for FY2024.

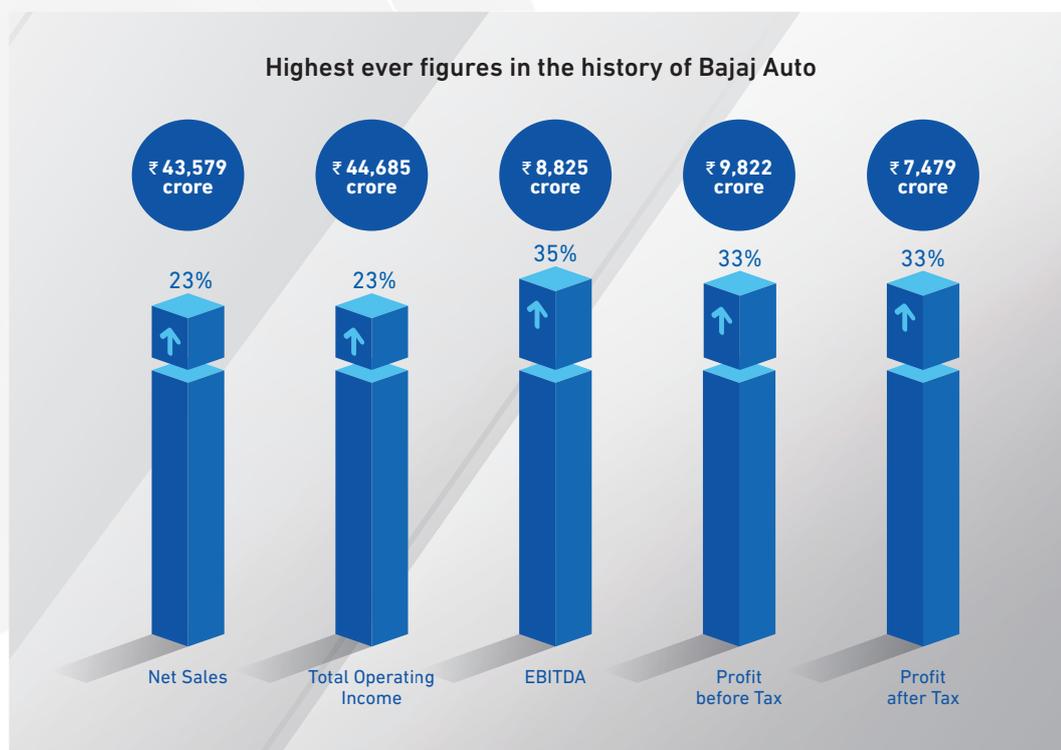
The second advance estimate released by the National Statistics Office (NSO) on 29 February 2024 pegged real GDP growth in FY2024 at 7.6%.

In its latest *World Economic Outlook* (January 2024), the IMF has placed India as the fastest growing major economy in the world for both CY2024 and CY2025.

That is not all. Consumer price inflation (CPI) has significantly moderated and the current account deficit (CAD) has also reduced.

It would seem, therefore, that the Indian economy is in a sweet spot and is by far the fastest growing major economy in the world.

Given this encouraging macroeconomic scenario, it is not surprising that consumer sentiments have stepped up. And Bajaj Auto has performed better than ever before. Here is a snapshot.





# BAJAJ AUTO'S FINANCIAL PERFORMANCE FOR FY2024

## 1. Records highest ever:

- Net sales: ₹ 43,579 crore, growth of 23%.
- Total operating income: ₹ 44,685 crore, growth of 23%.
- Earnings before interest, tax, depreciation, and amortisation (EBITDA): ₹ 8,825 crore, growth of 35%.
- Profit before tax (PBT): ₹ 9,822 crore, growth of 33%.
- Profit after tax (PAT): ₹ 7,479 crore, growth of 33%.

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2. Strong track record of cash generation, adding nearly ₹ 6,600 crore of free cash flow, up ~45% YoY

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3. Operating EBITDA margin at 19.7% - up 180 basis points.

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4. Surplus cash and cash equivalent as on 31 March 2024 at ₹ 16,386 crore, after making capital investments of ~₹ 800 crore and paying ~₹ 8,900 crore to shareholders between dividend and share buyback.

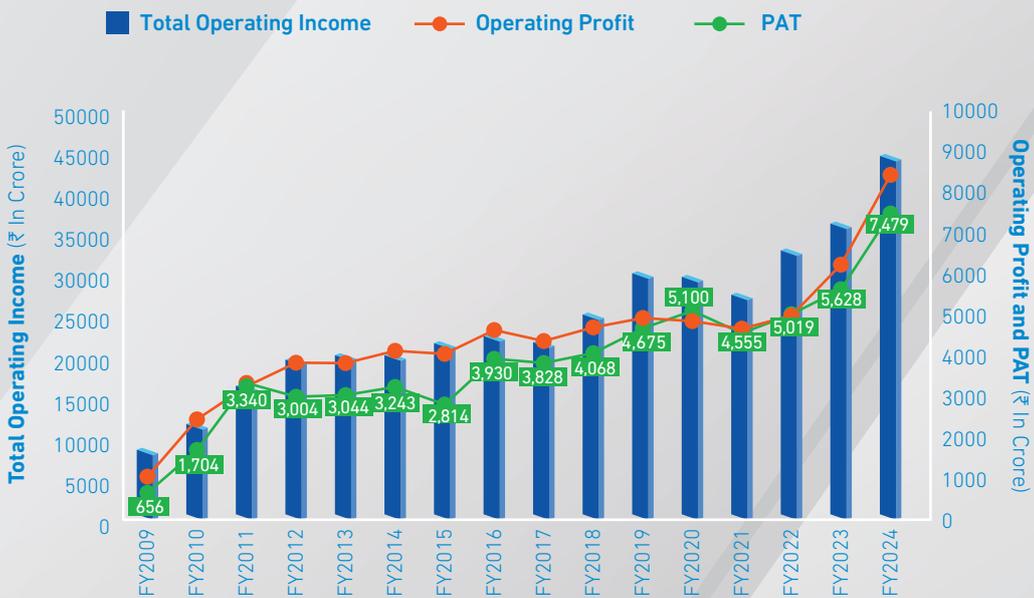
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Charts A and B plot the Company's financial performance

**Chart A: EBITDA and EBITDA%**



**Chart B: Total Operating Income, Operating Profit and PAT**



Coming to our business

- **Domestic Business:** Achieved record revenue with double-digit growth for eight consecutive quarters, driven by volume growth across all segments, including motorcycles, premium bikes, three-wheelers, and electric vehicles.
- **Exports:** Amidst challenging macroeconomic conditions across key overseas markets, exports stepped up in the second half of the year to end full year revenue at the same level as previous year. This was led by the Latin America and Middle East regions which partly alleviated the drop in Africa and Asia.
- **Domestic Motorcycles:** Maintained its strong competitive performance. In 125cc+ segment, led by Pulsar models, our growth was eight times that of the rest of the industry, making it the biggest ever year in this segment.
- **KTM and Triumph:** KTM achieved its highest sales in the year and Triumph which delivered over 40,000 units in its first eight months post launch is adding further strength to the company's premium bike portfolio. Triumph's expansion is well underway having been present in 56 cities domestically and 16 countries worldwide at the end of the financial year.
- **Commercial Vehicles:** Achieved historic high volumes, growing over 50% year-on-year. The Bajaj 'RE' and 'Maxima' products captured an 80% market share for the first time. The much awaited electric three wheelers was successfully rolled out and encouraging launch experience in the early cities prompted its acceleration of network expansion across the country.
- **Chetak EV:** Volumes tripled year-on-year, now #3 player in the segment. Product innovation, network expansion (present in 164 cities), and brand activation are driving this growth.

## Motorcycles (domestic)

FY2024 saw a growth of 13.9% in the domestic motorcycle industry. In this industry, how did Bajaj Auto perform?

Table 1 gives the data on domestic sales.

**Table 1: Domestic Sale of Motorcycles (in numbers)**

Year ended 31 March	Domestic sales for the industry (nos.)	Domestic sales growth	BAL's domestic sales (nos.)	BAL's domestic growth	BAL's market share
2022	8,984,186	(10.3%)	1,632,897	(9.7%)	18.2%
2023	10,230,502	13.9%	1,769,575	8.4%	17.3%
2024	11,653,237	13.9%	2,121,491	19.9%	18.2%

In FY2024, Bajaj Auto's sales increased by 19.9% to over 2.1 million units – the second highest volume of domestic sales over the last decade and consequently market share increased by 90 basis points to 18.2%.

Bajaj Auto is firmly entrenched in the domestic motorcycle market with its key brand — Pulsar. In FY2024, Pulsar as a brand grew by 37% and sold over 1.4 million units. This was the highest ever sales in any financial year since inception of Pulsar

Having said so, a question arises: as vast number of Indian customers are getting more prosperous, style conscious and have ready access to consumer finance, are we seeing a fundamental shift in the domestic market for motorcycles?

The answer is a yes. To understand it, we need to go back some 15 years when there really was an overwhelming mass of basic 100cc motorcycles. It was a market about price, durability and fuel economy. Style, speed and power had not yet entered the consumers' imagination.

**100cc-110cc segment:** Not surprisingly, therefore, all motorcycle manufacturers focused on the 100cc-110cc segment; and even to this day, in terms of volumes, it accounts for 49% of total domestic sales. In FY2024, this segment grew by 7%. Bajaj Auto is present here with its CT and Platina brands which averaged sales of almost 49,000 units per month and accounted for 10% share of this category.

It needs to be stated that though popular to consumers at the bottom of the riding pyramid, this segment often tend to face great pricing pressures; and have to live with small margins that come under severe pressure with rising input cost.

**125cc and above segment:** Bajaj Auto has chosen to concentrate on the more stylish, more modern 125cc and above segment — by far the fastest growing segment. Industry volume in this segment grew by an impressive 21% in FY2024; and it accounted for over 50% of the total volume of motorcycle sales in India. With Pulsars, Dominars, KTMs, Husqvarnas, Avengers and Triumphs, Bajaj Auto sold over 1.5 million units in FY2024 and accounted for 26% share in this category.

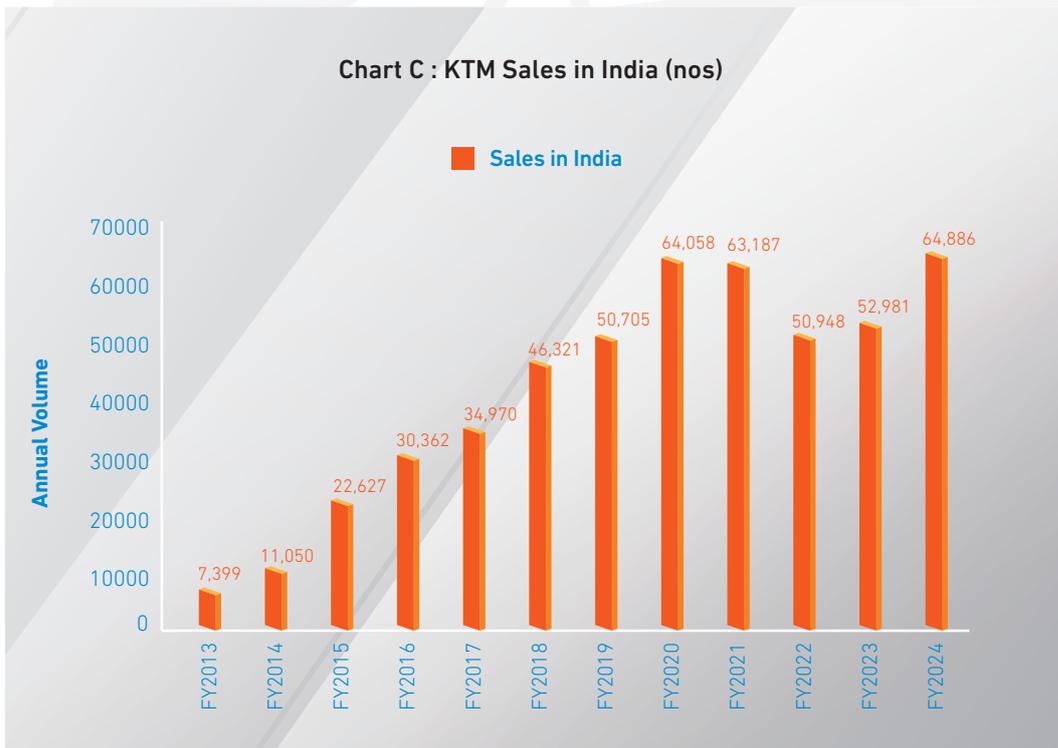
**Bajaj Auto plays in both the segments.**

- First, the basic 100cc-110cc segment. Here, the Company carefully calibrates value, balancing the price versus cost equation.
- Second, the 125cc and above segment, which is the fastest growing and caters to customers opting for stylish, powerful and brilliantly designed ‘look-me-in-the-face’ bikes. This gives both profits and volumes.

## Probiking

KTM and Husqvarna motorcycles form the core of Bajaj Auto’s Probiking business. In FY2024, KTM delivered its highest ever retail sales and billing since its inception (see Chart C). KTM motorcycles are available across the country in 125cc, 200cc, 250cc and 390cc categories.

KTM upgraded its world-famous Duke range with the third generation Duke 390cc and the Duke 250cc. These completely new bikes offer sharper handling, superior performance, segment first electronically driven technological features like traction control, cornering ABS and multiple ride modes. KTM also strengthened its Adventure range with the launch of the special Rally edition Adventure 390 with adjustable suspension and spoke wheels. The Husqvarna range was also upgraded with a brand-new generation of the Svartpilen 401 and the Vitpilen 401.



The business is driven on the back of world-class high-performance products, experimental rides along with community management and customer experience. The rides and community program started three years ago and goes under the Pro-XP – Experiences That Make You A Pro. The program runs tours, academies, rides and overnights for KTM customers. This year more than 20,000 customers participated in these unique experiences. The KTM brand has been driving customer experience through high Net Promoter Score (NPS). Last year, it delivered an industry high 90% NPS.

## Triumph

The Triumph is a truly iconic 120 year-old British brand. Who can forget Steve McQueen, Paul Newman, Marlon Brando, Warren Beatty, Elvis Presley or Peter O'Toole riding their Triumphs?

After years of joint development, Bajaj Auto launched two Triumph models: the Speed400 and the Scrambler400X, which are being produced in our new Chakan 2 plant. As a modern classic, Triumph plays in the large bike segment and fills the gap of technology-led, high-performance motorcycles designed in their timeless forms. These two bikes were globally revealed in London in June 2023; which was followed by the first launch in India in July 2023. Both models generated unprecedented excitement and sold over 40,000 units in about nine months from launch.

Bajaj Auto also took over the existing distribution network of Triumph in India of 15 showrooms. In nine months since the launch, this network has been expanded to 78 showrooms across 56 cities.

## Urbanite (Chetak EV)

Chetak EV demonstrates the future of mobility – offers a digitised, fully-connected riding experience by virtue of being embedded with mobility solutions like data communication, security and user authentication.

Introduced in 2020, the Company sold 8,187 units in FY2022, 36,260 in FY2023 and 115,702 in FY2024. Bajaj Auto introduced a second model, the Chetak Urbane, in November 2023 and upgraded the Chetak Premium in December 2023. Currently, these two models, are offered through a network of 204 dealers in over 160 cities and is at #3 position, from #7 last year. This was achieved on the back of significant efforts behind building supply chain capabilities, investments in R&D and growing retail presence offering superior customer experience. Table 2 gives the data.

**Table 2: Domestic Sale of Chetak EV (in numbers)**

Year ended 31 March	Nos.	Growth
2022	8,187	487%
2023	36,260	343%
2024	115,702	219%

## Three-Wheelers (Domestic)

FY2024 has seen the highest ever volume of domestic sales for both the internal combustion engine (ICE) variants and the relatively more recent electric three wheelers. Total domestic sales for ICE and electric three-wheelers surpassed 681,000 units in FY2024. Increasing CNG pump network, attractive retail finance offerings, better earnings for the drivers and pent-up demand were the key drivers of growth. The quantitative performance is highlighted in Table 3.

**Table 3: Domestic Sale of Three-Wheelers (in numbers)**

Particulars	ICE three-wheelers			EV three-wheelers		
	FY2024	FY2023	FY2022	FY2024	FY2023	FY2022
<b>Passenger carriers</b>						
Industry sales	483,955	329,784	166,147	69,887	15,628	4,923
Bajaj Auto sales	400,846	261,386	130,172	10,761	0	0
Bajaj Auto market share	82.8%	79.3%	78.3%	15.4%	0.0%	0.0%
<b>Goods carriers</b>						
Industry sales	95,276	81,309	67,900	32,044	17,018	6,764
Bajaj Auto sales	50,336	38,623	30,427	1,470	0	0
Bajaj Auto market share	52.8%	47.5%	44.8%	4.6%	0.0%	0.0%
<b>Total three-wheelers</b>						
Industry sales	579,231	411,093	234,047	101,931	32,646	11,687
Bajaj Auto sales	451,182	300,009	160,599	12,231	0	0
Bajaj Auto market share	77.9%	73.0%	68.6%	12.0%	0.0%	0.0%

Regarding the ICE three-wheelers:

- The Company continued to enjoy by far the dominant market share in ICE three-wheelers. In FY2024, market share increased by an impressive 490 basis points to 77.9%.
- Bajaj Auto's competitive position strengthened in both passenger and cargo segments. In FY2024, sales increased by 50% to 451,182 units.
- Bajaj Auto's passenger vehicle sales grew by 53% with a volume of 400,846; and that of cargo grew by 30% to 50,336 units.

A very interesting and potentially revolutionary move in FY2024 has been Bajaj Auto introducing electric three-wheelers in both the passenger and goods carrier segments. The gaining popularity and the segment leadership in the early launch cities is very encouraging, leading to advancement of rollout plans. The electric three-wheelers are currently sold across 60 cities. We expect considerable demand in this category.

## Exports

FY2024 has been a difficult year for exports - largely due to geopolitical uncertainties and economic challenges like hyper-inflation and scarcity in dollars availability in our key export geographies.

### In FY2024

- We sold 1.64 million units versus 1.82 million vehicles in the previous year.
- LATAM region recorded highest ever motorcycle sales.

Table 4 and Chart D track Bajaj Auto's export performance.

**Table 4: Export Volume and Value, for Bajaj Auto**

Particulars	FY2024	FY2023	Change
<b>Units</b>			
Motorcycles	1,477,338	1,636,956	(9.8%)
Commercial Vehicles	158,872	184,284	(13.8%)
<b>Total numbers</b>	<b>1,636,210</b>	<b>1,821,240</b>	<b>(10.2%)</b>
Exports in ₹ (crore)	<b>14,449</b>	<b>14,458</b>	<b>(0.1%)</b>
Exports in USD (million)	<b>1,705</b>	<b>1,787</b>	<b>(4.6%)</b>

**Chart D: Bajaj Auto's Export Performance**



### Motorcycle exports:

- Bajaj Auto maintained No.1 position in the top 9 out of 12 countries that it exports to.
- Latin America (LATAM) and Middle East-North Africa (MENA) registered significant growth: 17% in the former and 29% in the latter.
- Export of Pulsars has grown by 26%. Sports brands that enjoyed good growth were the Pulsar NS125, N160, NS160, NS200, N250, the RS200 and the Dominar 250.
- The jointly developed Triumph Speed400 and Scrambler400X motorcycles are currently being seeded across 16 countries.
- Within LATAM, Argentina, Mexico, Peru, Guatemala have shown volume growth. Similarly, within MENA, exports to Ethiopia, Turkey and Saudi Arabia have grown considerably.
- Bajaj Auto continues to retain leadership in Nigeria despite economic and currency headwinds; and grow market share in Colombia, Mexico, Argentina, Guatemala, Turkey, Ethiopia.

### Commercial vehicles exports:

- Leadership position was maintained in Top 11 out of 12 countries.
- Qute exports increased by 83% versus FY2023 largely due to growth in LATAM.
- LATAM and East and South Africa have registered significant growth in FY2024: 38% in the former and 50% in the latter.
- Bangladesh, Myanmar, Afghanistan, Peru, Mexico and Guatemala have shown growth in both volumes and market share.

## R&D

During FY2024, Bajaj Auto's R&D strengthened its thrust on the premium and sports category of motorcycles as well as in EV portfolio of two and three-wheelers. Introduction of new products and upgrades is reflected in strong performance of the Company.

## ICE Products

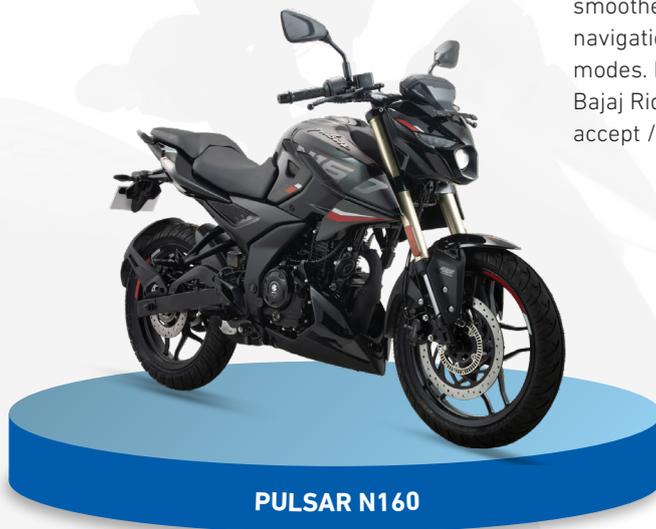
### N250 and F250 upgrade

The Pulsar N250 and F250 is upgraded for an enhanced user experience with fully digital reverse LCD monochrome instrument cluster with bluetooth connectivity and turn-by-turn (TBT) navigation. A new Bajaj Ride Connect App has been developed to support the connectivity features. Technology upgrades like traction control system with three selectable ABS ride modes, viz. Road, Rain and Off-Road, offer enhanced rider safety under varying conditions. In addition, N250 is with an upside-down Front Fork and wider front and rear tyres for enhanced vehicle ride and handling.



## N160 upgrade and N160 Premium

The N160 has been upgraded with new fully digital reverse LCD monochrome instrument cluster with bluetooth connectivity. Additionally, the N160 Premium Variant has been launched with an Upside-down Front Fork Suspension. It also has a smoother assist and slipper (A&S) clutch, TBT navigation, sleek LED indicators and three ABS ride modes. Both versions come with the supporting Bajaj Ride Connect App to allow features like call accept / reject, message alerts etc.



## N150 Single Disc and Twin Disc

The N150 Single and Twin Disc are designed with an all-new aerodynamic front fascia with sculptural purity and a dynamic interplay of metalized dual colours. These bikes have brilliant class D Bi-functional LED projector head lamps, fully digital reverse LCD monochrome instrument cluster with bluetooth connectivity, supported by the Bajaj Ride Connect App. With a more upright stance in single disc variant and a sportier stance in the twin disc, the new Pulsar N150 is designed to provide more comfort and thrill. Both models have been received well in the market.



## Classic Pulsars Upgrade

The entire classic Pulsar lineup of Pulsar 125cc, 150cc and 220cc have been upgraded with the new fully digital reverse LCD monochrome instrument cluster, bluetooth connectivity and USB socket charger. The Pulsar 220cc also gets TBT Navigation. It is also equipped with the new LH Control switch with 'M' button for accepting/rejecting calls, selection and switching of modes. In all these models, the Bajaj Ride Connect App allows the rider to seamlessly interact with the bike.



## NS125, 160 and 200 Upgrade

NS125, 160 and 200, our muscular streetfighters, have been upgraded with a fully digital reverse LCD monochrome instrument cluster. The Bajaj Ride Connect App seamlessly connects the bike to the rider. The bikes now has an all-new aggressive LED headlamp in character with the streetfighter positioning. A USB socket charger has been added for rider convenience. The NS160UG and NS200UG headlamps have integrated LED daytime running lights (DRLs), LED blinkers and instrument cluster with TBT navigation. The all-new LED headlamp set up with LED blinkers on the NS160 and the NS200 offers best in class lighting performance and elevate an already stunning look.





## Triumph Speed 400

Bajaj Auto and Triumph have worked closely together to create two world class bikes: the Speed 400 and the Scrambler 400X. The Speed 400 has set the benchmark for a modern classic roadster. With Triumph's iconic styling and attention to detail, it sets the tone in its class with performance, drive and linear power delivery. 80% of the maximum engine torque is available from 2,500 rpm to 7,500 rpm, which makes it extremely tractable and effortless. The refinement levels are outstanding compared to benchmark world competition. The Speed 400 brings the classic Triumph style, agile handling, responsive performance, and a category-defining quality to a new class of riders.

## Triumph Scrambler 400 X

The purposive design DNA of Triumph's successful Scrambler 900 and Scrambler 1200 family has been brought into the 400cc class. This timeless classic design has evolved beautifully with modern touches. Packed with confidence inspiring chassis and a rugged off-road attitude with extra suspension travels, this motorcycle brings the authentic 'Scrambler' experience to a long distance travel. A comprehensive OE accessory system has been developed to cater to the needs of the rider.



## KTM Duke 390 / 250 Gen3

The Gen3 Duke 390 with an all new engine and vehicle platform has been introduced. Highlights are: offset mono shox mated to a cast aluminium banana swing arm, cast aluminium rear sub-frame, cornering ABS with motorcycle traction control, bonded glass TFT speedometer with connected features including TBT navigation, hazard lights and a bigger 15 litre fuel tank. Handling and power delivery, the hallmark of Duke, have been further enhanced in a true Ready-to-Race spirit. The new generation engine also offers better ground clearance along with weight optimisation.

Duke 250 Gen3 comes in as a sibling to the 390, with an all-new engine optimised for cost and weight. This has made the vehicle lighter while substantially improving driveability and handling. The quick shifter feature enabled by electronic throttle, LCD instrument with connectivity features including TBT navigation and a bigger dot matrix screen adds to enhanced user interface experience.



## Husqvarna Svartpilen 401 / Vitpilen 250 MY24

The all new Husqvarna Svartpilen model has been launched in India for the first time as a 400cc bike. It comes with spoked wheels and semi-knobby tires to match the character of a scrambler. The new, clean, and elegant Swedish design with its unique style and stance makes this bike stand out among the crowd. The Vitpilen 250, with its directional tyres and an appropriate ride posture as a street version, comes in refreshing white colour with alloy wheels making the bike look really cool. A large 13 litre fuel tank gives it a good range with the 250cc engine. A bigger LCD screen with an optional connectivity feature enhances the user experience.



## EV Products

### Chetak Premium and Urbane

The Chetak variants have been upgraded with improved aesthetics, features and performance while substantially lowering costs. The Chetak Premium now features a 5-inch TFT instrument cluster, higher capacity battery for increased range, increase in maximum speed and a higher under-seat storage volume. The Chetak Urbane features a colour LCD instrument cluster, offboard charger as well as a higher under-seat storage. TecPac unfolds many user interface enhancement features as well as functions like Ride modes, App connectivity, Sequential blinkers, Music play-pause etc.



### RE EV 9.0

RE EV 9.0 is our first electric 3-wheeler in the passenger segment. It carries forward the DNA of our RE Autorickshaw platform with an efficient Li-Ion battery pack. The in-house designed electric motor and all electronic control units coupled with an innovative two-speed automated manual transmission (AMT) provide class leading efficiency. This, along with radial tyres, deliver best-in-class range, performance and acceleration.

### Maxima Cargo 9.0 & 12.0

Bajaj Maxima-Cargo has been transformed into an electric cargo vehicle with two battery pack options. The product carries the ruggedness and load carrying ability of the Maxima Cargo and best-in-class performance and range that is more than sufficient for daily operations. The innovative two-speed AMT transmission developed in-house provide class leading efficiency. Both products are offered in two Load Tray sizes to cater to different market segments and can carry 750 kg payload up typically encountered gradients. Nothing comes close to this.



## Operations

### TPM

Bajaj Auto's 'back end' consists of its manufacturing, engineering, development, and materials function. The principles and philosophy of TPM guide and align these functions to achieve excellence, enhanced productivity, world-class quality, all at low cost. 'The TPM way' has been successfully extended to BAL vendors, dealers, and international distributors.

### Bajaj Auto's TPM at Operations

In FY2024, the Chakan plant of Bajaj Auto Ltd was conferred with the most coveted and prestigious award for 'World Class TPM Achievement' by JIPM (Japan Institute of Plant Maintenance). This is 'The First' for any Indian origin company's plant across the entire industry. Chakan has become the 31st plant in the world to get this prestigious award.

Bajaj Auto also received the award for 'Global Leaders Initiative for TPM', which is a first for any Indian Company.



Our back-end has defined various 'focused improvement themes'. Over the years, we have established a production system that can flexibly respond to faster new product manufacturing as well as meet volatility, uncertainty, complexity and ambiguity (VUCA) in market demands. Our engineering has developed capabilities through its various verticals including automation and robotics to improve operational parameters in both production and process management. Further, to improve and excel, we work on the 'Bajaj Production System (BPS)' which aims at 'Better Flow with Better Quality', aligning our efforts at the back end to encompass the entire supply chain.

### Vendor TPM Activities

Co-existence and co-prosperity of our business partners is equally important. Bajaj Auto facilitates fair trade, environmentally preferable purchasing, human resources development and efficient procurement. We actively promote and monitor good ESG practices throughout the supply chain. 5 vendor partners were honoured with JIPM awards in FY2024. The total number of vendors achieving JIPM TPM awards till date are 35. The groundwork was laid by the Bajaj TPM Excellence Award with 77 vendors achieving this till date. This reflects a strong alignment between Bajaj Auto and its vendors in embracing the principles of TPM — that is now being extended to Tier 2 Vendors. Under the Safety, Health, Governance and Environment pillar of BAL's TPM and in alignment with the 'Green Purchase Policy', various activities were initiated — with majority of our vendors having been certified for ISO 14001 & OHSAS 18001. A set of 45 vendors have started using renewable energy and implemented rooftop solar equivalent that can fulfil the need for 37 MW power.

## TPM in Dealer Service and Overseas Distributor Plants

TPM methodologies are being continuously practiced by our business partners in India and other global locations and the culture of kaizen is well spread across our dealers and distributors. Over 100 kaizens are implemented with active involvement of their employees.

We started TPM implementation at our international distributor plants four years ago. As of FY2024, 22 distributor plants have been practicing TPM for over a year. They are now experiencing major improvements in productivity, first-time-right quality and optimization in cost parameters. Five of our distributor plants qualified for the 'BAL TPM Award'. As on 31 March 2024, we had 1,131 dealerships practicing TPM and 624 dealerships have been awarded the 'BAL TPM Award'.

## Capacity and Employee Strength

**Table 5: Plant-wise capacities (in units per annum) - BAL + CTL**

Plant	As on 31 March 2024		Product Range
Waluj	Motorcycles	2,700,000	Boxer, CT, Platina, Discover, Pulsar
	Commercial Vehicles	930,000	Passenger Carriers, Good Carriers, Quadricycle
Chakan 1	Motorcycles	900,000	Pulsar, Avenger, Dominar
Chakan 2	Motorcycles	300,000	KTM, Husqvarna, Triumph
Chakan 1 / Akurdi	Scoters	480,000	Chetak, Yulu
Pantnagar	Motorcycles	1,800,000	CT, Platina and Pulsar
		<b>7,110,000</b>	

As of 31 March 2024, BAL's employee strength stood at 8,570. This excludes Chetak Technology Limited's employee strength of 256.

## Women Employment

Our women employee strength has grown over four times: from 148 in FY2014 to 643 in FY2024. Almost 55% of the women are working in manufacturing plants and in engineering.

## Human Resource (HR)

FY2024 has been significant for the HR function at Bajaj Auto. We have been able to make big strides in our HR agenda by (i) strengthening our employer brand; (ii) enabling more learning opportunities for across diverse skill-sets; and (iii) building further on engaging our talent.

Our ability to attract experienced and top-tier talent from the best of India's campuses has seen an upward trend. Our presence in India's premier engineering campuses — the IITs and NITs has strengthened. While engaging college talent through our flagship events of TORQ and OHM on engineering campuses, we have created another property called 'Watt's Up', which is our tech talk series. Through these events, 5,000 students have been actively engaged with our employer brand. These efforts resulted in 44% of our total Graduate Trainee Engineers (GTE) 2024 offers being made to IITians. Our efforts in attracting women talent resulted in over 100 GTE offers to women engineer.

Our employer brand has seen increased engagement through our LinkedIn page. With 1.3 million followers, we have maintained our position of having the largest followership for any two and three-wheeler company worldwide.

Given our focus on growing talent from within, we launched a structured First Time Managers Program to invest in the long-term success. Also, with a multi-generational mix of our workforce, we have instituted a Multi-Generational Leadership Program to equip leaders and managers with skills to effectively lead across diverse generations.

This year, we have also rolled out capability-building initiatives to address personalized learning needs of 100% of our first line managerial talent population through iExcel and Functional Skill Mapping. We have extended our Learning & Education Assistance Program (LEAP) to include three more leading institutes: University of Warwick, IISc Bangalore, and BITS Pilani. Alongwith our existing collaborations with Loughborough University and IIT Madras, we now offer over 30 diverse programs. Through these five institutes, our talent has now access to Masters and Certification programs that offer learning in cutting edge and future skills.

Through our Development Centre (DC) process, we have reached a cumulative penetration of leadership competency-based feedback for almost 95% of our top talent. With an increasing number of women joining us every year, our flagship initiative, Up!Swing, that is exclusively offered to women, continued this year. Through Up!Swing, we focus on enabling our women talent to develop into leadership roles. We also launched a maternity handbook this year to sensitise team managers and peers towards women's experiences before, during, and after maternity.

Our annual employee engagement survey, Pulse, was rolled out for the second time this year. Pulse achieved an impressive response rate of 96%. Our employee engagement scores rose to 88%, surpassing the score of previous year. In addition, we collaborated with a global partner, Ethisphere Institute, and launched an Ethics Survey, which was participated by some 1,500 employees. Feedback from the survey will help in enhancing our understanding and adherence to ethical values.

For three consecutive years, Bajaj Auto has been recognised as a 'Company with Great Managers' by an independent third-party organization. Our employees have also been recognized on multiple forums like 1000 Women's Leaders, The Great Managers Award, HR 30under30 and HR 40under40 Future HR Leaders.

## Corporate Social Responsibility (CSR)

Bajaj Auto is building competence around selected areas and help focus on large scale impact.

### Skilling Initiatives

#### A. Bajaj Engineering Skills Training (BEST)

This initiative is in collaboration with top NIRF-ranked universities and engineering colleges to make the youth competent and employable. The objective is to establish state-of-the-art centres with laboratories having world-class equipment to enable hands-on-skilling of engineers and diploma holders. The first BEST centre was recently inaugurated at the Symbiosis Institute of Technology, for 120 students – with an aim to expand with additional 15 universities.

#### B. Bajaj Manufacturing Systems (BMS) Certification program

This initiative aims to impart industry knowledge to ITI and polytechnic students, through a user-friendly Learning Management System. The program partners with technical institutions to provide exposure to students across 9 modules based on TPM practices implemented at Bajaj Auto. Over 3,000 students from government and private ITI institutes were successfully certified. The program is set to expand significantly, with plans for introduction to additional 6 states.

#### C. Lighthouse Communities Foundation

Lighthouse Communities Foundation is a non-profit organisation working towards building inclusive communities with special focus to enhance employment opportunities through activities like vocational skilling, counselling and training to set-up mini enterprise. It has operationalised a centre at the Janta Vasahat slum in Pune and enabled over 1,000 youth.

## Education programs in and around our local area

### A. Scholarships for Higher Education

Bajaj Auto has initiated the 'Rupa Rahul Bajaj Scholarship Program' which aims at aiding students from underprivileged backgrounds to pursue higher education in esteemed universities and colleges. With a meticulous selection process to identify eligible candidates, in FY2024, scholarship/financial assistance was granted to 11 students for four years.

### B. Bharatiya Yuva Shakti Trust (BYST-Youth Entrepreneurship Development Program)

The program is dedicated to assist underprivileged young entrepreneurs by providing supplementary financing and voluntary assessments, personalised guidance from mentors who are from similar industries. Bajaj Auto has pledged to mentor 1,500 young individuals through BYST, aiding them in building their enterprises and fostering sustainable growth.

### C. Youth Organization for Joining Action and Knowledge (YOJAK)

YOJAK offers an easily accessible platform tailored to needs of disadvantaged students, particularly girls, empowering them with essential skills and support pivotal for pursuing careers in Science Technology Engineering Mathematics (STEM) -related fields. With a network of 12 learning centres in Pune, YOJAK delivers academic excellence through subject-specific remedial classes alongside experiential learning and social support. In FY2024, over 2,000 students from grades 8 to 12 received support.

### D. Foundation of Advancing Science and Technology (FAST)

FAST is dedicated to engage and inspire the Indian civil society with the wonders of scientific exploration. With a primary focus on youth, particularly those considering or already pursuing science as a potential academic or career path, FAST endeavours to narrow the divide between science practitioners and the wider community. These initiative aims to impact over 8,000 youth in the near future. FAST has outlined four key objectives: (i) Cultivating a vibrant science culture, (ii) Amplifying awareness of science and technology, (iii) Advocating for inclusivity within the scientific community and (iv) Bridging the spectrum of science and technology.

## Programs under Environment sustainability

### Animal Welfare

Bajaj Auto is extending its support to Canine Care and Control, an organization dedicated to animal welfare. The efforts primarily revolve around a comprehensive program aimed at managing the population of canines. In FY2024, Bajaj Auto provided support for the Animal Birth Control (ABC) program targeting the canine population in the Pune Municipal Corporation area. Alongside the ABC initiative, these canines also receive essential vaccinations against rabies.

## Financials

Table 6 gives the summarised standalone profit and loss statement of Bajaj Auto.

**Table 6: Standalone Profit and Loss Statement**

Particulars	(₹ In Crore)		
	FY2024	FY2023	Growth%
<b>Operations</b>			
Sales	43,579	35,359	23.2%
Other operating income	1,106	1,069	
<b>Total operating income</b>	<b>44,685</b>	<b>36,428</b>	<b>22.7%</b>
Cost of materials consumed, net of expenditures capitalised	31,696	26,027	
	70.9%	71.4%	
Stores and tools	172	154	
	0.4%	0.4%	
Employee cost	1,536	1,443	
	3.4%	4.0%	
Factory, administrative and other expenses	1,216	1,086	
	2.7%	3.0%	
Sales and after sales expenses	1,240	1,167	
	2.8%	3.2%	
<b>Total expenditure</b>	<b>35,860</b>	<b>29,877</b>	
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>8,825</b>	<b>6,551</b>	<b>34.7%</b>
<b>EBITDA %</b>	<b>19.7%</b>	<b>18.0%</b>	
Interest	54	39	
Depreciation & amortisation	349	283	
<b>Operating profit</b>	<b>8,422</b>	<b>6,229</b>	<b>35.2%</b>
	18.8%	17.1%	
Non-operating income	1,402	1,181	
Less : Non-operating expense	2	1	
<b>Non-operating income, net</b>	<b>1,400</b>	<b>1,180</b>	
<b>Profit before tax</b>	<b>9,822</b>	<b>7,409</b>	<b>32.6%</b>
Tax expense	2,343	1,781	
<b>Profit after tax</b>	<b>7,479</b>	<b>5,628</b>	<b>32.9%</b>
<b>Surplus cash and cash equivalents as on 31 March</b>	<b>16,386</b>	<b>17,445</b>	

Surplus cash and cash equivalent as on 31 March 2024 stood at ₹16,386 crore, after making capital investments of ~₹800 crore and paying a significant ~₹8,900 crore to shareholders between dividend and the share buyback.

Our Surplus Funds are invested in (i) fixed income securities rated A1+ for short-term and AA+ and above for long-term (ii) mutual funds and (iii) fixed deposits with banks and non-banking finance companies.

As required for listed companies by Securities and Exchange Board of India, Table 7 gives key ratios

**Table 7: Bajaj Auto's Key Financial Ratios, Standalone**

Particulars	FY2024	FY2023	Remarks
Debtors Turnover Ratio	22.36	21.48	
Inventory Turnover Ratio	20.52	19.83	
Current Ratio	1.19	1.71	Increase in trade payable and short term borrowing
Operating Profit Margin	18.8%	17.1%	
Net Profit Margin	16.2%	15.0%	
Debt-Equity Ratio	0.03	0.0	
Return on Equity	29.7%	21.6%	Change because of increase in profits during the year

## Subsidiaries

### Bajaj Auto International Holdings BV (BAIH BV)

Bajaj Auto International Holdings BV (BAIH BV) is a 100% Netherlands based subsidiary of Bajaj Auto Limited. Through this subsidiary, Bajaj Auto has invested a total of €198.1 million (₹1,219 crore) and holds 49.9% stake in Pierer Bajaj AG (PBAG) and thru PBAG, Bajaj Auto is a partner in all mobility businesses that the Pierer Group engages in.

PBAG holds 73.3% stake in Pierer Mobility AG (PMAG), Europe's leading 'Powered Two-wheeler' manufacturer. With its KTM, Husqvarna and GASGAS motorcycle brands, it is a leading premium motorcycle manufacturer in Europe. In the year 2023, PBAG clocked revenue in excess of €2.6 billion and a profit of €60 million.

### Bajaj Do Brasil Comercio De Motocicletas Ltda

To address the highly competitive motorcycle market of Brazil, Bajaj Auto has set up a wholly owned subsidiary on 31 March 2022 with a paid up equity share capital of BRL 30 million (₹ 48 crore). After obtaining all necessary approvals, the subsidiary is currently selling the Dominar range of motorcycles. The subsidiary is also setting-up a dedicated manufacturing facility at Manaus, Brazil – first such facility outside India – and is expected to be operational by mid-2024. For 2023, clocked sales of over 4,300 units, revenue of BRL 75.3 million and net loss of BRL 3.5 million.

### Bajaj Auto (Thailand) Ltd.

Bajaj Auto (Thailand) Ltd. is a wholly owned subsidiary in Thailand with paid-up share capital of Thai Baht (THB) 45 million (₹ 10 crore), set-up to expand R&D's design centre to trend-defining markets around the globe. It has all the necessary approvals from concerned authorities, is operational and international designers are working from this new facility.

### Bajaj Auto Spain S.L.U.

Bajaj Auto Spain S.L.U. is a wholly owned subsidiary in Barcelona, Spain – intent being to setup an Engineering Design Centre – with an issued and subscribed share capital of €600K (₹ 5 crore). It has all the necessary approvals from concerned authorities and has become fully operational.

### Chetak Technology Ltd. (CTL)

The electric vehicle (EV) market is constantly witnessing new developments, including various incentive schemes from the government of India and various state governments. Given the high stakes, Bajaj Auto felt the need to participate in this space through a 100% subsidiary with a clear focus to develop new technologies and products. The subsidiary (formed on 4 October 2021) stands adequately funded with paid-up equity share capital of ₹ 470 crore as on 31 March 2024.

## Bajaj Auto Credit Ltd. (BACL)

With over two-thirds of two-wheelers and over three-fourths of three-wheelers retailed in India being financed, this activity is the key to the automobile business. Penetration, geographic coverage and expanding financing options for the retail customers of Bajaj Auto Ltd. are keys to success in future.

A wholly-owned captive financing company was formed in FY2022. It applied to the Reserve Bank of India (RBI) for an NBFC licence. On 29 August 2023, the RBI granted the Certificate of Registration as an NBFC. BACL commenced business in Maharashtra and Goa on 1 January 2024. Subsequently, it added Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Rajasthan and Gujarat. It plans to cover all the balance states by 31 March 2025. In the first three months of its operation, BACL financed the purchase of 35,238 two-wheelers and 13,972 three-wheelers. With a paid-up share capital of ₹ 295 crore, BACL had assets under management of ₹ 708 crore as on 31 March 2024. There is considerable upside to this business in the years to come.

## Consolidation of accounts and segment reporting

**Table 8: Segment Revenue and Segment Results**

	(₹ In Crore)	
Segment Revenue	FY2024	FY2023
Automotive	44,870	36,665
Financing	17	-
Investment and others	1,419	978
	<b>46,306</b>	<b>37,643</b>
<b>Segment Results – Profit / (Loss) from each segment before tax</b>		
Automotive	8,708	6,905
Financing	(25)	-
Investment and others	1,417	976
	<b>10,100</b>	<b>7,881</b>
Less : Interest	60	39
<b>Profit before tax</b>	<b>10,040</b>	<b>7,842</b>
<b>Profit after tax</b>	<b>7,708</b>	<b>6,060</b>
<b>Segment Capital Employed</b>		
Automotive	4,956	7,190
Financing	883	-
Investment and others	24,409	22,677
	<b>30,248</b>	<b>29,867</b>

## Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global economy, political stability, stock performance on stock markets, changes in government regulations, tax regimes, economic developments and other incidental factors. Except as required by law, the Company does not undertake to update any forward-looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.

# DIRECTORS' REPORT

Dear Members,

The directors are pleased to present the Seventeenth Annual Report of Bajaj Auto Ltd. ('your Company'/'the Company'/'Bajaj Auto') together with the Audited Financial Statements for the financial year ended 31 March 2024.

## Performance Highlights

The summary of operational and financial performance of your Company is elaborated in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

The summary of performance highlights is presented below:

### Sales in numbers

Particulars	FY2024*	FY2023*
Two-wheelers	3,727,923	3,442,839
Commercial vehicles	623,010	485,018
<b>Total</b>	<b>4,350,933</b>	<b>3,927,857</b>
of which exports	1,636,210	1,821,240

\* This includes sales of Chetak Technology Ltd., a wholly owned subsidiary of the Company.

- Domestic business achieved its largest revenue, on sustained momentum that led to double-digit growth for 8 consecutive quarters. Underpinned by the robust volume-led growth across all businesses and market share gains – buoyant domestic motorcycles, significant uptick on premium motorcycles with an expanded portfolio, acceleration in three-wheeler sales and quadrupling of electric vehicles.
- Domestic motorcycles maintained its strong competitive performance and emerged as the largest 125cc+ player for the year. Overall market share gain was turbo charged by the 125cc+ segment, led by Pulsar's biggest year coupled with our sharp focus on driving premiumization and delivering a stream of customer-centric innovation.
- Commercial vehicles surge ahead, closing the year with historic high volumes, having grown >50% YoY. The well-established proposition of the Bajaj 'RE' and 'Maxima' products drove market share to ~80% for the first time, while the encouraging response to the electric three-wheeler and segment leadership in the early launch cities triggered its accelerated rollout (now in 60 cities).
- Chetak stayed resolute on its journey of expansion, as volumes grew 3x YoY. Significant investments on competitiveness and capabilities, coupled with impactful interventions on product innovation, network expansion (now in 164 cities) and brand activation are yielding results and positioning the business well for further scale up.

## Financial performance

(₹ In Crore)

Particulars	Standalone		Consolidated	
	FY2024	FY2023	FY2024	FY2023
Total revenue	46,087.68	37,609.02	46,306.45	37,642.90
Total expenses	36,265.67	30,200.38	36,534.00	30,330.21
Share of profit of associate	–	–	267.59	529.29
<b>Profit before tax</b>	<b>9,822.01</b>	<b>7,408.64</b>	<b>10,040.04</b>	<b>7,841.98</b>
Tax expense	2,343.22	1,781.04	2,331.80	1,781.77
<b>Profit for the year</b>	<b>7,478.79</b>	<b>5,627.60</b>	<b>7,708.24</b>	<b>6,060.21</b>
<b>Earnings per share (₹)</b>	<b>264.60</b>	<b>197.30</b>	<b>272.70</b>	<b>212.50</b>

- Revenue on standalone basis clocked an all-time high at ₹ 44,685 crore, up 23% YoY, arising from the record sales of both vehicles and spares. The consistent growth across all quarters reflected the resilient business model, where a strong domestic performance more than made up for muted exports which continued to be impacted by the challenging context in overseas markets.
- At ₹ 8,825 crore, EBITDA registered its highest ever, growing a solid 35% YoY; Profit after tax also hit a peak at ₹ 7,479 crore. EBITDA margin at 19.7% was up +180 basis points driven by dynamic P&L management, richer product mix and operating leverage; the accretion delivered after absorbing the significant investment on electric scooters, underscoring the commitment to its growth.

## Closing balances in reserve/other equity

(₹ In Crore)

Particulars	Standalone		Consolidated	
	FY2024	FY2023	FY2024	FY2023
General reserve	6,389.60	6,389.60	6,389.60	6,389.60
Retained earnings	16,416.32	17,821.40	19,666.70	20,931.43
Foreign exchange difference of subsidiary on paid-up capital	–	–	0.28	0.29
Foreign currency translation reserve	–	–	787.95	762.22
FVTOCI reserve	1,665.71	927.13	1,665.71	927.13
Capital reserve	–	–	63.14	63.14
Securities premium	86.31	–	86.31	–
Capital redemption reserve	10.41	6.41	10.41	6.41
Share based payments reserve	102.46	62.09	102.62	62.09
Treasury shares	(89.49)	(63.73)	(89.49)	(63.73)
<b>Total</b>	<b>24,581.32</b>	<b>25,142.90</b>	<b>28,683.23</b>	<b>29,078.58</b>

**Note:** Detailed movement of above reserves can be seen in *Statement of Changes in Equity* in the financial statements, which forms part of this Annual Report.

## Dividend Distribution Policy

The Dividend Distribution Policy of your Company sets out the parameters and circumstances that will be considered by the Board in determining the distribution of dividend in terms of regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015').

The Board of Directors at its meeting held on 18 October 2023 had adopted the revised Dividend Distribution Policy. The revised policy recognises share buyback in addition to dividend as payout option to the shareholders. It also details the parameters for overall payout and provides for a greater flexibility to the Board in taking decisions for rewarding the shareholders of the Company and returning cash to them from time to time.

The amended policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Dividend

Considering your Company's outstanding financial performance and to upkeep the consistent track record of rewarding its shareholders with a generous dividend payout, the Board is pleased to recommend for consideration of the shareholders at the ensuing Annual General Meeting ('AGM'), payment of dividend of ₹ 80 per equity share of ₹ 10 each (800%) for the year ended 31 March 2024 totalling to ₹ 2,233 crore. This, along with the recent share buyback of ₹ 4,932 crore (including tax on buyback), adds up to an overall payout to shareholders of >95% of the Profit after tax for the year, a testament to the commitment to reward shareholders from time to time and deliver healthy returns to them.

The dividend recommended is in accordance with the principles and criteria as set out in the Dividend Distribution Policy of the Company.

The said dividend, if approved by the members at the ensuing AGM will be paid to those members whose name appears on the Register of Members (including Beneficial Owners) of the Company as at the end of 14 June 2024 and will be subject to deduction of tax at source at prescribed rates pursuant to the Income Tax Act, 1961. For further details on taxability, please refer to the Notice of ensuing AGM.

## Changes in Share Capital

The changes in the share capital structure of your Company during the year under review are detailed as under:

### Allotment of Equity Shares under the Bajaj Auto Employee Stock Option Scheme 2019 ('the Scheme')

The Company issued and allotted 222,398 equity shares of face value of ₹ 10 each to the Bajaj Auto ESOP Trust in accordance with the Scheme on 29 November 2023. The equity shares so allotted rank pari-passu with the existing shares of the Company.

### Buyback of Shares

During the year under review, the Company bought back 4,000,000 fully paid-up equity shares of face value of ₹ 10 each at a price of ₹ 10,000 each for an aggregate consideration of ₹ 4,000 crore ('buyback size'), excluding transaction costs, applicable taxes and other incidental and related expenses, in accordance with the approval of members of the Company accorded by way of a special resolution passed on 13 February 2024 through postal ballot, the results of which were announced on 15 February 2024.

The buyback size represented 16.33% and 14.49% of the 'total issued and fully paid-up equity share capital and free reserves' as per the audited standalone financial statements and the audited consolidated financial statements of the Company as on 31 March 2023, respectively and the shares

bought back constituted approximately 1.41% of the total number of equity shares of the total paid-up equity share capital of the Company as on 31 March 2023.

The Company adopted the tender offer route through stock exchange mechanism for the purpose of buyback. The tendering period for buyback of equity shares commenced on 6 March 2024 and closed on 13 March 2024. Post-completion of extinguishment of 4,000,000 equity shares bought back, necessary intimation(s) were filed with the stock exchange(s), where the Company's shares are listed. Further, the certificate of extinguishment was also filed with the Securities and Exchange Board of India on 27 March 2024, in compliance with the applicable provisions of law. The details of buyback are available on the website of the Company at <https://www.bajajauto.com/investors/share-buyback-2024>

Consequently, the issued, subscribed and paid-up share capital of the Company was at ₹ 279.18 crore comprising of 279,179,756 equity shares of face value of ₹ 10 each as on 31 March 2024, as against ₹ 282.96 crore comprising of 282,957,358 equity shares of face value of ₹ 10 each as on 31 March 2023. The Company has only one class of equity shares.

Except as stated above, there were no other changes in the share capital of the Company during the year.

## Credit Rating

The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilisation of funds, whether in India or abroad. However, during the financial year 2023-24, CRISIL Ratings has reaffirmed its long-term rating of 'CRISIL AAA' and short-term rating of 'CRISIL A1+' with 'Stable' outlook for the bank loan facilities of the Company.

## Operations

Detailed information on the Company's operations is provided in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

## Capacity Expansion and New Projects

The Company's current installed capacity is 7.11 million units per annum.

Detailed information on capacity expansion and new projects is covered in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

## International Business

FY2024 was a difficult year for exports. During the year under review, the Company sold 1.64 million vehicles as against 1.82 million vehicles in the previous year.

More detailed information on International Business is provided in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

## Consolidated Financial Statements

The audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, as prepared in compliance with the Companies Act, 2013 ('the Act'), Listing Regulations, 2015 and in accordance with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 along with all relevant documents and the Independent Auditors' Report thereon forms part of this Annual Report.

Pursuant to the provisions of section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's subsidiaries for the financial year ended on 31 March 2024 in Form AOC-1 forms part of this Annual Report.

Further, in terms of the provisions of section 136 of the Act, a copy of the audited financial statements for the financial year ended on 31 March 2024 for each of the subsidiary companies will be made available by email to members of the Company, seeking such information. The members can send an email to [investors@bajajauto.co.in](mailto:investors@bajajauto.co.in). These financial statements shall also be kept open for inspection by any member at the registered office of the Company during business hours. The financial statements of the Company and its subsidiaries are also placed on the Company's website at <https://www.bajajauto.com/investors/financial-and-operational-performance>

## Subsidiaries

### PT. Bajaj Auto Indonesia (PT BAI)

Routine business operations of PT BAI, a 99.25% subsidiary of Bajaj Auto Ltd. remain discontinued.

Indonesia is a large two-wheelers market and hence of interest for PT BAI. PT BAI would continue to study the evolving market and evaluate different possible opportunities.

### Bajaj Auto International Holdings BV, Netherlands (BAIH BV)

BAIH BV is a 100% Netherlands based subsidiary of Bajaj Auto Ltd. Through this subsidiary, Bajaj Auto Ltd. has invested a total of € 198.1 million (₹ 1,219 crore) and holds 49.9% stake in Pierer Bajaj AG (PBAG). Through PBAG, Bajaj Auto Ltd. is a partner in all mobility businesses that the Pierer Group engages in.

### Bajaj Auto (Thailand) Ltd.

Bajaj Auto (Thailand) Ltd. was incorporated as a wholly owned subsidiary in Thailand with paid-up share capital of Thai Baht (THB) 45 million (₹ 10 crore).

An Engineering Design Centre is set up under this subsidiary. It has all the necessary approvals from concerned authorities, is operational and international designers are working from this new facility.

### Bajaj Auto Spain, S.L.U.

Bajaj Auto Spain, S.L.U. was incorporated as a wholly owned subsidiary in Barcelona, Spain with an issued and subscribed share capital of € 600K (₹ 5 crore), the intent being to set up an Engineering Design Centre (EDC).

The EDC has all the necessary approvals from concerned authorities and has become fully operational.

### Chetak Technology Ltd. (CTL)

Given the stakes and likely impact of EVs on its business, your Company wants to be ahead of this curve. For effectively engaging in this domain, CTL was incorporated as a wholly owned subsidiary of the Company in October 2021 to develop new technologies and products. It stands adequately funded with paid-up equity share capital of ₹ 470 crore as on 31 March 2024.

During the year under review, action was taken to consolidate EV sales and manufacturing in the Company with a view to improving operational efficiencies, driving cost-effectiveness and eliminating complexities associated with operating multiple entities. Accordingly, the Company purchased all manufacturing assets from its wholly owned subsidiary - CTL in the last quarter of the year having followed a process of seeking clearances/no-objection. This leaves CTL to currently focus on research and development and accelerate the objective on building itself as a powerhouse of technology for EV.

## Bajaj Auto Credit Ltd. (BACL)

(Formerly 'Bajaj Auto Consumer Finance Ltd.')

To have its own captive auto financing arm, a public limited company was incorporated as a wholly owned subsidiary of the Company in December 2021 as Bajaj Auto Consumer Finance Ltd. ('BACFL') to carry out the NBFC activity.

In August 2023, the RBI granted the certificate of registration as a non-deposit taking NBFC (NBFC-ND).

Subsequently, in order to make its name more concrete and concise, the name was changed to Bajaj Auto Credit Ltd. ('BACL'), in December 2023.

BACL commenced its business in Maharashtra and Goa on 1 January 2024. Subsequently, it added Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Rajasthan and Gujarat. It plans to cover all the balance states by 31 March 2025.

With a paid-up share capital of ₹ 295 crore, BACL had assets under management of ₹ 708 crore as on 31 March 2024.

## Bajaj Do Brasil Comercio De Motocicletas Ltda

To address the motorcycle market in Brasil, a highly competitive market in Latin America, Bajaj Auto Ltd. had set up a wholly owned subsidiary in March 2022 with a paid-up equity share capital of BRL 30 million (₹ 48 crore). During FY2024, the Company made an additional investment of ₹ 36.98 crore in the subsidiary, for setting up of assembling facilities.

The subsidiary is currently in the process to set-up a dedicated manufacturing facility at Manaus, Brasil – the first such facility outside India, which is expected to become operational by the mid of the year 2024.

More detailed information is given in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

The Company's policy for determination of material subsidiary, as adopted by the Board of Directors, in conformity with regulation 16(1)(c) of the Listing Regulations, 2015, can be accessed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Joint Ventures, Acquisitions and other matters

### Increase of stake in Yulu Bikes Pvt. Ltd. ('Yulu Bikes')

Yulu Bikes is India's largest shared electric mobility player. With the goal of making last mile mobility more inclusive, affordable and sustainable, Yulu Bikes serves individual customers with point-to-point last mile needs, as well as commercial applications for last mile delivery. Present in the three metros, viz., Bangalore, Mumbai and Delhi, during the financial year 2023-24, Yulu Bikes has grown its fleet by ~2x to 30,000 electric two-wheelers and has seen its monthly revenue grow by ~2.5x. Yulu Bikes has plans to further increase fleet size in the financial year 2024-25 and expand its footprint to other cities. Your Company has also supported the development and production of electric two-wheelers for Yulu Bikes fleet.

In February 2024, Yulu Bikes raised its Series B funding, where the Company also participated on pro rata basis with an investment of ₹ 45.75 crore. Post which, your Company's total investment in Yulu Bikes stands at ₹ 165 crore.

## Collaboration with Triumph Motorcycles Ltd. (Triumph)

During the year under review, Triumph Motorcycles Ltd. transferred its distribution operations within India to Bajaj Auto. As part of the collaboration agreement, a new range of mid-sized Triumph motorcycles have been jointly developed by both companies and produced at the Company's Chakan plant.

Established in 1902, Triumph is the largest British motorcycle manufacturer which has produced iconic bikes that perfectly blend authentic design, character, charisma and performance.

## Other Ventures/Associates

The Company does not have any associate company, nor has it entered into a joint venture with any other company.

## Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year 2023-24 and the date of this Report.

## Auditors

### Statutory Auditors

S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) were re-appointed as the statutory auditors of the Company by the members at the 15th AGM of the Company held on 26 July 2022 for a second term of five consecutive years from conclusion of the said AGM until the conclusion of the 20th AGM.

The report of the statutory auditors does not contain any qualification, reservation or adverse remark or disclaimer, except as mentioned under the heading 'Report on other legal and regulatory requirements', sr. no. 2 (i) vi. The same has been adequately explained in note no. 45 l. to the standalone financial statements and consolidated financial statements.

### Secretarial Auditor

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shyamprasad D Limaye, Practising Company Secretary (Membership No.1587, CP No. 572) was appointed as the secretarial auditor of the Company for the financial year 2023-24. The Secretarial Audit Report in Form MR-3 for the financial year 2023-24 is annexed to this Directors' Report as 'Annexure I'.

The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

## Cost Auditor

Pursuant to the provisions of section 148 of the Act, the Board of Directors on the recommendation of the Audit Committee has appointed R.B. Laddha & Co, Cost Accountants (Firm Registration No. 004689) as the cost auditor of the Company for the financial year ending on 31 March 2025 and have recommended their remuneration to the members for ratification at the ensuing AGM. Accordingly, a resolution seeking members ratification for the remuneration payable to the cost auditor forms part of the Notice of the ensuing AGM.

The cost auditor has furnished the eligibility certificate along with his consent to such appointment in terms of the relevant provisions of the Act read with Rules framed thereunder. The Audit Committee has also received a certificate from the cost auditor certifying their independence and arm's length relationship with the Company.

As per the provisions of section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly, such accounts and records are maintained.

## Internal Audit

At the beginning of each financial year, an audit plan is rolled out with approval of the Company's Audit Committee. The plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures and compliance with laws and regulations. Based on the reports of internal audit, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions are periodically presented to the Audit Committee of the Board.

## Details regarding frauds reported by Auditors under section 143(12) of the Act

In terms of the provisions of section 143(12) of the Act read with rule 13 of the Companies (Audit and Auditors) Rules, 2014, during the year under review, the auditors have not reported any frauds to the Audit Committee or to the Board and therefore, no details pursuant to the provisions of section 134(3)(ca) of the Act are required to be disclosed.

## Details of Internal Financial Controls with reference to the Financial Statements

The Company has documented its internal financial controls considering the essential components of various critical processes, both physical and operational. This includes its design, implementation and maintenance, along with periodic internal review of operational effectiveness and sustenance and whether these are commensurate with the nature of its business and the size and complexity of its operations.

This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

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

## Risk Management Policy

In terms of regulation 21 of the Listing Regulations, 2015, the Board of your Company has adopted a Risk Management Policy, which *inter alia*, provides for framework for identification of internal and external risks faced by the Company, including financial, operational, sectoral, sustainability, information, cyber security, strategic or any other risk as may be determined by the Risk Management Committee and the measures for risk mitigation, reporting of critical risks within the Company and business continuity plan.

The Risk Management Committee oversees the risk management process in the Company. Information on the implementation of the Risk Management Policy is given in the *Corporate Governance Report*, which forms part of this Annual Report.

## Corporate Governance

Pursuant to the Listing Regulations, 2015, a detailed report on the *Corporate Governance*, has been included in this Annual Report along with the reports on *Management Discussion and Analysis* and *General Shareholder Information*.

All the Board members and senior management personnel have affirmed compliance with the code of conduct for directors and senior management of the Company for the year ended 31 March 2024. A declaration to this effect signed by the Managing Director and CEO of the Company is contained in this Annual Report.

The Managing Director and CEO and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) of the Listing Regulations, 2015.

Pursuant to the Listing Regulations, 2015, a certificate from the statutory auditors of the Company regarding compliance of conditions of corporate governance is annexed to this Directors' Report as 'Annexure II'.

## Particulars of Contracts or Arrangements with Related Parties

Your Company has in place a robust process for approval of related party transactions and on dealing with related parties.

All contracts/arrangements/transactions entered into by the Company during FY2024 with related parties were in compliance with the applicable provisions of the Act, the Listing Regulations, 2015 and as per the Company's policy on materiality and dealing with related party transactions. Prior omnibus approval of the Audit Committee is obtained for all related party transactions, which are foreseen and of repetitive nature.

A statement detailing the related party transactions entered pursuant to the omnibus approval are reviewed by the Audit Committee on quarterly basis.

All related party transactions entered into during FY2024 were in the ordinary course of business and on arm's length basis. During the year under review, prior approval of the members was accorded to Rishabhayan Bajaj, a related party of the Company to hold and continue to hold office or place of profit in the Company for a period of five years effective from 1 April 2023 up to 31 March 2028 at a remuneration which would cross the applicable materiality threshold in terms of the provisions of section 188(1)(f) read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (i.e., at a monthly remuneration exceeding ₹ 2.50 lakh/₹ 30 lakh p.a.), by way of an ordinary resolution passed on 5 March 2024 through postal ballot by remote e-voting process. The details of material related party transactions as required under provisions of section 134(3)(h) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014 are provided in Form AOC-2, which is annexed to this Directors' Report as 'Annexure III'.

The details of transactions with related parties during FY2024 are provided in the notes to the financial statements.

The policy on materiality of and dealing with related party transactions is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Changes in Directors and Key Managerial Personnel

The changes in the composition of the Board of Directors and Key Managerial Personnel of the Company during the year under review are as under:

### Appointment/Re-appointment

The Board at its meeting held on 25 April 2023, on basis of the recommendation of the Nomination and Remuneration Committee had approved the re-appointment of Rakesh Sharma (holding DIN: 08262670) as the Whole-time director with the designation as Executive director of the Company for a period of five years with effect from 1 January 2024. The members at the 16th AGM of the Company held on 25 July 2023 had approved the said re-appointment.

Pradip Panalal Shah (holding DIN: 00066242) completed his first term of five consecutive years as a Non-executive independent director of the Company on 31 March 2024. The Board, on recommendation of the Nomination and Remuneration Committee and considering his expertise and experience in the varied fields of finance, taxation, management, strategy, global business leadership, risk management, corporate governance, etc. and on the basis of the performance evaluation report, had approved his re-appointment as a Non-executive independent director of the Company for a second term of five consecutive years commencing from 1 April 2024 and for continuation of his appointment even after he attains the age of 75 years, till expiry of his second term up to 31 March 2029. The members of the Company approved the said re-appointment by way of a special resolution passed on 5 March 2024 through postal ballot conducted by remote e-voting process.

Vinita Bali (holding DIN: 00032940) was appointed as a Non-executive independent director of the Company for a term of five consecutive years with effect from 1 April 2024 up to 31 March 2029. On the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the members of the Company approved the said appointment by way of a special resolution passed on 5 March 2024 through postal ballot conducted by remote e-voting process. Considering the skills, knowledge and expertise of Vinita Bali in fields of sales and marketing, brand building, business strategy, social services, etc., her appointment as an Independent director is of immense benefit to the Company.

In terms of the provisions of rule 8(5)(iiiia) of the Companies (Accounts) Rules, 2014, the Board opines that the Independent directors so appointed/re-appointed hold highest standards of integrity and possess necessary expertise and experience.

### Cessation

The directors express their profound grief over the sad demise of D J Balaji Rao, Non-executive independent director of the Company, who passed away on 28 November 2023. The Board places on record its heartfelt gratitude for his notable contributions to the Company.

Madhur Bajaj (holding DIN: 00014593), Non-executive non-independent director (designated as Vice Chairman, non-executive) of the Company resigned due to health reasons, with effect from close of business hours on 24 January 2024.

Lila Poonawalla (holding DIN: 00074392) ceased to be a Non-executive independent director of the Company upon completion of her term of five years with effect from close of business hours on 31 March 2024.

The Board places on record its deep appreciation for the invaluable contribution and guidance provided by the outgoing directors during their tenure on the Board.

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## Retirement by Rotation

Pursuant to the provisions of section 152 of the Companies Act, 2013, Pradeep Shrivastava (holding DIN: 07464437) and Rakesh Sharma (holding DIN: 08262670), directors, are liable to retire by rotation at the ensuing AGM of the Company and being eligible, have offered themselves for re-appointment. The Board recommends their re-appointment.

Brief details of Pradeep Shrivastava and Rakesh Sharma are given in the Notice of ensuing AGM.

## Changes in Key Managerial Personnel

Dr. J Sridhar (Membership No. FCS 1760) superannuated from the office of Company Secretary and Compliance Officer of the Company with effect from close of business hours on 30 September 2023. The Board places on record its appreciation for the exemplary services rendered by Dr. J Sridhar during his association with the Company.

The Board at its meeting held on 25 July 2023, based on the recommendation of the Nomination and Remuneration Committee has approved the appointment of Rajiv Gandhi (Membership No. ACS 11263) as Company Secretary and Compliance Officer of the Company with effect from 1 October 2023.

Except as stated above, there were no other changes in the directors and key managerial personnel of the Company during the year under review since the last report.

Detailed information on the directors is provided in the *Corporate Governance Report*, which forms part of this Annual Report.

## Number of Meetings of the Board

During the year under review, six Board meetings were held, details of which are provided in the *Corporate Governance Report*, which forms part of this Annual Report.

## Committees of the Board

The Board of Directors have constituted the following Committees in order to effectively deliberate its duties under the Act and the Listing Regulations, 2015:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee;
- Risk Management Committee and
- Duplicate Share Certificate Issuance Committee.

Details of the Committees in respect of its composition, terms of reference and meetings held during the financial year 2023-24 are provided in the *Corporate Governance Report*, which forms part of this Annual Report.

## Directors' Responsibility Statement

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

- in the preparation of the annual accounts for the financial year ended on 31 March 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31 March 2024 and of the profit and loss of your Company for the financial year ended 31 March 2024;
- they have taken proper and sufficient care for the 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 fraud and other irregularities;
- the annual accounts for the financial year ended on 31 March 2024 have been prepared on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that, to the best of their knowledge, examination and analysis, such internal financial controls have been adequate and were operating effectively and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that, to the best of their knowledge, such systems were adequate and were operating effectively.

## Declaration by Independent Directors

In terms of the provisions of section 149 of the Act and the Listing Regulations, 2015, the independent directors on the Board of your Company as on the date of this report are Anami N. Roy, Dr. Naushad Forbes, Pradip Shah, Abhinav Bindra and Vinita Bali.

The Company has received declaration pursuant to section 149(7) of the Act and regulation 25 of the Listing Regulations, 2015 from all the independent directors stating that they meet the criteria of independence as provided in section 149(6) of the Act read with regulations 16 and 25 of the Listing Regulations, 2015.

The independent directors have also confirmed compliance with the provisions of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, relating to inclusion of their name in the independent director's databank of the Indian Institute of Corporate Affairs.

The Board of Directors of your Company have taken on record the said declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same in terms of regulation 25 of the Listing Regulations, 2015.

In the opinion of the Board, the independent directors fulfil the conditions specified in the Act as well as the Rules made thereunder read with the Listing Regulations, 2015 and have complied with the code for independent directors prescribed in Schedule IV to the Act.

## Formal Annual Evaluation of the Performance of the Board, its Committees, Chairman and Individual Directors

The annual evaluation of performance of the Board of Directors, its committees, chairman and individual directors for the reporting year was conducted in accordance with the provisions of the Act and the Listing Regulations, 2015.

Information on the process of the formal annual evaluation made by the Board of its own performance and that of its committees, chairman and individual directors is given in the *Corporate Governance Report*, which forms part of this Annual Report.

## Remuneration policy

Your Company has in place the Remuneration Policy which provides for a whole gamut of compensation philosophy for rewarding and retaining talent.

During the year under review, the Board approved the revised remuneration policy, as recommended by the Nomination and Remuneration Committee incorporating changes relating to commission of non-executive directors.

The salient features of the policy have been detailed in the *Corporate Governance Report*, which forms part of this Annual Report.

The revised policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Particulars of Employees and Remuneration

Details as required under the provisions of section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing, *inter alia*, ratio of remuneration of directors and KMP to median remuneration of employees and percentage increase in the median remuneration are annexed to this Directors' Report as 'Annexure IV'.

Further, a statement containing details of top ten employees in terms of the remuneration drawn and other specified employees as required under the provisions of section 197(12) of the Act read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of this Directors' Report. In terms of the provisions of section 136 of the Act, the report is being sent to the members excluding the aforesaid statement. This statement will be made available by email to members of the Company seeking such information. The members can send an email to [investors@bajajauto.co.in](mailto:investors@bajajauto.co.in) It shall also be kept open for inspection by any member at the registered office of the Company during business hours.

## Employee Stock Option Scheme

Your Company grants share-based benefits to eligible employees with a view to attracting and retaining talent, to encourage employees to align individual performance with the Company objectives and to promote their increased participation in the growth of the Company through Bajaj Auto Employee Stock Option Scheme 2019 ('BAL-ESOS 2019'/'the Scheme'). The members by way of a special resolution passed through postal ballot, the results of which were announced on 13 March 2019, had approved the BAL-ESOS 2019.

The Board of Directors, on the recommendations of the Nomination and Remuneration Committee (which also acts as a Compensation Committee for implementation of the Scheme) in its meeting held during the year under review, have approved certain changes to the BAL-ESOS 2019, in order to align it with and extend benefits enabled under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('ESOP Regulations'), subject to approval of the members at the ensuing AGM. The proposed changes to the Scheme, in terms of the ESOP Regulations seek to cater to expanded categories of employees for grant of options and amend certain criteria relating to retirement, transfers/deputation, death/permanent incapacity. The amendments to the Scheme are not prejudicial to the interest of employees.

Accordingly, the special resolution(s) seeking approval of the members for variation in the terms of the Scheme, forms part of the Notice of the ensuing AGM. The changes proposed to the Scheme have been detailed in the explanatory statement annexed to the Notice of the AGM.

During the year under review, the Nomination and Remuneration Committee of the Board at its meeting held on 25 April 2023, had approved grant of 477,000 stock options (actual grant being 475,268 stock options) convertible into equivalent number of equity shares of ₹ 10 each to the eligible employees of your Company as per the Scheme.

Pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the certificate received from the secretarial auditor of the Company confirming implementation of the Scheme in accordance with the said regulations and the resolution passed by the members, will be made available at the AGM.

In terms of regulation 14 of the ESOP Regulations, a statement giving complete details, as at 31 March 2024, is available on the website of the Company at <https://www.bajajauto.com/investors/financial-and-operational-performance>

Details of options vested, exercised and cancelled are provided in the notes to the standalone financial statements.

## Vigil Mechanism/Whistle Blower Policy

The details of the vigil mechanism (whistle blower policy) are given in the Report on *Corporate Governance*, which forms part of this Annual Report.

The policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Particulars of Loans, Guarantees or Investments

During the year under review, your Company has not given any loan or guarantee in terms of the provisions of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014.

The details of investments made in terms of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are detailed in the financial statements.

## Industrial Relations

Your Company has always prioritised the development and nurturing of its human resources. To this effect, your Company has always promoted well-being, diversity, inclusion and equal opportunities for all its employees. Meritocracy and participation are fostered as a pillar of strength. Active development of skills alongside contributing to the society creates a conducive environment for the duality of innovation and consistency.

In the financial year 2023-24, the Company continued its streak of excellence. Pursuing the goal of employee engagement resulted in successive feats in business excellence. The overall relations with its employees across the various plants of the Company in Akurdi, Waluj, Chakan and Pantnagar continued to be pleasant.

Your Company has practiced the philosophy 'Yutori' to infuse 'Joy at Workplace'. For Yutori, non-work activities that excite people and encourage involvement must be layered in. In Yutori, the Company has adopted a three-element approach, as detailed under, for inculcating a positive and fulfilling professional experience:

### 1. Body-Physical Happiness:

To sustain and improve physical fitness by workplace improvement in terms of ergonomics, work environment improvement, health improvement with medical check-up followed by consultation and physical fitness programs.

### 2. Mind-Mental Happiness:

To improve mental happiness, we focused on education and training, stress-free operations, healthy communication and interpersonal relationships, rewards and recognition as well as personal and professional growth.

### 3. Soul-Spiritual Wellbeing:

To promote spiritual well-being through yoga and meditation sessions, women's day celebration, people involvement and participation through kaizen competition, trust building through family care and collaborative culture development.

Practice of Yutori has been manifested in various initiatives as described below:

We have continuously inculcated a TPM culture for excellence. This coupled with the active participation and involvement of employees was ensued by process improvements across all plants. In recognition of the same, plants of the Company have received numerous awards from CII, JIPM, Manufacturing Today, ITP Media, JMA Japan, QCFI, The Machinist, etc.

The Company continued its pursuit of development and retention of motivated employees. Along with a gender-diverse talent pool, the Company has worked towards improving participation of women by aligning itself with various objectives and programmes for women empowerment.

Working in tandem with various committees, Company's relations with workers and unions have been consistently positive as evidenced by timely wage settlements. Your Company signed a long-term settlement with the Union for a period of 3.5 years (42 months) starting from 1 June 2023 till 30 November 2026 at the Pantnagar plant.

Employees' health has always been prioritised at your Company. State-of-the-art health facilities are provided to the employees. Apart from a health awareness campaign, sprawling gymnasium, indoor sports facilities, outdoor treks, track and field access have been made available for physical well-being of the employees. The Company also prioritises mental health of its employees. Chai pe charcha and employee assistance program were introduced for the same. The Company also organised inter-departmental sports league, music contests, festival celebrations, recognition of achievements of employee's children, with an objective of comprehensive improvement of employee's health and wellness. The Company also proactively encourages employees participation in external competitions. In the drama competition organised by State of Maharashtra (MLWB), the employees of the Company were felicitated with various laurels including awards for best drama, best actor, etc. bringing in a total of ten awards.

Various charitable events such as donation drives, NGO stalls, blood donation camps, reforestation drives, etc., were also undertaken during the year under review with active employee participation.

Employee satisfaction, building a sense of community, instilling a sense of belongingness resulting in performance-oriented mindset continues to be the driving force behind our efforts.

### Anti-Corruption Initiatives

Your Company has established several policies to prevent corruption within the organisation. These are suitably integrated with the business operations. Your Company also has adequate disclosure practices with regard to anti-corruption activities. Some of these practices are given below:

#### Signing of the Anti-Corruption Initiative of World Economic Forum (WEF)

In support of the initiative taken by WEF, the Company is a signatory to the 'Commitment to Anti-Corruption' and is supporting the 'Partnering Against Corruption-Principles for Countering Bribery' derived from Transparency International's Business Principles. This calls for a commitment to two fundamental actions, viz., a zero-tolerance policy towards bribery and the development of a practical and effective implementation programme.

## Adoption of the Confederation of Indian Industry (CII) Charters

Your Company, being a member of CII, has adopted the following Codes/Charters:

1. CII Code of Conduct for Affirmative Action.
2. Model Code of Conduct for Ethical Business practices.
3. Charters of Fair and Responsible Workplace Guidelines for Collaborative Employee Relations.
4. Charters on Fair and Responsible Workplace Guidelines for Contract Labour.

More details on the subject are given in the *Business Responsibility and Sustainability Report*, which forms part of this Annual Report and the same has been hosted on the Company's website and can be accessed at <https://www.bajajauto.com/investors/financial-and-operational-performance>

## Prevention of Sexual Harassment

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('PoSH Act') and Rules framed thereunder. All employees (including trainees, apprentices and probationers) of the Company at all its locations are covered in this policy.

Internal Complaints Committee ('ICC') is in place to redress complaints of sexual harassment and the Company has complied with the provisions relating to the constitution of ICC under the PoSH Act.

During the year under review, two complaints were filed pertaining to sexual harassment of woman employee in terms of the PoSH Act, which were suitably resolved as per the Company's process. No complaints remained unresolved as on 31 March 2024.

Your Company holds a strong commitment to provide a safe, secure and productive work environment to all its employees. The Company strives to ensure that every employee is informed and compliant with all statutory policies and practices. PoSH awareness and sensitisation are an integral part of this process. For all new joiners, PoSH training is a part of the 'Induction and Onboarding module'. On a regular basis, refresher courses are planned at different locations, as mentioned below:

- In the form of in-person interventions for employees and ICC members.
- Online training which is self-paced and easily accessible on Bajaj Auto Learning and Development Platform ('BOLT').

## Corporate Social Responsibility (CSR)

### 'Bajaj is a catalyst for social empowerment'.

Your Company's CSR initiatives align with the core purpose afore stated by prioritizing in areas of skilling, education, environment sustainability and health.

During the year under review, the unveiling of 'Bajaj Beyond', a Bajaj Group social impact program embraces its primary focus towards skill development. Under this, your Company's two flagship programs: Bajaj Engineering Skills Training (BEST) and Bajaj Manufacturing Systems (BMS) Certification program, drives its overarching commitment towards skill development.

The detailed information on CSR initiatives undertaken by your Company during the financial year ended 31 March 2024 is provided in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

The Annual Report on CSR activities pursuant to the provisions of section 134 and 135 of the Act read with rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and rule 9 of the Companies (Accounts) Rules, 2014 is annexed to this Directors' Report as 'Annexure V'.

Taking into account the commitments made by the Company for the ongoing CSR projects/programs which are in progress and considering the project mode of CSR activity where the projects can extend beyond the financial year, as also the amount transferred to 'Unspent CSR Account', in terms of the provisions of section 135(6) of the Act, there is no shortfall in the CSR expenditure mandated to be spent by the Company during the financial year ended 31 March 2024.

The Chief Financial Officer of the Company has certified that the funds disbursed have been utilised for the purpose and in a manner approved by the Board for FY2024.

The CSR policy is hosted on the Company's website at <https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx>

## Business Responsibility and Sustainability Report (BRSR)

In terms of regulation 34(2)(f) of the Listing Regulations, 2015 read with SEBI circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023 ('the SEBI circular'), the Company has included a detailed BRSR for the financial year 2023-24 in the updated format prescribed by the SEBI circular as part of this Annual Report, describing various initiatives, actions and process of the Company in conducting its business in line with its environmental, social and governance obligations. Further, the SEBI circular mandates reasonable assurance of the BRSR Core for top 150 listed entities by market capitalization from FY2024. Accordingly, the Company has obtained the services of DNV Business Assurance India Pvt. Ltd. for reasonable assurance of BRSR. The assurance report forms part of the BRSR for FY2024.

As a green initiative, the same has been hosted on Company's website and can be accessed at <https://www.bajajauto.com/investors/financial-and-operational-performance>

A copy of the BRSR will be made available by email to any shareholder on request.

## Research and Development (R&D) and Technology Absorption

FY2024 has been the year R&D has strengthened its thrust on the premium, sports category of bikes as well as in the EV two-wheelers and three-wheelers. Many strategically important new products as well as impactful upgrades to the existing products have been introduced and has resulted in a strong sales performance of the Company even under challenging times.

### Products

Many new products were launched during the year under review. Pulsar has been consistently upgraded over the years to keep it in sync with changing times. Information on the new products is covered in the report on *Management Discussion and Analysis*.

### Processes

R&D has been working on improving its operations in a number of areas as listed below:

- **Manpower:** R&D has expanded its team size in areas of design, analysis and validation to facilitate the rapidly expanding aspirations of the Company.
- **Facilities:** R&D continued to enhance its design, computing, prototype manufacturing and validation facilities. A number of new test facilities and prototyping facilities were added.
- **Regulatory requirements:** R&D had to calibrate and homologate many more variants to meet the new BS6 OBD2 norms. The powertrain and vehicle configurations were adjusted to meet these new norms rapidly.

**DOMINAR**  
**400**



## Technology

As in the past, new and improved technology has been introduced during the year. Such information is covered in the report on *Management Discussion and Analysis*.

## Expenditure incurred on R&D

Particulars	(₹ In Crore)	
	FY2024	FY2023
i. Capital (including technical know-how)	33.22	35.15
ii. Recurring	486.96	489.91
<b>Total</b>	<b>520.18</b>	<b>525.06</b>
Total R&D expenditure as a percentage of sales	1.19%	1.48%

## Conservation of energy

Efforts persists in the Company's endeavour to work deeply on the conservation of energy and water across all its manufacturing facilities as well as corporate office at Pune.

As a result, significant reduction in energy and water consumption has been achieved through various key initiatives as mentioned below:

### Electrical Energy

- Efficient utilisation of rooftop solar plant: 5 MW at Waluj plant, 1 MW at Pantnagar plant, 3.22 MW at Akurdi plant and 2.0 MW at Chakan plant.
- Provision of energy efficient LED luminaries on dock areas, assembly conveyors/inspection area. Shop Overhead Lighting, High Masts at various designated areas for energy conservation.
- Energy efficiency improvement by replacement of conventional motors with BLDC motors for air handling units.
- ED bath voltage optimisation based on surface area of SKU and process temperature.
- Compressed air pressure optimisation by use of portable small compressors on non-working days.
- Installation of natural day light system at roof top of shop areas.
- Power factor improvement by addition of real time power factor and harmonics control system.
- Heat load reduction through resource efficient building design for manufacturing and non-manufacturing areas in our newly started Chakan plant - 2.

### Water

- All plants put together; rainwater storage capacity of 5.7 lakh kL is available. Harvested water is being used for different manufacturing processes.
- Ground water re-charging to the extent of 11 lakh kL is done every year.
- Continued reuse of treated water for processes like painting, cooling towers, etc. in addition to gardening.
- Use of auto shut off taps in all washrooms and wash basins is continued.

## LPG/Propane

- Temperature band optimisation for ED process.
- Reduction in use of hot water/chemicals by switching 'off' it's spray while empty carrier movement.
- Thermal loss reduction in paint ovens/hot water generator by insulation improvement.
- Continued use of low temperature chemicals for pre-treatment.
- Optimization of booth 'on'/'off' timings.
- Booth SCADA system installed to monitor all parameters including identification of gas leakages, if any.
- Sequential start-up of paint shop equipment, i.e., hot water generator, ovens, ASU burners, Jig stripping plant by adoption of smart manufacturing technique.
- Use of energy efficient cooking equipment at canteen.

## Utilisation of Renewable Energy - Key Initiatives

- Continued solar power generation to the extent of 155 lakh units/year.
- Hot water rooftop solar system for residential area.
- Use of natural day light system.

## Impact of Measures Taken

As a result of the initiatives taken for conservation of energy and natural resources, the Company has achieved an overall reduction in consumption as given in the table below:

Description	% Reduction w.r.t. previous year	
	FY2024	FY2023
Electricity consumption	2.50	1.19
Water consumption	0.86*	4.53
LPG/PNG consumption	3.27	4.22

\* Impact of 3Wh EV plant construction project work and lower production volume of motorcycles at Waluj plant.

## Investment/Savings

Description	(₹ In Crore)	
	FY2024	FY2023
Investment for energy conservation activities	1.63	1.55
Recurring savings achieved through above activities	0.94	0.87

## Foreign Exchange Earnings and Outgo

The Company continued to be a net foreign exchange earner during the year under review.

Total foreign exchange earned by the Company during the financial year 2023-24 was ₹ 14,252.96 crore, as compared to ₹ 14,461.47 crore during the financial year 2022-23.

Total foreign exchange outflow during the financial year 2023-24 was ₹ 1,221.75 crore, as against ₹ 1,138.68 crore during the financial year 2022-23.

## Annual Return

Pursuant to the provisions of section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, the annual return for FY2024, which will be filed with Registrar of Companies/MCA, is uploaded on the Company's website and can be accessed at <https://www.bajajauto.com/investors/financial-and-operational-performance>

## Investor Education and Protection Fund (IEPF)

The details pertaining to the transfer of unclaimed dividend amount and shares to the Investor Education and Protection Fund (IEPF) have been provided in *General Shareholder Information*, which forms part of this Annual Report.

Rajiv Gandhi, Company Secretary is also the Nodal Officer of the Company, appointed pursuant to rule 7(2A) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of which are available on the website of the Company at <https://www.bajajauto.com/investors/investor-services>

## Secretarial Standards of ICSI

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

## Significant and Material Orders passed by the Regulators or Courts

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

## Presentation of Financial Statements

The financial statements of the Company for the year ended 31 March 2024 have been disclosed as per Division II of Schedule III to the Act.

## Indian Accounting Standards, 2015

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Act, the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

*Chetak*



## Other Disclosures

- There is no change in the nature of business of the Company during FY2024.
- The Managing Director and the Whole-time director(s) of the Company, as per the terms of appointment, do not draw any commission or remuneration from subsidiary companies. Hence, no disclosure as required under section 197(14) of the Act has been made.
- Your Company has not accepted any public deposits under Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during FY2024.
- A cash flow statement for FY2024 is attached to the Balance Sheet.
- The securities of the Company were not suspended from trading during the year under review on account of corporate actions or otherwise.
- There was no revision to the financial statements and Directors' Report of the Company during the year under review.
- Details as prescribed under section 134 of the Act and Rules made thereunder, applicable to the Company, have been specifically given in this Report, wherever applicable.

## Awards and Accolades

Your Company's consistent efforts towards manufacturing excellence, conservation of energy and other initiatives were acknowledged by the following awards and accolades received during the year under review:

- Bajaj Auto Ltd. received the 'Award for Global Leaders Initiative for TPM', from the Japan Institute of Plant Maintenance, which is first for any Indian Company.
- Chakan plant received the 'Award for World Class TPM Achievement' organised by the Japan Institute of Plant Maintenance.
- Pantnagar plant won 'Gold and First Runner-Up Award' in 'National Excellence Practices Competition', organised by CII.
- Certify with latest safety system certification - ISO 45001:2018 (with zero NC). Sustained Zero NC since last 6 years by Pantnagar plant.
- Waluj plant won 'National Award for Excellence in Water Management 2023' organised by CII.

## Acknowledgements

The directors express their heartfelt gratitude to the members, customers, dealers, suppliers, bankers, government and all other stakeholders for their continuous support to the Company and their confidence in its Management.

The directors would also like to convey its appreciation to the employees at all levels for their significant contribution towards the Company's performance.

On behalf of the Board of Directors

Niraj Bajaj  
Chairman  
(DIN: 00028261)  
Pune: 18 April 2024

## Annexure I to the Directors' Report Secretarial Audit Report (Form No. MR-3)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31 March 2024.

To,  
The Members,  
**Bajaj Auto Ltd.**  
(CIN: L65993PN2007PLC130076)  
Bajaj Auto Ltd. Complex,  
Mumbai-Pune Road,  
Akurdi, Pune - 411035.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bajaj Auto Ltd.** (hereinafter called as 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit and subject to letter annexed herewith, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2024, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2024, according to the provisions of:

1. The Companies Act, 2013 (the 'Act') and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. The Motor Vehicles Act, 1988 and Rules made thereunder, to the extent of product certification before production and from time to time primarily in respect of vehicles manufactured by the Company.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.
- ii. Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above, wherever applicable.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors including a woman independent director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings including Committees thereof, along with agenda and detailed notes on agenda at least seven days in advance (except for meeting(s) convened at shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors. The decisions at the meeting were carried unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. The Company allotted 222,398 equity shares of ₹ 10/- each on 29 November 2023 to the Bajaj Auto ESOP Trust under the Bajaj Auto Employee Stock Option Scheme 2019;
2. The Company bought back 4,000,000 equity shares of ₹ 10/- each in compliance with the provisions of the Act and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.

I further report that during the audit period, there was no other event/action having major bearing on affairs of the Company.

Pune: 18 April 2024  
UDIN: F001587F000162363

Shyamprasad D Limaye  
FCS No. 1587 CP No. 572

## Annexure to the Secretarial Audit Report

To,  
The Members,  
**Bajaj Auto Ltd.**  
Bajaj Auto Ltd. Complex, Mumbai-Pune Road,  
Akurdi, Pune - 411035.

My Secretarial Audit Report for financial year ended on 31 March 2024 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Pune: 18 April 2024

Shyamprasad D Limaye  
FCS No. 1587 C P No. 572

## Annexure II to the Directors' Report Independent Auditors' Report on compliance with the conditions of Corporate Governance

[As per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To the Members of **Bajaj Auto Ltd.**

1. The Corporate Governance Report prepared by Bajaj Auto Ltd. (hereinafter the 'Company'), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations') ('Applicable criteria') for the year ended 31 March 2024 as required by the Company for annual submission to the Stock exchange.

### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditors' Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on 31 March 2024 and verified that at least one independent woman director was on the Board of Directors throughout the year;

- iv. Obtained and read the minutes of the following committee meetings/other meetings held from 1 April 2023 to 31 March 2024:
    - a. Board of Directors;
    - b. Audit Committee;
    - c. Annual General Meeting (AGM);
    - d. Nomination and Remuneration Committee;
    - e. Stakeholders' Relationship Committee;
    - f. Risk Management Committee;
    - g. Corporate Social Responsibility Committee;
    - h. Duplicate Share Certificate Issuance Committee;
  - v. Obtained necessary declarations from the directors of the Company.
  - vi. Obtained and read the policy adopted by the Company for related party transactions.
  - vii. Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

#### **Opinion**

9. Based on the procedures performed by us, as referred in paragraph 7 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended 31 March 2024, referred to in paragraph 4 above.

#### **Other matters and Restriction on Use**

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
UDIN: 24089802BKEJEV5726

Pune: 18 April 2024

## Annexure III to Directors' Report Form No. AOC-2

[Pursuant to section 134(3)(h) of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto for the financial year ended 31 March 2024.

### 1. Details of contracts or arrangements or transactions not at arm's length basis:

No contracts or arrangements or transactions were entered into by the Company with the related parties during the year ended 31 March 2024, which were not at arm's length basis.

### 2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name(s) of the related party	Nature of relationship	Nature & salient terms of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Date(s) of approval by the Board, if any	Value of the contracts/ arrangements/ transactions (₹ in Crore)	Amount paid as advances, if any
1.	Rishabnayan Bajaj	Son of Rajiv Bajaj, Managing Director and Chief Executive Officer of the Company	To hold and continue to hold office or place of profit by Rishabnayan Bajaj, currently designated as divisional manager (product strategy – EV) in the Company.	1 April 2023 - 31 March 2024*	24 January 2024	0.39	Nil

\*Members have accorded their approval to Rishabnayan Bajaj, a related party of the Company to hold and continue to hold office or place of profit in the Company in terms of the provisions of section 188(1)(f) read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, for a period of five years effective from 1 April 2023 up to 31 March 2028, by way of an ordinary resolution passed on 5 March 2024 through postal ballot.

#### Note:

All related party transactions entered into during FY2024 were in the ordinary course of business and on arm's length basis.

On behalf of the Board of Directors

Niraj Bajaj  
Chairman  
(DIN: 00028261)  
Pune: 18 April 2024

TRIUMPH



## Annexure IV to Directors' Report Remuneration Details

[As required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) for the year ended 31 March 2024]

Sr. No.	Name of Director/KMP	Ratio of Remuneration of director to Median Remuneration of employees	% increase in the financial year
<b>A.</b>	<b>Whole-time directors/Managerial Personnel</b>		
	Rajiv Bajaj, Managing Director and CEO	588.11	12.99
	Pradeep Shrivastava, Executive Director	170.87	54.36
	Rakesh Sharma, Executive Director	132.17	16.47
	<b>Whole-time directors in aggregate</b>		<b>19.67</b>
<b>B.</b>	<b>Non-executive directors<sup>1</sup></b>		
	Madhur Bajaj <sup>2</sup>	1.72	0.00
	Sanjiv Bajaj	2.07	8.00
	D J Balaji Rao <sup>3</sup>	3.45	0.00
	Niraj Bajaj	3.79	26.00
	Dr. Naushad Forbes	5.51	44.00
	Anami N. Roy	4.82	26.00
	Pradip Shah	5.17	71.82
	Lila Poonawalla	2.41	10.25
	Abhinav Bindra	4.14	68.00
<b>C.</b>	<b>Key Managerial Personnel</b>		
	Rajiv Bajaj, Managing Director and CEO		12.99
	Dinesh Thapar, CFO		59.55
	Rajiv Gandhi, Company Secretary <sup>4</sup>		0.00
<b>D.</b>	<b>Remuneration of Median Employee (other than Whole-time directors)</b>		<b>8.29</b>
<b>E.</b>	<b>Permanent employees as on 31 March 2024<sup>5</sup> : 6,192</b>		

- (a) Remuneration payable to non-executive directors is based on the number of meetings of the Board and its Committees attended by them as member during the year.  
(b) Remuneration to directors for the above purposes does not include sitting fees paid to them for attending Board/Committee meetings.
- Madhur Bajaj ceased to be a director of the Company on account of his resignation w.e.f. close of business hours on 24 January 2024. Figures regarding % increase in his case are therefore not comparable/not applicable.
- D J Balaji Rao ceased to be a director of the Company due to his demise on 28 November 2023. Figures regarding % increase in his case are therefore not comparable/not applicable.
- Rajiv Gandhi was appointed as Company Secretary of the Company w.e.f. 1 October 2023. Figures regarding % increase in his case are therefore not comparable/not applicable.
- The term 'Permanent Employees' does not include trainees, probationers and contract employees.

### Notes on Disclosures under Rule 5

- In FY2024, the remuneration of median employee other than Whole-time directors increased by 8.29% over the previous year.
- The average percentile increase made in the salaries of employees other than the Whole-time directors/Managerial Personnel was 8.73% whereas the increase in the remuneration of the Whole-time directors/Managerial Personnel, in the aggregate was 19.67% during the year under review, which was given, keeping in view the trends of remuneration in industry.
- The remuneration paid as above was as per the Remuneration Policy of the Company.

# Annexure V to Directors' Report

## Annual Report on CSR activities for the financial year ended 31 March 2024

### 1. Brief outline of Company's CSR Policy

#### Introduction

The vision and philosophy of Jammalal Bajaj, the founder of Bajaj Group, guide the Corporate Social Responsibility (CSR) activities of the group. He embodied the concept of trusteeship in business and common good and laid the foundation for ethical, value-based and transparent functioning.

Bajaj Group believes that true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people.

Through its social investments, Bajaj Group addresses the needs of communities residing in the vicinity of its facilities by taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development and response to natural calamities. For society, however, Bajaj is more than a corporate identity. It is a catalyst for social empowerment and the reason behind the smiles that light up a million faces.

It is this goodwill that has made us "The World's Favourite Indian"

'Bajaj Beyond' is the Bajaj Group's new identity for all its corporate social responsibility and charitable programmes with focus on youth skilling. The initiatives will benefit the youth and enable them to take advantage of employment and entrepreneurial opportunities offered by India's growing economy in the years' to come.

#### Guiding principles:

The Bajaj Group believes that social investments should:

- **Benefit generations:** The Company believes in 'investment in resource creation' for use over generations. The Company tries to identify sustainable projects which will benefit the society over long periods.
- **Educate for self-reliance and growth:** To usher in a growth-oriented society and thereby a very strong and prosperous nation, by educating each and every Indian.
- **Promote health:** The Company believes good health is a pre-requisite for both education and productivity.
- **Encourage for self-help:** To guide and do hand holding for self-help, individually and collectively to create excellence for self and for the team.
- **Be focused:** The Company believes that activities should be focused around locations where it has a presence and hence can effectively guide, monitor and implement specific projects.
- **Target those who need it most:** Care for the sections of the society, which are socially at the lowest rung irrespective of their religion, caste, language or colour.
- **Sustain natural resources:** The Company encourages balanced development and ensures least adverse impact on environment – Growth with Mother Nature's blessings.

## Brief Contents of CSR Policy

Section 135 of the Companies Act, 2013 ('The Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been amended substantially with effect from 22 January 2021. Accordingly, the CSR Policy was amended on 29 April 2021, with approvals of the CSR Committee and Board of Directors. The Policy, inter alia, covers the following:

- Philosophy, Approach and Direction
- Guiding Principles for selection, implementation and monitoring of activities
- Guiding Principles for formulation of Annual Action Plan

## 2. Composition of the CSR Committee

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Rajiv Bajaj	Chairman		2/2
2	Pradeep Shrivastava	Member	2	1/2
3	Dr. Naushad Forbes	Member		2/2
4	*Abhinav Bindra	Member		1/2

\* Abhinav Bindra was appointed as a member of CSR Committee w.e.f. 25 July 2023.  
Vinita Bali was appointed as a member of CSR Committee w.e.f. 18 April 2024.

## 3. Web-link where the following are disclosed on the website of the Company:

- Composition of CSR committee  
<https://www.bajajauto.com/about-us/bajaj-team>
- CSR Policy  
<https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx>
- CSR projects approved by the Board  
<https://www.bajajauto.com/corporate/corporate-social-responsibility>

4. The executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - As per table below

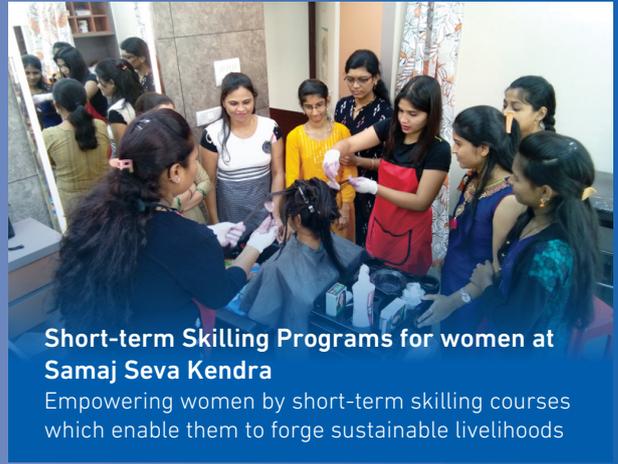
Web-link of Impact assessment reports: <https://www.bajajauto.com/corporate/corporate-social-responsibility>

Sr. No	Project Title	Implemen- ting Agency	Location District/ State	Date of Completion of Project	Actual Amount Utilised (in Cr.)	Date of Impact Assessment Report	Highlights of the assessment
1	Enhancing Livelihood of Rural Youth through Skill Training and Enterprise Support	Aajeevika Bureau Trust	Multiple districts- Rajasthan and Gujarat	31.01.2022	2.19	12.03.2024	4548 youth trained in wage and skill employment. Around 21K people indirectly benefitted through employment counselling. Monthly income of the beneficiaries has increased from INR 5000 to INR 25000 after training. 86% of the beneficiaries interviewed at the time of visits were satisfied with the program and the help they have received through the skill training to upgrade their earning source to safe work from hazardous one.



### **Bajaj Engineering Skills Training (BEST)**

State-of-the-art BEST Centre inaugurated at Symbiosis Institute of Technology (SIT), Pune to skill engineers, making them competent and employable.



### **Short-term Skilling Programs for women at Samaj Seva Kendra**

Empowering women by short-term skilling courses which enable them to forge sustainable livelihoods



### **Bajaj Manufacturing System (BMS)**

Induction of ITI trainees on BMS, imparting knowledge of the TPM practices implemented at Bajaj.



### **STEM Education Support Program with YOJAK**

Experiential learning to foster careers in technical and scientific fields



### **Youth Entrepreneurship Development Program with BYST**

Budding entrepreneurs at Youth Entrepreneurship Development Program becoming job creators from job seekers



### **Empowering Youth with Lighthouse Communities**

Holistic development of students enrolled in skilling courses at Lighthouse Communities



### **India Science Festival with FAST**

Fostering scientific awareness and curiosity across all age groups at the 5th edition of India Science Fest 2024 (ISF 2024) conducted at IISER, Pune



### **Rupa Rahul Bajaj Scholarship**

Scholarships awarded to deserving students for pursuing higher education in India's top universities

Sr. No	Project Title	Implementing Agency	Location District/ State	Date of Completion of Project	Actual Amount Utilised (in Cr.)	Date of Impact Assessment Report	Highlights of the assessment
2	Reviving Springs of Uttarakhand	People's Science Institute	Multiple districts- Uttarakhand	31.12.2021	3.34	12.03.2024	<p>The project has benefitted 66 villages from 5 districts where 449 springs have been inventoried with implementation of recharge measures of 134 springs and discharge measurement of 130 springs.</p> <p>90% of the beneficiaries interviewed provided feedback of satisfactory changes in their lifestyle due to the revival of springs.</p> <p>The time taken to fetch water has reduced from 7-8 hours to 15-20 minutes. It has also omitted the process of fetching water at night.</p> <p>The project also contributed to the education of children who had to skip their classes just to fetch the water initially.</p>
3	Community based approach to improve health and nutritional status and to reduce deaths of tribal of Melghat, Maharashtra	MAHAN (Meditation, Addiction, Health, AIDS, Nutrition) Trust	Melghat, Maharashtra	31.03.2022	1.78	12.03.2024	<p>The project has benefitted around 30 K people from 33 villages both directly and indirectly.</p> <p>Under 5 mortality rates reduced by 68% and severe malnutrition reduced by 68%.</p> <p>1277 severely malnourished children treated with local therapeutic food, antibiotics and micronutrients.</p> <p>Case fatality rate in treated severely malnourished cases &lt;0.3%.</p> <p>80% of the children found having age-appropriate weight and having good health.</p>
4	Aksharsparsh – Reading class project.	Swadhar Institute for development of women and Children	Pune, Maharashtra	31.03.2022	1.48	12.03.2024	<p>The project has benefitted 21621 students from 42 schools through offline intervention and 5069 students were reached out through online intervention which has helped them in improving their vocabulary and develop reading skills.</p> <p>As reported by the teachers, 90% students have upgraded themselves with the program in case of reading, learning poems, solving puzzles and other activities of the program.</p> <p>95% school teachers are satisfied with the performance of the children.</p>

Sr. No	Project Title	Implementing Agency	Location District/ State	Date of Completion of Project	Actual Amount Utilised (in Cr.)	Date of Impact Assessment Report	Highlights of the assessment
5	Action for Child friendly world	Kailash Satyarthi Children's Foundation	PAN India	30.06.2021	14.86	12.03.2024	The majority of the people in the intervention area are aware of child labor, child marriages, child trafficking and child abuse. As reported by the NGO staff, 80% of the children are aware of how to protect themselves from crime. 99% of the children were involved in the activities undertaken by KSCF to protect Child Rights. Most of the girls stopped their own child marriages and initiated spreading awareness in the villages.
6	Campaign against child trafficking and child abuse	Kailash Satyarthi Children's Foundation	Multiple districts- Maharashtra and Rajasthan	30.06.2022	2	12.03.2024	20 child friendly police stations were created in Maharashtra and Rajasthan. Wider level participation generated from communities on the issue of child labor and trafficking. Advocacy work done with Media, Police department as well as the State Government.
7	Armed Forces Flag Day Fund	Kendriya Sainiki Board	PAN India	15.03.2022	1.00	12.03.2024	834 students/children of ex-army were supported for their higher education through the project.
<b>8.</b>	<b>Creation of Covid Response Funds at JBGVS</b>			31.03.2022	5.95	12.03.2024	
8a	Provision of 25 ventilators to govt hospitals	Jankidevi Bajaj Gram Vikas Sanstha	Aurangabad, Maharashtra				22 out of 25 ventilators in working condition.
8b	Distribution of 25 HFNO +10 vaccine freezers (ZP).	Jankidevi Bajaj Gram Vikas Sanstha	Pune and Aurangabad, Maharashtra				25 HFNO+ 10 vaccine freezers distributed.
8c	Installation of Central Oxygen system in RH and District Hospital.	Jankidevi Bajaj Gram Vikas Sanstha	Aurangabad, Maharashtra				Central Oxygen System installed in Government Hospital Aurangabad.
8d	Distribution of Dry Ration Kits Covid Response	Jankidevi Bajaj Gram Vikas Sanstha	Multiple cities such as Delhi, Bengaluru, Hyderabad etc.				40000 ration kits distributed across 7 cities.

Sr. No	Project Title	Implementing Agency	Location District/ State	Date of Completion of Project	Actual Amount Utilised (in Cr.)	Date of Impact Assessment Report	Highlights of the assessment
9	Pune Platform for COVID Response (PPCR) for Operation Vayu.	Jankidevi Bajaj Gram Vikas Sanstha	Multiple locations- Maharashtra	31.03.2022	1.00	12.03.2024	50 Oxygen Concentrators and 5 BiPaP donated.
10	Mission Vayu support for 44 BiPaP	Jankidevi Bajaj Gram Vikas Sanstha	Multiple locations- Uttarakhand	31.03.2022	1.00	12.03.2024	23 Oxygen Therapy devices, 10 vaccine refrigerators and 70 BiPaP and 32 oxygen concentrators distributed.
11	Covid Response in Bengal- specifically Nadiya District	Jankidevi Bajaj Gram Vikas Sanstha	Nadiya District, West Bengal	31.03.2022	1.38	12.03.2024	100 patients were served through the oxygen plant during second wave of Covid-19.
12	Support for Oxygen cylinders for Govt. hospital in Delhi	Jankidevi Bajaj Gram Vikas Sanstha	Delhi	31.03.2022	2.10	12.03.2024	2000 oxygen cylinders distributed.
13	Covid Immunization for Bottom of the pyramid in Pune and Aurangabad	Jankidevi Bajaj Gram Vikas Sanstha	Pune, Aurangabad, Maharashtra	31.03.2022	19.40	12.03.2024	10 lakh doses of vaccines and 11 lakh syringes were given in Pune, PCMC and Aurangabad.
14	Covid Immunization for Bottom of the pyramid in Pune	Jankidevi Bajaj Gram Vikas Sanstha	Pune, Maharashtra	28.02.2022	2.52	12.03.2024	

5. (a) Average net profit of the Company as per section 135(5) ₹ 6,586.03 crore
- (b) Two percent of average net profit of the Company as per section 135(5) ₹ 131.72 crore
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years Nil
- (d) Amount required to be set off for the financial year, if any Nil
- (e) Total CSR obligation for the financial year [(b)+(c) -(d)] ₹ 131.72 crore



6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 20.32 crore
- (b) Amount spent in Administrative Overheads ₹ 5.53 crore
- (c) Amount spent on Impact Assessment, if applicable Nil
- (d) Total amount spent for the financial Year [(a)+(b)+(c)] ₹ 25.85 crore  
**('spent' as clarified by MCA FAQ dated 25 August 2021)**
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
25.85 crore	105.87 crore	15 April 2024		Nil; Not Applicable	

- (f) Excess amount for set-off, if any Nil

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to any fund specified under Schedule VII second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1 2020-21	-	-	-	-	-	-	-
2	FY-2 2021-22	51 crore	11.78 crore	26 crore	-	-	11.78 crore	-
3	FY-3 2022-23	72.42 crore	46.48 crore	25.94 crore	-	-	46.48 crore	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes**

Furnishing the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year (2023-24)

Sr. No.	Short particular of the property or asset(s) (including complete address and location of the property)	Pin Code of the property or asset(s)	Date of creation	Amount of CSR (amount spent in Cr.) 2023-24	Details of entity/authority/ beneficiary of the registered owner		
					CSR registration number if applicable	Name	Registered address
1	Equipment and Furniture for setting up BEST Center at Symbiosis Institute of Technology Add. - Symbiosis International University Near Lupin Research Park, Gram: Lavale, Tal: Mulshi, Maharashtra	412115	20.03.2024	8.37	CSR00001725	Jankidevi Bajaj Gram Vikas Sanstha (JBGVS)	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035.
2	Construction of Hostel and staff residence quarters at Bajaj Institute of Technology Add. - Jannalal Bajaj Marg, Civil Lines, Wardha, Maharashtra	442001	31.03.2024	9.65	CSR 00016545	Shiksha Mandal	Jannalal Bajaj Marg, Civil Lines, Wardha
3	Construction of Bajaj Adhyapan Sankul (New Lecture Theatre Complex) at Govt. Medical College and Hospital, Ch. Sambhajinagar. Add. -Panchakki Road, Near Jubilee Park, Ch.Sambhajingar, Maharashtra	431001	31.03.2024	1.34	NA	Government Medical College and Hospital Ch.Sambhajingar	Panchakki Road, Near Jubilee Park, Ch.Sambhajingar
4	Infrastructure upgradation; dual benches, tables and chairs for class rooms at St.Ursula High School Chinchwad, Pune Add. - Sector No. 24, Pradhikaran, Akurdi, Pune, Pimpri-Chinchwad, Maharashtra	411035	11.09.2023	0.16	CSR00001725 (Through JBGVS)	Jankidevi Bajaj Gram Vikas Sanstha (JBGVS)	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035.
5	Office furniture and equipment related to indoor and outdoor exhibition at Rupa Rahul Bajaj Environment and Art Center, Add. - The Agri Horticulture Society of Western India, Empress Botanical Garden, Rupa Rahul Bajaj Centre For Environment And Art, Kavade Mala, Ghorpadi, Pune, Maharashtra	411001	20.03.2024	0.1	CSR00001725 (Through JBGVS)	Jankidevi Bajaj Gram Vikas Sanstha (JBGVS)	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035.

Includes projects which have been completed in 2023-24.

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135:

- Taking into account the commitments made by the Company for the ongoing CSR projects/ programs which are in progress and considering the project mode of CSR activity where the projects can extend beyond the financial year, there is no shortfall in the CSR expenditure mandated to be spent by the company during the financial year ended 31 March 2024.
- As per provisions of Section 135(6) of the Companies Act, 2013 ("the Act"), any amount remaining unspent under Section 135(5) of the Act, pursuant to any ongoing project shall be transferred by the company within a period of 30 days from the end of the financial year to a special account to be opened by the Company. Accordingly, such amount has been transferred by the Company to the specified account so opened within the prescribed period. As per the MCA circular dated 25 August 2021, this amounts to meeting of the obligation and due compliance under Section 135 of the Act and hence there is no shortfall of spends.

Rajiv Bajaj  
Managing Director and CEO and  
Chairman of CSR Committee  
(DIN: 00018262)

Pune: 18 April 2024

# CORPORATE GOVERNANCE

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and considering the interest of all stakeholders while conducting business.

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto ('the Listing Regulations, 2015'), given below are the corporate governance policies and practices of Bajaj Auto Ltd. ('the Company', 'Bajaj Auto' or 'BAL') for the year 2023-24 (or 'FY2024').

## Philosophy

For us, corporate governance is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value-driven growth. The commitment of the Bajaj group to the highest standards of good governance practices predates SEBI and the provisions of the Listing Regulations, 2015. Ethical dealings, transparency, fairness, disclosure and accountability are fundamental canons of the Bajaj group. Bajaj Auto Ltd. maintains the same tradition and commitment.

## The Governance Structure

Bajaj Auto's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectations of all the stakeholders. In line with these principles, the Company has formed two tiers of governance structure viz.:

- i. The Board of Directors and its Committees:- The Board conducts overall strategic supervision and control by setting goals and reporting mechanism and decision-making process with an intent to protect the interest and value creation for all the stakeholders. The Committees of the Board are focused on specific elements of the governance like audit and internal controls, financial reporting, risk management framework, appointment and remuneration of senior management personnel, implementation and monitoring of CSR activities in furtherance to the Company's societal commitments.
- ii. Executive Management:- The executive management is lead by the Managing Director and CEO who is ably assisted by the Executive Directors and the heads of Business Development, Finance, HR, R&D and other functional heads. The executive management is responsible for the day to day business, strategies, new projects and product development, financial and human resource management and policy matters.

## Board of Directors

The Company's policy is to have an appropriate blend of executive, independent and non-independent directors to maintain independence of the Board and to separate the Board functions of governance from that of management.

## Composition

As per regulation 17(1)(b) of the Listing Regulations, 2015, where the Chairman is non-executive director or a promoter, at least half of the Board of a Company should consist of independent directors. The present composition of Bajaj Auto's Board meets the said requirement.

As on 31 March 2024, the Board consisted of ten directors, of whom three were executive directors (including the Managing Director), two non-executive directors and five independent directors (including one woman independent director). The Board has no institutional nominee director.

Further the changes in the composition of the Board of Directors during FY2024 are mentioned in the *Directors' Report*.

## Selection, Appointment and Tenure of Directors

The Nomination and Remuneration Committee facilitate the Board in identification and selection of the directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board. The directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law.

## Board Diversity Policy

In compliance with the provisions of the Listing Regulations, 2015, the Board through Nomination and Remuneration Committee has devised a policy on Board diversity. The Board comprises adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The directors are persons of eminence in areas such as business, industry, finance, economics, law, governance, etc. and bring with them experience and skills which add value to the performance of the Board and the Company while taking care of stakeholders' interest. They take active part in the Board and Committee meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, governance, compliance, etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality. The Board composition as at present meets with the above objective.

A brief profile of the directors is available on the website of the Company at <https://www.bajajauto.com/about-us/bajaj-team>

## Number of meetings of the Board

During FY2024, the Board met six times: 25 April 2023, 25 July 2023, 18 October 2023, 8 January 2024, 24 January 2024 and 19 March 2024. The gap between any two meetings was less than 120 days.

## Attendance record of directors

**Table 1: Composition of the Board and attendance record of directors for FY2024**

Name of director	Category	Relationship with other directors	No. of shares held by director	No. of Board meetings attended	Whether attended last AGM
Niraj Bajaj	Chairman, non-executive, non-independent	Brother of Madhur Bajaj	710,279*	6/6	Yes
Madhur Bajaj# (up to 24.01.2024)	Vice Chairman, non-executive, non-independent	Brother of Niraj Bajaj	990,368*	5/6	Yes
Rajiv Bajaj	Managing Director and CEO, executive	Brother of Sanjiv Bajaj	747,001*	6/6	Yes
Sanjiv Bajaj	Non-executive, non-independent	Brother of Rajiv Bajaj	759,916*	6/6	Yes
D J Balaji Rao@ (up to 28.11.2023)	Non-executive, independent	-	-	3/6	Yes

**Table 1: Composition of the Board and attendance record of directors for FY2024 (Contd.)**

Name of director	Category	Relationship with other directors	No. of shares held by director	No. of Board meetings attended	Whether attended last AGM
Pradeep Shrivastava	Executive Director	-	75	5/6	Yes
Dr. Naushad Forbes	Non-executive, independent	-	3,500	6/6	Yes
Anami N. Roy	Non-executive, independent	-	-	6/6	Yes
Rakesh Sharma	Executive Director	-	2,246	6/6	Yes
Lila Poonawalla <sup>5</sup> (up to 31.03.2024)	Non-executive, independent	-	-	6/6	Yes
Pradip Shah	Non-executive, independent	-	3,952	6/6	Yes
Abhinav Bindra	Non-executive, independent	-	-	6/6	Yes

**Notes:**

- <sup>1</sup> D J Balaji Rao, an independent director of the Company passed away on 28 November 2023.
- <sup>2</sup> Madhur Bajaj resigned as Vice Chairman and non-executive, non-independent director of the Company w.e.f. closing hours of 24 January 2024.
- <sup>3</sup> Lila Poonawalla ceased to be an independent director of the Company upon completion of 5 year term w.e.f. closing hours of 31 March 2024.
- Vinita Bali was appointed as an independent director for the first 5 year term w.e.f 1 April 2024.
- <sup>5</sup> The equity shares also includes shares held in the capacity of trustee of private family trusts.

## Directorships and memberships of Board Committees

**Table 2: Number of directorships/committee positions of directors as on 31 March 2024 (including the Company)**

Name of the director	Directorships			Committee positions in listed and unlisted public limited companies	
	In equity listed companies	In unlisted public limited companies	In private limited companies	As member (including as chairman)	As chairman
Niraj Bajaj	3	4	7	1	-
Rajiv Bajaj	5	2	4	1	1
Sanjiv Bajaj	5	5	8	7	-
Pradeep Shrivastava	1	-	-	-	-
Dr. Naushad Forbes	5	1	7	7	2
Anami N. Roy	7	3	1	10	5
Rakesh Sharma	1	2	-	1	-
Lila Poonawalla	2	4	-	6	3
Pradip Shah	7	2	7	9	4
Abhinav Bindra	2	1	4	1	-

**Notes:** None of the directors hold office as a director, including as an alternate director, in more than twenty companies at the same time. None of them has directorships in more than ten public companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary company of a public company are included; for reckoning the limit of private and public companies, directorships in dormant companies and companies under section 8 of the Companies Act, 2013 ('the Act') are excluded.

As per the declarations received, none of the directors serve as an independent director in more than seven equity listed companies or in more than three equity listed companies in case he or she is a whole-time director/managing director in any listed company.

Further, the Managing Director of Bajaj Auto does not serve as an independent director in any equity listed company.

For the purpose of considering the limit of the committees in which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Act have been excluded.

None of the directors was a member in more than ten committees nor a chairperson in more than five committees across all companies in which he/she was a director. Only audit committees and stakeholders' relationship committees are considered for the purpose of reckoning committee positions.

Notwithstanding the number of directorships, as has been highlighted herein, the outstanding attendance record and participation of the directors in Board and Committee meetings indicate their commitment and ability to devote adequate time to their responsibilities as the Company's fiduciaries.

## Directorships held by directors in listed companies

**Table 3: Name of listed entities (including debt listed companies) where directors of the Company held directorships as on 31 March 2024 (including the Company)**

Name of director	Name of listed entities	Category
Niraj Bajaj	a. Bajaj Auto Ltd.	Chairman, non-executive
	b. Bajaj Holdings & Investment Ltd.	Vice Chairman, non-executive
	c. Mukand Ltd.	Chairman and Managing Director, executive
Rajiv Bajaj	a. Bajaj Auto Ltd.	Managing Director and CEO, executive
	b. Bajaj Holdings & Investment Ltd.	Non-executive
	c. Bajaj Finserv Ltd.	Non-executive
	d. Bajaj Finance Ltd.	Non-executive
	e. Bajaj Electricals Ltd.	Non-executive
Sanjiv Bajaj	a. Bajaj Auto Ltd.	Non-executive
	b. Bajaj Holdings & Investment Ltd.	Managing Director and CEO, executive
	c. Bajaj Finserv Ltd.	Chairman and Managing Director, executive
	d. Bajaj Finance Ltd.	Chairman, non-executive
	e. Maharashtra Scooters Ltd.	Chairman, non-executive
	f. Bajaj Housing Finance Ltd. (high value debt listed)	Chairman, non-executive
Pradeep Shrivastava	a. Bajaj Auto Ltd.	Executive
Dr. Naushad Forbes	a. Bajaj Auto Ltd.	Non-executive, independent
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent
	c. Bajaj Finserv Ltd.	Non-executive, independent
	d. Bajaj Finance Ltd.	Non-executive, independent
	e. Zodiac Clothing Company Ltd.	Non-executive, independent

**Table 3: Name of listed entities (including debt listed companies) where directors of the Company held directorships as on 31 March 2024 (including the Company) (Contd.)**

<b>Name of director</b>	<b>Name of listed entities</b>	<b>Category</b>
Anami N. Roy	a. Bajaj Auto Ltd.	Non-executive, independent
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent
	c. Bajaj Finserv Ltd.	Non-executive, independent
	d. Bajaj Finance Ltd.	Non-executive, independent
	e. Glaxosmithkline Pharmaceuticals Ltd.	Non-executive, independent
	f. Finolex Industries Ltd.	Non-executive, independent
	g. Bajaj Housing Finance Ltd. (high value debt listed)	Non-executive, independent
	h. Siemens Ltd.	Non-executive, independent
Rakesh Sharma	a. Bajaj Auto Ltd.	Executive
Lila Poonawalla	a. Bajaj Auto Ltd.	Non-executive, independent
	b. Maharashtra Scooters Ltd.	Non-executive, independent
Pradip Shah	a. Bajaj Auto Ltd.	Non-executive, independent
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent
	c. Kansai Nerolac Paints Ltd.	Chairman, non-executive, independent
	d. Pfizer Ltd.	Chairman, non-executive, independent
	e. KSB Ltd.	Non-executive, independent
	f. BASF India Ltd.	Chairman, non-executive, independent
	g. Sonata Software Ltd.	Chairman, non-executive, independent
Abhinav Bindra	a. Bajaj Auto Ltd.	Non-executive, independent
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent

## Opinion of the Board

The Board confirms that, in its opinion, the independent directors fulfill the conditions specified in the Listing Regulations, 2015 and the Act and are independent of the management.

## Certificate from Practising Company Secretary

The Company has received a certificate from Shyamprasad D Limaye, Practising Company Secretary to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The certificate forms part of this Corporate Governance Report.

## Meetings, Information supplied to the Board, Proceedings, etc.

### Meetings

The Board generally meets five times in a year. Additional meetings are called as and when required. The maximum time interval between any two meetings did not exceed 120 days. The Company adheres to the secretarial standards on the Board and Committee meetings as prescribed by the Institute of Company Secretaries of India. The annual calendar of meetings is broadly determined well before the beginning of the year to enable the directors to plan their schedule and attendance at the meeting.

All Board members are invited and encouraged to attend Committee meetings, even if they are not members.

### Information supplied to the Board

In advance of each meeting, the Board is presented with relevant information in the form of agenda notes/presentation on various matters related to the working of the Company, especially those which require deliberation at the highest level. Presentations are also made from time to time to the Board by different functional heads on important matters and key elements of each business. Directors have separate and independent access to the officers of the Company. In addition to such items as required to be placed before the Board for its noting and/or approval, information is provided on various other significant items as well.

In terms of quality and importance, the information supplied by the management to the Board of the Company exceeds the list mandated under regulation 17(7) read with Part A of Schedule II to the Listing Regulations, 2015.

The independent directors of the Company at their meeting held on 19 March 2024 have expressed satisfaction on the quality, quantity and timeliness of flow of information between the Company's management and the Board and have confirmed that these significantly aid the Board to effectively and reasonably perform its duties.

Pursuant to various regulatory requirements and in compliance with applicable laws and keeping in view the business requirements, the Board is, *inter alia*, apprised on the following:

- Business plans, forecast and strategic initiatives.
- Capital expenditure and updates.
- Internal financial controls.
- Succession planning and organisation structure.
- Details of incidence of frauds and corrective action taken thereon.
- Performance of subsidiaries.
- Status of compliances with Companies Act, 2013, SEBI regulations and shareholder related matters.
- Various policies framed by Company from time to time.
- Risk management system, Risk Management Policy and strategy followed.
- Compliance with corporate governance standards.
- Changes in regulatory landscape.

To leverage technology and move towards paperless systems, the Company has, since several years, adopted a web-based application for transmitting Board/Committee meetings agenda and other enclosures. This application meets the high standards of security and integrity required for storage and transmission of Board/Committee documents in electronic form.

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## Proceedings

Apart from the Board members, the Chief Business Development Officer, the CFO and Company Secretary attend all the Board meetings. Other senior management executives are invited as and when necessary.

At the meeting, apart from business plans, capex and investment proposal and financial results, all material developments, statutory and governance matters are presented to the Board/respective Committees. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective Committee meetings, which are generally held prior to the Board meeting.

## Non-executive directors' compensation

The shareholders of the Company through a special resolution passed at the annual general meeting of the Company held on 22 July 2021 have, by way of an enabling provision, approved payment of commission up to a sum not exceeding one percent of the net profits of the Company, calculated in accordance with the provisions of section 197 and 198 of the Act, to the non-executive directors, in the manner as may be decided by the Board of Directors from time to time during the five year term up to 31 March 2026.

Consistent with this approval from the shareholders, the Company pays sitting fee of ₹ 100,000 per meeting to its non-executive directors for attending meetings of the Board and meetings of Committees of the Board (except Duplicate Share Certificate Issuance Committee) as member. The Company also pays commission to the non-executive directors within the ceiling of one percent of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and distributed amongst the non-executive directors. At present, the commission is paid @ ₹ 315,000 per meeting of the Board and/or Committees.

Compensation to the non-executive (including independent) directors reflects the time, effort, attendance and participation of such directors in Board and Committee meetings. Payment to them is linked to their attendance.

The Company has adopted the Bajaj Auto Employee Stock Option Scheme 2019 for the benefit of the permanent employees and/or directors of the Company and/or its holding (if any, in future) and subsidiary company(ies), but excluding independent directors and any employee who is a promoter or belonging to the promoter group.

## Directors and Officers Liability Insurance (D&O Policy)

The Company has in place a D&O Policy which is renewed every year. It covers directors (including independent directors) and officers of the Company and its subsidiaries. The Board is of the opinion that the quantum and risks presently covered are adequate.

## Orderly succession to Board and Senior Management

One of the key functions of the Board of Directors is selecting, compensating, monitoring and when necessary, replacing the members of the Board of Directors and the Senior Managerial Personnel including the KMPs and overseeing their succession planning.

Pursuant to regulation 17(4) of the Listing Regulations, 2015, the framework of succession planning for the Board and senior management was placed before the Board for its review. During the year under review, the Board of the Company has satisfied itself that the plans are in place for orderly succession of such appointments.

## Review of legal compliance reports

The company has a legal compliance reporting system in place and the same is reviewed from time to time.

The Board periodically reviews compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the management.

## Code of conduct

Regulation 17(5) of the Listing Regulations, 2015, requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Act.

The Company has a Board approved Code of Conduct for Board members and senior management of the Company. Based on the review, the Code of Conduct was revised in line with applicable regulations and approved by the Board at its meeting held on 25 April 2023. The updated Code has been placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

All directors and senior management personnel have affirmed compliance with the Code for FY2024. A declaration to this effect signed by the Managing Director and CEO is given in this Annual Report.

## Maximum tenure of independent directors

The maximum tenure of independent directors is in accordance with the Act and regulation 25(2) of the Listing Regulations, 2015.

## Formal letter of appointment to independent directors

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Act. As per regulation 46(2) of the Listing Regulations, 2015, the terms and conditions of appointment/re-appointment of independent directors are on the Company's website at <https://www.bajajauto.com/investors/miscellaneous>

## Performance evaluation of the Board, its Committees, the Chairman and the Directors

Pursuant to the provisions of the Act and the Listing Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance and that of its committees, chairman and individual directors.

The manner in which the formal annual evaluation of performance was made by the Board is given below:

- The evaluation criteria and the process to be followed have been duly approved by the Nomination and Remuneration Committee and the Board and were found to be in order. This is available on the website of the Company at <https://www.bajajauto.com/investors/policies-codes>
- Based on the said criteria, a questionnaire-cum-rating sheet was uploaded on an online IT tool for seeking evaluation rating and feedback of the directors in the most confidential manner with regards to the performance of the Board, its committees, the chairperson and individual directors.
- From the individual ratings received from the directors, a report on summary of the ratings in respect of performance evaluation of the Board, its committees, the chairman and directors and a consolidated report thereof for FY2024 were arrived at.

- The Chairman of the Board held one to one conversation with the independent directors to seek their feedback about the overall functioning of the Board and its committees.
- The report of performance evaluation so arrived at was then discussed and noted by the Board at its meeting held on 19 March 2024 and the Board expressed its satisfaction with the outcome of the performance evaluation.
- Based on the report of performance evaluation, the Board and Nomination and Remuneration Committee determined, as required under law that the term of independent directors may continue.
- Details on the evaluation of independent directors, non-independent directors and Chairperson of the Board as carried out by the independent directors at their meeting held on 19 March 2024 have been furnished in a separate para elsewhere in this Report.

## Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has framed a Remuneration Policy. This policy, *inter alia*, provides (a) the criteria for determining qualifications, positive attributes and independence of directors (b) a policy on remuneration for directors, key managerial personnel and other employees and (c) details of the employee stock option scheme.

The policy is directed towards a compensation philosophy and structure that will reward and retain talent and provides for a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The said Remuneration Policy as in force is placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Familiarisation programme

To familiarise independent directors with the Company's operations, as required under regulation 25(7) of the Listing Regulations, 2015, the Company has held various programmes/presentations for the independent directors throughout the year on an ongoing and continuous basis. Details of these are placed on <https://www.bajajauto.com/investors/policies-codes>

As and when a new director is appointed, as part of the process of induction, the Company has the practice of familiarising the new director with information on various aspects of the Company's business, including the following:

- Visit to the manufacturing plant.
- Meeting with the key executives of the Company.
- Apprising with the Company's Code of Conduct for directors, Insider Trading Codes, etc.

During FY2024, the directors were updated extensively on the following through presentations at Board meetings:

- Two-wheeler, Three-wheelers and EV business.
- Industry trends and competition (Domestic and International).
- Annual business plan and its performance review.
- Risk management framework including functional/business risks, external risks and risk mitigation strategies.
- Succession planning and talent and leadership development.
- Internal controls, regulatory frameworks and compliance.

## Whistle Blower Policy/Vigil Mechanism

The Company has a Whistle Blower Policy encompassing vigil mechanism pursuant to the requirements of the section 177(9) of the Act and regulation 22 of the Listing Regulations, 2015.

The Whistle Blower Policy/vigil mechanism provides a route for directors/employees to report, without fear of victimisation, any unethical behaviour, suspected or actual fraud, violation of the Company's code of conduct and instances of leak of unpublished price sensitive information, which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

The said policy has been appropriately communicated to the employees within the organisation and also has been placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

The directors in all cases and employees in appropriate cases have direct access to the chairman of the Audit Committee. The Company affirms that no employee has been denied access to the Audit Committee, which is charged with overseeing this policy.

During the year, one complaint was received under the above mechanism. This was in the nature of an employee engaging into fraudulent practice for his personal gain resulting into financial loss to the Company. Appropriate actions have been taken in the matter including termination of employee, blacklisting of the firm engaged in the fraudulent activities and reporting the matter to the statutory auditors and the Audit Committee. The financial impact of the reported case was insignificant and caused no material damages to the Company.

## Dividend Distribution Policy

The Company has adopted a revised Dividend Distribution Policy during the year. More particulars are given in the *Directors' Report*. The said policy also has been placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Subsidiary companies

The Company has two Indian subsidiaries, viz. Chetak Technology Ltd. and Bajaj Auto Credit Ltd. and five overseas subsidiaries, viz. PT Bajaj Auto Indonesia, Bajaj Auto International Holdings BV, Netherlands, Bajaj Auto (Thailand) Ltd., Bajaj Auto Spain, S.L.U. and Bajaj Do Brasil Comercio De Motocicletas Ltda. None of these subsidiaries are 'material subsidiaries' as defined under regulation 16(1)(c) of the Listing Regulations, 2015.

The Company's policy for determination of material subsidiary in terms of regulation 16(1)(c) of the Listing Regulations, 2015 is placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Provisions to the extent applicable and as required under regulation 24 of the Listing Regulations, 2015 with reference to subsidiary companies were duly complied with.

During the year, the Audit Committee reviewed the financial statements (in particular, the investments made) of its unlisted subsidiary companies, to the extent applicable. Minutes of the Board meetings of the subsidiary companies as well as a statement of significant transactions and arrangements entered into by the subsidiaries, as applicable, were regularly placed before the Board of the Company.

During FY2024, no company became or ceased to be our subsidiary or joint venture company.

## Related party transactions

All related party transactions (RPTs) which were entered into by the Company during the year under review, were on an arm's length basis and in the ordinary course of business and were not material in nature as defined in regulation 23 of the Listing Regulations, 2015.

All RPTs during FY2024 were entered into with the approval of the Audit Committee. On a quarterly basis, details of such transactions were placed before the Audit Committee for noting/review.

During the year, the Company entered into one related party transaction attracting provision of section 188 of the Act, wherein Rishabhayan Bajaj, son of the Rajiv Bajaj, Managing Director and CEO was appointed to the office or place of profit on monthly/annual remuneration in excess of limits prescribed under the section 188 of the Act. Necessary approval of the shareholders was obtained through postal ballot.

A statement showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 (Ind AS-24) is set out separately in this Annual Report. Disclosures relating to RPTs on a half-yearly basis are filed with the stock exchanges.

Further, all the requirements, including the additional disclosure requirements with regard to loans and advances to subsidiaries, associates and firms/companies in which directors are interested have been duly complied.

The policy on materiality of RPTs stipulating threshold limits and also on dealing with RPTs including material modifications definitions which was approved by the Board pursuant to the amended Listing Regulations, 2015, has been placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>.

## Disclosures

Suitable disclosures have been made in the financial statements, together with the management's explanation in the event of any treatment being different from that prescribed in the Ind AS.

## Core skills/Expertise/Competencies

For the effective functioning of the Board, the directors amongst themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company.

As stipulated under Schedule V of the Listing Regulations, 2015, core skills/expertise/competencies, as required in the context of the business and sector, the Board has identified the following skills/expertise/competencies for its effective functioning and those actually available with the Board:

### 1. Business and Industry, Management

Domain knowledge in business and understanding of business environment, optimising the development in the industry for improving the Company's business.

### 2. Strategic Insight

Ability to evaluate competitive corporate and business strategies and, based thereon, contribute towards progressive refinement of the Company's strategies.

### 3. Financial Expertise

Understanding of financial policies and financial reporting processes, accounting, taxation, risk management, internal control, capital allocation, resource utilisation.

### 4. Governance and Compliance

Experience in developing governance and compliance practices, serving the best interests of all stakeholders, maintaining Board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The Chart/matrix of such core skills/expertise/competencies of each director as on the date of this Report is as under:

<b>Name of director</b>	<b>Designation</b>	<b>Core skills/expertise/competencies of directors</b>
Niraj Bajaj	Chairman	Business and Industry, Management and Strategy, Commercial, Financial Expertise, Governance and Compliance and such other areas.
Madhur Bajaj (Up to 24.01.2024)	Vice Chairman	Business, Management and Strategy, Global Business Leadership, Project Management, Governance, CSR, Sustainability and NGO matters.
Rajiv Bajaj	Managing Director and CEO	Business and Industry, Management and Strategy, Product Development and Manufacturing and Sales Operations, CSR and Sustainability.
Sanjiv Bajaj	Non-executive Director	Business and Industry, Management and Strategy, Financial Expertise, Information Technology, Human Resources, Governance and Compliance.
D J Balaji Rao (Up to 28.11.2023)	Independent Director	Management and Strategy, Operations, Finance and Taxation, Banking and Treasury, Financial Expertise, Audit and Risk Management, Governance and Compliance.
Pradeep Shrivastava	Executive Director	Management and Strategy, Manufacturing and Operations, Project Management, CSR and Sustainability.
Dr. Naushad Forbes	Independent Director	Management and Strategy, Operations, Human Resources and Industrial Relations, Finance and Taxation, Governance and Compliance, CSR and Sustainability.
Anami N. Roy	Independent Director	Human Resources and Industrial Relations, Governance and Compliance, Law, Banking, Investment and Treasury Management, CSR and Sustainability.
Rakesh Sharma	Executive Director	Management and Strategy, Global Business Operations, Marketing and Sales, Project Management.
Lila Poonawalla (Up to 31.03.2024)	Independent Director	Management and Strategy, Manufacturing, Human Resources and Industrial Relations, CSR and Sustainability.
Pradip Shah	Independent Director	Strategy, Finance and Taxation, Governance and Compliance and such other areas.
Abhinav Bindra	Independent Director	Strategy, CSR and Sustainability, Academics, Education, Sports and Administration.
Vinita Bali (w.e.f. 01.04.2024)	Independent Director	Management and Strategy, Sales and Marketing, Brand Building, CSR and Sustainability.

## Audit Committee

The Company has constituted an Audit Committee. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act and the Listing Regulations, 2015.

In compliance with the provisions of the Act and the Listing Regulations, 2015, all members of the Audit Committee are independent, non-executive directors, are financially literate and have accounting or related financial management expertise.

The following terms of reference of the Committee are in accordance with the Act and the Listing Regulations, 2015:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditors' independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. To review the utilization of loans, advances or both in the subsidiary company(ies) which shall not exceed ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on 1 April 2019;
22. To review management discussion and analysis of financial condition and results of operations;
23. To review and approve statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
24. To review management letters/letters of internal control weaknesses issued by the statutory auditors;
25. To review internal audit reports relating to internal control weaknesses;
26. To review the appointment, removal and terms of remuneration of the chief internal auditor;
27. To review statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1) of the Listing Regulations, 2015.
  - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7) of the Listing Regulations, 2015.
28. To review compliance with the provisions of regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

## Meetings and attendance

During FY2024, the Audit Committee met five times: 25 April 2023, 25 July 2023, 18 October 2023, 24 January 2024 and 19 March 2024.

**Table 4: Composition of the Audit Committee and attendance of members for FY2024**

<b>Name of director</b>	<b>Category</b>	<b>No. of meetings attended</b>
Anami N. Roy	Chairman, non-executive, independent	5/5
D J Balaji Rao*	Non-executive, independent	3/5
Dr. Naushad Forbes	Non-executive, independent	5/5
Pradip Shah	Non-executive, independent	5/5

\*D J Balaji Rao, an independent director of the Company passed away on 28 November 2023.

Vinita Bali, an independent director was appointed as a member of the Audit Committee w.e.f. 18 April 2024.

In addition to members of the Audit Committee, these meetings were attended by the heads of finance and internal audit functions, the statutory auditor of the Company and such executives who were considered necessary for providing inputs to the Committee.

The company secretary acted as the secretary to the Audit Committee.

The Audit Committee, *inter alia*, discussed and deliberated on the internal audit reports, financial results, related party transactions including granting of omnibus approval, investment related reports, utilisation of loans and/or advances from/investment by the Company in subsidiaries, whistle blower/ PoSH complaints, appointment/re-appointment of statutory auditor.

Anami N. Roy, chairman of the Audit Committee, was present at the previous annual general meeting of the Company held on 25 July 2023.

During FY2024, the Board had accepted all recommendations of the Committee.

## Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee ('NRC'). The terms of reference of the Committee are in accordance with the Act and the Listing Regulations, 2015. The Committee also acts as a Compensation Committee for implementation of the Bajaj Auto Employee Stock Option Scheme 2019.

The terms of reference of the Committee are as under:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to specify the manner for effective evaluation of performance of Board, its committees, chairperson and individual directors to be carried out by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
2. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
3. While formulating the policy, to ensure that –
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
4. To take into account financial position of the Company, trend in the industry, appointee's qualifications, experience, past performance, past remuneration, etc. and bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders while approving the remuneration payable to managing director, whole-time director or manager;
5. To lay down/formulate the evaluation criteria for performance evaluation of independent directors and the Board;
6. To devise a policy on Board diversity;
7. To recommend to Board, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
8. To review and approve the remuneration and change in remuneration payable to whole-time director(s);
9. To act as the Compensation Committee under SEBI (Share Based Employee Benefits) Regulations, 2014 (including amendment thereof) for Bajaj Auto Employee Stock Option Scheme 2019;

10. To recommend to Board, all remuneration payable to senior management (i.e., members of the core management team, i.e., members one level below the chief executive officer/managing director/ whole-time director) and shall specifically include company secretary and chief financial officer; and
11. To evaluate, for every appointment of an independent director, the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- use the services of external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.

## Meetings and attendance

During FY2024, the Committee met four times: 25 April 2023, 25 July 2023, 24 January 2024 and 19 March 2024.

**Table 5: Composition of Nomination and Remuneration Committee and attendance of its members for FY2024**

Name of director	Category	No. of meetings attended
Dr. Naushad Forbes*	Chairman, non-executive, independent	4/4
D J Balaji Rao*	Chairman, non-executive, independent	2/4
Niraj Bajaj	Non-executive, non-independent	4/4
Abhinav Bindra	Non-executive, independent	4/4

\*Subsequent to the demise of D J Balaji Rao on 28 November 2023 the Board of Directors appointed Dr. Naushad Forbes as a Chairman of the Committee w.e.f. 24 January 2024.

The company secretary acted as the secretary to this Committee.

As provided under the terms of reference of the Nomination and Remuneration Committee, the members, *inter alia*, discussed and deliberated on re-appointment of independent directors, remuneration payable to senior management, directors and key managerial personnel, review of performance evaluation process and criteria, grant of stock options, etc.

D J Balaji Rao, chairman of the Nomination and Remuneration Committee, was present at the previous annual general meeting of the Company held on 25 July 2023.

During FY2024, the Board had accepted all recommendations of the Committee.

## Remuneration of directors

### Pecuniary relationship/transaction with non-executive directors

During FY2024, there was no pecuniary relationship or transaction with any non-executive director of the Company, apart from their remuneration as directors.

The register of contracts is maintained by the Company pursuant to section 189 of the Act. This is signed by all the directors present at respective Board meetings.

During FY2024, the Company did not advance any loans to any of the non-executive directors and/or the managing director.

## Criteria of making payments to non-executive directors

As stated earlier, the revised Remuneration Policy dated 25 April 2023, disclosing the criteria of making payments to directors, key managerial personnel and employees is placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

## Details of remuneration to directors

### Non-executive directors

As stated earlier in this report, non-executive directors are paid sitting fees and commission.

### Executive directors

Managing Director and Chief Executive Officer ('MD') and two Executive directors ('EDs') are paid salaries, perquisites and allowances, companies contribution to provident fund, etc. The Executive directors are entitled to superannuation benefits payable in the form of an annuity from an approved life insurance company, which forms part of the perquisites allowed to them.

During the year, none of the directors were paid any performance-linked incentive, apart from Pradeep Shrivastava and Rakesh Sharma, who are Executive directors.

The tenure of MD and EDs is of five years each. MD and EDs are also entitled to other perquisites and benefits mentioned in the agreement entered into by them with the Company.

Details of remuneration paid to the non-executive and executive directors are given below:

**Table 6: Remuneration paid/payable to directors for FY2024**

(Amount in ₹)

Name of director	Category	Sitting fees	Salary and perquisites	Commission	Total
Niraj Bajaj	Chairman, non-executive, non-independent	1,100,000	-	3,465,000	4,565,000
Madhur Bajaj*	Vice Chairman, non-executive, non-independent	500,000	-	1,575,000	2,075,000
Rajiv Bajaj	Managing Director and CEO, executive	-	211,473,553	326,062,800	537,536,353
Sanjiv Bajaj	Non-executive, non-independent	600,000	-	1,890,000	2,490,000
D J Balaji Rao#	Non-executive, independent	1,000,000	-	3,150,000	4,150,000
Pradeep Shrivastava	Whole-time Director, executive	-	156,172,680	-	156,172,680
Dr. Naushad Forbes	Non-executive, independent	1,600,000	-	5,040,000	6,640,000
Anami N. Roy	Non-executive, independent	1,400,000	-	4,410,000	5,810,000
Rakesh Sharma	Whole-time Director, executive	-	120,798,813	-	120,798,813
Lila Poonawalla	Non-executive, independent	700,000	-	2,205,000	2,905,000
Pradip Shah	Non-executive, independent	1,500,000	-	4,725,000	6,225,000
Abhinav Bindra	Non-executive, independent	1,200,000	-	3,780,000	4,980,000

# D J Balaji Rao, an independent director of the Company passed away on 28 November 2023.

\* Madhur Bajaj resigned as non-executive, non-independent director of the Company w.e.f. closing hours of 24 January 2024.

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## Bajaj Auto Employee Stock Option Scheme 2019 (BAL-ESOS 2019/the Scheme)

BAL-ESOS 2019 has been formulated by the Nomination and Remuneration Committee of the Board to provide competitive remuneration opportunities to employees of the Company, through annual and long-term incentive plans. During the year, 25,196 options each were granted to the Executive directors and other eligible employees at a grant price of ₹ 4,332.10, being the closing market price on the NSE on the day preceding the date of grant. These grants will vest over a period of four years (25% every year) after a period of one year from the date of grant.

SEBI has introduced new regulations governing stock options granted by the Company vide its notification dated 13 August 2021, i.e., SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The new regulations have enlarged the scope of ESOP framework, mainly in case of retirement or superannuation, resignation, holding and subsidiary companies, etc.

The Board of Directors at its meeting held on 19 March 2024 has approved the below revision to the Scheme, subject to the approval of the shareholders of the Company.

### Sr. No. Revision to the Scheme

Sr. No.	Revision to the Scheme
1.	To extend the scope of the ESOP scheme to the employees of the group companies and associate companies, in addition to the employees of holding and subsidiary companies.
2.	In case of retirement: <ol style="list-style-type: none"> <li>The vesting schedule of all the unvested options shall continue as per the respective grants.</li> <li>Vested options to be exercised before the expiry as specified for each grant.</li> </ol> Provided that in case of retirement, the Compensation Committee shall have the power to alter the vesting schedule for all grants other than grants where 12 months are not completed.
3.	An employee transferred/deputed to holding/subsidiary/associate or group company will not be treated as resignation and vesting of options granted will continue as per vesting schedule.
4.	Death/Permanent Incapacity: Vested and unvested options to be exercised by legal heirs/nominee/employee within 18 months from the date of event.

More details about revision in the Scheme is given in the explanatory statement to the Notice of the ensuing Annual General Meeting of the Company.

## Risk Management Committee

In compliance with the provisions of the Listing Regulations, 2015 and the Act, the Board has constituted a Risk Management Committee. The detailed terms of reference of the Committee are as under:

- To formulate detailed Risk Management Policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
4. To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;
7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of directors;
8. To perform such other functions as the Board may deem fit from time to time, which shall also cover cyber security.

The Company has a Board approved risk management framework. The Committee and the Board periodically review the Company's risk assessment and minimisation procedures to ensure that management identifies, controls and mitigate various risks through a properly defined framework.

During FY2024, the Company neither traded in nor had any exposure in commodities markets.

## Meetings and attendance

During FY2024, the Committee met three times: 6 September 2023, 18 October 2023 and 19 March 2024. The frequency of the meetings has been maintained to have a closer oversight of the risk management practices and to meet the amended Listing Regulations, 2015.

**Table 7: Composition of the Risk Management Committee and attendance record of its members for FY2024**

<b>Name of director</b>	<b>Category</b>	<b>No. of meetings attended</b>
Anami N. Roy	Chairman, non-executive, independent	3/3
Pradip Shah*	Non-executive, independent	3/3
Dinesh Thapar*	Chief financial officer	3/3
D J Balaji Rao#	Non-executive, independent	2/3
Rakesh Sharma*	Whole-time Director, executive	0/3

\*Rakesh Sharma ceased to be a member of the Committee and Pradip Shah and Dinesh Thapar appointed as a member of the Committee w.e.f. 25 July 2023.

#D J Balaji Rao, an independent director and a member of the Committee passed away on 28 November 2023.

During FY2024, the Board accepted all recommendations of the Committee.

## Stakeholders' Relationship Committee

The Board has constituted a Stakeholders' Relationship Committee to specifically oversee shareholders' and investors' grievances on matters relating to transfer/transmission of shares, non-receipt of dividend, transfer of dividend and shares to IEPF Authority, etc. The terms of reference of the Committee are in accordance with the Act and the Listing Regulations, 2015 and the same are as under:

1. To resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

2. Review measures taken for effective exercise of voting rights by shareholders;
3. Review adherence to the service standards adopted by the Company in respect of various services being rendered by the share transfer agent;
4. Review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During FY2024, the Committee met on 24 January 2024 to review the status of various matters relating to investors' services. At the meeting, the Committee also reviewed the service standards of the Company's share transfer agent and the measures taken for timely and effective investors' grievance redressal that can facilitate better investor services and relations. The Board was apprised of all the major developments on investors' issues through various reports and statements furnished from time to time throughout the year.

## Meetings and attendance

**Table 8: Composition of Stakeholders' Relationship Committee and attendance record of members for FY2024**

Name of director	Category	Attendance at the meeting held on 24 January 2024
Pradip Shah**	Chairman, non-executive, independent	Yes
D J Balaji Rao#	Chairman, non-executive, independent	No
Niraj Bajaj	Non-executive, non-independent	Yes
Lila Poonawalla	Non-executive, independent	Yes
Abhinav Bindra*	Non-executive, independent	Yes

\* Pradip Shah and Abhinav Bindra appointed as a member of the Committee w.e.f. 25 July 2023.

# Subsequent to the demise of D J Balaji Rao on 28 November 2023, the Board of Directors appointed Pradip Shah as a chairman of the Committee w.e.f. 24 January 2024 in his place.

The company secretary acts as the compliance officer and as the secretary to the Committee.

The Committee expressed its satisfaction on the overall status of compliance and actions taken on various investor related matters.

D J Balaji Rao, chairman of the Stakeholders' Relationship Committee, was present at the previous annual general meeting of the Company held on 25 July 2023.

**Table 9: Investors' complaints attended and resolved during FY2024**

Investors' complaints	Attended/resolved during the year
Pending at the beginning of the year	-
Received during the year	19
Disposed of during the year	19
Pending at the end of the year	-

More details on this subject and on shareholders' related matters including unclaimed suspense account have been furnished in *General Shareholder Information*.

## Duplicate Share Certificate Issuance Committee

To meet the requirement of section 46 of the Act read with rule 6 of the Companies (Share Capital and Debentures) Rules, 2014 and regulation 39 of the Listing Regulations, 2015, the Company has Duplicate Share Certificate Issuance Committee to approve issuing of duplicate share certificate(s) in lieu of original share certificate(s) that were lost or misplaced, the composition of which is given in Table 10 below.

As a measure to enhance ease of dealing in securities market by the investors, SEBI through its circular dated 25 January 2022 has mandated listed entities to issue securities in dematerialised form only while processing any service request including issue of duplicate share certificate.

### Meetings and attendance

**Table 10: Composition of the Duplicate Share Certificate Issuance Committee and attendance record of its members for FY2024**

Name of director	Category	Attendance at the meeting held on 24 January 2024
Rajiv Bajaj	Managing Director and CEO, executive	Yes
Pradeep Shrivastava	Whole-time Director, executive	Yes
Rakesh Sharma	Whole-time Director, executive	Yes

## Corporate Social Responsibility Committee

This is given as a separate chapter in the *Annual Report on CSR*.

### Independent Directors' Meeting

In compliance with Schedule IV to the Act and regulation 25(3) of the Listing Regulations, 2015, the independent directors held their separate meeting on 19 March 2024, without the attendance of non-independent directors and members of management.

All independent directors were present at the meeting.

The independent directors present elected Dr. Naushad Forbes as chairman for the meeting.

The independent directors, *inter alia*, discussed on report of performance evaluation of Board, its committees and Chairman, changes in the Board, assessment of quality, quantity and timeliness of flow of information between the Company's management and the Board, etc. and expressed their satisfaction on each of the matters.

In addition, the independent directors had a separate meeting with senior management regarding its views and strategies pertaining to the business and functions.

## Management

### Management Discussion and Analysis

This is given as separate chapter in the Annual Report.

### Senior Management

During the year, the particulars of senior management and changes therein are as under:

<b>Name of the Senior Management Personnel</b>	<b>Designation</b>
S Ravikumar	Chief Business Development Officer
Dinesh Thapar	Chief Financial Officer
Abraham Joseph	Chief Technology Officer (up to 31 March 2024)
Ravi Kyran Ramasamy	Chief Human Resources Officer
Amitabh Lal Das	General Counsel
Dr. J Sridhar	Company Secretary (up to 30 September 2023)
Rajiv Gandhi	Company Secretary (from 1 October 2023)
Ramtilak Ananthan	Chief Technology Officer (from 1 April 2024)

### Disclosure of material transactions

Pursuant to regulation 26(5) of the Listing Regulations, 2015, senior management has made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. There was only one case involving a member of the senior management. In this instance, the disclosure was discussed, reviewed and found in order by the Board.

### Compliances regarding Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, ('SEBI PIT Regulations') the Company has a Board approved code of conduct to regulate, monitor and report trading by insiders ('Code of Conduct') and a code of practices and procedures for fair disclosure of unpublished price sensitive information ('Code of Fair Disclosure').

Wherever non-compliance by an employee concerned was observed, penalty was levied and the amount was remitted to the stipulated fund.

By frequent communication, the Company makes designated employees conversant of the obligations under the SEBI PIT Regulations.

The Audit Committee and the Board at its meeting held on 19 March 2024 had reviewed the compliance in terms regulation 9A(4) of the SEBI PIT Regulations and confirmed that the systems for internal control with respect to the SEBI PIT Regulations are adequate and are operating effectively.

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## Means of communication

Quarterly, half-yearly and annual financial results and other public notices issued for the shareholders are published in leading dailies, such as Financial Express, Kesari – Pune edition. An official press release is also issued.

The Company's website, [www.bajajauto.com](http://www.bajajauto.com) contains all important public domain information including presentations, if any, made to the media, analysts and institutional investors. It contains information as prescribed under the Act and the Listing Regulations, 2015, including details of the corporate contact persons and share transfer agent of the Company, shareholding pattern, etc.

Section 20 and 136 of the Act read with the Companies (Accounts) Rules, 2014 permit companies to service delivery of documents electronically at the registered member's/shareholder's email addresses.

During the year under review, the Company sent documents, such as notice calling the general meeting, audited financial statements, directors' report, auditors' report, credit of dividend intimation letters, etc. in electronic form at the email addresses provided by the shareholders and made available by them to the Company through the depositories. Shareholders desiring to receive the said documents in printed form continue to get the same upon request.

All financial and other vital official news releases and documents under the Listing Regulations, 2015 are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

## Information on general body meetings and special resolution(s) passed

During the previous three years, the Annual General Meetings (AGM) of the Company were held at the registered office at Mumbai-Pune Road, Akurdi, Pune 411 035 on the following dates and time. In these, the following special resolutions were passed:

<b>Details of AGM</b>	<b>Date and time of AGM</b>	<b>Details of special resolution(s) passed at the AGM, if any</b>
14th AGM (e-AGM)	22 July 2021 at 12:15 p.m.	<ol style="list-style-type: none"> <li>1. Re-appointment of Pradeep Shrivastava as Whole-time Director of the Company for a period of five years with effect from 1 April 2021.</li> <li>2. Approval for payment of commission to Non-executive Directors for a period of five years commencing from 1 April 2021.</li> </ol>
15th AGM (e-AGM)	26 July 2022 at 02:00 p.m.	<ol style="list-style-type: none"> <li>1. Re-appointment of Dr. Naushad Forbes as an Independent Director of the Company for a second term of five consecutive years with effect from 18 May 2022.</li> <li>2. Re-appointment of Anami N. Roy as an Independent Director of the Company for a second term of five consecutive years with effect from 14 September 2022.</li> </ol>
16th AGM* (Physical)	25 July 2023 at 02:00 p.m.	<ol style="list-style-type: none"> <li>1. Re-appointment of Rakesh Sharma as Whole-time Director of the Company for a period of five years with effect from 1 January 2024.</li> </ol>

\*In terms of the provisions of the Listing Regulations, 2015, one way live webcast of the proceedings was also provided.

All resolutions proposed by the Board have been passed with requisite majority by the shareholders.

## Postal Ballot

During FY2024, the Company had sought approval of the members through postal ballot (ordinary/ special resolutions) and the details of the same are given below:

Particulars	Votes (No. of shares and %)		Date of passing the resolution
	In favour	Against	
Approval for the Buyback of Equity Shares of the Company. (Special Resolution)	227,251,542 (99.63)	841,873 (0.37)	13 February 2024
Re-appointment of Pradip Panalal Shah (DIN: 00066242) as a Non-executive Independent Director of the Company for a second term of five consecutive years with effect from 1 April 2024.(Special Resolution)	198,269,292 (86.19)	31,758,046 (13.8)	5 March 2024
Appointment of Vinita Bali (DIN: 00032940) as a Non-executive Independent Director of the Company for a term of five consecutive years with effect from 1 April 2024. (Special Resolution)	229,815,909 (99.88)	281,824 (0.12)	5 March 2024
Approval to hold and continue to hold office or place of profit by Rishabhayan Bajaj in the Company. (Ordinary Resolution)	203,666,714 (91.98)	17,762,898 (8.02)	5 March 2024

The Company had appointed Shyamprasad D Limaye, Practising Company Secretary (FCS No. 1587, CP No. 572) as Scrutiniser for conducting the postal ballot including remote e-voting process in a fair and transparent manner.

## Procedure for Postal Ballot

Pursuant to the provisions of the Act and the Listing Regulations, 2015 during the reporting year, the Company provided the facility to the members to exercise votes through electronic voting system ('remote e-voting') for postal ballot. Postal ballot notices, *inter alia*, detailing the voting instructions were sent through email only, to all those members who had registered their email IDs with the Company/depositories, in view of the relaxation granted by MCA. Arrangements were also made for other members to register their email IDs to receive the postal ballot notice and cast their vote online.

The Company also published notice in the newspapers for the information of the members. Voting rights are reckoned on the equity shares held by the members as on the cut-off date. Pursuant to the provisions of the Act, the Company appointed a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his consolidated report to the Chairman and the voting results were announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges.

## Details of capital market non-compliance, if any

There was no non-compliance of any legal requirements; nor has there been any penalty or stricture imposed on the Company by any stock exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years.

## Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

This disclosure is given in the *Directors' Report*.

## Compliance certificate

The Managing Director and CEO and the CFO have certified to the Board regarding the financial statements and other such matters as required under regulation 17(8) read with Part B of Schedule II to the Listing Regulations, 2015.

## Report on corporate governance

This chapter, read together with the information given in the *Directors' Report* and the chapters on *Management Discussion and Analysis* and *General Shareholder Information*, constitute the compliance report on corporate governance during FY2024. The Company has been regularly forwarding the quarterly compliance report to the stock exchanges as required under regulation 27(2) of the Listing Regulations, 2015. During the year, no cyber security incidents or breaches or loss of data or documents were observed in quarterly compliance report.

## Statutory Auditors

S R B C & CO LLP are the statutory auditors of the Company. Total fees paid by the Company and its subsidiaries, on a consolidated basis to the auditors including all entities in their network firm/entity of which they are a part is given below:

(₹ In Crore)

Sr. No.	Particulars	Statutory Audit Fee	Other Services
1	Bajaj Auto Ltd.	1.80	2.33
2	PT. Bajaj Auto Indonesia	-	-
3	Bajaj Auto International Holdings BV, Netherlands	-	-
4	Bajaj Auto (Thailand) Ltd.	0.07	-
5	Chetak Technology Ltd.	0.03	-
6	Bajaj Auto Spain, S.L.U.	-	-
7	Bajaj Do Brasil Comercio De Motocicletas Ltda	-	-

## Auditors' certificate on corporate governance

The Company has obtained the certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down in Part E of Schedule V to the Listing Regulations, 2015. This is annexed to the *Directors' Report* and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

## Compliance of mandatory and discretionary requirements

### Mandatory

The Company has complied with all the mandatory requirements of the Listing Regulations, 2015.

### Discretionary

The Company has also complied with the discretionary requirements as under:

#### 1. The Board

A Chairman's office has been made available for the non-executive Chairman. He is allowed reimbursement of expenses incurred in performance of his duties.

#### 2. Shareholder rights

The annual financial results of the Company are sent to the shareholders and also posted on the Company's corporate website; extracts of these results in the prescribed format are published in newspapers on an all-India basis.

#### 3. Modified opinion(s) in audit report

The Company confirms that its financial statements are with unmodified audit opinion, except as mentioned under the heading 'Report on other legal and regulatory requirements', sr. no. 2 (i) vi. The same has been adequately explained in note no. 45 l. to the standalone financial statements and consolidated financial statements.

#### 4. Separate posts of Chairperson and the Managing Director

The positions of Chairperson and Managing Director are held by two different persons who are not related to each other.

#### 5. The internal auditor reports directly to the Audit Committee.

## Declaration by Chief Executive Officer (MD)

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Rajiv Bajaj, Managing Director and CEO of Bajaj Auto Ltd., hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management of the Company for the year ended 31 March 2024.

Rajiv Bajaj  
Managing Director and CEO

Pune: 18 April 2024

## List of key policies of Bajaj Auto Ltd.

Information on the Company's website, regarding key policies, codes and charters, adopted by the Company:

Sr. No.	Name of Policy	Website Link
1	Whistle Blower Policy	<a href="https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Whistle-Blower-Policy.ashx">https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Whistle-Blower-Policy.ashx</a>
2	Remuneration Policy	<a href="https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/BAL---Revised-Remuneration-Policy-25-Apr-2023.ashx">https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/BAL---Revised-Remuneration-Policy-25-Apr-2023.ashx</a>
3	Policy of materiality and dealing with related party transactions	<a href="https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/revised-rpt-policy-15-march-2022.ashx">https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/revised-rpt-policy-15-march-2022.ashx</a>
4	Policy for determining Material Subsidiaries	<a href="https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/bal-policy-for-determining-material-subsidaries.ashx">https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/bal-policy-for-determining-material-subsidaries.ashx</a>
5	Policy on determination of materiality for disclosure of events or information	<a href="https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/materialitypolicy.pdf">https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/materialitypolicy.pdf</a>
6	Performance Evaluation Criteria for Board, Committees of Board, Chairperson and Directors	<a href="https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/final-evaluation-criteria-for-ids.ashx">https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/final-evaluation-criteria-for-ids.ashx</a>
7	Dividend Distribution Policy	<a href="https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/dividend-distribution-policy---18-october-2023.pdf">https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/dividend-distribution-policy---18-october-2023.pdf</a>
8	Insider Trading Policy	<a href="https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-insider-trading-policy.pdf">https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-insider-trading-policy.pdf</a>
9	Corporate Social Responsibility Policy	<a href="https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx">https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx</a>
10	Fair Disclosure Code	<a href="https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/Code-of-fair-disclosure.ashx">https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/Code-of-fair-disclosure.ashx</a>
11	Code of Conduct for Directors and Members of Senior Management.	<a href="https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/BAL---Amended-Code-of-Conduct-25-Apr-2023.ashx">https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/BAL---Amended-Code-of-Conduct-25-Apr-2023.ashx</a>
12	Archival Policy	<a href="https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-policy-on-archival-of-disclosures.pdf">https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-policy-on-archival-of-disclosures.pdf</a>

# GENERAL SHAREHOLDER INFORMATION

## 17th Annual General Meeting (AGM)

Date	16 July 2024
Day	Tuesday
Time	2:00 PM
Venue/Mode	Registered office at Mumbai-Pune Road, Akurdi, Pune 411035
Remote e-voting starts	Friday, 12 July 2024 at 9:00 a.m.
Remote e-voting ends	Monday, 15 July 2024 at 5:00 p.m.
E-voting at AGM	Tuesday, 16 July 2024
Financial Year	1 April to 31 March

## Live webcast of the AGM

Pursuant to regulation 44(6) of the SEBI Regulations, 2015, top 100 listed entities shall, with effect from 1 April 2019, provide one-way live webcast of the proceedings of their AGM. Accordingly, as in the previous year, the Company has entered into an arrangement with KFin to facilitate live webcast of the proceedings of the ensuing 17th AGM scheduled on 16 July 2024.

## Voting through electronic means

Pursuant to section 108 of the Act and the Rules made thereunder and provisions under the SEBI Listing Regulations, 2015, every listed company is required to provide its members, the facility to exercise their right to vote at general meetings by electronic means.

The Company has entered into an arrangement with KFin as the authorised agency for this purpose, to facilitate such e-voting for its members.

The shareholders will therefore be able to exercise their voting rights on the items put up in the Notice of AGM, through e-voting. Further, in accordance with the Companies (Management and Administration) Rules, 2014 and MCA circulars, the Company will also be making arrangements to provide for e-voting facility at the venue of the Annual General Meeting.

Shareholders, who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting.

The cut-off date, as per the said Rules, shall be 9th July 2024 and the remote e-voting shall be open for a period of four days, from 12 July 2024 (9.00 a.m.) till 15 July 2024 (5.00 p.m.). The Board has appointed Shyamprasad D Limaye, Practising Company Secretary as the scrutiniser for the e-voting process.

The detailed procedure is given in the Notice of the 17th AGM and is also placed on the Company's website at <https://www.bajajauto.com/investors/financial-and-operational-performance>

## Financial calendar

Approval of audited annual results for year ending 31 March	April/May
Mailing of Annual Reports	June
Annual general meeting	July
Unaudited first quarter financial results	July
Unaudited second quarter financial results	October
Unaudited third quarter financial results	January/early February

## Share transfer agent

The Company has appointed KFin Technologies Ltd. (KFin), as its registrar and share transfer agent for processing of share transfer/dematerialisation/rematerialisation and allied activities.

All physical transfers (to the extent permitted), transmission, transposition, issue of duplicate share certificate(s), issue of demand drafts in lieu of dividend warrants, etc. as well as requests for dematerialisation/rematerialisation are being processed in periodical cycles at KFin. Work related to dematerialisation/rematerialisation is handled by KFin through connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

## Review of service standards adhered by KFin with respect to share related activities

The Company has agreed service timelines and standards for various shareholder-related service with KFin. On an on-going basis, the secretarial team engages with officials of KFin at various levels for review of these standards. Periodic meetings and discussions are held to understand the concerns of shareholders, deviations, if any, in the timelines for processing service requests, best practices and other measures to strengthen shareholder-related services.

## Record date

The Company has fixed Friday, 14 June 2024 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for the financial year 2023-24.

## Dividend and date of dividend payment

The Board of directors has proposed a dividend of ₹ 80 per equity share (800%) of the face value of ₹ 10 for the financial year 2023-24, subject to approval of members at the ensuing AGM.

Dividend on equity shares, if declared, at the AGM, will be credited/dispatched on Friday, 19 July 2024, as under:

- to all those shareholders holding shares in physical form, as per the details provided to the Company by the share transfer agent of the Company i.e., KFin, as of the closing hours of the day on Friday, 14 June 2024 and
- to all those beneficial owners holding shares in electronic form as per beneficial ownership details provided to the Company by NSDL and CDSL, as of the closing hours of the day on Friday, 14 June 2024.

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## Payment of dividend

The SEBI Listing Regulations, 2015 read with SEBI Master circular dated 17 May 2023, require companies to use any electronic mode of payment approved by the Reserve Bank of India (RBI) for making payment to shareholders. Accordingly, the dividend, if declared, will be paid through electronic mode, where the bank account details of the members are available.

Where dividend payments are made through electronic mode, intimation regarding such remittance will be sent separately to the shareholders.

In cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, the dividend will be paid by account payee non-negotiable instruments / warrants/cheques with bank account details printed thereon. In case of non-availability of bank account details, address of the members will be printed on such payment instruments.

**A) For Physical Shareholders:** As per SEBI vide its Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March 2023 and Master circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17 May 2023, the members holding security in physical form, whose folio(s) do not have KYC details updated shall be eligible for payment of dividend in respect of such folio(s), only through electronic mode with effect from 01 April 2024. For the purpose of updation of KYC details against folio, members are requested to send the details through ISR-1 (to update PAN, address, email address and bank account details), ISR-2 (Specimen Signature), ISR-3 (for opting out of Nomination) and SH-13 (Nomination registration form). The said forms are available at <https://www.bajajauto.com/investors/miscellaneous>

Pursuant to the SEBI FAQs dated 4 January 2024, on and from 01 April 2024 onwards, in case of non-updation of PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signature, listed companies shall send an intimation to the security holder that such payment is due and shall be made electronically upon furnishing PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signature. Meanwhile, such unpaid dividends shall be kept by the listed companies in the Unpaid Dividend Account in terms of the Companies Act, 2013.

Further, the RTA shall, suo-moto, generate request to the company's bankers to pay electronically, all the dividends to the holder that were previously unclaimed / unsuccessful once PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signature are updated by the Members.

Also, pursuant to above mentioned SEBI circulars, listed companies shall directly intimate its physical security holders about folios which are incomplete with regards to KYC on an annual basis within six months from the end of the financial year.

In view of the above, the Company has sent communication to 455 shareholders (holding securities in physical form), whose folio(s) are not updated with the KYC details.

**B) For Demat Shareholders:** Members holding shares in demat form are requested to update their bank account details with their respective Depository Participants ('DPs'). The Company or KFin cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

Shareholders are requested to ensure that their bank account details in their respective demat accounts are updated to enable the Company to provide timely credit of dividend in their bank accounts.

## Tax deducted at source (TDS) on dividend

Pursuant to the changes introduced by the Finance Act, 2020, w.e.f. 1 April 2020 as in the previous year, there will be no Dividend Distribution Tax payable by the Company. The dividend, if declared, will be taxable in the hands of the shareholders subject to tax deduction at source at the applicable rates. The TDS rate would vary depending on the residential status of the shareholders and the documents submitted by them and accepted by the Company. For the detailed process and formats of declaration, please refer to FAQs on Tax Deduction at Source on Dividends available on the Company's website at <https://www.bajajauto.com/investors/dividend>

## Unclaimed dividends

As per section 124(5) of Companies Act, 2013, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called the Investor Education and Protection Fund (the 'Fund') set up by the Central Government.

Accordingly, unpaid/unclaimed dividend for the financial years 2007-08 to 2015-16 has been already transferred by the Company to this said Fund from September 2015 onwards.

Unclaimed dividend amounting to ₹ 1,616,140/- in respect of financial year 2015-16 (final) was transferred to the Fund in compliance with the provisions of Section 125 of the Act in September 2023.

Unpaid/unclaimed dividend for the financial year 2016-17 shall be due for transfer to the Fund in August/September 2024. Members are requested to verify their records and send their claim, if any, for the 2016-17 before such amount become due for transfer. Communications are being sent to members, who have not yet claimed final dividend for 2016-17, requesting them to claim the same as well as unpaid dividend, if any, for subsequent years.

As a measure to reduce the unclaimed dividend, efforts are being made on an ongoing basis to reach out to shareholders requesting them to submit necessary documents to enable them to claim their unpaid or unclaimed dividend.

The following are the details of unclaimed dividends which are due to be transferred to the Fund in the coming years including current year. Once again, members who have not claimed the dividends till date are requested to verify their records and send their claim, if any, before the same becomes due for transfer as per the table given below:

<b>Year</b>	<b>Dividend Type</b>	<b>Date of Declaration AGM Date</b>	<b>Last date for claiming dividend</b>	<b>Due date for transfer</b>
2016-2017	Final	20 July 2017	18 August 2024	17 September 2024
2017-2018	Final	20 July 2018	18 August 2025	17 September 2025
2018-2019	Final	26 July 2019	24 August 2026	23 September 2026
2019-2020	Interim (confirmed as Final)	09 March 2020	07 April 2027	06 May 2027
2020-2021	Final	22 July 2021	20 August 2028	19 September 2028
2021-2022	Final	26 July 2022	25 August 2029	24 September 2029
2022-2023	Final	25 July 2023	24 August 2030	23 September 2030

The Company has uploaded details of unclaimed dividend on its website at <https://www.bajajauto.com/investors/dividend> and also on website specified by the Ministry of Corporate Affairs <https://www.iepf.gov.in/IEPFWebProject/services.html>

## Initiatives for reduction of unclaimed dividend

The Company with a view to reducing the quantum of unclaimed dividend has undertaken several steps as was done in the last few years. These primarily included proactively reaching out to shareholders, sending periodic communications, advising the shareholders who approach the Company/KFin for other service request to claim their dividend, if any and remitting unpaid dividend, if any for KYC compliant folios. The amount is remitted based on the verification of the documents and bonafides of the claim.

## Transfer of shares to IEPF

Pursuant to section 124(6) of Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (the 'IEPF Rules'), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the IEPF, within 30 days of such shares becoming due for transfer.

Accordingly, the Company will send individual letters through ordinary/speed post and e-mail to such shareholders, whose dividend from the year 2016-17 has remained unclaimed, requesting them to claim the amount of unpaid dividend on or before the date on which Company must transfer the related shares to the demat account of IEPF. The Company also publishes, on an annual basis, a notice in the newspapers intimating the members regarding the said transfer. These details are also be made available on the Company's website <https://www.bajajauto.com/investors/disclosures>

During the year under review, the Company transferred 4221 (previous year: 8621) equity shares of the face value of ₹ 10 each relating to 34 shareholders (previous year: 28) to the demat account of the IEPF Authority held with NSDL/CDSL. Details of such shareholders, whose shares are transferred to IEPF and their unpaid dividends for subsequent years are available on the website of the Company at <https://www.bajajauto.com/investors/dividend>

Shareholders can claim such unpaid dividends and underlying shares transferred to the Fund by following the procedure prescribed in the IEPF Rules. A link to the procedure to claim is available on the Company's website at <https://www.bajajauto.com/investors/miscellaneous>

Shareholders are requested to get in touch with the compliance officer for further details on the subject at [investors@bajajauto.co.in](mailto:investors@bajajauto.co.in)

## Share Transfer System

SEBI's amended regulation 40 of the Listing Regulations, 2015, prohibits the transfer of securities (except transmission or transposition of shares) in physical form from 1 April 2019. Accordingly, the Company has sent letters to members holding shares in physical form advising them to dematerialise their holdings.

SEBI vide its circulars dated 25 January 2022 and 25 May 2022 has provided the guidelines to issue the securities in dematerialised form by issuing a 'Letter of Confirmation' in lieu of physical securities certificates to the securities holder/Claimant within 30 days of its receipt of such request after removing objections, if any.

Share transfers received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. The total number of shares transferred by issuing letter of confirmations during 2023-24 due to transmission/deletion of name cases were 53,905 shares versus 54,604 shares during 2022-23. Such details were placed before the Board on a quarterly basis.

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## Dematerialisation/Rematerialisation of shares

During 2023-24, 10,17,643 shares were dematerialised versus 1,48,29,398 shares in 2022-23. Nil shares were rematerialized during 2023-24 versus Nil shares in 2022-23. Shares held in physical and electronic mode as on 31 March 2024 are in Table 1.

**Table 1: Shares held in physical and electronic mode**

Particulars	Position as on 31 March 2024		Position as on 31 March 2023		Net change during 2023-24	
	No. of shares	% to total shareholding	No. of shares	% to total shareholding	No. of shares	% to total shareholding
Physical	942,347	0.34	1,965,675	0.69	(1,023,328)	(0.35)
Demat						
NSDL	205,056,022	73.45	210,066,086	74.24	(5,010,064)	(0.79)
CDSL	73,181,387	26.21	70,925,597	25.06	2,255,790	1.14
Sub-total	278,237,409	99.66	280,991,683	99.31	(2,754,274)	0.35
<b>Total</b>	<b>279,179,756</b>	<b>100</b>	<b>282,957,358</b>	<b>100</b>	<b>(3,777,602)</b>	<b>-</b>

## Stock code

1. BSE Ltd., Mumbai	532977
2. National Stock Exchange of India Ltd.	BAJAJ-AUTO
3. ISIN for depositories (NSDL and CDSL)	INE917101010
4. Bloomberg	BJAUT.IN
5. Reuters	BAJA.BO

## Listing on stock exchanges

Shares of the Company are currently listed on the following stock exchanges:

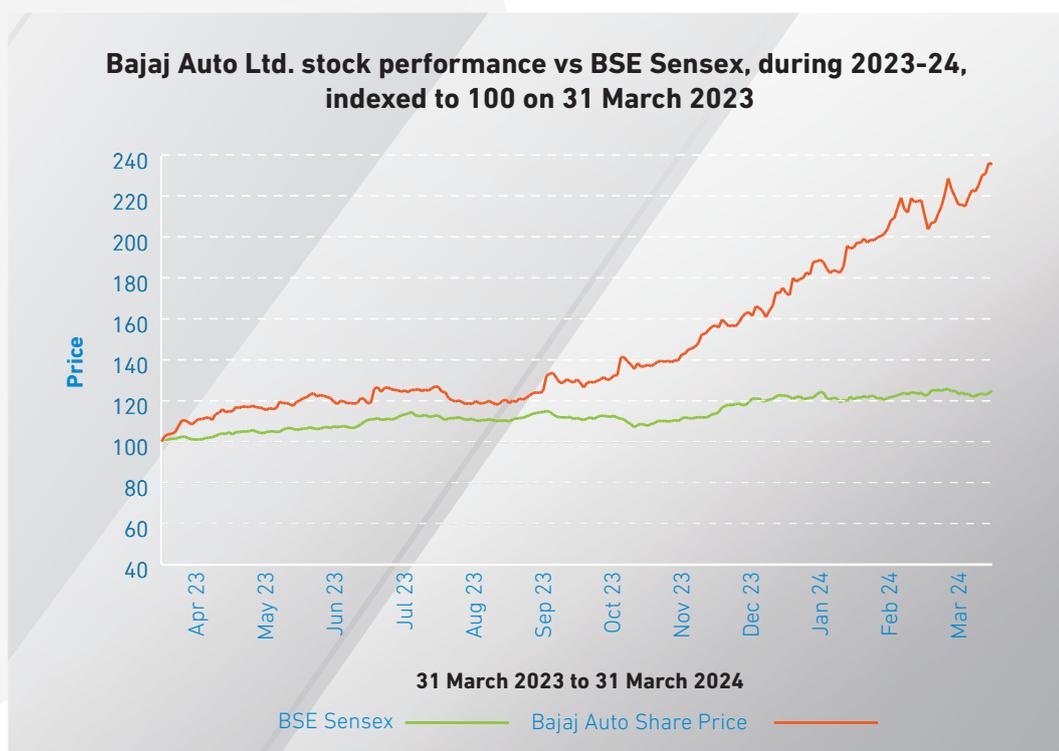
Name	Address
1. BSE Ltd. (BSE)	1st Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street, Fort, Mumbai 400 001.
2. National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, 5th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400 051.

Pursuant to the SEBI Listing Regulations, 2015 the Company has entered into a Uniform Listing Agreement with BSE and NSE. For FY2024, the listing fees payable to these stock exchanges have been paid in full.

## Market price data

**Table 2: Monthly highs and lows of Company's shares in FY2024 (₹ vis-à-vis BSE Sensex)**

Month	BSE		NSE		Closing BSE Sensex
	High	Low	High	Low	
April-2023	4,439.40	3,890.30	4,439.70	3,888.20	61,112.44
May-2023	4,663.90	4,427.30	4,664.55	4,424.05	62,622.24
June-2023	4,828.80	4,526.35	4,829.90	4,567.25	64,718.56
July-2023	4,988.55	4,582.05	4,995.10	4,588.05	66,527.67
August-2023	4,978.00	4,544.00	4,978.65	4,541.00	64,831.41
September-2023	5,272.20	4,613.30	5,274.90	4,619.00	65,828.41
October-2023	5,514.65	4,902.80	5,510.00	4,903.05	63,874.93
November-2023	6,128.90	5,286.00	6,128.90	5,285.00	66,988.44
December-2023	6,832.75	5,990.05	6,833.95	5,987.85	72,240.26
January-2024	7,682.15	6,560.05	7,686.00	6,560.95	71,752.11
February-2024	8,650.00	7,635.40	8,650.00	7,633.50	72,500.30
March-2024	9,284.65	7,959.00	9,287.80	7,945.30	73,651.35



## Distribution of shareholding

Table 3 gives details about the pattern of shareholding across various categories as on 31 March 2024, while Table 4 gives the data according to size classes.

**Table 3: Distribution of shareholdings across Categories**

Categories	As on 31 March 2024		As on 31 March 2023	
	No. of shares	% to total capital	No. of shares	% to total capital
Promoters	153,708,367	55.06	155,580,309	54.98
FPIs/FILs	40,545,549	14.52	34,974,488	12.36
Mutual Funds	13,985,332	5.01	10,040,695	3.55
Nationalised and other banks	18,229	0.01	19,559	0.01
NRIs and OCBs	1,900,769	0.68	1,680,003	0.59
Others	69,021,510	24.72	80,662,504	28.51
<b>Total</b>	<b>279,179,756</b>	<b>100.00</b>	<b>282,957,358</b>	<b>100.00</b>

**Table 4: Distribution of shareholding according to size class as on 31 March 2024**

Category	No. of shareholders		Shares held in each class	
	Number	%	Number	%
1 to 500	298,055	97.79	5,496,725	1.97
501 to 1000	2,168	0.71	1,592,909	0.57
1001 to 2000	1,422	0.47	2,066,488	0.74
2001 to 3000	664	0.22	1,650,679	0.59
3001 to 4000	388	0.13	1,367,072	0.49
4001 to 5000	291	0.10	1,321,247	0.47
5001 to 10000	621	0.20	4,406,629	1.58
10001 to 20000	410	0.13	5,801,928	2.08
20001 and above	764	0.25	255,476,079	91.51
<b>Total</b>	<b>304,783</b>	<b>100.00</b>	<b>279,179,756</b>	<b>100.00</b>

## Shareholders' and investors' grievances

The Board of Directors of the Company has a Stakeholders Relationship Committee to specifically look into and resolve grievances of security-holders on various matters.

Routine queries/complaints received from shareholders are promptly attended to and replied. Queries/complaints received during FY2024 were relating to non-receipt of dividend by warrants as well as through electronic clearing service, TDS matters, clarification on holdings, non-receipt of Annual Report and change of address and/or bank particulars. As on 31 March 2024, there was no pending issue to be addressed or resolved.

During the year, letters were received from SEBI/Registrar of Companies (ROC)/Stock Exchanges/ Investors concerning nineteen complaints filed by the shareholders on various matters. For each of these complaints, replies were sent to SEBI/ROC/Stock Exchanges/Investors in the prescribed format and no action remained to be taken on the Company's side at the year end.

## Green initiative

The Company believes in driving environmental initiatives. As a step in this direction, it availed of special services offered by NSDL/CDSL to update email addresses of shareholders holding shares with depository participant registered with these entities and who have not registered their email addresses. This will enable such shareholders to immediately receive various email communication from the Company from time to time including the Annual Report, dividend credit intimation etc. Shareholders who have not updated their email, are requested to do so by sending a request to the Company/KFin or their respective depository participant.

Also, the company has availed of the special services offered by NSDL/CDSL for sending SMS per demat account where email address is not registered.

## Demat suspense account with HDFC Bank for unclaimed shares

In accordance with the provisions contained in clause 5A of the erstwhile Listing Agreement (corresponding to regulation 39(4) of the SEBI Listing Regulations, 2015) as amended by SEBI through its circular dated 16 December 2010, the Company, during 2011-12, had sent three reminders to such shareholders whose shares were lying 'undelivered/unclaimed' with the Company; and then followed it by opening of the unclaimed share suspense demat account titled 'Bajaj Auto Ltd. – Unclaimed Suspense Account' with the HDFC Bank in April 2012.

After completing the necessary formalities, 44,375 shares held by 148 shareholders were transferred to this suspense account in April 2012. Voting rights on such shares remain frozen till the rightful owner claims these shares.

The Company, acting as a trustee in respect of the unclaimed shares, follows the modalities for the operation of the said account in the manner set out in regulation 39(4) of the SEBI Listing Regulations, 2015.

The summary of this account for FY2024 is as follows:

Sr. No.	Particulars	No. of shareholders	No. of shares
i.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1 April 2023	20	2192
ii.	No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year 2023-24	Nil	Nil
iii.	No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year 2023-24	Nil	Nil
iv.	No. of shares transferred to IEPF Authority during the year 2023-24	Nil	Nil
v.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31 March 2024	20	2192

## Certifications obtained from Practising Company Secretary

The Company has inter-alia obtained following certifications by the Practising Company Secretary for share-related matters, as per details given below:

Regulation	Frequency
Regulation 40 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Compliance of lodgment of transfers, sub-division, consolidation etc.	Annual
Reconciliation of Share Capital under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018	Quarterly

## Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of the registered shareholder(s) to avoid the lengthy process of Transmission of shares.

Details of nomination shall be furnished through hard copy or electronic mode with e-signatures as follows:

- i. Either,
  - Nomination through Form SH-13 as provided in the Rules 19(1) of Companies (Shares capital and debenture) Rules, 2014 or
  - 'Declaration to Opt-out', as per Form ISR-3
- ii. In case of cancellation of nomination by the holder(s) through Form SH-14, 'Declaration to Opt-out' shall be provided by the shareholder(s)
- iii. Securities holder(s) can change their nominee through Form SH-14

Nomination facility for shares held in electronic form is also available with depository participant.

The said forms are available on the website of the Company at <https://www.bajajauto.com/investors/miscellaneous>

## Issuance of Securities in dematerialised form in case of Investor Service Requests

Pursuant to SEBI vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has introduced common and simplified norms for processing investors' service request by RTAs and norms for furnishing PAN, KYC details and Nomination and has mandated that the listed Companies shall henceforth issue the securities in dematerialized form only, while processing the following service requests:

- Issue of Duplicate securities certificate;
- Claim from Unclaimed Suspense account;
- Renewal/Exchange of securities certificate;
- Endorsement;
- Sub-division/Splitting of securities certificate;
- Consolidation of securities certificates/folios;
- Transmission;
- Transposition

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For enabling the shareholders to demat their securities, the Registrar and Share transfer Agent shall issue a 'Letter of Confirmation' in lieu of physical share certificates to physical shareholders for enabling them to dematerialise the securities.

Further, SEBI vide its circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March 2023 (now rescinded due to issuance of Master Circular dated 17 May 2023) has, inter alia, mandated that any service request shall be entertained only upon registration of PAN, KYC details and nomination.

All holders of physical securities of the Company are mandatorily required to furnish the following documents/details to the RTA i.e., KFin Technologies Ltd. (KFin):

Form	Purpose
Form- ISR-1	For registering PAN, KYC details or changes/updation
Form - ISR-2	Confirmation of Signature of securities holder by the Banker
Form- ISR-3	Opting out of Nomination by physical securities holders
Form- SH-13	Nomination form
Form- SH-14	Cancellation or Variation of Nomination

The said forms are available on the Company's website <https://www.bajajauto.com/investors/miscellaneous>

## Simplification of Procedure of Transmission of Securities

SEBI has notified vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65 dated 18 May 2022, (now rescinded due to issuance of Master Circular dated 17 May 2023) has enhanced the monetary limits for simplified documentation for transmission of securities, allowed 'Legal Heirship Certificate or equivalent certificate' as one of the acceptable documents for transmission and provided clarification regarding acceptability of Will as one of the valid documents for transmission of securities. The said circular also specified the formats of various documents which are required to be furnished for the processing of transmission of securities.

The circular also lays down operational guidelines for processing investors' service request for the purpose of transmission of securities. The procedure provided in this circular is duly followed by our registrar and share transfer agent while processing of transmission service request.

## Simplification of Procedure for issuance of Duplicate Share Certificates

SEBI vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/70 dated 25 May 2022 (now rescinded due to issuance of Master Circular dated 17 May 2023) has standardized the documents to be submitted for processing of service request for issue of duplicate share certificate and also laid down operational guidelines for the same.

Further, the said circular also mandates listed company to take special contingency policy from insurance company towards the risk arising out of the requirements relating to issuance of duplicate securities in order to safeguard and protect the interest of the listed company. The Company is in compliance with said circular.

## Investor grievances redressal through the SEBI Complaints Redress System (SCORES) platform

SEBI vide its circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20 September 2023 stated that a complaint lodged in SCORES platform will automatically forwarded to the concerned entity with a copy to designated body.

Entity will upload Action Taken Report (ATR) on SCORES within 21 days from the receipt of the Complaint. Failure which, the designated body will take cognizance of the complaint for first review of the resolution through SCORES and ask Company to submit ATR to the designated body. The complainant may seek a second review by SEBI of the Complaint within 15 calendar days from the date of the submission of the ATR by the Designated Body.

SEBI vide its press release PR No.06/2024 dated 01 April 2024, launched the new version of the SEBI Complaint Redress System (SCORES 2.0). The new version of SCORES strengthens the investor complaint redress mechanism in the securities market by making the process more efficient through auto-routing, auto-escalation, monitoring by the 'Designated Bodies' and reduction of timelines.

Investors can lodge complaints only through new version of SCORES i.e. <https://scores.sebi.gov.in> from 01 April 2024. In the old SCORES i.e. <https://scores.gov.in> investors would not be able to lodge any new complaint. However, investors can check the status of their complaints already lodged in old SCORES and pending in the old SCORES. Further, the disposed of complaints filed in the old SCORES can be viewed at SCORES 2.0.

## Online Resolution of Disputes (ODR)

SEBI has introduced a common Online Dispute Resolution Portal ('ODRP') which harnesses online conciliation and online arbitration.

In case a member is not satisfied with the resolution provided by the company/RTA, then the online dispute resolution process can be initiated through the ODR portal.

SEBI vide its circular SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated 31 May 2023, mandated the listed entity to enroll on the ODR portal and advised to display a link to the ODR Portal on the home page of the website. Accordingly, the company has created its profile in SMART ODR portal and uploaded the circular on company's website for the information of the shareholders.

The said profile and circular can be access using the link <https://www.bajajauto.com/investors/online-dispute-resolution>

Further, SEBI vide its Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 dated 08 June 2023, advised RTA to create an online mechanism where investors can Register, Login via OTP and raise complaints or service requests. Hence, members are hereby notified that our RTA launched an online application that can be accessed at <https://ris.kfintech.com/default.aspx#>

Members are requested to register/signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>

## Outstanding convertible instruments/ADRs/GDRs/warrants

The Company does not have any outstanding convertible instruments/ADRs/GDRs/warrants as on date of this report.

## Investor Support Centre

Members may utilise the facility extended by the Registrar and Share Transfer Agent for raising queries pertaining to dividend, KYC updation, interest/redemption, etc. by visiting <https://ris.kfintech.com/clientservices/isc/>

## KPRISM: a mobile service application by KFin

Members may note that our registrar and share transfer agent, KFin, has launched a mobile app KPRISM and a website <https://kprism.kfintech.com/> for our investors. Members can download the mobile app and see their portfolios serviced by KFin; check their dividend status; request for annual reports; register change of address; register change in the bank account or update the bank mandate; and download the standard forms. This android mobile application can be downloaded from the Google Play Store.

## Address for correspondence

Investors and shareholders can correspond with the share transfer agent or the registered office of the Company at the following address:

### Share transfer agent

#### KFin Technologies Ltd.

(previously known as KFin Technologies Pvt. Ltd.)

Unit: Bajaj Auto Ltd.

Selenium Tower B, Plot No. 31 and 32,

Financial District, Nanakramguda,

Serilingampally Mandal,

Hyderabad 500 032, Telangana

#### Contact persons

Bhaskar Roy

Mohd. Mohsinuddin

Tel. No: (040) 6716 2222

Fax No: (040) 2300 1153

Toll free No: 1-800-309-4001

WhatsApp Number: (91) 910 009 4099

Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: <https://www.kfintech.com/> or <https://ris.kfintech.com/>

## Company

#### Bajaj Auto Ltd.

Mumbai-Pune Road,

Akurdi, Pune 411 035

#### Company Secretary and Compliance Officer

Rajiv Gandhi

Tel. No: (020) 6610 4486

Fax No: (020) 2740 7380

Email: [investors@bajajauto.co.in](mailto:investors@bajajauto.co.in)

Website: [www.bajajauto.com](http://www.bajajauto.com)

Shareholders may get in touch with the company secretary for further assistance.

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## Certificate by Practising Company Secretary

[Pursuant to Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)]

In the matter of Bajaj Auto Ltd. (CIN: L65993PN2007PLC130076) having its registered office at Mumbai-Pune Road, Akurdi, Pune - 411035.

On the basis of examination of the books, minute books, forms and returns filed and other records maintained by the Company and declarations made by the directors and explanations given by the Company.

I certify that the following persons are Directors of the Company (during 01/04/2023 to 31/03/2024) and none of them have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	DIN	Designation
1	Nirajkumar Ramkrishnaji Bajaj	00028261	Non -Executive Chairman
2	Madhurkumar Ramkrishnaji Bajaj <sup>(1)</sup>	00014593	Non -Executive Vice Chairman
3	Rajivnayan Rahul Kumar Bajaj	00018262	Managing Director & CEO
4	Sanjivnayan Rahul Kumar Bajaj	00014615	Non -Executive Director
5	Pradeep Shrivastava	07464437	Whole-time Director
6	Rakesh Sharma	08262670	Whole-time Director
7	Balaji Rao Jagannathrao Doveton <sup>(2)</sup>	00025254	Independent Director
8	Dr Naushad Darius Forbes	00630825	Independent Director
9	Anami Narayan Prema Roy	01361110	Independent Director
10	Pradip Panalal Shah	00066242	Independent Director
11	Lila Firoz Poonawalla <sup>(3)</sup>	00074392	Independent Director
12	Abhinav Bindra	00929250	Independent Director

**Notes:**

1. Madhurkumar Ramkrishnaji Bajaj resigned on 24 January 2024 and ceased to be a director of the Company w.e.f. 24 January 2024.
2. Balaji Rao Jagannathrao Doveton expired on 28 November 2023 and ceased to be a director of the Company w.e.f. 28 November 2023.
3. Lila Firoz Poonawalla ceased to be an Independent Director with effect from close of business hours on 31 March 2024 on completion of her term of appointment.

Pune: 18 April 2024  
UDIN: F001587F000162407

Shyamprasad D Limaye  
FCS No. 1587 CP No. 572

# **STANDALONE FINANCIAL STATEMENTS**

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## Independent Auditors' Report on the Standalone Financial Statements

To the Members of **Bajaj Auto Ltd.**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Bajaj Auto Limited (the 'Company'), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for opinion

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

#### Key audit matters

We have determined that there are no key audit matters to communicate in our report.

#### Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's letter, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Directors' Report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and

## Independent Auditors' Report on the Standalone Financial Statements (Contd.)

presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditors' responsibilities for the audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 standalone financial statements.

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

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

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

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

### Report on other legal and regulatory requirements

1. As required by the Companies (Auditors' Report) Order, 2020 (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure 1' a statement on the matters specified in paragraphs 3 and 4 of the Order.

## Independent Auditors' Report on the Standalone Financial Statements (Contd.)

2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. Insofar as the modification on maintaining an audit trail in the accounting software is concerned, refer paragraph (i) (vi) below;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification arising from the maintenance of the audit trail on the accounting software, comprising the application and database are as stated in the paragraph (i) (vi) below on reporting under Rule 11(g);
  - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 2' to this report;
  - (h) In our opinion, the managerial remuneration for the year ended 31 March 2024 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (i) With respect to the other matters to be included in the Auditors' 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 its standalone financial statements – Refer note 35 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, 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 its knowledge and belief and read with note 45(g) to the standalone financial statements, 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 entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - b) The management has represented that, to the best of its knowledge and belief and read with note 45(h) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

## Independent Auditors' Report on the Standalone Financial Statements (Contd.)

- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 34(b) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the Company has used the SAP S4 Hana accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility in respect of the application and the same has operated throughout the year for all relevant transactions. We did not come across any instance of the audit trail feature being tampered with in respect of accounting software. Normal/Regular users are not granted direct database or super user level access.

However, unauthorised changes to the database by a super user specifically does not carry the feature of a concurrent real time audit trail.

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
UDIN: 24089802BKEJER5266  
Pune: 18 April 2024

## Annexure 1 to Independent Auditors' Report

### Referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of Bajaj Auto Ltd.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
 B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, plant and equipment have been physically verified by management in accordance with a planned program of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all immovable properties included in property, plant and equipment; and Investment Property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment or intangible assets during the year ended 31 March 2024. Accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.
- (e) Based on the information and explanations given to us, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the requirement to report on clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The Management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the frequency of verification by Management is reasonable and the coverage and the procedure of such verification by the Management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed during such physical verification.
- (b) Based on the information and explanations given by the Management, the Company has not been sanctioned any working capital limits on the basis of security of current assets from banks or financial institutions during any point of time during the year. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to any other entity, other than to its employees as follows:

Particulars	Loans to employees (₹ in Crore)
Aggregate amount granted during the year	5.86
Balance outstanding as at balance sheet date	5.27

Accordingly, the requirement to report on clause 3(iii)(a)(A) and (B) of the Order are not applicable to the Company.

- (b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans to its employees are not prejudicial to the Company's interest. Since, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to any other entity, other than to its employees, the requirement to report on clause 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable in respect of any entity other than employees.
- (c) The Company has granted loans and advances in the nature of loans during the year to its employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts are regular.
- (d) In respect of loans and advances in the nature of loans granted to employees during the year, there are no amounts overdue for more than ninety days. Accordingly, the requirement to report on clause 3(iii)(d) in respect of employees is not applicable.

## Annexure 1 to Independent Auditors' Report (Contd.)

- (e) In respect of loans and advances in the nature of loans granted to employees, there were no amounts which have fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same employees. Accordingly, the requirement to report on clause 3(iii)(e) in respect of employees is not applicable.
- (f) In respect of loans and advances in the nature of loans granted to employees, there were no amounts granted which were either repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company has not advanced any loans, guarantees or security to any entity covered by the provisions of section 185 and section 186 of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company in respect of section 185 and section 186 of the Companies Act, 2013, pertaining to these transactions. In respect of investments made, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues wherever applicable, and which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Crore)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	327.48	Various Years from 2010-11 to 2016-17	Supreme Court
	Excise Duty	1.43	Various Years from 1985-86 to 2001-02	High Court
	Excise Duty	1.37	Various Years from 1983-84 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
Central Sales Tax Act, 1956 and Sales Tax Act of various States	Excise Duty	0.42	Various Years from 1991-92 to 2017-18	Commissioner Appeals
	Sales Tax	83.65	Various Years from 2001-02 to 2015-16	Appellate Tribunal/High Court
	Sales Tax	0.25	Financial Year 2009-10	Appellate Authority
The Income Tax Act, 1961	Sales Tax	27.97	Various Years from 1999-00 to 2016-17	Appellate Authority
	Income Tax	502.01	Various Years from 2007-08 to 2011-12	Income Tax Appellate Tribunal
The Customs Act, 1962	Income Tax	158.28	Various years from 2013-14 to 2021-22	Commissioner of Income-Tax (Appeals)
	Customs Duty	3.85	Financial Year 1984-85 and 1985-86	High Court
Goods and Service Tax Act, 2017	Customs Duty	5.50	Various Years from 1977-78 to 2013-14	Assistant Commissioner of Customs
	Goods and Service Tax	12.70	FY 2017-18	Joint Commissioner of CGST Commissionerate
Octroi	Goods and Service Tax	0.75	FY 2018-19	Assistant Commissioner
	Octroi Duty	8.44	Various Years from 1988-89 to 2004-05 and from 2012-13 to 2016-17	High Court
	Octroi Duty	4.23	Various Years from 1981-82 to 1988-89	District Court

Note: The amounts disclosed above are net of the payments made to the respective authorities where the dispute is pending.

## Annexure 1 to Independent Auditors' Report (Contd.)

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a)/(c)  
The Company has not defaulted in the repayment of loans (including sales-tax deferral) and interest thereon to any lender during the year. Further, the Company did not have any term loans or interest due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) and 3(ix)(c) of the Order is not applicable to the Company.
- (b) Based on the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. The Company did not have any joint venture during the year. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. The Company did not have any joint venture during the year. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year. Accordingly, the requirement to report on clause 3(xi)(a) of the Order is not applicable to the Company.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor/cost auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a)/(b)/(c)  
The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Further, the Company is not engaged in any Non-Banking Financial or Housing Finance activities and is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order is not applicable to the Company.

## Annexure 1 to Independent Auditors' Report (Contd.)

- xvi. (d) In our opinion, and according to the information and explanation given to us, in the Group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016) there are 17 companies forming part of the Group of the Company which are CICs (These are unregistered CICs as per Para 8.1/9.1 of Notification No. RBI/2020-21/24 dated 13 August 2020 of the Reserve Bank of India).
- xvii. The Company has not incurred cash losses in the current year and immediately preceding financial year respectively. Accordingly, the requirement to report on clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 42 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 in compliance with second proviso to sub section 5 of section 135 of the Companies Act, 2013. This matter has been disclosed in note 29 to the standalone financial statements.
- (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 29 to the standalone financial statements.

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
UDIN: 24089802BKEJER5266  
Pune: 18 April 2024

## Annexure 2 to Independent Auditors' Report

**Referred to in paragraph 2(g) under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of Bajaj Auto Ltd.**

### **Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the companies act, 2013 (the 'Act')**

We have audited the internal financial controls with reference to standalone financial statements of Bajaj Auto Limited (the 'Company') as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's responsibility for internal financial controls**

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

#### **Auditors' responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, 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 Company's internal financial controls with reference to these standalone financial statements.

#### **Meaning of internal financial controls with reference to these standalone financial statements**

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that

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

## Annexure 2 to Independent Auditors' Report (Contd.)

### Inherent limitations of internal financial controls with reference to standalone financial statements

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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
UDIN: 24089802BKEJER5266  
Pune: 18 April 2024

## Balance Sheet

Particulars	Note No.	(₹ In Crore)	
		As at 31 March	
		2024	2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	3,137.85	2,635.29
Capital work-in-progress	2	24.29	81.92
Investment property	3	48.90	50.02
Intangible assets	4	11.91	30.70
Intangible assets under development	4	3.20	-
Investments in subsidiaries	5A	2,088.42	1,786.43
Financial assets			
Investments	5B	17,524.60	16,717.53
Loans	6	2.06	2.28
Other financial assets	7	27.68	33.58
Income tax assets (net)		905.74	812.42
Other non-current assets	8	118.82	107.12
		<b>23,893.47</b>	<b>22,257.29</b>
<b>Current assets</b>			
Inventories	9	1,695.62	1,397.90
Financial assets			
Investments	5B	4,879.48	4,419.37
Trade receivables	10	2,122.40	1,776.12
Cash and cash equivalents	11	448.61	219.42
Other bank balances	12	88.01	66.33
Loans	6	3.21	3.62
Other financial assets	7	463.90	556.38
Other current assets	8	655.95	431.26
		<b>10,357.18</b>	<b>8,870.40</b>
		<b>34,250.65</b>	<b>31,127.69</b>

## Balance Sheet (Contd.)

(₹ In Crore)			
As at 31 March			
Particulars	Note No.	2024	2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	279.18	282.96
Other equity	14	24,581.32	25,142.90
		<b>24,860.50</b>	<b>25,425.86</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Sales tax deferral	15	125.84	124.23
Provisions	16	0.84	0.87
Deferred tax liabilities (net)	17	506.94	345.15
Government grant		30.69	33.35
Other non-current liabilities	18	0.14	0.19
		<b>664.45</b>	<b>503.79</b>
<b>Current liabilities</b>			
Financial liabilities			
Short-term borrowings	19	834.05	–
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	745.30	269.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	4,864.88	3,804.47
Other financial liabilities	21	551.41	446.92
Other current liabilities	22	1,521.16	484.90
Provisions	16	188.21	165.95
Government grant		2.65	2.65
Current tax liabilities (net)		18.04	23.74
		<b>8,725.70</b>	<b>5,198.04</b>
		<b>34,250.65</b>	<b>31,127.69</b>

Summary of material accounting policies followed by the Company

1

The accompanying notes are an integral part of the financial statements.

On behalf of the Board of Directors

As per our report of even date

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

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Dinesh Thapar  
Chief Financial Officer

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Rajiv Gandhi  
Company Secretary

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Statement of Profit and Loss

Particulars	Note No.	(₹ In Crore)	
		For the year ended 31 March	
		2024	2023
Revenue from contracts with customers		43,578.87	35,359.15
Other operating revenue		1,106.36	1,068.45
Revenue from operations	23	44,685.23	36,427.60
Other income	24	1,402.45	1,181.42
<b>Total income</b>		<b>46,087.68</b>	<b>37,609.02</b>
<b>Expenses</b>			
Cost of raw materials and components consumed		29,268.59	24,009.01
Purchase of traded goods		2,545.30	2,143.85
Changes in inventories of finished goods, work-in-progress and traded goods	25	(70.45)	(98.11)
Employee benefits expense	26	1,537.56	1,444.90
Finance costs	27	53.50	39.48
Depreciation and amortisation expense	28	349.84	282.44
Other expenses	29	2,628.86	2,406.63
Expenses, included in above items, capitalised		(47.53)	(27.82)
<b>Total expenses</b>		<b>36,265.67</b>	<b>30,200.38</b>
<b>Profit before tax</b>		<b>9,822.01</b>	<b>7,408.64</b>
Tax expense			
Current tax		2,283.60	1,854.82
Deferred tax		59.62	(73.78)
Total tax expense	30	<b>2,343.22</b>	<b>1,781.04</b>
<b>Profit for the year</b>		<b>7,478.79</b>	<b>5,627.60</b>

## Statement of Profit and Loss (Contd.)

Particulars	Note No.	For the year ended 31 March	
		2024	2023
(₹ In Crore)			
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) of defined benefit plans		35.48	(2.11)
Tax impact on above		(8.93)	0.53
Changes in fair value of FVTOCI equity instruments		831.82	337.14
Tax impact on above		(93.24)	(36.42)
Items that will be reclassified to profit or loss			
Valuation gains/(losses) on derivative hedging instruments		-	(80.53)
Tax impact on above		-	20.27
<b>Other comprehensive income for the year (net of tax)</b>		<b>765.13</b>	<b>238.88</b>
<b>Total comprehensive income for the year</b>		<b>8,243.92</b>	<b>5,866.48</b>
Basic and diluted Earnings per share (in ₹)	31	264.6	197.3
(Nominal value per share ₹ 10)			
Summary of material accounting policies followed by the Company	1		

The accompanying notes are an integral part of the financial statements.

On behalf of the Board of Directors

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Niraj Bajaj

Chairman

(DIN: 00028261)

Dinesh Thapar  
Chief Financial Officer

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

per Arvind Sethi  
Partner

Membership Number: 089802

Pune: 18 April 2024

Rajiv Gandhi  
Company Secretary

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Statement Of Changes In Equity

### A. Equity share capital

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March	
		2024	2023
At the beginning of the year		282.96	289.37
Changes in equity share capital due to prior period errors		–	–
Restated balance at the beginning of the current reporting period		282.96	289.37
Changes in equity share capital during the year (net)		(3.78)	(6.41)
At the end of the year	13	<b>279.18</b>	<b>282.96</b>

## Statement of Changes in Equity (Contd.)

### B. Other equity

(₹ In Crore)

Particulars	Note No.	Reserves and surplus		Other reserves							Total other equity
		General reserve	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	FVTOCI reserve equity instruments	Securities premium	Capital redemption reserve	Share based payments reserve	Treasury shares	
<b>Balance as at 31 March 2022</b>	14	<b>6,389.60</b>	<b>19,340.40</b>	<b>54.33</b>	<b>5.93</b>	<b>626.41</b>	-	-	<b>32.27</b>	<b>(69.51)</b>	<b>26,379.43</b>
Profit for the year		-	5,627.60	-	-	-	-	-	-	-	5,627.60
Other comprehensive income (net of tax)		-	(1.58)	(54.33)	(5.93)	300.72	-	-	-	-	238.88
Total comprehensive income for the year ended 31 March 2023		-	5,626.02	(54.33)	(5.93)	300.72	-	-	-	-	5,866.48
<b>Transactions with owners in their capacity as owners</b>											
Recognition of capital redemption reserve		-	(6.41)	-	-	-	-	6.41	-	-	-
Recognition of share based payments to employees		-	-	-	-	-	-	-	29.82	-	29.82
Treasury shares held by ESOP Trust		-	-	-	-	-	-	-	-	5.78	5.78
Share buyback and tax thereon		-	(3,087.47)	-	-	-	-	-	-	-	(3,087.47)
Final dividend for the year ended 31 March 2022		-	(4,051.14)	-	-	-	-	-	-	-	(4,051.14)
<b>Balance as at 31 March 2023</b>	14	<b>6,389.60</b>	<b>17,821.40</b>	-	-	<b>927.13</b>	-	<b>6.41</b>	<b>62.09</b>	<b>(63.73)</b>	<b>25,142.90</b>
Profit for the year		-	7,478.79	-	-	-	-	-	-	-	7,478.79
Other comprehensive income (net of tax)		-	26.55	-	-	738.58	-	-	-	-	765.13
Total comprehensive income for the year ended 31 March 2024		-	7,505.34	-	-	738.58	-	-	-	-	8,243.92
<b>Transactions with owners in their capacity as owners</b>											
Recognition of capital redemption reserve		-	(4.00)	-	-	-	-	4.00	-	-	-
Recognition of share based payments to employees		-	-	-	-	-	-	-	40.37	-	40.37
Securities premium on issue of shares		-	-	-	-	-	86.31	-	-	-	86.31
Treasury shares held by ESOP Trust		-	-	-	-	-	-	-	-	(25.76)	(25.76)
Final dividend for the year ended 31 March 2023		-	(3,961.40)	-	-	-	-	-	-	-	(3,961.40)
Share buyback and tax thereon		-	(4,945.02)	-	-	-	-	-	-	-	(4,945.02)
<b>Balance as at 31 March 2024</b>	14	<b>6,389.60</b>	<b>16,416.32</b>	-	-	<b>1,665.71</b>	<b>86.31</b>	<b>10.41</b>	<b>102.46</b>	<b>(89.49)</b>	<b>24,581.32</b>

Note: There are no changes in accounting policies or prior period errors during the current or previous year.

Summary of material accounting policies followed by the Company

1

The accompanying notes are an integral part of the financial statements.

On behalf of the Board of Directors

As per our report of even date

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

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Dinesh Thapar  
Chief Financial Officer

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Rajiv Gandhi  
Company Secretary

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Statement Of Cash Flows

(₹ In Crore)

Particulars	For the year ended 31 March	
	2024	2023
<b>I. Operating activities</b>		
Profit before tax	9,822.01	7,408.64
Adjustments to reconcile profit before tax to net cash flows:		
Add:		
i) Depreciation and amortisation expense	349.84	282.44
ii) Loss on property, plant and equipment sold, demolished, discarded and scrapped	2.91	14.11
iii) Provision for doubtful debts and advances	(23.83)	4.79
iv) Share based payment to employees	40.37	29.82
v) Exchange loss/(gain) on cash and cash equivalents	(0.19)	11.39
vi) Exchange loss/(gain) on trade receivables	(6.17)	2.50
vii) Exchange loss/(gain) on import payables	-	0.24
viii) Exchange loss/(gain) on borrowings	1.35	-
ix) Interest adjustment on Government grant	1.60	1.46
x) Interest expense	51.90	38.02
	417.78	384.77
Less:		
i) Investment income included in above:		
Interest income on fixed income securities	195.55	306.99
Interest income on fixed deposits	141.85	61.05
Interest income on exchange traded funds	443.19	344.56
Interest income on fixed maturity plans	46.90	39.55
Profit/(loss) on sale of other investments, net	(16.61)	-
Gain on valuation and realisation of mutual funds measured at fair value through profit or loss	437.11	174.53
Dividend income on other strategic investments	43.05	47.25
Amortisation of premium/discount on acquisition of fixed income securities	96.50	(2.00)
	1,387.54	971.93
ii) Government grants	2.65	2.65
iii) Surplus on sale of property, plant and equipment	5.83	111.56
	(1,396.02)	(1,086.14)
	8,843.77	6,707.27
Change in assets and liabilities		
i) (Increase)/decrease in inventories	(297.72)	(167.39)
ii) (Increase)/decrease in trade receivables	(316.28)	(267.03)
iii) (Increase)/decrease in loans and other assets	(170.57)	655.53
iv) Increase/(decrease) in liabilities and provisions	1,801.68	502.24
	1,017.11	723.35
Annuity payments (net) to VRS/Welfare scheme optees	0.01	(0.32)
Net cash flow from operating activities before income-tax	9,860.89	7,430.30
Income-tax paid	(2,382.62)	(1,918.41)
<b>Net cash flow from/(used in) operating activities</b>	<b>7,478.27</b>	<b>5,511.89</b>
Carried forward	7,478.27	5,511.89

**Statement Of Cash Flows (Contd.)**

(₹ In Crore)

Particulars	For the year ended 31 March	
	2024	2023
Brought forward	7,478.27	5,511.89
<b>II. Investing activities</b>		
i) Investment in subsidiary	(301.98)	(538.00)
ii) Sale of investments	17,248.43	10,792.76
iii) Purchase of investments	(14,603.39)	(9,339.40)
iv) Sale/(purchase) of liquid mutual funds, etc., net	(2,073.32)	873.85
v) Investment in treasury shares by ESOP trust	(25.76)	5.78
vi) (Increase)/decrease in other bank balances	(21.68)	(41.96)
vii) Purchase of property, plant and equipment (including advances)	(807.69)	(943.31)
viii) Sale proceeds of property plant and equipment	11.99	136.90
ix) Expenditure on intangible assets (including under development)	(3.20)	(35.73)
	(576.60)	910.89
x) Investment income		
Interest income on fixed income securities	195.55	306.99
Interest income on fixed deposits	141.85	61.05
Dividend income on other strategic investments	43.05	47.25
	380.45	415.29
(Increase)/decrease in interest receivable	56.93	7.63
	437.38	422.92
<b>Net cash flow from/(used in) investing activities</b>	<b>(139.22)</b>	<b>1,333.81</b>
Carried forward	7,339.05	6,845.70

Statement Of Cash Flows (Contd.)

Particulars	For the year ended 31 March	
	2024	2023
Brought forward	7,339.05	6,845.70
<b>III. Financing activities</b>		
i) Short-term bank loan taken/(repaid)	832.70	-
ii) Interest expense	(51.90)	(38.02)
iii) Equity share buy-back (incl. tax and expenses)	(4,017.18)	(3,093.88)
iv) Issue of capital (including securities premium)	86.53	-
v) Dividend paid	(3,960.20)	(4,046.96)
<b>Net cash flow from/(used in) financing activities</b>	<b>(7,110.05)</b>	<b>(7,178.86)</b>
<b>Net change in cash and cash equivalents</b>	<b>229.00</b>	<b>(333.16)</b>
Cash and cash equivalents at the beginning of the year	219.42	563.97
Add/(Less): Effects of exchange (loss)/gain on cash and cash equivalents	0.19	(11.39)
Cash and cash equivalents at the end of the year [See note 11]	448.61	219.42
<b>Change in liability arising from financing activity:</b>		
At the beginning of the year	-	-
Changes from financing cash flows	832.70	-
Foreign exchange movement	1.35	-
Other changes	-	-
As at the end of the year	<b>834.05</b>	-

As per our report of even date

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Dinesh Thapar  
Chief Financial Officer

Rajiv Gandhi  
Company Secretary

On behalf of the Board of Directors

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

Notes to standalone financial statements for the year ended 31 March 2024

## Corporate information

Bajaj Auto Ltd. (the 'Company') (CIN: L65993PN2007PLC130076) is a company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of development, manufacturing and distribution of automobiles such as motorcycles, commercial vehicles, electric vehicles etc. and parts thereof. The Company sells its products in India as well as in various other global markets. The registered office of the Company is located at Mumbai-Pune Road, Akurdi, Pune 411035.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on 18 April 2024.

## 1 Summary of material accounting policies followed by the Company

### Statement of compliance and basis of preparation

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act, on an accrual basis.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value (refer accounting policy on financial instruments for details).

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest crore (INR 0,000,000), except when otherwise indicated.

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

### Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Use of estimates, judgments and assumptions

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes and in the relevant notes together with information about basis of calculation for each affected line item in the financial statements:

- a) Valuation of investments [Refer note 1.6 and note 32]
- b) Derivative instruments [Refer note 1.7]
- c) Revenue and trade receivables [Refer note 1.2, note 10 and note 23]
- d) Provisions and Contingent liabilities [Refer note 1.13, note 16 and note 35]
- e) Residual value and useful life of property, plant and equipment, intangible assets [Refer note 1.3]

#### 2 Revenue from contracts with customers

Revenue is recognised when control of goods (vehicles or parts) and services have been transferred to the customer; at an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services. Amounts disclosed as revenue are net of goods and service tax (GST).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

### Sale of Goods (vehicles or parts)

The Company has determined that our customers from the sale of goods are generally dealers and distributors. Transfer of control, and therefore revenue recognition, generally corresponds to the date when the goods are released to the carrier responsible for transporting them to the customer in the following manner:

- Domestic sales are recognised at the time of dispatch from the point of sale;
- Export sales are recognised on the date when shipped on board as per terms of sale and are initially recorded at the relevant exchange rates prevailing on the date of the transaction

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration and consideration payable to customers) allocated to that performance obligation. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, consideration payable to the customer and the existence of significant financing components (if any).

#### *Variable consideration*

If the consideration in a contract includes a variable amount (like volume rebates/incentives, cash discounts, subventions etc.), the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The estimate of variable consideration for expected future volume rebates/incentives, cash discounts, subventions etc. are made on the most likely amount method.

#### *Consideration payable to the customer*

Consideration payable to a customer includes cash amounts that the Company pays, or expects to pay, to the customer.

#### *Financing component*

Generally, the Company receives short-term advances from its customers. The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less. In cases where the Company does not receive short-term advances from its customers, the terms of contract with customers do not contain any express or implied payment terms which would indicate the existence of a significant financing component.

#### *Principal versus agent consideration in respect of freight*

The Company, on behalf of its customers (dealers and distributors), dispatches goods to agreed locations for an agreed fee. The Company has determined that the performance obligation of the Company is to arrange for those goods and services (Company is an agent) to the customers and hence the amount charged to the customer offset by freight charges paid to the freight service providers is shown as revenue and disclosed as other operating income or other operating expenses, depending upon the results of the offsetting.

### Contract balances

#### *Trade receivables*

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### *Contract liabilities*

Advance received from customers

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

### Other operating revenue

Interest charged to dealers for payment beyond due date and Royalty income is recognised on accrual basis in accordance with the substance of their relevant agreements. In respect of Government Grants recognised as Other operating revenue, refer to accounting policy no. 15 'Government Grants'

## 3 Property, plant and equipment and depreciation/amortisation

### A. Property, plant and equipment

- i) Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment except land are carried at historical cost of acquisition, construction or manufacturing, as the case may be, less accumulated depreciation and amortisation. Freehold land is carried at cost of acquisition.
- ii) Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended. Such cost includes the cost of replacing part of the plant and equipment, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.
- iii) Costs incurred to manufacture/construct property, plant and equipment are reduced from the total expense under the head 'Expenses, included in above items, capitalised' in the Statement of Profit and Loss.
- iv) Land and buildings acquired/constructed, not intended to be used in the operations of the Company and held for earning long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, are categorised as investment property.
- v) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- vi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### B. Depreciation and amortisation methods, estimated useful lives and residual value

#### (a) Leasehold land

Premium on leasehold land is amortised over the period of lease.

#### (b) Other tangible assets

- i. a. Depreciation is provided on a pro-rata basis on straight-line method to allocate the cost, net of residual value over the estimated useful lives of the assets.

The estimated useful lives are as follows:

Asset class	Useful life
Buildings	03-60 years
Water pumps, reservoirs and mains	05-15 years
Plant and machinery	10-15 years
Computers and IT Equipment	03-06 years
Dies and Moulds	03-08 years
Electric installations	10 years

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

Asset class	Useful life
Factory equipment's	08-15 years
Furniture	10 years
Office equipment	05-13 years
Electric fittings	10 Years
Vehicles	03-10 Years

- b. Where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of its corresponding asset, the component is depreciated over its shorter life.
- c. The Company, based on technical assessment made by technical expert and Management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- ii. Assets which are depreciated over useful life/residual value different than those indicated by Schedule II are as under:

Asset class	As per Schedule II	Useful life
Aircraft	20 years	10 years
PDC Dies	8 years	3 years
Factory equipment	15 years	10 years

- iii. Depreciation on additions is being provided on pro rata basis from the date of such month of such additions.
- iv. Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.

## 4 Intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

### A. Technical know-how acquired

Technical know-how acquired is stated at acquisition cost less accumulated amortisation and impairment losses, if any. Acquired technical know-how is amortised equally over a period of estimated useful life.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

### B. Technical know-how developed by the Company

- i) Expenditure incurred by the Company on development of know-how researched, is recognised as an intangible asset, if and only if the future economic benefits attributable to the use of such know-how are probable to flow to the Company and the costs/expenditure can be measured reliably.
- ii) Costs incurred to develop an intangible asset are reduced from total expenses and disclosed under the head 'Expenses, included in above items, capitalised' in the Statement of Profit and Loss.
- iii) The cost of technical know-how developed is amortised equally over its estimated useful life i.e. generally three years from the date of commencement of commercial production.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

### C. Research and development costs

Expenditure on research and development activities is recognised as an expense in the period in which it is incurred unless the recognition criteria are met. Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

## 5 Investment property

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

Depreciation on investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the Management, corresponds to those prescribed by Schedule II- Part 'C' of the Companies Act, 2013.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period of derecognition.

## 6 Investments, financial assets and financial liabilities

### A. Investment in subsidiaries and associate

Interest in subsidiaries and associate are recognised at cost less impairment (if any). Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

### B. Other investments and financial assets

#### i. Classification

The company classifies its financial assets at initial recognition in the following measurement categories:

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

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

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

### ii. Measurement

#### Initial Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

At initial recognition, the Company measures a financial asset at its fair value including, in the case of 'a financial asset not at FVTPL', transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at 'FVTPL' are expensed in the Statement of Profit and Loss, when incurred.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer accounting policy no.2 'Revenue from contracts with customers'.

For a financial asset to be classified and subsequently measured at amortised cost or FVTOCI (excluding equity instruments which are measured at FVTOCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

#### Subsequent Measurement

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

##### Subsequently measured at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost e.g. debentures, bonds, fixed maturity plans, trade receivables etc.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest income from trade receivables is included in other operating income in the Statement of Profit and Loss; whilst interest income from the remaining financial assets is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired.

In case of fixed maturity plans (FMP), they are measured at amortised cost, if the Company intends to hold the FMPs to maturity. Further, the Company applies amortised cost for those FMPs where the Company is able to demonstrate that the underlying instruments in the portfolio would fulfill the SPPI test and the churn in the underlying portfolio is negligible. These conditions are assessed at each balance sheet date. If these conditions are not fulfilled, then FMPs are valued at FVTPL.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

The Company intends to hold its investment in open ended target maturity funds (i.e. exchange traded funds/ETF) till maturity. It may be noted that these funds have a pre-determined maturity date. These funds follow a passive buy and hold strategy; in which the existing underlying investment bonds are expected to be held till maturity unless sold for meeting redemptions or rebalancing requirements as stated in the scheme document. In our view, such strategy mitigates intermittent price volatility in open ended target maturity funds' underlying investments; and investors who remain invested until maturity are expected to mitigate the market/volatility risk to a large extent. These funds can invest only in plain vanilla INR bonds with fixed coupon and maturity; and cannot invest in floating rate bonds. Based on this, the Company believes that the investments in open ended target maturity funds meet the requirements of SPPI test as per the requirements of Ind AS 109.

### Subsequently measured at FVTOCI:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading, if any, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

### Subsequently measured at FVTPL:

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

### iii. Impairment of financial assets

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

In respect of other financial assets (eg.: debt securities, deposits, bank balances etc), the Company generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument over the expected life of the financial instrument.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

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

For assessing increase in credit risk and impairment loss, the Company combines financial instruments based on shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### iv. Derecognition of financial assets

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

### v. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The Company applies amortised cost, where it has ability to demonstrate that the underlying instruments in the portfolio fulfill the solely payments of principal and interest ('SPPI') test and the churn in the portfolio is negligible.

## C. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of borrowings in nature of bank overdrafts/credit facilities and payables, net of directly attributable transaction costs.

The Company's financial liabilities includes trade and other payables, borrowings in nature of bank overdrafts/credit facilities. For purposes of subsequent measurement, financial liabilities are classified at amortised cost.

## 7 Derivative and hedging activities

The Company uses derivative financial instruments such as range forward and par forward currency contracts to hedge its foreign currency risks. Such derivative instruments are initially recognised at fair value on the date at which the derivative contract is entered and are subsequently re-measured at fair value as at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

The Company documents its risk management objectives and strategy for undertaking various hedge transactions. In terms thereof, the Company designates their derivatives as hedges of foreign exchange risks associated with the cash flow of highly probable forecast transactions (viz. export sales).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than or equal to 12 months.

Cash flow hedges that qualify for hedge accounting –

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, within other gains/(losses).

For hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

When forward contracts are used to hedge forecast transactions, the Company designates them in entirety as the hedging instrument. Any gains or losses arising from changes in the fair value for the effective portion of cash flow hedges is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

Where option contracts are used to hedge forecast transactions, the Company designates intrinsic value of the option contract as hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contract are recognised in the 'Cash flow hedging reserve' within equity. The changes in time value of the option contracts that relate to the hedged items are recognised through other comprehensive income in 'Costs of hedging reserve' within equity.

When a hedging instrument expires, or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time is recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Statement of Profit and Loss. When a hedging instrument is unexercised and expires, the cumulative gain or loss is reversed within equity with the corresponding effect to the hedge receivable/payable.

If the hedge ratio for risk management is no longer optimal, but risk management objectives remain unchanged and hedge continues to qualify for hedge accounting, the hedge relationships are re-balanced so that the hedge ratio aligns. Consequently, hedge ineffectiveness is computed and accounted for in the Statement of Profit and Loss immediately.

## 8 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Impairment loss of non-financial assets, if any are recognised in the Statement of Profit and Loss.

## 9 Foreign currency transactions

- i) Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency').
- ii) On initial recognition, all foreign currency transactions are recorded at the foreign exchange rate on the date of the transaction.
- iii) 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.
- iv) 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.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

- v) Fixed assets purchased at liaison offices in foreign exchange are recorded at their historical cost computed with reference to the average rate of foreign exchange remitted to the liaison office.
- vi) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.
- vii) In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

## 10 Inventories

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

- i) Finished stocks of vehicles and auto spare parts and stocks of work-in-progress are valued at cost of manufacturing or net realisable value whichever is lower. Cost is calculated on a weighted average basis.
- ii) Stores, packing materials and tools which does not meet the recognition criteria of property, plant and equipment are valued at cost arrived at on a weighted average basis or net realisable value, whichever is lower.
- iii) Raw materials and components are valued at cost arrived at on a weighted average basis or net realisable value, whichever is lower.
- iv) Inventory of machinery spares and maintenance materials not being material are expensed in the year of purchase.
- v) Goods in transit are stated at actual cost incurred up to the date of Balance Sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## 11 Employee benefits

### a) Privilege leave entitlements

Privilege leave entitlements are recognised as a liability, in the calendar year of rendering of service, as per the rules of the Company. As accumulated leave can be availed and/or encashed at any time during the tenure of employment, subject to terms and conditions of the scheme, the accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

They are therefore measured at 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. 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 recognised in Statement of Profit and Loss.

### b) 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.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

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.

- c) 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 an employee renders the related service. 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.

## 12 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 is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in 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 substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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.

## 13 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.

## 14 Leases including investment properties

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

### As a lessee

#### a) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

### As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income

## 15 Government grant and Incentives

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

When loans or similar assistance are provided by Governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a Government grant. The loan or assistance is initially recognised and measured at fair value and the Government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

## 16 Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 17 Cash and cash equivalents

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

## 18 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.

## 19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker. The Core Management Committee examines performance both from a product as well as from a geographical perspective and has identified three operative reportable segments from which significant risks and rewards are derived viz. Automotive business and Investments and Others.

## 20 Fair value measurement

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 1.1)
- Quantitative disclosures of fair value measurement hierarchy (note 32)
- Investment properties (note 3)
- Financial instruments (including those carried at amortised cost) (note 32)

## 21 Other Income

### a) Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

### b) Other income

The Company recognises income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Company (Contd.)

### 22 Share based payment arrangements

Certain employees (including senior executives) of the Company receive part of their remuneration in the form of employee stock options (ESOP).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in note 43.

That cost is recognised, together with a corresponding increase in share-based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of ESOPs, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an ESOP, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an ESOP and lead to an immediate expensing of an ESOP unless there are also service and/or performance conditions.

No expense is recognised for ESOPs that do not ultimately vest because non-market performance and/or service conditions have not been met. Where ESOPs include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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

### 23 Treasury shares

The Company has created an ESOP Trust (the 'Trust') for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The Trust purchases shares of the Company from the market or is issued shares by the Company, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Share options exercised during the reporting period are settled with treasury shares.

### 24 Changes in accounting policies and disclosures

#### New and amended standards

Several amendments and interpretations apply for the first time in March 2024, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time this amendment:

Disclosure of Accounting Policies - Amendments to Ind AS 1. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 2 Property, plant and equipment

### Current year

(₹ In Crore)

Particulars	Gross block (a)				Depreciation			Net block	
	As at 1 April 2023	Additions	Deductions/ adjustments	As at 31 March 2024	As at 1 April 2023	Deductions	For the year (b)	As at 31 March 2024	As at 31 March 2024
Land freehold	19.97	-	-	19.97	-	-	-	-	19.97
Land leasehold (Right-of-use assets)	150.43	-	1.98	148.45	-	-	-	-	148.45
Buildings	1,281.26	120.16	-	1,401.42	405.84	-	36.31	442.15	959.27
Waterpumps, reservoirs and mains	17.83	2.27	0.04	20.06	15.39	0.04	0.30	15.65	4.41
Plant and machinery	1,425.71	352.02	89.30	1,688.43	1,076.49	82.68	68.47	1,062.28	626.15
Computers and IT Equipment	83.48	9.65	3.21	89.92	73.43	3.21	5.60	75.82	14.10
Dies and moulds	855.20	188.40	3.17	1,040.43	543.60	2.45	87.11	628.26	412.17
Electric installations	83.29	14.31	-	97.60	73.83	-	1.73	75.56	22.04
Factory equipment	495.83	96.49	2.45	589.87	294.69	2.12	28.52	321.09	268.78
Furniture	47.42	6.71	0.11	54.02	35.06	0.09	3.37	38.34	15.68
Office equipment	59.99	6.83	0.06	66.76	45.76	0.06	4.66	50.36	16.40
Electric fittings	38.90	19.24	0.14	58.00	29.78	0.14	2.59	32.23	25.77
Vehicles and aircraft	744.20	25.48	13.02	756.66	74.35	11.64	89.29	152.00	604.66
<b>Total</b>	<b>5,303.51</b>	<b>841.56</b>	<b>113.48</b>	<b>6,031.59</b>	<b>2,668.22</b>	<b>102.43</b>	<b>327.95</b>	<b>2,893.74</b>	<b>3,137.85</b>
<b>Capital work-in-progress</b>	<b>81.92</b>	<b>22.27</b>	<b>79.90</b>	<b>24.29</b>	-	-	-	-	<b>24.29</b>

(a) At cost, except leasehold land which is at cost, less amounts written off.

(b) Refer note 1 clause 3 of summary of material accounting policies.

(c) No revaluation has been done during the year with respect to property, plant and equipment.

(d) No assets acquired or transferred as part of business combination.

### Ageing Schedule for Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	23.10	1.19	-	-	24.29
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>23.10</b>	<b>1.19</b>	<b>-</b>	<b>-</b>	<b>24.29</b>

There are no delayed and overrun projects.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 2 Property, plant and equipment (Contd.)

Previous year

(₹ In Crore)

Particulars	Gross block (a)			Depreciation			Net block		
	As at 1 April 2022	Additions	Deductions/ adjustments	As at 31 March 2023	As at 1 April 2022	Deductions	For the year (b)	As at 31 March 2023	As at 31 March 2023
Land freehold	19.97	-	-	19.97	-	-	-	-	19.97
Land leasehold (Right-of-use assets)	152.41	-	1.98	150.43	-	-	-	-	150.43
Buildings	979.94	301.32	-	1,281.26	382.27	-	23.57	405.84	875.42
Waterpumps, reservoirs and mains	17.79	0.04	-	17.83	15.06	-	0.33	15.39	2.44
Plant and machinery	1,296.05	147.49	17.83	1,425.71	1,032.69	11.84	55.64	1,076.49	349.22
Computers and IT Equipment	83.42	7.44	7.38	83.48	76.94	7.38	3.87	73.43	10.05
Dies and moulds	741.07	120.69	6.56	855.20	475.31	6.43	74.72	543.60	311.60
Electric installations	75.04	8.25	-	83.29	72.67	-	1.16	73.83	9.46
Factory equipment	458.81	37.84	0.82	495.83	269.83	0.78	25.64	294.69	201.14
Furniture	46.54	1.01	0.13	47.42	31.88	0.13	3.31	35.06	12.36
Office equipment	56.89	3.24	0.14	59.99	42.06	0.14	3.84	45.76	14.23
Electric fittings	36.89	2.18	0.17	38.90	28.23	0.17	1.72	29.78	9.12
Vehicles and aircraft	501.18	538.64	295.62	744.20	281.49	262.33	55.19	74.35	669.85
<b>Total</b>	<b>4,466.00</b>	<b>1,168.14</b>	<b>330.63</b>	<b>5,303.51</b>	<b>2,708.43</b>	<b>289.20</b>	<b>248.99</b>	<b>2,668.22</b>	<b>2,635.29</b>
Capital work-in-progress	<b>76.82</b>	<b>81.67</b>	<b>76.57</b>	<b>81.92</b>	-	-	-	-	<b>81.92</b>

(a) At cost, except leasehold land which is at cost, less amounts written off.

(b) Refer note 1 clause 3 of summary of material accounting policies.

(c) No revaluation has been done during the year with respect to property, plant and equipment.

(d) No assets acquired or transferred as part of business combination.

### Ageing Schedule for Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	81.28	0.64	-	-	81.92
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>81.28</b>	<b>0.64</b>	<b>-</b>	<b>-</b>	<b>81.92</b>

There are no delayed and overrun projects.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 3 Investment property

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Gross carrying amount</b>		
Opening balance	69.67	69.67
Additions	-	-
Closing balance	69.67	69.67
<b>Accumulated depreciation</b>		
Opening balance	19.65	18.53
Depreciation charge	1.12	1.12
Closing balance	20.77	19.65
<b>Net carrying amount</b>	48.90	50.02

#### i) Amounts recognised in the Statement of Profit and Loss for investment properties

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Rental income	14.62	14.59
Direct operating expenses from property that generated rental income	(1.52)	(1.01)
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	13.10	13.58
Depreciation	(1.12)	(1.12)
Profit from investment property	11.98	12.46

#### ii) Contractual obligations

The Company has no restrictions on the realisability of its investment property. There are no contractual obligations to purchase, construct or develop investment property as at the year end.

#### iii) Leasing arrangements

Investment property is leased out to various tenants under operating leases. Disclosure on future rent receivable is included in Note 40.

#### iv) Fair value

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Investment property	225.38	223.09

#### Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Since investment properties leased out by the Company are cancellable and non-cancellable leases, the market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence, fair value is ascertained on the basis of market rates prevailing for similar properties in those locations determined by an independent registered valuer, as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules 2017, and consequently classified as a level 2 valuation.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

#### 4 Intangible assets

Current year

(₹ In Crore)

Particulars	Gross block			As at 31 March 2024	Amortisation			As at 31 March 2024	Net block As at 31 March 2024
	As at 1 April 2023	Additions	Deductions/ adjustments		As at 1 April 2023	Deductions	For the year		
<b>Intangible assets</b>									
Technical know-how developed/acquired	131.29	-	-	131.29	100.59	-	18.79	119.38	11.91
<b>Total Intangible assets</b>	<b>131.29</b>	<b>-</b>	<b>-</b>	<b>131.29</b>	<b>100.59</b>	<b>-</b>	<b>18.79</b>	<b>119.38</b>	<b>11.91</b>
<b>Intangible assets under development</b>	<b>-</b>	<b>3.20</b>	<b>-</b>	<b>3.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.20</b>

(a) No revaluation has been done during the year with respect to intangible assets.

#### 4 Intangible assets

Previous year

(₹ In Crore)

Particulars	Gross block			As at 31 March 2023	Amortisation			As at 31 March 2023	Net block As at 31 March 2023
	As at 1 April 2022	Additions	Deductions/ adjustments		As at 1 April 2022	Deductions	For the year		
<b>Intangible assets</b>									
Technical know-how developed/acquired	95.56	35.73	-	131.29	70.24	-	30.35	100.59	30.70
<b>Total Intangible assets</b>	<b>95.56</b>	<b>35.73</b>	<b>-</b>	<b>131.29</b>	<b>70.24</b>	<b>-</b>	<b>30.35</b>	<b>100.59</b>	<b>30.70</b>
<b>Intangible assets under development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(a) No revaluation has been done during the year with respect to intangible assets.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 5 Investments

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
<b>(A) Investment in subsidiaries</b>				
<b>Investment carried at cost</b>				
<b>In subsidiaries</b>				
<b>Unquoted:</b>				
1,980,000 (1,980,000) Equity Shares of Euro 100 each in Bajaj Auto International Holding B V Amsterdam, Netherlands	1,218.72	1,218.72	-	-
449,997 (449,997) Equity Shares of 100 Thai Baht each in Bajaj Auto (Thailand) Ltd	10.54	10.54	-	-
411,875 (411,875) Equity Shares of USD 3 each in PT. Bajaj Auto Indonesia	6.17	6.17	-	-
Less: Provision for diminution in the value of investment	2.17	2.17	-	-
	4.00	4.00	-	-
470,000,000 (470,000,000) Equity Shares of ₹ 10 each in Chetak Technology Ltd.	470.00	470.00	-	-
52,000,000 (30,000,000) Equity Shares of Reais 1 each in Bajaj do Brasil Comercio De Motocicletas Ltda	84.99	48.00	-	-
295,000,000 (30,000,000) Equity Shares of ₹ 10 each in Bajaj Auto Credit Ltd.	295.00	30.00	-	-
6,000 (6,000) Equity Shares of 100 Euro each in Bajaj Auto Spain S.L.U.	5.17	5.17	-	-
<b>Total (A)</b>	<b>2,088.42</b>	<b>1,786.43</b>	<b>-</b>	<b>-</b>
<b>(B) Other Investments</b>				
<b>Investment carried at Fair Value through OCI</b>				
<b>In Equities:</b>				
<b>Quoted:</b>				
3,500,000 (3,500,000) Equity Shares of ₹ 10 each in Bajaj Holdings & Investments Ltd.	2,895.46	2,072.04	-	-
<b>Unquoted:</b>				
23,924 (20,576) Compulsorily Convertible Preference Shares of ₹ 100 each in Yulu Bikes Private Ltd.	257.04	202.90	-	-
100 (100) Equity Shares of ₹ 1 each in Yulu Bikes Private Ltd.	0.08	0.08	-	-
<b>Fair Value</b>	<b>3,152.58</b>	<b>2,275.02</b>	<b>-</b>	<b>-</b>
<b>Investment carried at amortised cost</b>				
<b>In Bonds and debentures:</b>				
<b>Quoted:</b>				
- (500) 8.30% Rural Electrification Corporation Ltd. of ₹ 1,000,000 each	-	52.22	-	-
Carried over	-	52.22	-	-
Carried over	<b>3,152.58</b>	<b>2,275.02</b>	<b>-</b>	<b>-</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

**5 Investments** (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Brought over	3,152.58	2,275.02	-	-
<b>In Bonds and debentures:</b> (Contd.)				
<b>Quoted:</b> (Contd.)				
Brought over	-	52.22	-	-
- (300) 8.11% Rural Electrification Corporation Ltd. of ₹ 1,000,000 each	-	31.49	-	-
- (1,350) 5.85% Rural Electrification Corporation Ltd. of ₹ 1,000,000 each	-	135.04	-	-
- (3,000) 6.80% Rural Electrification Corporation Ltd. of ₹ 1,000,000 each	-	-	-	301.46
- (1,650) 6.92% Rural Electrification Corporation Ltd. of ₹ 1,000,000 each	-	-	-	165.16
- (1,500) 6.50% Power Finance Corporation Ltd. of ₹ 1,000,000 each	-	152.08	-	-
- (500) 7.04% Power Finance Corporation Ltd. of ₹ 1,000,000 each	-	-	-	50.04
- (3,100) 6.72% Power Finance Corporation Ltd. of ₹ 1,000,000 each	-	-	-	310.93
- (2,500) 6.75% Power Finance Corporation Ltd. of ₹ 1,000,000 each	-	-	-	250.55
500 (500) 8.18% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	52.94	53.46	-	-
1,750 (1,750) 8.24% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	186.86	188.81	-	-
4,550 (4,550) 7.43% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	474.73	477.45	-	-
700 (700) 7.10% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	72.43	72.76	-	-
600 (600) 6.87% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	60.96	61.09	-	-
2,800 (2,800) 6.39% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	277.84	277.58	-	-
750 (750) 6.42% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	73.76	73.58	-	-
250 (250) 6.44% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	24.65	24.59	-	-
1,900 (1,900) 6.49% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	189.71	189.56	-	-
- (100) 6.50% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	-	-	-	10.00
- (250) 6.72% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	-	-	-	25.01
250 (250) 6.85% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	25.16	25.17	-	-
Carried over	1,439.04	1,814.88	-	1,113.15
Carried over	3,152.58	2,275.02	-	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Brought over	3,152.58	2,275.02	-	-
<b>In Bonds and debentures: (Contd.)</b>				
<b>Quoted: (Contd.)</b>				
Brought over	1,439.04	1,814.88	-	1,113.15
- (5,000) 5.05% Bajaj Finance Ltd. of ₹ 1,000,000 each	-	-	-	499.88
- (1,250) 7.20% Housing Development Finance Corporation Ltd. of ₹ 1,000,000 each	-	-	-	125.07
<b>Amortised Cost</b>	<b>1,439.04</b>	<b>1,814.88</b>	<b>-</b>	<b>1,738.10</b>
<b>In Government Bonds &amp; securities:</b>				
<b>Quoted:</b>				
- (5,000,000) 8.03% Gujarat State Development Loan of ₹ 100 each	-	52.61	-	-
- (26,500,000) 7.89% Gujarat State Development Loan of ₹ 100 each	-	278.53	-	-
10,000,000 (10,000,000) 6.49% Gujarat State Development Loan of ₹ 100 each	100.26	100.30	-	-
5,000,000 (5,000,000) 6.57% Gujarat State Development Loan of ₹ 100 each	50.11	50.13	-	-
- (7,464,200) 7.77% Gujarat State Development Loan of ₹ 100 each	-	-	-	75.15
- (1,000,000) 7.98% Karnataka State Development Loan of ₹ 100 each	-	10.60	-	-
10,000,000 (10,000,000) 6.53% Karnataka State Development Loan of ₹ 100 each	100.30	100.33	-	-
4,150,000 (4,150,000) 6.54% Karnataka State Development Loan of ₹ 100 each	41.54	41.55	-	-
7,500,000 (7,500,000) 6.96% Karnataka State Development Loan of ₹ 100 each	75.49	75.54	-	-
- (1,000,000) 8.15% Maharashtra State Development Loan of ₹ 100 each	-	10.68	-	-
- (5,000,000) 7.95% Maharashtra State Development Loan of ₹ 100 each	-	-	-	50.43
<b>Amortised Cost</b>	<b>367.70</b>	<b>720.27</b>	<b>-</b>	<b>125.58</b>
<b>In Certificate of Deposit:</b>				
<b>Unquoted:</b>				
- (5,500) Certificate of Deposit of ₹ 500,000 each of Axis Bank - 23.11.2023	-	-	-	261.93
- (2,000) Certificate of Deposit of ₹ 500,000 each of Axis Bank - 29.11.2023	-	-	-	95.15
- (3,000) Certificate of Deposit of ₹ 500,000 each of Bank of Baroda - 15.11.2023	-	-	-	143.16
Carried over	-	-	-	500.24
Carried over	<b>4,959.32</b>	<b>4,810.17</b>	<b>-</b>	<b>1,863.68</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

**5 Investments** (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Brought over	4,959.32	4,810.17	-	1,863.68
<b>In Certificate of Deposit:</b> (Contd.)				
<b>Unquoted:</b> (Contd.)				
Brought over	-	-	-	500.24
- (4,000) Certificate of Deposit of ₹ 500,000 each of Bank of Baroda - 30.11.2023	-	-	-	190.28
- (2,000) Certificate of Deposit of ₹ 500,000 each of ICICI Bank - 30.11.2023	-	-	-	95.14
- (7,500) Certificate of Deposit of ₹ 500,000 each of ICICI Bank - 17.11.2023	-	-	-	357.75
<b>Amortised Cost</b>	-	-	-	1,143.41
<b>In Commercial Paper:</b>				
<b>Unquoted:</b>				
4,000 (-) Commercial Paper of ₹ 500,000 each of Kotak Mahindra Prime Ltd. - 22.08.2024	-	-	195.39	-
<b>Amortised Cost</b>	-	-	195.39	-
<b>In Fixed Deposits:</b>				
<b>Unquoted:</b>				
- 7.65% Axis Bank Fixed Deposit	-	-	500.00	-
- 7.10% Axis Bank Fixed Deposit	-	-	41.50	-
- 7.70% Canara Bank Fixed Deposit	-	-	300.00	-
- 7.65% Canara Bank Fixed Deposit	-	-	200.00	-
- 7.55% HDFC Ltd. Fixed Deposit	-	-	-	300.00
- 7.55% HDFC Ltd. Fixed Deposit	-	-	-	200.00
- 7.90% HDFC Ltd. Fixed Deposit	-	-	-	400.00
- 7.68% Bajaj Finance Ltd. Fixed Deposit	-	-	250.00	-
- 7.90% Bajaj Finance Ltd. Fixed Deposit	-	-	250.00	-
- 7.55% Bajaj Finance Ltd. Fixed Deposit	-	-	-	300.00
- 7.90% Bajaj Finance Ltd. Fixed Deposit	-	-	-	200.00
<b>Amortised Cost</b>	-	-	1,541.50	1,400.00
<b>In Fixed maturity plans</b>				
<b>Unquoted:</b>				
44,000,000 (44,000,000) Units of Aditya Birla Sun Life Fixed Term Plan - Series - TQ - Direct Growth	49.70	46.79	-	-
50,000,000 (50,000,000) Units of HDFC Fixed Maturity Plan-Series 46 (1861 Days) - Direct Growth	56.40	53.20	-	-
- (10,000,000) Units of ICICI - Prudential Fixed Maturity Plan - Series 87 (1174 Days) Plan B Direct Growth	-	-	-	12.28
Carried over	106.10	99.99	-	12.28
Carried over	4,959.32	4,810.17	1,736.89	4,407.09

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Brought over	4,959.32	4,810.17	1,736.89	4,407.09
<b>In Fixed maturity plans (Contd.)</b>				
<b>Unquoted: (Contd.)</b>				
Brought over	106.10	99.99	–	12.28
74,996,250 (74,996,250) Units of Kotak Fixed Maturity Plan - Series 292 - Direct Growth	87.35	82.43	–	–
44,997,750 (44,997,750) Units of Nippon India Fixed Horizon Fund XLIII -Series 1 - Direct Growth	52.23	49.34	–	–
29,998,500 (29,998,500) Units of Nippon India Fixed Horizon Fund XLIII -Series 5 - Direct Growth	34.14	32.08	–	–
74,996,250 (74,996,250) Units of SBI Fixed Maturity Plan - Series 49 (1823 Days) - Direct Growth	87.10	82.23	–	–
60,000,000 (60,000,000) Units of SBI Fixed Maturity Plan - Series 51 (1846 Days) - Direct Growth	69.08	65.35	–	–
25,000,000 (25,000,000) Units of SBI Fixed Maturity Plan - Series 52 (1848 Days) - Direct Growth	28.66	27.14	–	–
60,000,000 (60,000,000) Units of SBI Fixed Maturity Plan - Series 53 (1839 Days) - Direct Growth	68.67	64.96	–	–
7,500,000 (7,500,000) Units of SBI Fixed Maturity Plan - Series 54 (1842 Days) - Direct Growth	8.60	8.12	–	–
50,000,000 (50,000,000) Units of SBI Fixed Maturity Plan - Series 55 (1849 Days) - Direct Growth	57.11	53.96	–	–
52,500,000 (52,500,000) Units of SBI Fixed Maturity Plan - Series 57 (1835 Days) - Direct Growth	59.77	56.49	–	–
50,000,000 (50,000,000) Units of SBI Fixed Maturity Plan - Series 58 (1842 Days) - Direct Growth	57.18	53.85	–	–
40,000,000 (40,000,000) Units of SBI Fixed Maturity Plan - Series 60 (1878 Days) - Direct Growth	45.23	42.68	–	–
65,000,000 (65,000,000) Units of SBI Fixed Maturity Plan - Series 61 (1927 Days) - Direct Growth	73.40	69.12	–	–
<b>Amortised Cost</b>	<b>834.62</b>	<b>787.74</b>	<b>–</b>	<b>12.28</b>
<b>In Exchange Traded Funds</b>				
<b>Quoted:</b>				
8,724,846 (8,724,846) Bharat Bond ETF April 2025	1,060.37	1,005.69	–	–
15,940,436 (15,940,436) Bharat Bond ETF - April 2030	2,202.00	2,063.50	–	–
3,565,094 (3,565,094) Bharat Bond ETF - April 2031	441.55	413.72	–	–
4,282,638 (4,282,638) Bharat Bond ETF - April 2032	495.22	463.19	–	–
13,695,640 (13,695,640) Nippon India ETF Nifty CPSE Bond Plus SDL - 2024 Maturity	–	157.64	165.69	–
43,000,000 (43,000,000) Nippon India ETF Nifty SDL - April 2026	522.37	493.71	–	–
Carried over	4,721.51	4,597.45	165.69	–
Carried over	5,793.94	5,597.91	1,736.89	4,419.37

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

**5 Investments** (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Brought over	5,793.94	5,597.91	1,736.89	4,419.37
<b>In Exchange Traded Funds</b> (Contd.)				
<b>Quoted:</b> (Contd.)				
Brought over	4,721.51	4,597.45	165.69	–
205,847,653 (205,847,653) Nippon India Nifty AAA CPSE Bond Plus SDL Apr 2027 Maturity 60:40 Index Fund	229.23	214.16	–	–
48,828,497 (48,828,497) Nippon India Nifty SDL Plus G-Sec Jun 2028 70:30 Index Fund	53.70	50.02	–	–
263,770,566 (263,770,566) Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund	301.80	285.04	–	–
166,093,651 (166,093,651) Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund	189.10	178.14	–	–
226,004,362 (226,004,362) Aditya Birla Sun Life Crisil SDL Plus AAA PSU Apr 2027 60:40 Index Fund	252.59	236.38	–	–
76,795,997 (76,795,997) Aditya Birla Sun Life Crisil IBX 50:50 GILT Plus SDL Apr 2028 Index Fund	85.84	80.04	–	–
113,891,937 (113,891,937) Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund	129.18	121.58	–	–
20,000,000 (20,000,000) Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund	23.08	21.58	–	–
48,396,620 (48,396,620) Kotak Nifty SDL Plus AAA PSU Bond Jul 2028 60:40 Index Fund	53.74	50.03	–	–
298,359,352 (298,359,352) SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund	339.15	320.04	–	–
183,849,514 (183,849,514) Axis Crisil SDL 2027 Debt Index Fund	205.71	192.58	–	–
192,038,100 (192,038,100) HSBC Crisil IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund	214.64	200.11	–	–
191,980,955 (191,980,955) DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund	214.66	200.11	–	–
81,937,188 (81,937,188) ICICI Prudential Nifty SDL Dec 2028 Index Fund	91.59	85.05	–	–
63,868,446 (63,868,446) ICICI Prudential Nifty SDL Sep 2027 Index Fund	72.35	68.06	–	–
<b>Amortised Cost</b>	<b>7,177.87</b>	<b>6,900.37</b>	<b>165.69</b>	<b>–</b>
<b>Investment carried at fair value through profit or loss</b>				
<b>In Short-term Funds</b>				
<b>Quoted:</b>				
34,631,684 (34,631,684) Units of DSP Banking & PSU Debt Fund - Direct Plan - Growth	77.89	72.11	–	–
673,225,624 (673,225,624) Units of Bandhan Corporate Bond Fund - Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund-Direct Plan-Growth)	1,199.76	1,117.70	–	–
Carried over	1,277.65	1,189.81	–	–
Carried over	12,971.81	12,498.28	1,902.58	4,419.37

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Brought over	12,971.81	12,498.28	1,902.58	4,419.37
<b>In Short-term Funds (Contd.)</b>				
<b>Quoted: (Contd.)</b>				
Brought over	1,277.65	1,189.81	-	-
14,296,498 (14,296,498) Units of Bandhan Super Saver Income Fund - Short-term-Direct Plan-Growth (erstwhile IDFC Bond Fund-Direct Plan-Growth)	78.52	72.96	-	-
117,182,739 (117,182,739) Units of Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (erstwhile IDFC Banking & PSU Debt Fund - Direct Plan - Growth)	268.41	250.22	-	-
30,603,467 (30,603,467) Units of Kotak Bond Short-term Plan-Direct Plan - Growth	157.68	146.05	-	-
30,779,648 (30,779,648) Units of HSBC Short Duration Fund - Direct Plan- Growth	77.66	72.34	-	-
122,864,287 (122,864,287) Units of Nippon India Floating Rate Fund - Short-term-Direct Plan - Growth	524.86	485.50	-	-
146,141,389 (146,141,389) Units of ICICI Prudential Income Opportunities Fund - Direct Plan-Growth	557.74	512.01	-	-
449,031,864 (449,031,864) Units of HDFC Medium Term Opportunities Fund - Direct Plan-Growth	1,341.86	1,240.19	-	-
116,201,242 (116,201,242) Units of HSBC Banking & PSU Debt Fund - Direct Plan- Growth	268.41	250.17	-	-
<b>Fair Value</b>	<b>4,552.79</b>	<b>4,219.25</b>	<b>-</b>	<b>-</b>
<b>In Arbitrage Funds</b>				
<b>Quoted:</b>				
176,363,260 (-) Units of Bandhan Arbitrage Fund - Direct Plan - Growth	-	-	563.09	-
110,620,376 (-) Units of HSBC Arbitrage Fund - Direct Plan - Growth	-	-	205.05	-
49,438,933 (-) Units of Bajaj Finserv Arbitrage Fund - Direct Plan - Growth	-	-	51.45	-
<b>Fair Value</b>	<b>-</b>	<b>-</b>	<b>819.59</b>	<b>-</b>
Carried over	17,524.60	16,717.53	2,722.17	4,419.37

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

**5 Investments** (Contd.)

(₹ In Crore)				
Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Brought over	17,524.60	16,717.53	2,722.17	4,419.37
<b>In Liquid &amp; Overnight mutual funds</b>				
<b>Quoted:</b>				
893,009 (-) Units of HDFC Liquid Fund - Direct Plan - Growth	-	-	423.61	-
1,455,431 (-) Units of Bajaj Finserv Liquid Fund - Direct Plan - Growth	-	-	153.37	-
2,742,906 (-) Units of Kotak Overnight Fund - Direct Plan - Growth	-	-	350.34	-
187,527 (-) Units of SBI Overnight Fund - Direct Plan - Growth	-	-	73.06	-
1,002,880 (-) Units of UTI Overnight Fund - Direct Plan - Growth	-	-	328.68	-
27,876,019 (-) Units of Nippon India Overnight Fund - Direct Plan - Growth	-	-	358.42	-
1,340,630 (-) Units of Tata Overnight Fund - Direct Plan - Growth	-	-	169.35	-
798,916 (-) Units of HSBC Overnight Fund - Direct Plan - Growth	-	-	100.10	-
1,582,075 (-) Units of Axis Overnight Fund - Direct Plan - Growth	-	-	200.38	-
<b>Fair Value</b>	-	-	2,157.31	-
<b>Total (B)</b>	17,524.60	16,717.53	4,879.48	4,419.37
<b>Total (A+B)</b>	19,613.02	18,503.96	4,879.48	4,419.37
Aggregate provision for diminution in value of investments	2.17	2.17	-	-

(₹ In Crore)				
Particulars	Book value		Market value	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Quoted	19,575.45	17,590.49	19,396.21	17,271.67
Unquoted	4,917.05	5,332.84	NA	NA
<b>Total</b>	<b>24,492.50</b>	<b>22,923.33</b>		

**Notes to Investments**

- Investments made by the Company other than those with a maturity of less than one year, are intended to be held for long-term. On an assessment of the expected credit loss due to significant changes in risk profile, no material provisions are required to be made.
- In absence of an active market and non availability of quotes on a recognised stock exchange, investment in fixed maturity plans though listed on recognised stock exchanges are disclosed as unquoted. Other mutual funds, though unlisted, are quoted on recognised stock exchanges at their previous day NAVs which is the quote for the day.
- Refer note 1 (6) for accounting policy on investments and note 33 for credit risk management related to investments.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 6 Loans

(Unsecured, good, unless stated otherwise)

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Employee loans	2.06	2.28	3.21	3.62
	2.06	2.28	3.21	3.62

## 7 Other financial assets

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Non-current bank balances [See note 12]	0.02	0.02	–	–
Security deposits	27.66	33.56	–	–
Interest receivable on investments	–	–	99.48	156.41
Interest receivable on loans, deposits etc.	–	–	0.62	0.57
Incentives receivable from Government	–	–	290.80	348.59
Other advances	–	–	73.00	50.81
	27.68	33.58	463.90	556.38

Security deposits include a sum of ₹ 1.92 crore (previous year ₹ 9.92 crore) against use of premises on a Leave License basis, placed with directors and their relatives, jointly and severally. [See note 39]

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 8 Other assets

(Unsecured, good, unless stated otherwise)

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Capital advances	63.56	39.80	-	-
Security deposits	8.30	8.47	-	-
Advances recoverable in cash or in kind				
Advances to related parties [See note 39]	-	-	-	12.07
Other advances	27.87	26.99	105.34	100.71
Doubtful advances	4.03	4.03	-	-
	31.90	31.02	105.34	112.78
Provision for doubtful advances	4.03	4.03	-	-
	27.87	26.99	105.34	112.78
Gratuity asset [See note 38]	19.09	1.03	-	-
VAT refund receivable	-	30.83	-	-
GST credit/refund receivable	-	-	482.63	247.22
Export incentives receivable				
Unsecured considered good	-	-	67.98	71.26
	118.82	107.12	655.95	431.26

## 9 Inventories

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Raw materials and components (includes in transit ₹ 85.70 crore (previous year ₹ 35.42 crore))	887.90	664.48
Work-in-progress	84.63	78.13
Finished goods	695.83	631.88
Stores, spares and packing material	25.69	21.85
Loose tools	1.57	1.56
	1,695.62	1,397.90

### Amount recognised in profit and loss

Write-downs of inventories to net realisable value/reversal of provision for write-down, resulted in net loss/(gain) of ₹ 23.17 crore [Previous year – ₹ 52.20 crore]. These were recognised as an expense/(income) during the year in the Statement of Profit and Loss.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 10 Trade receivables

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Unsecured, considered good	-	-	2,122.40	1,776.12
Receivables which have significant increase in credit risk	19.37	43.20	-	-
	19.37	43.20	2,122.40	1,776.12
Allowance for bad and doubtful receivable [See note 33(A)]	(19.37)	(43.20)	-	-
	-	-	2,122.40	1,776.12
	-	-	2,122.40	1,776.12

Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2024	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) Undisputed trade receivables – considered good	2,118.86	1.22	0.68	0.82	0.82	2,122.40
ii) Undisputed trade receivables – which have significant increase in credit risk	0.57	2.13	1.72	0.73	1.77	6.92
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - which have significant increase in credit risk	-	-	0.18	0.65	11.62	12.45
	2,119.43	3.35	2.58	2.20	14.21	2,141.77

Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2023	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) Undisputed trade receivables – considered good	1,761.41	12.13	1.83	0.15	0.60	1,776.12
ii) Undisputed trade receivables – which have significant increase in credit risk	8.23	3.28	1.78	0.63	2.96	16.88
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - which have significant increase in credit risk	-	0.13	0.78	2.54	22.87	26.32
	1,769.64	15.54	4.39	3.32	26.43	1,819.32

## 11 Cash and cash equivalents

(₹ In Crore)

As at 31 March

Particulars	2024	2023
Balances with banks	448.55	219.38
Cash on hand	0.06	0.04
	448.61	219.42

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 12 Other bank balances

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Unclaimed dividend and unspent CSR accounts	-	-	88.01	66.33
Deposits with residual maturity for more than twelve months	0.02	0.02	-	-
Deposits with residual maturity for less than twelve months	-	-	-	-
	0.02	0.02	88.01	66.33
Amount disclosed under 'other financial assets' [See note 7]	(0.02)	(0.02)	-	-
	-	-	88.01	66.33

## 13 Equity share capital

Particulars	(₹ In Crore)			
	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
<b>Authorised</b>				
Equity shares of ₹ 10 each	300,000,000	300.00	300,000,000	300.00
<b>Issued, subscribed and fully paid-up shares</b>				
Equity shares of ₹ 10 each	279,179,756	279.18	282,957,358	282.96
	279,179,756	279.18	282,957,358	282.96

### a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
	<b>Equity shares</b>			
At the beginning of the year	282,957,358	282.96	289,367,020	289.37
Issued during the year	222,398	0.22	-	-
Bought back during the year*	(4,000,000)	(4.00)	(6,409,662)	(6.41)
Outstanding at the end of the year	279,179,756	279.18	282,957,358	282.96

#### For the year ended on 31 March 2024

\* The Board of Directors at its meeting held on 8 January 2024 approved a proposal to buyback fully paid up 40,00,000 equity shares of the Company having a face value of ₹ 10 each at a price of ₹ 10,000 per equity share, on proportionate basis, for an aggregate amount not exceeding ₹ 4,000 crore through tender offer process in accordance with Companies Act, 2013 and rules made thereunder, and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the 'SEBI Buyback Regulations') as amended. The buyback issue opened on 6 March 2024 and closed on 13 March 2024 (both days inclusive).

The buyback outlay aggregated to ₹ 4,932 crore (including tax on buyback). In accordance with relevant statutory provisions, the Company has created a capital redemption reserve of ₹ 4 crore, equal to the nominal value of shares bought back, as an appropriation from retained earnings.

The Buyback Committee of the Company, at its meeting held on 27 March 2024, approved the completion and closure of the buyback.

#### For the year ended on 31 March 2023

\* The Board of Directors at its meeting held on 27 June 2022 approved a proposal to buyback fully paid-up equity shares of the Company having a face value of ₹ 10 each from the existing shareholders (except promoters, promoter group and persons in control of the Company) from open market through stock market mechanism (i.e. through National Stock Exchange of India Ltd. and BSE Ltd.) at a maximum buyback price not exceeding ₹ 4,600 per equity share and maximum buyback size up to ₹ 2,500 crore.

In this regard, the Company bought back 6,409,662 number of equity shares from the stock exchange at a volume weighted average buyback price of ₹ 3,900.31 per share comprising 2.22% of the pre-buyback number of shares of the Company. The buyback resulted in a cash outflow of ₹ 2,499.97 crore (excluding transaction cost and tax on buyback). An amount of ₹ 582.39 crore was paid towards tax on buyback. In accordance with relevant statutory provisions, the Company has created a capital redemption reserve of ₹ 6.41 crore, equal to the nominal value of shares bought back, as an appropriation from retained earnings.

The Buyback Committee of the Company, at its meeting held on 10 October 2022, approved the completion and closure of the buyback.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 13 Equity share capital (Contd.)

#### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The interim dividend declared by the Board of Directors; and the final dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	% Holding	Nos.	% Holding
<b>Equity shares of ₹ 10 each fully paid</b>				
Bajaj Holdings & Investment Ltd.	95,547,251	34.22%	96,727,050	34.18%
Jamnalaal Sons Pvt. Ltd.	25,960,841	9.30%	26,281,400	9.29%

#### d. Shareholding of promoters

Promoter name	No. of shares	% of total shares	% change during the year*
<b>For 2023-24</b>			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	197,561	0.07%	0.00%
Niraj Bajaj	42,103	0.02%	0.00%
Rajiv Bajaj	745,001	0.27%	0.00%
Sanjiv Bajaj	323,233	0.12%	0.00%
Bajaj Holdings & Investment Ltd.	95,547,251	34.22%	0.04%

\* There is a change in number of shares held and percentage of shareholding by the Promoters. This is pursuant to reduced capital on account of buyback of 4,000,000 equity shares of the Company made during the year.

Promoter name	No. of shares	% of total shares	% change during the year*
<b>For 2022-23</b>			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	200,000	0.07%	0.00%
Niraj Bajaj	42,622	0.02%	0.00%
Rajiv Bajaj	754,200	0.27%	0.01%
Sanjiv Bajaj**	327,224	0.12%	0.00%
Bajaj Holdings & Investment Ltd.	96,727,050	34.18%	0.75%

\* No changes in the number of shares held by the Promoters; However, percentages of holdings have changed pursuant to reduced capital on account of buyback of 6,409,662 equity shares of the Company made during the year.

\*\* Sanjiv Bajaj also holds 1,048,796 shares as Executor for the Estate of Late Shri Rahul Bajaj

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 14 Other equity

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Reserves and surplus:</b>		
<b>General reserve</b>		
Balance as at the beginning of the year	6,389.60	6,389.60
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Balance as at the end of the year	6,389.60	6,389.60
<b>Retained earnings</b>		
Balance as at the beginning of the year	17,821.40	19,340.40
Profit for the year	7,478.79	5,627.60
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gains/(losses) of defined benefit plans	26.55	(1.58)
Less: Appropriations		
Share buyback and tax thereon	4,945.02	3,087.47
Recognition of capital redemption reserve	4.00	6.41
Final dividend for the year ended 31 March 2023/2022	3,961.40	4,051.14
Total appropriations	8,910.42	7,145.02
Balance as at the end of the year	16,416.32	17,821.40
<b>Other reserves:</b>		
<b>FVTOCI reserve</b>		
Balance as at the beginning of the year	927.13	626.41
Net (losses)/gains on FVTOCI equity securities	738.58	300.72
Balance as at the end of the year	1,665.71	927.13
<b>Securities premium</b>		
Balance as at the beginning of the year	-	-
Add: Recognised during the year	86.31	-
Balance as at the end of the year	86.31	-
<b>Capital redemption reserve</b>		
Balance as at the beginning of the year	6.41	-
Add: Changes during the year	4.00	6.41
Balance as at the end of the year	10.41	6.41
<b>Share based payment reserve</b>		
Balance as at the beginning of the year	62.09	32.27
Add: Recognised during the year	40.37	29.82
Balance as at the end of the year	102.46	62.09

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 14 Other equity (Contd.)

Particulars	As at 31 March	
	2024	2023
<b>Treasury shares</b>		
Balance as at the beginning of the year	(63.73)	(69.51)
Add: Changes during the year	(25.76)	5.78
Balance as at the end of the year	(89.49)	(63.73)
	24,581.32	25,142.90

### Nature and purpose of reserve:

#### General reserve

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

#### Retained earnings

Retained earnings is a free reserve. This is the accumulated profit earned by the Company till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

#### FVTOCI reserve

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

#### Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium.

#### Capital redemption reserve

As per section 69 of the Companies Act 2013, where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to members of the company as fully paid bonus shares.

#### Share based payment reserve

Share based payment reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the Company for its employees.

#### Treasury shares

The reserve for shares of the Company held by the Bajaj Auto ESOP Trust (ESOP Trust). Company has issued employees stock option scheme for its employees. The equity shares of the Company have been purchased and held by ESOP Trust. Trust to transfer in the name of employees at the time of exercise of option by employees.

## 15 Sales tax deferral

Particulars	As at 31 March	
	2024	2023
<b>Unsecured</b>		
Sales tax deferral liability/loan, an incentive under Package Scheme of Incentives 1983 and 1993 - interest free, partially prepaid	125.84	124.23
	125.84	124.23

The exemption of interest on the sales tax liability deferred for payment is considered as a Government grant and measured at an internal rate of return available for pre-payment of the liability as per the sales tax rules. Also see note 33.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 16 Provisions

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
<b>Provision for employee benefits</b> [See note 38]				
Provision for compensated absences	–	–	147.89	134.65
Provision for welfare scheme	0.84	0.87	–	0.49
	0.84	0.87	147.89	135.14
<b>Other provisions</b>				
Provision for warranties	–	–	40.32	30.81
	0.84	0.87	188.21	165.95

### Provision for warranties

Provision is made for estimated warranty claims in respect of vehicles sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information; and any recent trends that may suggest future claims could differ from historical amounts.

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
At the beginning of the year	30.81	25.63
Arising during the year	40.81	36.22
Utilised during the year	31.30	31.04
<b>At the end of the year</b>	<b>40.32</b>	<b>30.81</b>

## 17 Deferred tax liabilities (net)

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Deferred tax liabilities</b>		
On account of timing difference in		
Property, plant and equipment	178.56	149.60
Employee benefits:		
Defined benefit plans provisions - P&L	10.09	9.67
Defined benefit plans provisions - OCI	0.42	0.42
Financial instruments:		
Mutual funds including fixed maturity plans, ETFs	194.83	152.30
Financial assets at FVTOCI	210.41	117.17
	405.24	269.47
<b>Gross deferred tax liabilities</b>	<b>594.31</b>	<b>429.16</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 17 Deferred tax liabilities (net) (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Deferred tax assets</b>		
On account of timing difference in		
Employee benefits:		
Welfare scheme costs & others	0.21	0.34
Bonus provisions	1.72	1.72
Provision for privilege leave etc.	37.22	33.89
Defined benefit plans provisions - P&L	-	-
Defined benefit plans provisions - OCI	5.28	14.21
	44.43	50.16
Financial instruments:		
Amortisation on acquisition/liquidation of fixed income securities	24.94	9.86
	24.94	9.86
Other items:		
Provision for bad/doubtful debts and advances	5.89	11.89
Taxes, duties, others etc.	12.11	12.10
	18.00	23.99
<b>Gross deferred tax assets</b>	<b>87.37</b>	<b>84.01</b>
	<b>506.94</b>	<b>345.15</b>

### Movement in deferred tax liabilities (net):

Particulars	(₹ In Crore)				
	Property, plant and equipment	Financial instruments	Employee benefits	Other items	Total
At 31 March 2022	116.03	343.32	(31.90)	(24.12)	403.33
Charged/(credited)					
- to profit and loss	33.57	(99.86)	(7.64)	0.15	(73.78)
- to other comprehensive income	-	16.15	(0.53)	(0.02)	15.60
At 31 March 2023	149.60	259.61	(40.07)	(23.99)	345.15
Charged/(credited)					
- to profit and loss	28.96	27.45	(2.78)	5.99	59.62
- to other comprehensive income	-	93.24	8.93	-	102.17
At 31 March 2024	178.56	380.30	(33.92)	(18.00)	506.94

## 18 Other non-current liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Annuity payable to VRS/Welfare scheme optees	0.14	0.19
	0.14	0.19

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 19 Short-term borrowings

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Unsecured</b>		
Foreign currency loan, from a bank as packing credit facility against exports	834.05	-
	834.05	-

## 20 Trade payables

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Total outstanding dues of micro enterprises and small enterprises (refer note 44 for details of dues to micro and small enterprises)	745.30	269.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,864.88	3,804.47
	5,610.18	4,073.88

Due - Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2024	Unbilled	Not due	Due - Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	745.30	-	-	-	-	745.30
(ii) Others	887.78	3,026.11	939.94	7.36	1.00	2.69	4,864.88
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	887.78	3,771.41	939.94	7.36	1.00	2.69	5,610.18

Due - Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2023	Unbilled	Not due	Due - Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	269.41	-	-	-	-	269.41
(ii) Others	935.18	2,439.57	424.35	2.81	0.47	2.09	3,804.47
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	935.18	2,708.98	424.35	2.81	0.47	2.09	4,073.88

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 21 Other financial liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Security deposits	36.45	27.25
Unclaimed dividend	29.75	28.55
Directors' remuneration and commission payable [see note 39]	35.63	32.02
Employee benefits payable	198.85	155.79
Other payables	250.73	203.31
	<b>551.41</b>	<b>446.92</b>

Refer note 32 for financial liabilities measured at amortised cost.

## 22 Other current liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Annuity payable to VRS/Welfare scheme optees	0.12	0.06
Advance received from customers	326.07	234.84
Taxes and duties payable	1,003.88	111.29
Other payables	191.09	138.71
	<b>1,521.16</b>	<b>484.90</b>

## 23 Revenue from operations

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>Revenue from operations</b>		
Revenue from contracts with customers		
Sale of products*	43,578.87	35,359.15
<b>Other operating revenue</b>		
Scrap sales	30.34	28.74
Export incentives	434.99	469.33
Package Scheme of Incentives (PSI)	58.89	45.04
Royalty	316.29	231.95
Rent [See note 40]	51.82	40.17
Insurance claims	0.56	1.19
Miscellaneous receipts	101.12	158.57
Government grants	2.65	2.65
Interest income on financial services to dealers	109.70	90.81
	<b>1,106.36</b>	<b>1,068.45</b>
	<b>44,685.23</b>	<b>36,427.60</b>

\* This includes Faster Adoption and Manufacturing of Electric Vehicles (FAME)-II subsidy receivable on sale of eligible products from Central and State Government amounting to ₹ 404.73 crore (31 March 2023: ₹ 157.83 crore).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 23 Revenue from operations (Contd.)

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>Revenue from contracts with customers</b> (Goods transferred at a point in time)		
India	29,130.10	20,901.08
Outside India	14,448.77	14,458.07
Total revenue from contracts with customers	43,578.87	35,359.15
<b>Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price</b>		
Revenue as per contracted price	44,034.27	35,676.86
Adjustments:		
Cash discounts and target incentives	(371.20)	(309.62)
Sales promotion expenses (primarily vehicle discounts)	(84.20)	(8.09)
Revenue from contracts with customers	43,578.87	35,359.15

### 24 Other income

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>Investment income</b>		
Interest income on fixed income securities	195.55	306.99
Amortisation of (premium)/discount on acquisition of fixed income securities	96.50	(2.00)
Interest income on fixed deposits	141.85	61.05
Interest income on exchange traded funds	443.19	344.56
Interest income on fixed maturity plans	46.90	39.55
Interest income from financial assets at amortised cost	923.99	750.15
Dividend income on other strategic investments	43.05	47.25
Gain on valuation and realisation of mutual funds measured at FVTPL	437.11	174.53
Profit/(loss) on sale of other investments, net	(16.61)	-
	1,387.54	971.93
<b>Others</b>		
Surplus on sale of property, plant and equipment	5.83	111.56
Gains on exchange fluctuations	9.08	97.93
	14.91	209.49
	1,402.45	1,181.42

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 25 Changes in inventories

(₹ In Crore)

Particulars	For the year ended 31 March		
	2024	2023	(Increase)/ decrease
<b>Inventories at the end of the year</b>			
Work-in-progress	84.63	78.13	(6.50)
Finished goods	695.83	631.88	(63.95)
	780.46	710.01	(70.45)
<b>Inventories at the beginning of the year</b>			
Work-in-progress	78.13	70.11	(8.02)
Finished goods	631.88	541.79	(90.09)
	710.01	611.90	(98.11)
	(70.45)	(98.11)	

## 26 Employee benefits expense

(₹ In Crore)

Particulars	For the year ended 31 March	
	2024	2023
Salaries, wages and bonus to employees [See note 39]	1,320.62	1,246.16
Contribution to provident and other funds [See note 38 & 39]	91.41	88.37
Share based payment to employees	40.37	29.82
Staff welfare expenses	85.16	80.55
	1,537.56	1,444.90

## 27 Finance costs

(₹ In Crore)

Particulars	For the year ended 31 March	
	2024	2023
Interest expense	51.90	38.02
Interest adjustment on Government grant	1.60	1.46
	53.50	39.48

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 28 Depreciation and amortisation expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Depreciation on property, plant and equipment	327.95	248.99
Depreciation on investment property	1.12	1.12
Amortisation of intangible asset	18.79	30.35
Amortisation of leasehold land	1.98	1.98
	<b>349.84</b>	<b>282.44</b>

## 29 Other expenses

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Stores and tools consumed	171.94	153.55
Power, fuel and water	147.80	122.51
Rent	16.70	13.60
Repairs to buildings	58.27	47.11
Repairs to machinery	99.70	105.23
Other repairs	23.61	20.49
Insurance	15.01	12.15
Rates and taxes	12.83	13.49
Payment to auditor	2.09	1.87
Directors' fees and travelling expenses	0.97	1.05
Commission to non-executive directors	3.02	2.58
Travelling expenses	56.89	45.03
Miscellaneous expenses	660.67	554.51
Packing material consumed	368.08	409.32
Freight and forwarding expenses	148.22	194.18
Advertisement	478.05	359.85
Vehicle service charges and other expenses	211.37	164.74
Sales promotion expenses	27.95	30.50
Contribution to electoral bonds (Paid to Aam Aadmi Party in previous year)	-	5.00
Expenditure towards Corporate Social Responsibility (CSR) activities	131.72	124.99
Bad debts and other irrecoverable debit balances written off	14.89	5.98
Loss on property, plant and equipment sold, demolished, discarded and scrapped	2.91	14.11
Provision for doubtful debts and advances, net (includes expected credit loss on trade receivables)	(23.83)	4.79
	<b>2,628.86</b>	<b>2,406.63</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### Payment to auditor

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>As auditor</b>		
Audit fee	1.04	1.04
Tax audit fee	0.10	0.10
Limited review	0.66	0.66
Other services (certification fees)	0.24	0.02
Reimbursement of expenses	0.05	0.05
	2.09	1.87

### Expenditure towards Corporate Social Responsibility (CSR) activities

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>a) Detail of spends</b>		
i) Gross amount required to be spent by the Company during the year	131.72	124.99
ii) Amount of expenditure incurred	131.72	124.99
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities		
Poverty, Health, Sanitation, Water	5.09	7.24
Education, Special Education, Vocation, Livelihoods	13.50	22.93
Environment, Soil And Water, Protection of Flora and fauna	1.54	9.88
Heritage, Art, Culture, Handicrafts, Public Libraries	0.18	0.23
Rural Development	-	4.79
Gender/Women, Orphans, Homes & Hostels, Day Care	-	1.90
Others (including provision for unspent)	111.41	78.02
<b>Total</b>	131.72	124.99
No funds relating to other than identified and ongoing projects are required to be transferred to specified funds.		
<b>b) Amount spent in cash during the year on:</b>		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	131.72	124.99
	131.72	124.99

### Details of ongoing projects

Opening balance		Amount required to be spent	Amount spent during the year			Closing balance	
With Company	In separate CSR unspent account		From Company's bank account	From separate CSR unspent account	Amount transferred to CSR unspent account	With Company	In separate CSR unspent account
72.42	37.78	131.72	25.85	51.94	72.42	105.87	58.26

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 30 Tax expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>(a) Tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	2,283.60	1,854.82
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	(3.36)	(6.57)
(Decrease)/increase in deferred tax liabilities	62.98	(67.21)
Total deferred tax expense/(benefit)	59.62	(73.78)
Tax expenses	2,343.22	1,781.04
<b>(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate</b>		
Profit before tax	9,822.01	7,408.64
Tax at the Indian tax rate of 25.168% (Previous year - 25.168%)	2,472.00	1,864.61
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
– Corporate social responsibility expenditure and contribution to electoral bonds	33.15	32.72
– Rate difference in amortisation of fixed income securities	(2.58)	(3.78)
– Others	22.97	7.50
Tax effect of amounts which are deductible (non taxable) in calculating taxable income:		
– Dividend received on strategic investment	(10.84)	(11.89)
– Profit on investments not taxable	(28.83)	(40.97)
– Income from fair valuation of mutual funds	(142.73)	(67.24)
– Disallowance of expenditure incurred on rented property (net)	0.08	0.09
Tax expense	2,343.22	1,781.04

### 31 Earnings Per Share (EPS)

Particulars	For the year ended 31 March	
	2024	2023
a. Profit for the year (₹ In Crore)	7,478.79	5,627.60
Net weighted average number of shares outstanding during the year (Nos)	282,695,661	285,206,634
b. Earnings per share (Basic and Diluted) ₹	264.6	197.3
Face value per share ₹	10.0	10.0

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 32 Fair value measurement

### i) Financial instruments by category

(₹ In Crore)

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>						
Investments						
– Equity	–	3,152.58	–	–	2,275.02	–
– Bonds and debentures	–	–	1,439.04	–	–	3,552.98
– Government bonds and securities	–	–	367.70	–	–	845.85
– Certificate of Deposit	–	–	–	–	–	1,143.41
– Commercial Papers	–	–	195.39	–	–	–
– Fixed maturity plans	–	–	834.62	–	–	800.02
– Exchange traded funds	–	–	7,343.56	–	–	6,900.37
– Fixed deposits	–	–	1,541.50	–	–	1,400.00
– Short-term funds	4,552.79	–	–	4,219.25	–	–
– Liquid mutual funds	2,157.31	–	–	–	–	–
– Arbitrage Funds	819.59	–	–	–	–	–
Trade receivables	–	–	2,122.40	–	–	1,776.12
Loans	–	–	5.27	–	–	5.90
Other financial assets	–	–	491.58	–	–	589.96
Cash and cash equivalents	–	–	448.61	–	–	219.42
Other bank balances	–	–	88.01	–	–	66.33
	7,529.69	3,152.58	14,877.68	4,219.25	2,275.02	17,300.36
<b>Financial liabilities</b>						
Borrowings	–	–	834.05	–	–	–
Sales tax deferral	–	–	125.84	–	–	124.23
Trade payables	–	–	5,610.18	–	–	4,073.88
Other financial liabilities	–	–	551.41	–	–	446.92
	–	–	7,121.48	–	–	4,645.03

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 32 Fair value measurement (Contd.)

#### ii) Fair value hierarchy

This section explains the judgments 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 accounting standard. An explanation of each level follows underneath the table.

#### Financial assets/liabilities measured at fair value - recurring fair value measurements At 31 March 2024

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>Financial investments at FVTPL</b>					
Short-term funds	5	4,552.79	–	–	4,552.79
Liquid mutual funds	5	2,157.31	–	–	2,157.31
Arbitrage funds	5	819.59	–	–	819.59
<b>Financial investments at FVTOCI</b>					
Equity investment	5	2,895.46	257.12	–	3,152.58
		10,425.15	257.12	–	10,682.27

#### Assets disclosed at fair value - At 31 March 2024

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	–	225.38	–	225.38

#### Financial assets/liabilities measured at fair value - recurring fair value measurements At 31 March 2023

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>Financial investments at FVTPL</b>					
Short-term mutual funds	5	4,219.25	–	–	4,219.25
<b>Financial investments at FVTOCI</b>					
Equity investment	5	2,072.04	202.98	–	2,275.02
		6,291.29	202.98	–	6,494.27

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 32 Fair value measurement (Contd.)

#### ii) Fair value hierarchy (Contd.)

##### Assets disclosed at fair value - At 31 March 2023

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	-	223.09	-	223.09

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

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

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

- Open ended mutual funds at NAV's/rates declared and/or quoted

#### iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ In Crore)

Particulars	31 March 2024		31 March 2023	
	Carrying Amount	Fair value	Carrying Amount	Fair value
<b>Financial assets</b>				
<b>Investments</b>				
Bonds and debentures	1,439.04	1,379.96	3,552.98	3,458.40
Government bonds and securities	367.70	352.92	845.85	811.01
Fixed maturity plans	834.62	823.27	800.02	778.99
Exchange traded funds	7,343.56	7,234.73	6,900.37	6,710.97
	9,984.92	9,790.88	12,099.22	11,759.37

The carrying amounts of certificate of deposits, commercial paper, fixed deposits, trade receivables, trade payables, other financial assets/liabilities, loans and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 33 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk (including foreign exchange risk). In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments such as foreign exchange forward contracts and foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost & fair value through profit or loss	Credit ratings	Diversification of counterparties, diversification of investment limits, monitoring of counterparties basis credit rating
	Derivative financial instruments	Credit ratings	Deal with reputed banks holding high credit risk rating.
	Trade receivables	Credit Limit & Ageing analysis	No. of overdue days, monitoring of credit limits
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk- Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR	Sensitivity analysis	Forward foreign exchange contracts and foreign currency options. <ul style="list-style-type: none"> <li>• The Company has not hedged its FCY borrowings as it is naturally hedged against receivables.</li> <li>• Interest Rate Risk</li> </ul>

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of available funds. The Company's risk management is carried out by a treasury department as per such policies approved by the Board of Directors. Accordingly, Company's treasury department identifies, evaluates and hedges financial risks.

#### A) Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations leading to a financial loss to the Company. Credit risk primarily arises from cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and trade receivables. None of the financial instruments of the Company result in material concentration of credit risk.

#### Credit risk management

For Derivative instruments exposures are extended with multiple banks holding high credit risk ratings.

In regard to Trade receivables, which are typically unsecured, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Accordingly, impairment loss allowance is recognised based on lifetime expected credit losses at each reporting date, right from its initial recognition. The provision rates are based on days past due; and the calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 33 Financial risk management (Contd.)

Set out below is the information about the credit risk exposure of the Company's trade receivables using provision matrix:

Particulars	(₹ In Crore)	
	As on 31 March	
	2024	2023
Estimated total gross carrying amount	2,141.77	1,819.32
ECL	19.37	43.20
Net carrying amount	2,122.40	1,776.12

#### Reconciliation of impairment allowance – Trade receivable

Particulars	(₹ In Crore)
<b>Impairment allowance as on 31 March 2022</b>	<b>39.66</b>
Changes in loss allowance	3.54
<b>Impairment allowance as on 31 March 2023</b>	<b>43.20</b>
Changes in loss allowance	(23.83)
<b>Impairment allowance as on 31 March 2024</b>	<b>19.37</b>

For other financial assets, the Company has an investment policy which allows the Company to invest only with counterparties having a credit rating equal to or above AA+ and A1+. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counter-party limits maybe updated as and when required, subject to approval of the Board of Directors.

#### B) Liquidity risk

The Company's principal sources of liquidity are 'cash and cash equivalents' and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. Apart from working capital facilities from banks which are repayable on demand, the Company has no outstanding long-term borrowings except sales tax deferral liability amounting to ₹ 125.84 crore which are interest free and are repayable after 9 years from the Balance Sheet date. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence the Company carries a negligible liquidity risk.

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>The Company had</b>		
Net working capital funds	1,631.48	3,672.36
which includes;		
i) Cash and cash equivalents	448.61	219.42
ii) Current investments	4,879.48	4,419.37

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 33 Financial risk management (Contd.)

The table below summarises the contractual maturities of financial liabilities as at 31 March 2024 and 31 March 2023:

#### Maturities of financial liabilities

(₹ In Crore)

Particulars	Less than and equal to 1 year	More than 1 year	Total
<b>As on 31 March 2024</b>			
<b>Non-Derivatives</b>			
Sales tax deferral (discounted)	–	125.84	125.84
Trade payables	5,610.18	–	5,610.18
Short-term borrowings	834.05	–	834.05
Other financial liabilities	551.41	–	551.41
<b>Total Non-Derivative Liabilities</b>	<b>6,995.64</b>	<b>125.84</b>	<b>7,121.48</b>
<b>As on 31 March 2023</b>			
<b>Non-Derivatives</b>			
Sales tax deferral (discounted)	–	124.23	124.23
Trade payables	4,073.88	–	4,073.88
Other financial liabilities	446.92	–	446.92
<b>Total Non-Derivative Liabilities</b>	<b>4,520.80</b>	<b>124.23</b>	<b>4,645.03</b>

#### C) Market risk

##### (i) Foreign currency risk

The Company has significant exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through sensitivity analysis. The primary objective for forex hedging against anticipated foreign currency risks will be to hedge the Company's highly probable foreign currency cash flows arising from such transactions (thus reducing volatility of cash flow and profit). Due to the current stable foreign currency environment and the Company's outlook on exchange rate movement, the Company decided not to hedge exports in current year. However, the Company continuously monitors this situation and may hedge export exposure based on market developments.

The Company's risk management policy permits the use of plain foreign exchange forward contracts and foreign currency option contracts including Foreign Currency - INR Option Cost Reduction Structures to hedge forecasted sales.

The Company also imports certain materials the value of which is not material as compared to value of exports. Currently, The Company does not hedge this exposure. Nevertheless, the Company may wish to hedge such exposures.

The Company uses a combination of foreign currency option contracts and foreign exchange forward contracts to hedge its exposure in foreign currency risk. The Company designates forward contracts in entirety and intrinsic value of foreign currency option contracts as the hedging instrument. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised through other comprehensive income in the 'Cash flow hedging reserve' within equity. The change in time value that relate to the hedged item (aligned time value) is recognised through other comprehensive income in 'Costs of hedging reserve' within equity. Amount recognised in equity is reclassified to profit or loss when the hedged item (i.e. forecasted export sales) affects Statement of Profit and Loss. The ineffective portion of change in fair value of the hedging instrument and any residual time value (the non-aligned portion), if any, is recognised in the Statement of Profit and Loss immediately.

The intrinsic value of foreign exchange option contracts is determined with reference to the relevant spot market exchange rate. The differential between the contracted strike rate and the spot market exchange rate is defined as the intrinsic value. Time value of the option is the difference between fair value of the option and the intrinsic value.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 33 Financial risk management (Contd.)

#### Open exposure

The Company's exposure to foreign currency risk at the end of the reporting period are as follows

	(USD Million)	
	As at 31 March	
	2024	2023
Receivables	97.83	70.26
Payables	20.23	7.03
Borrowings	100.00	–
Others (EEFC balances)	24.41	3.98

#### Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

#### Cash flow hedge foreign exchange risk 31 March 2024

Type of hedge and risk	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency options	–	–	N.A.	–	–
	–	–		–	–

#### Cash flow hedge foreign exchange risk 31 March 2023

Type of hedge and risk	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency options	–	–	N.A.	(72.60)	(72.60)
	–	–		(72.60)	(72.60)

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

#### Cash flow hedge 31 March 2024

Type of hedge	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 exchange risk – Options contracts	–	–	–	–
	–	–	–	–

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 33 Financial risk management (Contd.)

#### Cash flow hedge foreign exchange risk 31 March 2023

(₹ In Crore)

Type of hedge	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 exchange risk – Options contracts	(72.60)	–	(25.63)	Revenue
	(72.60)	–	(25.63)	

The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, so a qualitative assessment of effectiveness is performed. During the years ended 31 March 2024 and 31 March 2023, the Company did not have any hedging instruments with terms which were not aligned with those of the hedged items.

Therefore, no ineffectiveness is recognised in the Statement of Profit and Loss during the years ended 31 March 2024 and 31 March 2023.

#### Movements in cash flow hedging reserve and costs of hedging reserve

(₹ In Crore)

Risk Category	Foreign Currency Risk
Derivative Instrument	Foreign exchange options
<b>(i) Cash flow hedging reserve</b>	
<b>Balance – As at 31 March 2022</b>	<b>54.33</b>
Add: Change in intrinsic value of foreign currency options	(98.23)
Less: Amount reclassified to profit or loss	25.63
Deferred tax relating to the above (net)	18.27
<b>Balance – As at 31 March 2023</b>	<b>–</b>
Add: Change in intrinsic value of foreign currency options	–
Less: Amount reclassified to profit or loss	–
Deferred tax relating to the above (net)	–
<b>Balance – As at 31 March 2024</b>	<b>–</b>
<b>(ii) Costs of hedging reserve</b>	
<b>Balance – As at 31 March 2022</b>	<b>5.93</b>
Less: Change in time value of foreign currency options	(21.48)
Less: Amount reclassified to profit or loss	13.56
Deferred tax relating to the above (net)	1.99
<b>Balance – As at 31 March 2023</b>	<b>–</b>
Add: Change in time value of foreign currency options	–
Less: Amount reclassified to profit or loss	–
Deferred tax relating to the above (net)	–
<b>Balance – As at 31 March 2024</b>	<b>–</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 33 Financial risk management (Contd.)

#### (ii) Other risks

The Company has deployed its surplus funds into various financial instruments including units of mutual funds, bonds, fixed maturity plans, exchange traded funds, index funds etc. The Company is exposed to price risk on such investments, which arises on account of movement in interest rates, liquidity and credit quality of underlying securities.

The Company has invested its surplus funds primarily in debt based mutual funds and fixed maturity plans. The value of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis. The Company has not performed a sensitivity analysis on these mutual funds based on estimated fluctuations in their NAV as in Management's opinion, such analysis would not display a correct picture.

### 34 Capital management

#### a) Objectives, policies and processes of capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company is not exposed to any regulatory imposed capital requirements.

The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with the guidelines set out by the management. Safety of capital is of prime importance to ensure availability of capital for operations. Investment objective is to provide safety and adequate return on the surplus funds.

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Equity	24,860.50	25,425.86
Less: Tangible and other assets	3,616.00	3,249.54
Working capital (excl. investments)	(3,248.00)	(747.01)
Investments in subsidiaries	2,088.42	1,786.43
<b>Investments in debt and similar investments</b>	<b>22,404.08</b>	<b>21,136.90</b>

No changes were made in the objectives, policies and processes of capital management during the year.

#### b) Dividends distributed and proposed

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Dividends recognised in the financial statements</b>		
Final dividend for the year ended 31 March 2023 of ₹ 140 (31 March 2022 - ₹ 140) per equity share, declared and paid	3,961.40	4,051.14
<b>Dividends not recognised at the end of the reporting period</b>		
Directors have recommended the payment of a final dividend of ₹ 80 per equity share (31 March 2023 - ₹ 140). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	2,233.44	3,961.40

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 35 Contingent liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
a. Claims against the Company not acknowledged as debts	208.27	205.04
b. Excise, Service tax, GST and Customs matters under dispute	355.20	341.75
c. Income-tax matters	958.43	941.84
d. Value Added Tax (VAT)/Sales Tax matters under dispute	101.03	126.62
e. Claims made by temporary workmen Pending before various judicial/appellate authorities in respect of similar matters adjudicated by the Supreme Court. The matter is contingent on the facts and evidence presented before the courts/ adjudicating authorities and not necessarily likely to be influenced by the Supreme Court's order	Liability unascertained	Liability unascertained

In all the cases mentioned above, outflow is not probable and hence not provided by the Company.

### 36 Capital commitments

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Capital commitments, net of capital advances	234.85	169.55

### 37 Segment information

Segment information based on consolidated financial statements is given in note 43 to consolidated financial statements, which are attached to these financial statements.

The Company's Core Management Committee (CMC), examines the Group's performance both from a product and geographical perspective and has identified three reportable operative business segments. The Group's significant source of risk and rewards are derived from Automotive business, Investments and Financing business, the performance of which is reviewed by the committee on a periodic basis and hence considered as individual operative segments.

The business segments comprise the following:

- i. Automotive
- ii. Investments
- iii. Financing
- iv. Others

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 38 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. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The gratuity plan is a funded plan and the Company makes contributions to approved gratuity fund.

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Amount recognised in Balance Sheet</b>		
Present value of funded defined benefit obligation (DBO)	471.15	472.56
Fair value of plan assets	(495.05)	(505.16)
<b>Net funded obligation</b>	<b>(23.90)</b>	<b>(32.60)</b>
Amount not recognized due to asset ceiling	4.81	31.57
<b>Net defined benefit liability/(asset) recognised in Balance Sheet</b>	<b>(19.09)</b>	<b>(1.03)</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	26.67	26.48
Interest on net defined benefit liability/(asset)	(1.94)	(2.75)
<b>Total expense charged to Statement of Profit and Loss</b>	<b>24.73</b>	<b>23.73</b>
<b>Amount recorded as Other Comprehensive Income</b>		
<b>Opening amount recognized in OCI outside statement of profit and loss</b>	<b>56.48</b>	<b>54.34</b>
Remeasurements during the period due to		
Changes in financial assumptions	8.12	(6.30)
Experience adjustments	(6.13)	(1.51)
Actual return on plan assets less interest on plan assets	(8.36)	12.20
Adjustment to recognize the effect of asset ceiling	(29.11)	(2.25)
<b>Closing amount recognized in OCI outside statement of profit and loss</b>	<b>21.00</b>	<b>56.48</b>

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Reconciliation of net liability/(asset)</b>		
<b>Opening net defined benefit liability/(asset)</b>	<b>(1.03)</b>	<b>(12.92)</b>
Expense charged to Statement of Profit and Loss	24.73	23.73
Amount recognised outside Statement of Profit and Loss	(35.48)	2.14
Employer contributions	(7.31)	(13.98)
<b>Closing net defined benefit liability/(asset)</b>	<b>(19.09)</b>	<b>(1.03)</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 38 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Gratuity (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Movement in benefit obligation</b>		
<b>Opening of defined benefit obligation</b>	472.56	477.07
Current service cost	26.67	26.48
Interest on defined benefit obligation	30.63	30.57
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	8.12	(6.30)
Actuarial loss/(gain) arising on account of experience changes	(6.13)	(1.51)
Benefits paid	(60.70)	(53.75)
<b>Closing of defined benefit obligation</b>	<b>471.15</b>	<b>472.56</b>

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Movement in plan assets</b>		
<b>Opening fair value of plan assets</b>	505.16	521.52
Employer contributions	7.31	13.98
Interest on plan assets	34.91	35.60
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	8.37	(12.19)
Benefits paid	(60.70)	(53.75)
<b>Closing fair value of plan assets</b>	<b>495.05</b>	<b>505.16</b>

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Disaggregation of assets</b>		
<b>Category of assets</b>		
Insurer managed funds	495.05	505.16
Others	-	-
	495.05	505.16

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 38 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Gratuity (Contd.)

##### 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 (DBO) at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
<b>Senior staff</b>				
Impact of increase in 50 bps on DBO	(3.00%)	3.09%	(3.09%)	3.18%
Impact of decrease in 50 bps on DBO	3.19%	(2.94%)	3.28%	(3.03%)
<b>Junior staff</b>				
Impact of increase in 50 bps on DBO	(3.65%)	3.86%	(3.21%)	3.40%
Impact of decrease in 50 bps on DBO	3.99%	(3.58%)	3.50%	(3.16%)

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.

The expected contribution payable to the plan next year is ₹ 15 crore.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 38 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Gratuity (Contd.)

##### 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:

(₹ In Crore)

Particulars	Less than a year	Between 1 - 2 years	Between 3 -5 years	Over 5 years	Total
<b>31 March 2024</b>					
Senior staff	34.78	12.47	79.22	214.96	341.43
Junior staff	80.89	38.96	66.10	424.22	610.17
<b>31 March 2023</b>					
Senior staff	34.64	8.40	75.13	205.78	323.95
Junior staff	88.13	43.43	86.98	400.94	619.48

Weighted average duration of defined benefit obligation (in years)	As at 31 March	
	2024	2023
Senior Staff	6.19	6.36
Junior Staff	7.63	6.70

Principal Actuarial Assumptions (Expressed as Weighted Averages)	As at 31 March	
	2024	2023
Discount rate (p.a.)	7.20%	7.45%
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.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 38 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Provident Fund:

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Amount recognised in Balance Sheet</b>		
Present value of funded defined benefit obligation	1,516.11	1,452.17
Fair Value of plan assets	(1,566.45)	(1,476.49)
<b>Net funded obligation</b>	<b>(50.34)</b>	<b>(24.32)</b>
Amount not recognised due to asset ceiling	50.34	24.32
<b>Net defined benefit liability/(asset) recognised in Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	45.23	42.81
<b>Total expenses charged to Statement of Profit and Loss</b>	<b>45.23</b>	<b>42.81</b>
<b>Amount recorded as Other Comprehensive Income</b>		
<b>Opening amount recognised in OCI outside Statement of Profit and Loss</b>		
Remeasurements during the period due to		
Changes in financial assumptions	10.83	-
Experience adjustments	19.92	21.67
Actual return on plan assets less interest on plan assets	(54.95)	24.76
Adjustment to recognize the effect of asset ceiling	24.20	(46.43)
<b>Closing amount recognised in OCI outside Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of net liability/(asset)</b>		
<b>Opening net defined benefit liability/(asset)</b>		
Expense charged to Statement of Profit and Loss	45.23	42.81
Employer contributions	(45.23)	(42.81)
<b>Closing net defined benefit liability/(asset)</b>	<b>-</b>	<b>-</b>
<b>Movement in benefit obligation</b>		
<b>Opening of defined benefit obligation</b>		
Current service cost	45.23	42.81
Interest on defined benefit obligation	105.49	98.50
Remeasurements due to:		
Actuarial loss/(gain) arising on account of experience adjustments	19.92	21.67
Actuarial loss/(gain) arising from change in financial assumptions	10.83	-
Employee contributions	82.60	80.26
Benefits paid	(194.93)	(173.18)
Liabilities assumed/(settled)	(5.20)	(3.01)
<b>Closing defined benefit obligation</b>	<b>1,516.11</b>	<b>1,452.17</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 38 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Provident Fund: (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Movement in plan assets</b>		
<b>Opening fair value of plan assets</b>	1,476.49	1,451.09
Interest on plan assets	107.31	103.28
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	54.95	(24.76)
Employer contributions during the period	45.23	42.81
Employee contributions during the period	82.60	80.26
Benefits paid	(194.93)	(173.18)
Assets acquired/(settled)	(5.20)	(3.01)
<b>Closing fair value of plan assets</b>	<b>1,566.45</b>	<b>1,476.49</b>

Disaggregation of assets	(₹ In Crore)	
	As at 31 March	
	2024	
<b>Quoted</b>		
Government debt instruments	947.73	
Other debt instruments	504.25	
Others	48.59	
<b>Unquoted</b>		
Other debt instruments	-	
Others	65.88	
	<b>1,566.45</b>	

Key actuarial assumptions	As at 31 March	
	2024	2023
Discount rate (p.a.)	7.20%	7.45%
Future derived return on assets (p.a.)	8.97%	9.43%
Discount rate for the remaining term to maturity of the investment (p.a.)	7.15%	7.30%
Average historic yield on the investment (p.a.)	8.92%	9.28%
Guaranteed rate of return (p.a.)	8.25%	8.15%

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 38 Employee benefits (Contd.)

#### Unfunded schemes

(₹ In Crore)

Particulars	As at 31 March 2024	As at 31 March 2023
	Compensated Absences	Compensated Absences
Present value of unfunded obligations	147.89	134.65
Expense recognised in the Statement of Profit and Loss	24.37	18.45
Amount recorded as Other Comprehensive Income		
Discount rate (p.a.)	7.20%	7.45%
Salary escalation rate (p.a.) - senior staff	10.00%	10.00%
Salary escalation rate (p.a.) - junior staff	10.00%	10.00%

#### Compensated absences

The compensated absences cover the Company's liability for casual and earned 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.

(₹ In Crore)

Particulars	As at 31 March	
	2024	2023
Compensated absences expected to be settled after twelve months	117.05	105.31

(₹ In Crore)

Particulars	As at 31 March	
	2024	2023
<b>Amount recognised in the Statement of Profit and Loss</b>		
<b>Defined contribution plans:</b>		
Superannuation paid to trust	8.41	8.38
Pension fund paid to Government authorities	10.78	12.30
Others	1.86	0.68
<b>Defined benefit plans:</b>		
Gratuity	24.73	23.73
Provident fund paid to trust	45.23	42.81
Others	0.40	0.47
	<b>91.41</b>	<b>88.37</b>

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 39 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24

		(₹ In Crore)			
Name of related party and Nature of relationship	Nature of transaction	2023-24		2022-23	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
<b>A Subsidiaries:</b>					
PT.Bajaj Auto Indonesia (99.25% shares held by Bajaj Auto Ltd.)	Contribution to equity (411,875 shares of USD 3 each)	-	6.17	-	6.17
	Provision for diminution in value of investment	-	(2.17)	-	(2.17)
Bajaj Auto International Holdings BV 'Amsterdam Netherlands' (Fully owned subsidiary)	Contribution to equity (1,980,000 shares of Euro 100 each)	-	1,218.72	-	1,218.72
Bajaj Auto (Thailand) Ltd. (Fully owned subsidiary)	Contribution to equity (449,997 shares of THB 100 each)	-	10.54	-	10.54
	Services received	12.09	-	12.35	-
Chetak Technology Ltd. (Fully owned subsidiary)	Contribution to equity (470,000,000 shares of ₹ 10 each)	-	470.00	465.00	470.00
	Loan to CTL	-	-	100.00	-
	Repayment of Loan	-	-	100.00	-
	Interest received on loan	-	-	-	0.72
	Services received (including reimbursement of expenses )	45.59	-	-	0.11
	Services rendered	16.84	-	15.15	-
	Sales (including capital asset)	5.34	-	60.60	-
	Purchases	204.69	(33.47)	32.99	-
	Sale of CTL assets to BAL	147.58	-	-	-
Bajaj Auto Credit Ltd. (Fully owned subsidiary)	Contribution to capital (295,000,000 shares of ₹ 10 each)	265.00	295.00	25.00	30.00
	Services received (including reimbursement of expenses )	0.31	-	0.95	-
	Services rendered (including reimbursement of expenses )	1.57	(0.10)	-	-
Bajaj Do Brasil Comercio De Motocicletas Ltda	Contribution to equity (52,000,000 shares of Reais 1 each)	36.98	84.99	48.00	48.00
	Sale of material	31.90	26.36	-	-
Bajaj Auto Spain S.L.U.	Contribution to equity (6,000 shares of Euro 100 each)	-	5.16	-	5.16
	Services received	13.62	-	12.46	-
<b>B Associates, joint ventures and investing parties:</b>					
Bajaj Holdings & Investment Ltd. (Investing party - holds 34.22% shares of Bajaj Auto Ltd.)	Investment in shares by BHIL (95,547,251 shares of ₹ 10 each)	-	(95.55)	-	(96.73)
	Purchase of shares by BAL (3,500,000 shares of Rs. 10 each)	-	1,111.49	-	1,111.49
	Buyback of shares	1,179.80	-	-	-
	Dividend paid	1,354.18	-	1,354.18	-
	Dividend received	43.05	-	47.25	-
	Business support service received	31.83	-	40.34	-
	Business support service rendered	1.10	-	0.23	-
<b>C Key management personnel and their relatives:</b>					
Rajiv Bajaj (Managing Director)	Short-term employee benefits (including Commission)	50.30	(32.61)	44.45	(29.45)
	Post-employment benefits	3.46	-	3.12	-
	Rent paid for premises	3.08	-	2.48	-
	Deposit paid against premises taken on lease	-	1.92	-	1.92
Pradeep Shrivastava (Executive Director)	Short-term employee benefits	14.70	-	9.34	-
	Post-employment benefits	0.92	-	0.78	-
	Equity shares issued pursuant to stock option scheme	6.26	-	-	-
	Fair value of stock options granted	1.79	-	1.51	-
Rakesh Sharma (Executive Director)	Short-term employee benefits	11.29	-	9.72	-
	Post-employment benefits	0.79	-	0.66	-
	Equity shares issued pursuant to stock option scheme	-	-	1.20	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 39 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24 (Contd.)

		2023-24		2022-23	
Name of related party and Nature of relationship	Nature of transaction	Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
	Fair value of stock options granted	1.79	-	1.41	-
Madhur Bajaj (Vice Chairman)	Rent paid for premises	0.29	-	0.33	-
	Deposit paid against premises taken on lease	-	-	-	4.40
	Sitting fees	0.05	-	0.07	-
	Commission	0.16	(0.16)	0.18	(0.18)
Sanjiv Bajaj	Sitting fees	0.06	-	0.07	-
	Commission	0.19	(0.19)	0.18	(0.18)
Shekhar Bajaj	Sitting fees	-	-	0.03	-
	Commission	-	-	0.08	(0.08)
Niraj Bajaj (Chairman)	Sitting Fees	0.11	-	0.11	-
	Commission	0.35	(0.35)	0.28	(0.28)
Rishabhayan Bajaj	Remuneration including perquisites	0.39	-	0.23	-
Estate of Rahul Bajaj	Rent paid for premises	0.25	-	0.31	-
	Deposit paid against premises taken on lease	-	-	-	3.60
<b>D Other entities/persons:</b>					
Bajaj Finserv Ltd.	Purchase of windpower	-	-	0.66	-
	OA charges reimbursement	-	-	0.52	-
	Business support service rendered	0.38	-	0.24	-
	Sale of Asset	-	-	2.19	-
Bajaj Finance Ltd.	Investment in shares by BFL (150 shares of ₹ 10 each) - ₹ 1,500	-	-	-	-
	Service rendered	37.40	(0.09)	31.69	-
	Service received	4.43	-	8.23	(6.66)
	Security deposit received	-	(0.21)	-	(0.21)
	Investment in/(redemption of) fixed deposit	-	500.00	500.00	500.00
	Investment in/(redemption of) Secured Non Convertible Debentures	(500.00)	-	-	500.00
	Interest income/(reversal) on fixed deposit	37.82	19.92	9.52	9.52
	Interest income/(reversal) on Secured Non Convertible Debentures	2.70	-	25.25	22.55
	Dividend paid	-	-	-	-
Bajaj Allianz General Insurance Co. Ltd.	Insurance premiums paid	25.51	0.92	24.90	12.07
	Claims received/receivable	-	-	4.65	-
Bajaj Allianz Life Insurance Co. Ltd.	Investment in shares by BALIC (125,000 shares of ₹ 10 each)	-	(0.13)	-	(0.13)
	Insurance premiums paid/(refunded)	1.59	-	-	-
	Dividend paid	1.75	-	1.75	-
Bajaj Housing Finance Ltd.	Services rendered	2.03	-	1.33	-
	Security deposit received	-	(0.03)	-	(0.03)
Bajaj Electricals Ltd.	Purchases (including services received)	0.01	(0.12)	0.01	(0.11)
Hind Musafir Agency Ltd.	Services received	17.36	0.13	10.74	(0.58)
Hindustan Housing Co. Ltd.	Maintenance charges paid	0.27	0.04	0.29	-
KTM AG	Sale of vehicles and material	548.63	(49.11)	678.94	39.92
	Services rendered and other debits	36.83	-	32.40	-
	Purchase of accessories & other credits	0.46	-	6.41	-
KTM Sportmotorcycle GmbH	Sale of vehicles and material	1,133.33	32.00	1,264.52	40.02
	Royalty paid and payable	36.38	(8.78)	29.37	(9.11)
	Services rendered and other debits	0.09	-	0.38	-
	Purchase of accessories, merchant purchase & other credits	0.49	-	0.57	-
KTM Southeast Europe S.A.	Sale of vehicles and material	-	-	-	-
KTM Sportmotorcycle India Pvt. Ltd.	Royalty paid and payable	9.19	(2.26)	7.41	(2.29)
	Services rendered and other debits	5.95	1.41	4.45	0.23

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

**39 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24 (Contd.)**

(₹ In Crore)

Name of related party and Nature of relationship	Nature of transaction	2023-24		2022-23	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
KTM Forschungs & Entwicklungs Gmbh	Sale of vehicles and material	4.33	0.01	6.05	0.21
KTM Australia PTY	Sale of vehicles and material	0.04	-	-	-
KTM North America	Sale of vehicles and material	0.02	-	-	-
Husqvarna Motorcycles GmbH	Sale of vehicles and material	224.45	7.41	238.50	11.60
	Royalty paid and payable	0.38	(0.25)	0.27	(0.05)
	Purchase of accessories & other credits	0.02	-	-	-
Maharashtra Scooters Ltd.	Investment in shares by MSL (6,879,333 shares of ₹ 10 each)	-	(6.88)	-	(6.96)
	Dividend paid	97.50	-	97.50	-
	Buyback of shares	84.94	-	-	-
	Purchases	1.48	(0.01)	4.16	(0.47)
	Sales (including capital asset)	-	-	-	-
	Services rendered	0.07	-	0.07	-
Bajaj Auto Holdings Ltd.	Business Support Services Received	-	-	-	-
Forbes Marshall Pvt Ltd	Purchases	-	-	0.01	-
Krohne Marshall Pvt Ltd	Purchases	-	-	0.10	(0.01)
Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	1.91	-	11.00	-
Bajaj Auto Senior Staff Group Gratuity Fund	Gratuity contribution	1.50	-	1.00	-
Bajaj Auto Employees Superannuation Fund	Superannuation contribution	8.41	-	8.38	-
Bajaj Auto Ltd. Provident Fund	Provident fund contribution (Employer's share)	45.23	(0.02)	42.76	0.01
Kiska GmbH	Services received	3.92	-	-	-
D J Balaji Rao	Sitting fees	0.10	-	0.19	-
	Commission	0.32	(0.32)	0.48	(0.48)
Naushad D Forbes	Sitting fees	0.16	-	0.14	-
	Commission	0.50	(0.50)	0.35	(0.35)
Anami N. Roy	Sitting fees	0.14	-	0.14	-
	Commission	0.44	(0.44)	0.35	(0.35)
Pradip Shah	Sitting fees	0.15	-	0.11	-
	Commission	0.47	(0.47)	0.28	(0.28)
Ms. Lila Poonawala	Sitting fees	0.07	-	0.08	-
	Commission	0.22	(0.22)	0.20	(0.20)
Abhinav Bindra	Sitting fees	0.12	-	0.09	-
	Commission	0.38	(0.38)	0.23	(0.23)
CSEP Research Foundation	CSR Expenses	1.70	-	1.60	-

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.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

## 40 Lease

### As a lessor

The Company has given premises on operating leases. These lease arrangements range for a period between ten months to nine years and include both cancellable and non cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

The total future minimum lease rentals for non-cancellable leases, receivable at the Balance Sheet date is as under:

(₹ In Crore)

Particulars	As at 31 March	
	2024	2023
<b>Receivable</b>		
Within one year	43.53	26.48
After one year but not more than five years	92.32	48.97
More than five years	1.23	1.80
	137.08	77.25

## 41 Expenditure incurred on Research and Development

(₹ In Crore)

Particulars	For the year ended 31 March	
	2024	2023
a. Revenue expenditure - charged to Statement of Profit and Loss	486.96	489.91
b. Revenue expenditure - capitalised	-	-
c. Capital expenditure - excluding building	33.22	35.15
d. Capital expenditure - building	-	-
	520.18	525.06

## 42 Ratios

Particulars	Remarks	Numerator	Denominator	As at/For the year ended 31 March	
				2024	2023
(a) Current ratio	Change is because of increase in trade payables and short-term borrowings.	Current assets	Current liabilities	1.19	1.71
(b) Debt equity ratio		Total debt	Shareholder's equity	0.03	-
(c) Debt service coverage ratio		Earnings for debt service	Debt service	147.33	-
(d) Return on equity ratio	Change is because of increase in profits during the year.	Profit after tax	Average shareholder's equity	29.7%	21.6%
(e) Inventory turnover ratio		Material cost	Avg. inventory	20.52	19.83
(f) Trade receivables turnover ratio		Revenue from contracts with customers	Avg. trade receivables	22.36	21.48
(g) Trade payables turnover ratio		Purchases	Trade payables	6.09	6.95
(h) Net capital turnover ratio	Increase is due to higher total income and reduction in working capital.	Total income	Working capital	28.25	10.24
(i) Net profit ratio		Profit after tax	Total income	16.2%	15.0%
(j) Return on capital employed	Change is because of increase in profits during the year.	Profit before tax	Capital employed	38.5%	28.6%
(k) Return on investments	Change is because of increase in profits during the year.	Profit before tax	Average shareholder's equity	39.1%	28.4%

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

### 43 Share based payments (Employee stock option plans)

The Board of Directors at its meeting held on 30 January 2019, approved an Employee Stock Options Scheme ('ESOS'). Pursuant to the scheme stock options up to a maximum of 0.17% of the then issued equity capital of the Company aggregating to 5,000,000 equity shares of the face value of ₹ 10 each can be issued in a manner provided in the SEBI (Share Based Employee Benefits) Regulations, 2014 as amended. The shareholders of the Company vide their special resolution passed through postal ballot on 11 March 2019 approved the issue of equity shares of the Company under one or more Employee Stock Option Scheme(s).

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. The details of grants made as of 31 March 2024 are given in below tables:

Particulars	31 March 2024			
	17 May 2019	29 April 2021	27 April 2022	25 April 2023
Grant date	17 May 2019	29 April 2021	27 April 2022	25 April 2023
No. of options granted	287,636	277,116	447,692	4,75,268
Exercise price (₹)	2,942.65	3,889.75	3,892.10	4,332.10
Weighted average fair value (₹)	827.52	1,091.44	959.75	1,143.72
<b>Total for all grants</b>	<b>No. of options</b>	<b>Range of fair value (₹)</b>	<b>Weighted average fair value (₹)</b>	<b>Weighted average remaining contractual life (years)</b>
Outstanding at the beginning of the year	885,487	663.31 - 1248.65	903.50	5.67
Granted during the year	475,268	1016.22 - 1247.52	1,143.72	6.45
Cancelled during the year	26,580	663.31 - 1248.65	1,056.76	NA
Expired during the year	-	-	-	NA
Exercised during the year	180,686	663.31 - 1034.73	874.35	NA
Outstanding at the end of the year	1,153,489	663.31 - 1248.65	1,065.50	5.65
Vested and exercisable at the end of the year	247,178	663.31 - 1034.73	939.76	3.48

#### Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black Scholes model. The key assumptions used in Black Scholes model for calculating fair value as on the date of grants are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (₹)
17 May 2019	6.88% to 7.26%	3.51-6.51 years	22.18% to 23.79%	2.04%	2,942.65
29 April 2021	5.18% to 6.08%	3.51-6.51 years	29.35% to 26.65%	2.06%	3,889.75
27 April 2022	6.15% to 6.82%	3.51-6.51 years	26.03% to 28.79%	3.60%	3,892.10
25 April 2023	6.87% to 7.00%	3.51-6.51 years	25.93% to 28.37%	3.22%	4,332.10

For the year ended 31 March 2024, the Company has accounted expense of ₹ 40.37 crore as employee benefit expenses (See note 26) on the aforesaid employee stock option plan (Previous year ₹ 29.82 crore). The balance in employee stock option outstanding account is ₹ 102.46 crore as of 31 March 2024 (Previous year ₹ 62.09 crore).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

#### 44 MSME disclosure

Considering the Company has been extended credit period upto 45 days by its vendors and payments being released on a timely basis, there is no liability towards interest on delayed payments under 'The Micro, Small and Medium Enterprises Development Act 2006' during the year. There is also no amount of outstanding interest in this regard, brought forward from previous years. Information in this regard is on basis of intimation received, on requests made by the Company, with regards to registration of vendors under the said Act.

#### 45 Miscellaneous

- a. There have been no events after the reporting date that require disclosure in these financial statements.
- b. Amounts less than ₹ 50,000 have been shown at actual against respective line items statutorily required to be disclosed.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has performed the assessment to identify transactions with struck-off companies as at 31 March 2024 and identified no company with any transactions.
- e. The Company has not traded or invested in crypto-currency or virtual currency during the financial year.
- f. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.
- g. 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 entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- h. No funds have been received by the Company from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i. The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- j. The Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.
- k. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

#### 45 Miscellaneous

- l. Bajaj Auto (BAL) uses SAP-S4 HANA as the accounting software. SAP ensures an audit trail, providing standard functionality and logging in all changed data in the system. This functionality and audit trail feature in SAP has been operational throughout the year for all relevant transactions recorded through the application at BAL.

At BAL, accounting documents are used to record all business transactions – posted documents are stored in SAP for every transaction and a financial document once posted cannot be deleted or changed for data points impacting financials. The SAP environment at BAL is appropriately governed and only authorised users can make postings in SAP, while interacting with the system through the application layer. Normal/regular users are not granted nor have direct SAP-DB (database) or super user level access which would allow them to make any changes to financial documents directly which have already been posted through the application.

To operate the SAP-application and the SAP-DB, the system necessarily requires a set of super-users to have DB-level accesses. These super-users are obligated to perform system related tasks. They are not allowed to carry out any direct changes/edits to financial transactions in the SAP-DB, which if carried out is ill-legal. In the event of an unauthorised change by a super user specifically, these can be detected through an investigative approach and/or using services provided by SAP as part of their financial data quality check service, which validates the consistency of financials based on the request of the client. Therefore, while the SAP-DB at the moment does not have the concurrent real time audit trail feature in view of its infeasibility, the tracking of changes can be done through a focused enquiry process.

- m. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- n. Figures for previous year/period have been regrouped wherever necessary.

As per our report of even date

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Dinesh Thapar  
Chief Financial Officer

Rajiv Gandhi  
Company Secretary

On behalf of the Board of Directors

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

# **CONSOLIDATED FINANCIAL STATEMENTS**

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## Independent Auditors' Report on the Consolidated Financial Statements

To the Members of **Bajaj Auto Ltd.**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Bajaj Auto Limited (hereinafter referred to as the 'Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') and its associate comprising of the consolidated Balance sheet as at 31 March 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and its associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key audit matters

We have determined that there are no key audit matters to communicate in our report.

#### Other information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's letter, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Directors' Report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness

## Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

### **Auditors' responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

## Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

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 consolidated financial statements for the financial year ended 31 March 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other matter

- (a) We did not audit the financial statements and other financial information, in respect of five (5) subsidiaries, whose financial statements include total assets of ₹ 1,359.73 crore as at 31 March 2024, and total revenues of ₹ 167.61 crore and net cash outflows of ₹ 83.82 for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditors' reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 267.59 crore for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of One (1) associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associate, and our report in terms of sub-sections (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Certain of these subsidiaries and associate are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order' or 'CARO'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, there are no matters which require reporting as specified as in paragraph 3(xxi) of the Order. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors. Insofar as the modification on maintaining an audit trail in the accounting software is concerned in respect of the Holding Company and one subsidiary, which is company incorporated in India, refer paragraph (i) (vi) below;
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

## Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act; The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.
- (f) The modification arising from the maintenance of the audit trail on the accounting software, comprising the application and database are as stated in the paragraph (i) (vi) below on reporting under Rule 11(g) so far as relates to the Holding Company and one subsidiary, which is company incorporated in India.
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 1' to this report; The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.
- (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended 31 March 2024 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act; The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.
- (i) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer note 40 to the consolidated financial statements;
  - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March 2024;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended 31 March 2024.
  - iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, and read with note 45(g) to the consolidated financial statements, 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 Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, and read with note 45(h) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ('Funding Parties'), with the understanding,

## Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, 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; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The final dividend paid by the Holding Company and its subsidiaries companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, the Holding Company and one subsidiary, which is company incorporated in India has used the SAP S4 Hana accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility in respect of the application and the same has operated throughout the year for all relevant transactions. We did not come across any instance of the audit trail feature being tampered with in respect of accounting software. Normal/Regular users are not granted direct database or super user level access. However, unauthorised changes to the database by a super user specifically does not carry the feature of a concurrent real time audit trail.

In respect of one subsidiary, which is company incorporated in India, based on procedures performed by the auditor of such subsidiary, the subsidiary has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility from the date of commencement of its operations for business of Non-Banking Financial Company (NBFC) for all relevant transactions recorded in such software. Further, during the course of their audit, based on the information and explanation provided by the management, they did not come across any instance of audit trail feature being tampered with.

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
UDIN: 24089802BKEJES3817  
Pune: 18 April 2024

## Annexure 1 to Independent Auditors' Report

**Referred to in paragraph 2(g) under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of Bajaj Auto Ltd.**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')**

In conjunction with our audit of the consolidated financial statements of Bajaj Auto Limited (hereinafter referred to as the 'Holding Company') as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), which are companies incorporated in India, as of that date.

#### **Management's responsibility for internal financial controls**

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

#### **Auditors' responsibility**

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### **Meaning of internal financial controls with reference to consolidated financial statements**

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

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

## Annexure 1 to Independent Auditors' Report (Contd.)

### Inherent limitations of internal financial controls with reference to consolidated financial statements

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

### Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one (1) subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries. The Holding Company did not have any associate company, incorporated in India and did not exercise joint control over any entity incorporated in India.

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
UDIN: 24089802BKEJES3817  
Pune: 18 April 2024

## Consolidated Balance Sheet

Particulars	Note No.	As at 31 March	
		2024	2023
(₹ In Crore)			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	3,147.46	2,761.52
Capital work-in-progress	2	28.23	85.27
Investment property	3	48.90	50.02
Intangible assets	4	21.01	30.70
Intangible assets under development	4	6.87	–
Investments in associate of subsidiary	5A	4,820.40	4,884.03
Financial assets			
Investments	5B	17,834.69	16,717.53
Loans	6	576.99	2.28
Other financial assets	7	28.32	33.72
Income tax assets (net)		910.02	812.46
Other non-current assets	8	122.43	108.53
		<b>27,545.32</b>	<b>25,486.06</b>
<b>Current assets</b>			
Inventories	9	1,688.75	1,563.55
Financial assets			
Investments	5B	5,431.59	4,581.35
Trade receivables	10	2,075.53	1,752.43
Cash and cash equivalents	11	560.45	241.62
Other bank balances	12	394.87	448.86
Loans	6	207.92	3.62
Other financial assets	7	747.30	583.73
Other current assets	8	691.96	475.23
		<b>11,798.37</b>	<b>9,650.39</b>
		<b>39,343.69</b>	<b>35,136.45</b>

## Consolidated Balance Sheet (Contd.)

(₹ In Crore)

As at 31 March

Particulars	Note No.	2024	2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	279.18	282.96
Other equity	14	28,683.23	29,078.58
<b>Equity attributable to owners of the Company</b>		<b>28,962.41</b>	<b>29,361.54</b>
Non-controlling interest		0.01	0.01
<b>Total equity</b>		<b>28,962.42</b>	<b>29,361.55</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	633.33	-
Sales tax deferral	16	125.84	124.23
Provisions	17	6.83	1.24
Deferred tax liabilities (net)	18	493.13	345.15
Government grant		30.69	33.35
Other non-current liabilities	19	0.22	0.19
		<b>1,290.04</b>	<b>504.16</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	15	1,152.57	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	747.51	278.26
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	4,849.88	3,842.92
Other financial liabilities	21	597.03	464.09
Other current liabilities	22	1,530.90	492.61
Provisions	17	190.61	166.47
Government grant		2.65	2.65
Current tax liabilities (net)		20.08	23.74
		<b>9,091.23</b>	<b>5,270.74</b>
		<b>39,343.69</b>	<b>35,136.45</b>
Summary of material accounting policies followed by the Group	1		

The accompanying notes are an integral part of the consolidated financial statements

On behalf of the Board of Directors

As per our report of even date

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

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Dinesh Thapar  
Chief Financial Officer

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Rajiv Gandhi  
Company Secretary

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Consolidated Statement of Profit and Loss

Particulars	Note No.	(₹ In Crore)	
		For the year ended 31 March	
		2024	2023
Revenue from contracts with customers		43,782.08	35,391.52
Other operating revenue		1,088.35	1,063.86
Revenue from operations	23	44,870.43	36,455.38
Other income	24	1,436.02	1,187.52
<b>Total income</b>		<b>46,306.45</b>	<b>37,642.90</b>
<b>Expenses</b>			
Cost of raw materials and components consumed		29,267.47	24,073.13
Purchase of traded goods		2,702.10	2,148.45
Changes in inventories of finished goods, work-in-progress and traded goods	25	(76.34)	(100.33)
Employee benefits expense	26	1,627.00	1,484.47
Finance costs	27	60.36	39.51
Depreciation and amortisation expense	28	364.77	285.85
Other expenses	29	2,636.17	2,426.95
Expenses, included in above items, capitalised		(47.53)	(27.82)
<b>Total expenses</b>		<b>36,534.00</b>	<b>30,330.21</b>
Share of profits of associate		267.59	529.29
<b>Profit before tax</b>		<b>10,040.04</b>	<b>7,841.98</b>
Tax expense			
Current tax		2,285.67	1,854.89
Deferred tax		46.13	(73.12)
Total tax expense	30	2,331.80	1,781.77
<b>Profit after tax</b>		<b>7,708.24</b>	<b>6,060.21</b>
Profit attributable to non-controlling interest		-	-
<b>Profit for the year</b>		<b>7,708.24</b>	<b>6,060.21</b>

## Consolidated Statement of Profit and Loss (Contd.)

Particulars	Note No.	For the year ended 31 March	
		2024	2023
(₹ In Crore)			
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) of defined benefit plans		33.70	(2.11)
Tax impact on above		(8.58)	0.53
Actuarial gains/(losses) of defined benefit plans - share of associate of subsidiary		-	-
Changes in fair value of FVTOCI equity instruments		831.82	337.14
Tax impact on above		(93.24)	(36.42)
Items that will be reclassified to profit or loss			
Valuation gains/(losses) on derivative hedging instruments		-	(80.53)
Tax impact on above		-	20.27
Other adjustments - share of associate of subsidiary		(85.37)	12.11
Change in foreign currency translation reserve of subsidiary		25.72	301.92
<b>Other comprehensive income (net of tax)</b>		<b>704.05</b>	<b>552.91</b>
<b>Total comprehensive income for the year</b>		<b>8,412.29</b>	<b>6,613.12</b>
<b>Profit attributable to:</b>			
Owners of the Company		7,708.24	6,060.21
Non-controlling interest		-	-
		7,708.24	6,060.21
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		8,412.29	6,613.12
Non-controlling interest		-	-
		<b>8,412.29</b>	<b>6,613.12</b>
Basic and diluted Earnings per share (in ₹)	31	272.7	212.5
(Nominal value per share ₹ 10)			
Summary of material accounting policies followed by the Group	1		

The accompanying notes are an integral part of the consolidated financial statements

On behalf of the Board of Directors

As per our report of even date

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

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Dinesh Thapar  
Chief Financial Officer

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Rajiv Gandhi  
Company Secretary

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Consolidated Statement of Changes in Equity

### A. Equity share capital

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March	
		2024	2023
At the beginning of the year		282.96	289.37
Changes in equity share capital due to prior period errors		–	–
Restated balance at the beginning of the current reporting period		282.96	289.37
Changes in equity share capital (net)		(3.78)	(6.41)
At the end of the year	13	<b>279.18</b>	<b>282.96</b>

## Consolidated Statement of Changes in Equity (Contd.)

### B. Other equity

(₹ In Crore)

Particulars	Note No.	Attributable to owners													Non-controlling interest
		Reserves and surplus				Other reserves									
		General reserve	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	Foreign exchange difference of subsidiary on paid-up capital	Foreign currency translation reserve	FVTOCI reserve	Securities premium	Capital Reserve	Capital redemption reserve	Share based payments reserve	Treasury shares	Total other equity	
<b>Balance as at 31 March 2022</b>	14	6,389.60	22,007.52	54.33	5.93	0.28	460.31	626.41	-	63.14	-	32.27	(69.51)	29,570.28	0.01
Profit for the year		-	6,060.21	-	-	-	-	-	-	-	-	-	-	6,060.21	-
Other comprehensive income (net of tax)		-	10.53	(54.33)	(5.93)	0.01	301.91	300.72	-	-	-	-	-	552.91	-
Total comprehensive income for the year ended 31 March 2023		-	6,070.74	(54.33)	(5.93)	0.01	301.91	300.72	-	-	-	-	-	6,613.12	-
<b>Transactions with owners in their capacity as owners</b>															
Recognition of capital redemption reserve		-	(6.41)	-	-	-	-	-	-	-	6.41	-	-	-	-
Recognition of share based payments to employees		-	-	-	-	-	-	-	-	-	-	29.82	-	29.82	-
Treasury shares held by ESOP Trust		-	-	-	-	-	-	-	-	-	-	-	5.78	5.78	-
Final dividend for the year ended 31 March 2022		-	(4,051.14)	-	-	-	-	-	-	-	-	-	-	(4,051.14)	-
Rights issue expenses		-	(1.81)	-	-	-	-	-	-	-	-	-	-	(1.81)	-
Share buyback and tax thereon		-	(3,087.47)	-	-	-	-	-	-	-	-	-	-	(3,087.47)	-
<b>Balance as at 31 March 2023</b>	14	<b>6,389.60</b>	<b>20,931.43</b>	-	-	<b>0.29</b>	<b>762.22</b>	<b>927.13</b>	-	<b>63.14</b>	<b>6.41</b>	<b>62.09</b>	<b>(63.73)</b>	<b>29,078.58</b>	<b>0.01</b>
Profit for the year		-	7,708.24	-	-	-	-	-	-	-	-	-	-	7,708.24	-
Other comprehensive income (net of tax)		-	(60.25)	-	-	(0.01)	25.73	738.58	-	-	-	-	-	704.05	-
Total comprehensive income for the year ended 31 March 2024		-	7,647.99	-	-	(0.01)	25.73	738.58	-	-	-	-	-	8,412.29	-
<b>Transactions with owners in their capacity as owners</b>															
Recognition of capital redemption reserve		-	(4.00)	-	-	-	-	-	-	-	4.00	-	-	-	-
Recognition of share based payments to employees		-	-	-	-	-	-	-	-	-	-	40.53	-	40.53	-
Securities premium on issue of shares		-	-	-	-	-	-	-	86.31	-	-	-	-	86.31	-
Treasury shares held by ESOP Trust		-	-	-	-	-	-	-	-	-	-	-	(25.76)	(25.76)	-
Final dividend for the year ended 31 March 2023		-	(3,961.40)	-	-	-	-	-	-	-	-	-	-	(3,961.40)	-
Rights issue expenses		-	(2.30)	-	-	-	-	-	-	-	-	-	-	(2.30)	-
Share buyback and tax thereon		-	(4,945.02)	-	-	-	-	-	-	-	-	-	-	(4,945.02)	-
<b>Balance as at 31 March 2024</b>	14	<b>6,389.60</b>	<b>19,666.70</b>	-	-	<b>0.28</b>	<b>787.95</b>	<b>1,665.71</b>	<b>86.31</b>	<b>63.14</b>	<b>10.41</b>	<b>102.62</b>	<b>(89.49)</b>	<b>28,683.23</b>	<b>0.01</b>

**Note:** There are no changes in accounting policies or prior period errors during the current or previous year.

Summary of material accounting policies followed by the Group

1

The accompanying notes are an integral part of the consolidated financial statements

On behalf of the Board of Directors

As per our report of even date

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

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Dinesh Thapar  
Chief Financial Officer

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Rajiv Gandhi  
Company Secretary

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Consolidated Statement of Cash Flows

(₹ In Crore)

Particulars	For the year ended 31 March	
	2024	2023
<b>I. Operating activities</b>		
Profit before tax	10,040.04	7,841.98
Adjustments to reconcile profit before tax to net cash flows:		
Add:		
i) Depreciation and amortisation expense	364.77	285.85
ii) Loss on property, plant and equipment sold, demolished, discarded and scrapped	3.12	14.11
iii) Provision for doubtful debts and advances	(23.83)	4.79
iv) Share based payment to employees	40.53	29.82
v) Exchange loss/(gain) on cash and cash equivalents	(0.19)	11.39
vi) Exchange loss/(gain) on trade receivables	(6.17)	2.50
vii) Exchange loss/(gain) on import payables	-	0.24
viii) Exchange loss/(gain) on borrowings	1.35	-
ix) Interest adjustment on Government grant	1.60	1.46
x) Interest expense	58.76	38.05
	439.94	388.21
Less:		
i) Investment income included in above:		
Interest income on fixed income securities	195.55	306.99
Interest income on fixed deposits	162.53	63.85
Interest income on exchange traded funds	443.19	344.56
Interest income on fixed maturity plans	46.90	39.55
Profit/(loss) on sale of other investments, net	(16.61)	-
Gain on valuation and realisation of mutual funds measured at fair value through profit or loss	448.55	177.67
Dividend income on other strategic investments	43.05	47.25
Amortisation of premium/discount on acquisition of fixed income securities	96.50	(2.00)
	1,419.66	977.87
ii) Share of profits of associate	267.59	529.29
iii) Government grants	2.65	2.65
iv) Surplus on sale of property, plant and equipment	5.87	111.56
	(1,695.77)	(1,621.37)
	8,784.21	6,608.82
Change in assets and liabilities		
i) (Increase)/decrease in inventories	(125.20)	(333.04)
ii) (Increase)/decrease in trade receivables	(293.10)	(243.34)
iii) (Increase)/decrease in loans and other assets	(1,198.75)	587.58
iv) Increase/(decrease) in liabilities and provisions	1,777.88	576.24
	160.83	587.44
Annuity payments (net) to VRS/Welfare scheme optees	0.01	(0.32)
Net cash flow from operating activities before income tax	8,945.05	7,195.94
Income tax paid	(2,386.89)	(1,918.52)
<b>Net cash flow from/(used in) operating activities</b>	<b>6,558.16</b>	<b>5,277.42</b>
Carried forward	6,558.16	5,277.42

## Consolidated Statement of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March	
	2024	2023
Brought forward	6,558.16	5,277.42
<b>II. Investing activities</b>		
i) Sale of investments	17,248.43	10,792.76
ii) Purchase of investments	(15,274.17)	(9,384.23)
iii) Sale/(purchase) of liquid mutual funds, etc., net	(2,091.31)	759.84
iv) Investment in treasury shares by ESOP trust	(25.76)	5.78
v) (Increase)/decrease in other bank balances	53.99	(424.49)
vi) Purchase of property, plant and equipment (including advances)	(706.45)	(1,074.47)
vii) Sale proceeds of property plant and equipment	12.15	136.90
viii) Expenditure on intangible assets (including under development)	(16.39)	(35.73)
	(799.51)	776.36
ix) Investment income		
Interest income on fixed income securities	195.55	306.99
Interest income on fixed deposits	162.53	63.85
Dividend income on other strategic investments	43.05	47.25
	401.13	418.09
(Increase)/decrease in interest receivable	54.65	5.07
	455.78	423.16
<b>Net cash flow from/(used in) investing activities</b>	<b>(343.73)</b>	<b>1,199.52</b>
Carried forward	6,214.43	6,476.94

**Consolidated Statement of Cash Flows** (Contd.)

(₹ In Crore)

For the year ended 31 March

Particulars	For the year ended 31 March	
	2024	2023
Brought forward	6,214.43	6,476.94
<b>III. Financing activities</b>		
i) Interest expense	(58.76)	(38.05)
ii) Borrowings taken/(repaid)	1,784.55	-
iii) Equity share buy-back (incl. tax and expenses)	(4,017.18)	(3,093.88)
iv) Issue of capital (including securities premium)	86.53	-
v) Transaction costs on issue of shares	(2.30)	(1.81)
vi) Dividend, including interim dividend paid	(3,960.20)	(4,046.96)
<b>Net cash flow from/(used in) financing activities</b>	<b>(6,167.36)</b>	<b>(7,180.70)</b>
<b>IV. Change in foreign currency translation arising on consolidation</b>	<b>271.57</b>	<b>23.08</b>
<b>Net change in cash and cash equivalents</b>	<b>318.64</b>	<b>(680.68)</b>
Cash and cash equivalents at the beginning of the year	241.62	933.69
Add/(Less): Effects of exchange (loss)/gain on cash and cash equivalents	0.19	(11.39)
Cash and cash equivalents at the end of the year [See note 11]	560.45	241.62
<b>Change in liability arising from financing activity:</b>		
At the beginning of the year	-	-
Changes from financing cash flows	1,784.55	-
Foreign exchange movement	1.35	-
As at the end of the year	<b>1,785.90</b>	-

On behalf of the Board of Directors

As per our report of even date

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

Dinesh Thapar  
Chief Financial Officer

Rajiv Gandhi  
Company Secretary

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Notes to consolidated financial statements for the year ended 31 March 2024

### Corporate information

Bajaj Auto Ltd. (the 'Company') is a company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of development, manufacturing and distribution of automobiles such as motorcycles, commercial vehicles, electric vehicles etc. and parts thereof. The Company sells its products in India as well as in various other global markets. The registered office of the Company is located at Mumbai-Pune Road, Akurdi, Pune 411035.

The consolidated financial statements comprise financial statements of Bajaj Auto Ltd. (the 'Company') and its subsidiaries (collectively, the 'Group') for the year ended 31 March 2024. The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on 18 April 2024.

The consolidated financial statements include results of the subsidiaries of Bajaj Auto Ltd., consolidated in accordance with Ind AS 110 'Consolidated Financial Statements' and Ind AS 28 'Investment in Associates and Joint Ventures'.

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>% Shareholding of Bajaj Auto Ltd.</b>	<b>% Shareholding of Non-controlling interest</b>	<b>Consolidated as</b>
PT. Bajaj Auto Indonesia	Indonesia	99.25%	0.75%	Subsidiary
Bajaj Auto International Holdings BV	Netherlands	100.00%	–	Subsidiary
Bajaj Auto (Thailand) Ltd.	Thailand	100.00%	–	Subsidiary
Chetak Technology Ltd.	India	100.00%	–	Subsidiary
Bajaj Auto Credit Ltd. (earlier known as Bajaj Auto Consumer Finance Ltd.)	India	100.00%	–	Subsidiary
Bajaj Auto Spain S.L.U.	Spain	100.00%	–	Subsidiary
Bajaj Do Brasil Comercio De Motocicletas Ltda	Brazil	100.00%	–	Subsidiary

The consolidated financial statements of Bajaj Auto International Holdings BV include 49.90% interest in Pierer Bajaj AG as an associate.

## 1 Summary of material accounting policies followed by the Group

### Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act, on an accrual basis.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest crore (INR 0,000,000), except when otherwise indicated.

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

### Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Group (Contd.)

investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. For non-wholly owned subsidiaries, a share of the profit/loss for the financial year and net assets is attributed to the non-controlling interests as shown in the consolidated statement of profit and loss and consolidated balance sheet. For acquisitions of additional interests in subsidiaries, where there is no change in control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. The financial statements of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless costs cannot be recovered. The financial statements of Bajaj Auto (Thailand) Ltd., Bajaj Auto Spain S.L.U. and Bajaj Do Brasil Comercio De Motocicletas Ltda are prepared with a three months' time lag for consolidation into the Group financial statements.

## 2 Investment in associates

Investments in associates are accounted for using the equity method. An associate is an entity over which the Group is in a position to exercise significant influence over operating and financial policies. The considerations made in determining whether significant influence is being exercised are similar to those necessary to determine control over the subsidiaries. Goodwill arising on the acquisition of associates is included in the carrying value of investments in associates.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the Statement of Profit and Loss.

The financial statements of the associate are prepared with a three months' time lag for consolidation into the Group financial statements. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. The Group has not identified any material adjustments during the year; in regard to the alignment of accounting policies.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss in the Statement of Profit and Loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in Statement of Profit and Loss.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 1 Summary of material accounting policies followed by the Group (Contd.)

### 3 Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in Statement of Profit and Loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in Statement of Other Comprehensive Income ('OCI'). These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or Statement of Profit and Loss, respectively).

#### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Statement of Profit and Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in Statement of Profit and Loss.

Any goodwill arising in the acquisition/business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

### 4 Taxation

- a) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

**1 Summary of material accounting policies followed by the Group** (Contd.)

- b) Current income tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and 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 substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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.

- d) Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**5 Other material accounting policies**

Other material accounting policies followed by the Group are exactly similar to the material accounting policies of the parent, Bajaj Auto Ltd.; and hence have not been reproduced here. Refer note 1 of standalone financial statements of Bajaj Auto Ltd. for the year ended 31 March 2024 for details in regard to other material accounting policies.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 2 Property, plant and equipment

Current year

(₹ In Crore)

Particulars	Gross block				Depreciation			Net block	
	As at 1 April 2023	Additions	Deductions/ adjustments	As at 31 March 2024	As at 1 April 2023	Deductions	For the year	As at 31 March 2024	As at 31 March 2024
Land freehold	19.97	-	-	19.97	-	-	-	-	19.97
Land leasehold (Right-of-use assets)	150.43	-	1.98	148.45	-	-	-	-	148.45
Buildings	1,281.26	120.16	-	1,401.42	405.85	-	36.31	442.16	959.26
Waterpumps, reservoirs and mains	17.83	2.27	0.04	20.06	15.39	0.04	0.30	15.65	4.41
Plant and machinery	1,472.17	379.37	161.63	1,689.91	1,077.88	88.91	73.73	1,062.70	627.21
Computers and IT Equipment	84.34	13.71	4.45	93.60	73.79	3.51	6.47	76.75	16.85
Dies and moulds	859.59	194.16	13.33	1,040.42	543.67	3.61	88.19	628.25	412.17
Electric installations	90.59	15.38	8.37	97.60	73.97	0.79	2.38	75.56	22.04
Factory equipment	561.49	102.55	69.65	594.39	295.78	8.42	34.10	321.46	272.93
Furniture	48.63	7.25	1.29	54.59	35.17	0.20	3.50	38.47	16.12
Office equipment	61.91	7.04	0.40	68.55	46.51	0.08	5.05	51.48	17.07
Electric fittings	40.67	19.44	2.11	58.00	29.79	0.31	2.75	32.23	25.77
Vehicles and aircraft	744.95	26.03	13.34	757.64	74.51	11.76	89.68	152.43	605.21
<b>Total</b>	<b>5,433.83</b>	<b>887.36</b>	<b>276.59</b>	<b>6,044.60</b>	<b>2,672.31</b>	<b>117.63</b>	<b>342.46</b>	<b>2,897.14</b>	<b>3,147.46</b>
<b>Capital work-in-progress</b>	<b>85.27</b>	<b>24.26</b>	<b>81.30</b>	<b>28.23</b>	-	-	-	-	<b>28.23</b>

### Ageing schedule for Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	24.73	3.50	-	-	28.23
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>24.73</b>	<b>3.50</b>	<b>-</b>	<b>-</b>	<b>28.23</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 2 Property, plant and equipment (Contd.)

Previous year

(₹ In Crore)

Particulars	Gross block			Depreciation			Net block		
	As at 1 April 2022	Additions	Deductions/ adjustments	As at 31 March 2023	As at 1 April 2022	Deductions	For the year	As at 31 March 2023	As at 31 March 2023
Land freehold	19.97	-	-	19.97	-	-	-	-	19.97
Land leasehold (Right-of-use assets)	152.41	-	1.98	150.43	-	-	-	-	150.43
Buildings	979.94	301.32	-	1,281.26	382.27	-	23.58	405.85	875.41
Waterpumps, reservoirs and mains	17.79	0.04	-	17.83	15.06	-	0.33	15.39	2.44
Plant and machinery	1,296.46	193.54	17.83	1,472.17	1,032.78	11.84	56.94	1,077.88	394.29
Computers and IT Equipment	83.83	7.89	7.38	84.34	77.12	7.38	4.05	73.79	10.55
Dies and moulds	741.07	125.08	6.56	859.59	475.31	6.43	74.79	543.67	315.92
Electric installations	75.04	15.55	-	90.59	72.67	-	1.30	73.97	16.62
Factory equipment	458.81	103.50	0.82	561.49	269.83	0.78	26.73	295.78	265.71
Furniture	46.66	2.10	0.13	48.63	31.91	0.13	3.39	35.17	13.46
Office equipment	58.66	3.39	0.14	61.91	42.44	0.14	4.21	46.51	15.40
Electric fittings	36.89	3.95	0.17	40.67	28.23	0.17	1.73	29.79	10.88
Vehicles and aircraft	501.18	539.39	295.62	744.95	281.49	262.33	55.35	74.51	670.44
<b>Total</b>	<b>4,468.71</b>	<b>1,295.75</b>	<b>330.63</b>	<b>5,433.83</b>	<b>2,709.11</b>	<b>289.20</b>	<b>252.40</b>	<b>2,672.31</b>	<b>2,761.52</b>
<b>Capital work-in-progress</b>	<b>77.21</b>	<b>85.02</b>	<b>76.96</b>	<b>85.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85.27</b>

### Ageing schedule for Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	84.63	0.64	-	-	85.27
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>84.63</b>	<b>0.64</b>	<b>-</b>	<b>-</b>	<b>85.27</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 3 Investment property

(₹ In Crore)

Particulars	As at 31 March	
	2024	2023
<b>Gross carrying amount</b>		
Opening balance	69.67	69.67
Additions	-	-
Closing balance	69.67	69.67
<b>Accumulated depreciation</b>		
Opening balance	19.65	18.53
Depreciation charge	1.12	1.12
Closing balance	20.77	19.65
<b>Net carrying amount</b>	<b>48.90</b>	<b>50.02</b>

See note 3 of standalone financial statements for the following disclosures in regard to investment property:

- Amounts recognised in profit and loss for investment properties
- Contractual obligations
- Leasing arrangements
- Fair value

### 4 Intangible assets

Current year

(₹ In Crore)

Particulars	Gross block				Amortisation			Net block	
	As at 1 April 2023	Additions	Deductions/ adjustments	As at 31 March 2024	As at 1 April 2023	Deductions	For the year	As at 31 March 2024	As at 31 March 2024
<b>Intangible assets</b>									
Technical know-how developed/acquired	131.29	9.52	-	140.81	100.59	-	19.21	119.80	21.01
<b>Total Intangible assets</b>	<b>131.29</b>	<b>9.52</b>	<b>-</b>	<b>140.81</b>	<b>100.59</b>	<b>-</b>	<b>19.21</b>	<b>119.80</b>	<b>21.01</b>
<b>Intangible assets under development</b>	<b>-</b>	<b>6.87</b>	<b>-</b>	<b>6.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.87</b>

### 4 Intangible assets

Previous year

(₹ In Crore)

Particulars	Gross block				Amortisation			Net block	
	As at 1 April 2022	Additions	Deductions/ adjustments	As at 31 March 2023	As at 1 April 2022	Deductions	For the year	As at 31 March 2023	As at 31 March 2023
<b>Intangible assets</b>									
Technical know-how developed/acquired	95.56	35.73	-	131.29	70.24	-	30.35	100.59	30.70
<b>Total Intangible assets</b>	<b>95.56</b>	<b>35.73</b>	<b>-</b>	<b>131.29</b>	<b>70.24</b>	<b>-</b>	<b>30.35</b>	<b>100.59</b>	<b>30.70</b>
<b>Intangible assets under development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 5 Investments

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
<b>(A) Investments in associate of subsidiary</b>				
49,900 shares of Euro 1 each in Pierer Bajaj AG	4,820.40	4,884.03	-	-
	4,820.40	4,884.03	-	-
<b>(B) Other investments</b>				
<b>Investment carried at FVTOCI</b>				
In shares	3,152.58	2,275.02	-	-
<b>Investment carried at amortised cost</b>				
In Government bonds and securities	367.70	720.27	-	125.58
In Bonds and debentures	1,439.04	1,814.88	-	1,738.10
In Fixed deposits	310.09	-	1,541.50	1,400.00
In Commercial paper	-	-	195.39	-
In Certificate of deposits	-	-	-	1,143.41
In Exchange traded funds	7,177.86	6,900.37	165.69	-
In Fixed maturity plans	834.62	787.74	-	12.28
<b>Investment carried at fair value through profit or loss</b>				
In Mutual fund units	4,552.80	4,219.25	3,529.01	161.98
	17,834.69	16,717.53	5,431.59	4,581.35
	22,655.09	21,601.56	5,431.59	4,581.35

### Notes to Investments

1. See note 5B of standalone financial statements for details of 'Other investments'.
2. See footnotes to note 5 of standalone financial statements.

## 6 Loans

(Unsecured, good, unless stated otherwise)

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Employee loans	2.06	2.28	3.21	3.62
Loan to related party	71.90	-	-	-
<b>Receivable from financing activity</b>				
Secured term loans to customers under financing	505.20	-	205.64	-
Less: Impairment loss allowance	2.17	-	0.93	-
	503.03	-	204.71	-
	576.99	2.28	207.92	3.62

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 7 Other financial assets

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Non-current bank balances [See note 12]	0.02	0.03	-	-
Security deposits	28.30	33.69	-	-
Interest receivable on investments	-	-	104.32	158.97
Interest receivable on loans, deposits etc.	-	-	0.62	0.57
Incentives receivable from Government	-	-	290.80	373.38
Other advances	-	-	314.68	50.81
Other receivables	-	-	36.88	-
	28.32	33.72	747.30	583.73

Security deposits include a sum of ₹ 1.92 crore (previous year ₹ 9.92 crore) against use of premises on a Leave License basis, placed with directors and their relatives, jointly and severally. [see note 41]

## 8 Other assets

(Unsecured, good, unless stated otherwise)

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Capital advances	64.10	40.39	-	-
Security deposits	9.86	9.29	-	-
Advances recoverable in cash or kind				
Advances to related parties [See note 41]	-	-	-	14.96
Other advances	29.38	26.99	130.46	107.96
Doubtful advances	4.03	4.03	-	-
	33.41	31.02	130.46	122.92
Provision for doubtful advances	4.03	4.03	-	-
	29.38	26.99	130.46	122.92
Gratuity asset [See note 37]	19.09	1.03	-	-
VAT refund receivable	-	30.83	-	-
GST credit/refund receivable	-	-	488.49	281.04
EV subsidy receivable	-	-	4.36	-
Other assets	-	-	0.67	-
Export incentives receivable				
Unsecured considered good	-	-	67.98	71.27
	122.43	108.53	691.96	475.23

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 9 Inventories

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Raw materials and components (includes in transit ₹ 85.70 crore (previous year ₹ 36.90 crore))	872.80	827.72
Work-in-progress	84.63	78.18
Finished goods	703.94	634.05
Stores, spares and packing material	25.81	22.04
Loose tools	1.57	1.56
	<b>1,688.75</b>	<b>1,563.55</b>

### Amount recognised in profit and loss

Write-downs of inventories to net realisable value/reversal of provision for write-down, resulted in net loss/(gain) of ₹ 23.17 crore [Previous year – ₹ 54.12 crore]. These were recognised as an expense/(income) during the year in the consolidated Statement of Profit and Loss.

## 10 Trade receivables

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Unsecured, considered good	–	–	2,075.53	1,752.43
Receivables which have significant increase in credit risk	19.37	43.20	–	–
	19.37	43.20	2,075.53	1,752.43
Allowance for bad and doubtful receivable [See note 35 (A)]	19.37	43.20	–	–
	–	–	2,075.53	1,752.43

Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2024	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables – considered good	2,071.99	1.22	0.68	0.82	0.82	2,075.53
ii) Undisputed trade receivables – which have significant increase in credit risk	0.57	2.13	1.72	0.73	1.77	6.92
iii) Disputed trade receivables - considered good	–	–	–	–	–	–
iv) Disputed trade receivables - which have significant increase in credit risk	–	–	0.18	0.65	11.62	12.45
	<b>2,072.56</b>	<b>3.35</b>	<b>2.58</b>	<b>2.20</b>	<b>14.21</b>	<b>2,094.90</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 10 Trade receivables (Contd.)

(₹ In Crore)

Ageing schedule as at 31 March 2023	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables – considered good	1,737.72	12.13	1.83	0.15	0.60	1,752.43
ii) Undisputed trade receivables – which have significant increase in credit risk	8.23	3.28	1.78	0.63	2.96	16.88
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - which have significant increase in credit risk	-	0.13	0.78	2.54	22.87	26.32
	1,745.95	15.54	4.39	3.32	26.43	1,795.63

## 11 Cash and cash equivalents

(₹ In Crore)

Particulars	As at 31 March	
	2024	2023
Balances with banks	560.39	241.58
Cash on hand	0.06	0.04
	560.45	241.62

## 12 Other bank balances

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Unclaimed dividend and unspent CSR accounts	-	-	88.01	66.33
Deposits with residual maturity for more than twelve months	0.02	0.03	-	-
Deposits with residual maturity for less than twelve months	-	-	306.86	382.53
	0.02	0.03	394.87	448.86
Amount disclosed under 'other financial assets' [See note 7]	(0.02)	(0.03)	-	-
	-	-	394.87	448.86

### 13 Equity share capital

Particulars	As at 31 March	
	2024	2023
<b>Authorised</b> 300,000,000 equity shares of ₹ 10 each	300.00	300.00
<b>Issued, subscribed and fully paid-up shares</b> 279,179,756 equity shares of ₹ 10 each	279.18	282.96
	279.18	282.96

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ In Crore	Nos.	₹ In Crore
<b>Equity shares</b>				
At the beginning of the year	282,957,358	282.96	289,367,020	289.37
Issued during the year	222,398	0.22	-	-
Bought back during the year*	(4,000,000)	(4.00)	(6,409,662)	(6.41)
Outstanding at the end of the year	279,179,756	279.18	282,957,358	282.96

##### For the year ended on 31 March 2024

\* The Board of Directors at its meeting held on 8 January 2024 approved a proposal to buyback fully paid up 4,000,000 equity shares of the Company having a face value of ₹ 10 each at a price of ₹ 10,000 per equity share, on proportionate basis, for an aggregate amount not exceeding ₹ 4,000 crore through tender offer process in accordance with Companies Act, 2013 and rules made thereunder, and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the 'SEBI Buyback Regulations') as amended. The buyback issue opened on 6 March 2024 and closed on 13 March 2024 (both days inclusive).

The buyback outlay aggregated to ₹ 4,932 crore (including tax on buyback). In accordance with relevant statutory provisions, the Company has created a capital redemption reserve of ₹ 4 crore, equal to the nominal value of shares bought back, as an appropriation from retained earnings.

The Buyback Committee of the Company, at its meeting held on 27 March 2024, approved the completion and closure of the buyback.

##### For the year ended on 31 March 2023

\* The Board of Directors at its meeting held on 27 June 2022 approved a proposal to buyback fully paid up equity shares of the Company having a face value of ₹ 10 each from the existing shareholders (except promoters, promoter group and persons in control of the Company) from open market through stock market mechanism (i.e. through National Stock Exchange of India Ltd. and BSE Ltd.) at a maximum buyback price not exceeding ₹ 4,600 per equity share and maximum buyback size up to ₹ 2,500 crore.

In this regard, the Company bought back 6,409,662 number of equity shares from the stock exchange at a volume weighted average buyback price of ₹ 3,900.31 per share comprising 2.22% of the pre-buyback number of shares of the Company. The buyback resulted in a cash outflow of ₹ 2,499.97 crore (excluding transaction cost and tax on buyback). An amount of ₹ 582.39 crore was paid towards tax on buyback. In accordance with relevant statutory provisions, the Company has created a capital redemption reserve of ₹ 6.41 crore, equal to the nominal value of shares bought back, as an appropriation from retained earnings.

The Buyback Committee of the Company, at its meeting held on 10 October 2022, approved the completion and closure of the buyback.

#### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The interim dividend declared by the Board of Directors; and the final dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	% Holding	Nos.	% Holding
<b>Equity shares of ₹ 10 each fully paid</b>				
Bajaj Holdings & Investment Ltd.	95,547,251	34.22%	96,727,050	34.18%
Jamnalal Sons Pvt. Ltd.	25,960,841	9.30%	26,281,400	9.29%

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 13 Equity share capital (Contd.)

#### d. Shareholding of promoters

Promoter name	No. of shares	% of total shares	% change during the year*
<b>For 2023-24</b>			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	197,561	0.07%	0.00%
Niraj Bajaj	42,103	0.02%	0.00%
Rajiv Bajaj	745,001	0.27%	0.00%
Sanjiv Bajaj	323,233	0.12%	0.00%
Bajaj Holdings & Investment Ltd.	95,547,251	34.22%	0.00%

\* There is a change in number of shares held and percentage of shareholding by the Promoters. This is pursuant to reduced capital on account of buyback of 4,000,000 equity shares of the Company made during the year.

Promoter name	No. of shares	% of total shares	% change during the year*
<b>For 2022-23</b>			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	200,000	0.07%	0.00%
Niraj Bajaj	42,622	0.02%	0.00%
Rajiv Bajaj	754,200	0.27%	0.01%
Sanjiv Bajaj**	327,224	0.12%	0.00%
Bajaj Holdings & Investment Ltd.	96,727,050	34.18%	0.75%

\*No changes in the number of shares held by the Promoters; However, percentages of holdings have changed pursuant to reduced capital on account of buyback of 6,409,662 equity shares of the Company made during the year.

\*\*Sanjiv Bajaj also holds 1,048,796 shares as Executor for the Estate of Late Shri Rahul Bajaj.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 14 Other equity

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Reserves and surplus:</b>		
<b>General reserve</b>		
Balance as at the beginning of the year	6,389.60	6,389.60
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Balance as at the end of the year	6,389.60	6,389.60
<b>Retained earnings</b>		
Balance as at the beginning of the year	20,931.43	22,007.52
Profit for the year	7,708.24	6,060.21
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gains/(losses) of gratuity (net of tax)	25.12	(1.58)
Adjustments on account of change in share of net assets of associate/subsidiary	(85.37)	12.11
Less: Appropriations		
Transfer to General reserve	-	-
Rights issue expenses	2.30	1.81
Share buyback and tax thereon	4,945.02	3,087.47
Recognition of capital redemption reserve	4.00	6.41
Final dividend for the year ended 31 March 2023/2022	3,961.40	4,051.14
Total appropriations	8,912.72	7,146.83
Balance as at the end of the year	19,666.70	20,931.43
<b>Other reserves:</b>		
Foreign exchange difference of subsidiary on paid-up capital	0.28	0.29
Foreign currency translation reserve	787.95	762.22
Capital Reserve	63.14	63.14
<b>FVTOCI reserve</b>		
Balance as at the beginning of the year	927.13	626.41
Net (losses)/gains on FVTOCI equity securities	738.58	300.72
Balance as at the end of the year	1,665.71	927.13
<b>Securities premium</b>		
Balance as at the beginning of the year	-	-
Add: Recognised during the year	86.31	-
Balance as at the end of the year	86.31	-
<b>Capital redemption reserve</b>		
Balance as at the beginning of the year	6.41	-
Add: Recognised during the year	4.00	6.41
Balance as at the end of the year	10.41	6.41

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 14 Other equity (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Share based payment reserve</b>		
Balance as at the beginning of the year	62.09	32.27
Add: Recognised during the year	40.53	29.82
Balance as at the end of the year	102.62	62.09
<b>Treasury shares</b>		
Balance as at the beginning of the year	(63.73)	(69.51)
Add: Changes during the year	(25.76)	5.78
<b>Balance as at the end of the year</b>	<b>(89.49)</b>	<b>(63.73)</b>
	<b>28,683.23</b>	<b>29,078.58</b>

### Nature and purpose of reserve:

#### General reserve

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

#### Retained earnings

Retained earnings is a free reserve. This is the accumulated profit earned by the Company till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

#### Foreign exchange difference of subsidiary on paid-up capital

This reserve represents the foreign exchange difference due to rate on the date of receipt vis-à-vis date of share certificate issued.

#### Foreign currency translation reserve

This reserve represents the foreign exchange differences on converting subsidiaries financials into INR, including other adjustments on consolidation.

#### FVTOCI reserve

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

#### Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium.

#### Capital redemption reserve

As per section 69 of the Companies Act 2013, where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to members of the company as fully paid bonus shares.

#### Share based payment reserve

Share based payment reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the Company for its employees.

#### Treasury shares

The reserve for shares of the Company held by the Bajaj Auto ESOP Trust (ESOP Trust). Company has issued employees stock option scheme for its employees. The equity shares of the Company have been purchased and held by ESOP Trust. Trust to transfer in the name of employees at the time of exercise of option by employees.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 15 Borrowings

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
<b>Loans repayable on demand</b>				
<b>Secured</b>				
Term loan from banks	633.33	-	318.52	-
<b>Other Loans</b>				
<b>Unsecured</b>				
Foreign currency loan, from a bank as packing credit facility against exports	-	-	834.05	-
	<b>633.33</b>	<b>-</b>	<b>1,152.57</b>	<b>-</b>

## 16 Sales tax deferral

(₹ In Crore)

Particulars	As at 31 March	
	2024	2023
<b>Unsecured</b>		
Sales tax deferral liability/loan, an incentive under Package Scheme of Incentives 1983 and 1993 - interest free, partially prepaid	125.84	124.23
	<b>125.84</b>	<b>124.23</b>

The exemption of interest on the sales tax liability deferred for payment is considered as a Government grant and measured at an internal rate of return available for pre-payment of the liability as per the sales tax rules. [See note 35]

## 17 Provisions

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
<b>Provision for employee benefits</b> [See note 37]				
Provision for gratuity	2.64	0.37	-	-
Provision for compensated absences	3.35	-	150.28	135.00
Provision for welfare scheme	0.84	0.87	-	0.49
	<b>6.83</b>	<b>1.24</b>	<b>150.28</b>	<b>135.49</b>
<b>Other provisions</b>				
Provision for warranties [See footnote to note 16 of standalone financial statements]	-	-	40.33	30.98
	<b>6.83</b>	<b>1.24</b>	<b>190.61</b>	<b>166.47</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 18 Deferred tax liabilities (net)

Particulars	As at 31 March	
	2024	2023
Deferred tax liabilities	594.31	429.16
Deferred tax assets	101.18	84.01
	493.13	345.15

See note 17 of standalone financial statements for detailed break-up of deferred tax liabilities/assets and movement in deferred taxes.

## 19 Other non-current liabilities

Particulars	As at 31 March	
	2024	2023
Annuity payable to VRS/Welfare scheme optees	0.14	0.19
Other payables	0.08	–
	0.22	0.19

## 20 Trade payables

Particulars	As at 31 March	
	2024	2023
Total outstanding dues of micro enterprises and small enterprises	747.51	278.26
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,849.88	3,842.92
	5,597.39	4,121.18

Dues - Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2024	Unbilled	Not due	Dues - Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	–	747.51	–	–	–	–	747.51
(ii) Others	894.58	2,997.06	947.18	7.37	1.00	2.69	4,849.88
(iii) Disputed dues - MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–	–
	894.58	3,744.57	947.18	7.37	1.00	2.69	5,597.39

Dues - Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2023	Unbilled	Not due	Dues - Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	–	278.26	–	–	–	–	278.26
(ii) Others	949.65	2,444.29	443.61	2.81	0.47	2.09	3,842.92
(iii) Disputed dues - MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–	–
	949.65	2,722.55	443.61	2.81	0.47	2.09	4,121.18

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 21 Other financial liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Security deposits	36.45	27.35
Unclaimed dividend	29.75	28.55
Directors' remuneration and commission payable	35.63	32.02
Employee benefits payable	208.07	161.67
Other payables	287.13	214.50
	<b>597.03</b>	<b>464.09</b>

Refer note 34 of financial statements for financial liabilities measured at amortised cost.

## 22 Other current liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Annuity payable to VRS/Welfare scheme optees	0.12	0.06
Advance received from customers	326.07	235.14
Taxes and duties payable	1,010.51	118.70
Other payables	194.20	138.71
	<b>1,530.90</b>	<b>492.61</b>

## 23 Revenue from operations

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>Revenue from operations</b>		
Revenue from contracts with customers		
Sale of products*	43,782.08	35,391.52
<b>Other operating revenue</b>		
Scrap sales	30.39	28.74
Export incentives	434.99	469.33
PSI	58.89	45.04
Royalty	316.29	231.95
Rent [See note 40 of standalone financial statements]	37.29	30.63
Insurance claims	0.56	1.19
Miscellaneous receipts	97.55	163.52
Government grants	2.65	2.65
Interest income on financial services to dealers	109.74	90.81
	<b>1,088.35</b>	<b>1,063.86</b>
	<b>44,870.43</b>	<b>36,455.38</b>

\*This includes Faster Adoption and Manufacturing of Electric Vehicles (FAME)-II subsidy receivable on sale of eligible products from Central and State Government amounting to ₹ 404.97 crore (31 March 2023: ₹ 182.62 crore).

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 23 Revenue from operations (Contd.)

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>Revenue from contracts with customers</b> (Goods transferred at a point in time)		
India	29,206.97	20,928.61
Outside India	14,575.11	14,462.91
Total revenue from contracts with customers	43,782.08	35,391.52
<b>Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price</b>		
Revenue as per contracted price	44,237.48	35,709.23
Adjustments:		
Cash discounts and target incentives	(371.20)	(309.62)
Sales promotion expenses (primarily vehicle discounts)	(84.20)	(8.09)
Revenue from contracts with customers	43,782.08	35,391.52

## 24 Other income

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>Investment income</b>		
Interest income on fixed income securities	195.55	306.99
Amortisation of (premium)/discount on acquisition of fixed income securities	96.50	(2.00)
Interest income on fixed deposits	162.53	63.85
Interest income on exchange traded funds	443.19	344.56
Interest income on fixed maturity plans	46.90	39.55
Interest income from financial assets at amortised cost	944.67	752.95
Dividend income on other strategic investments	43.05	47.25
Gain on valuation and realisation of mutual funds measured at FVTPL	448.55	177.67
Profit/(loss) on sale of other investments, net	(16.61)	-
	1,419.66	977.87
<b>Others</b>		
Interest - others	1.39	-
Surplus on sale of property, plant and equipment	5.87	111.56
Gains on exchange fluctuations	9.10	98.09
	16.36	209.65
	1,436.02	1,187.52

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 25 Changes in inventories

Particulars	(₹ In Crore)		
	For the year ended 31 March		
	2024	2023	(Increase)/ decrease
<b>Inventories at the end of the year</b>			
Work-in-progress	84.63	78.18	(6.45)
Finished goods	703.94	634.05	(69.89)
	788.57	712.23	(76.34)
<b>Inventories at the beginning of the year</b>			
Work-in-progress	78.18	70.11	(8.07)
Finished goods	634.05	541.79	(92.26)
	712.23	611.90	(100.33)
	(76.34)	(100.33)	

## 26 Employee benefits expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Salaries, wages and bonus to employees	1,402.05	1,283.01
Contribution to provident and other funds	96.69	89.59
Share based payment to employees	40.53	29.82
Staff welfare expenses	87.73	82.05
	1,627.00	1,484.47

See note 37 and 41 of financial statements.

## 27 Finance costs

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Interest expense	58.76	38.05
Interest adjustment on Government grant	1.60	1.46
	60.36	39.51

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 28 Depreciation and amortisation expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Depreciation on property, plant and equipment	342.46	252.40
Depreciation on investment property	1.12	1.12
Amortisation of technical know-how	19.21	30.35
Amortisation of leasehold land	1.98	1.98
	<b>364.77</b>	<b>285.85</b>

## 29 Other expenses

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Stores and tools consumed	174.06	154.90
Power, fuel and water	147.94	122.60
Rent	21.23	17.22
Repairs to buildings	61.48	52.09
Repairs to machinery	106.90	106.60
Other repairs	23.80	20.54
Insurance	15.60	12.36
Rates and taxes	12.93	14.03
Payment to auditor	2.53	2.03
Directors' fees and travelling expenses	1.04	1.05
Commission to non-executive directors	3.02	2.58
Travelling expenses	59.26	45.84
Miscellaneous expenses	624.46	549.29
Loss on exchange fluctuations	0.01	0.40
Packing material consumed	368.19	409.42
Freight and forwarding expenses	148.13	194.53
Advertisement	487.12	371.19
Vehicle service charges and other expenses	211.58	164.91
Sales promotion expenses	40.99	30.50
Contribution to electoral bonds (Paid to Aam Aadmi Party in previous year)	-	5.00
Expenditure towards Corporate Social Responsibility (CSR) activities	131.72	124.99
Bad debts and other irrecoverable debit balances written off	14.89	5.98
Loss on property, plant and equipment sold, demolished, discarded and scrapped	3.12	14.11
Provision for doubtful debts and advances (includes expected credit loss on trade receivables)	(23.83)	4.79
	<b>2,636.17</b>	<b>2,426.95</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

Expenditure towards Corporate Social Responsibility (CSR) activities

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>a) Details of spends</b>		
i) Gross amount required to be spent by the Company during the year	131.72	124.99
ii) Amount of expenditure incurred	131.72	124.99
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities		
Poverty, Health, Sanitation, Water	5.09	7.24
Education, Special Education, Vocation, Livelihoods	13.50	22.93
Environment, Soil And Water, Protection of Flora and fauna	1.54	9.88
Heritage, Art, Culture, Handicrafts, Public Libraries	0.18	0.23
Veterans, War Widows, Dependents	-	-
Rural Development	-	4.79
Gender/Women, Orphans, Homes and Hostels, Day Care	-	1.90
Others (including provision for unspent)	111.41	78.02
<b>Total</b>	131.72	124.99
No funds relating to other than identified and ongoing projects are required to be transferred to specified funds.		
<b>b) Amount spent in cash during the year on:</b>		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	131.72	124.99
	131.72	124.99

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 30 Tax expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
<b>(a) Tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	2,285.67	1,854.89
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	(16.85)	(5.91)
(Decrease)/increase in deferred tax liabilities	62.98	(67.21)
Total deferred tax expenses/(benefit)	46.13	(73.12)
Tax expenses	2,331.80	1,781.77
<b>(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate</b>		
Profit before tax	10,040.04	7,841.98
Tax at the Indian tax rate of 25.168% (Previous year - 25.168%)	2,526.87	1,973.69
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
– Corporate social responsibility expenditure and contribution to electoral bonds	33.15	32.72
– Rate difference in amortisation of fixed income securities	(2.58)	(3.78)
– Others	11.55	8.23
Tax effect of amounts which are deductible (non taxable) in calculating taxable income:		
– Profits of subsidiaries not taxable in India	(54.87)	(109.08)
– Dividend received on strategic investment	(10.84)	(11.89)
– Profit on investments not taxable	(28.83)	(40.97)
– Income from fair valuation of mutual funds	(142.73)	(67.24)
– Disallowance of expenditure incurred on rented property (net)	0.08	0.09
Tax expense	2,331.80	1,781.77

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 31 Earnings Per Share (EPS)

Particulars	For the year ended 31 March	
	2024	2023
a. Profit for the year (₹ In Crore)	7,708.24	6,060.21
Net weighted average number of shares outstanding during the year (Nos)	282,695,661	285,206,634
b. Earnings per share (Basic and Diluted) ₹	272.7	212.5
Face value per share ₹	10.0	10.0

**32** Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

### 33 Ratios

Particulars	Remarks	Numerator	Denominator	For the year ended 31 March	
				2024	2023
(a) Current ratio	Change is because of increase in trade payables and short-term borrowings.	Current assets	Current liabilities	1.30	1.83
(b) Debt equity ratio		Total debt	Shareholder's equity	0.06	-
(c) Debt service coverage ratio		Earnings for debt service	Debt service	134.75	161.62
(d) Return on equity ratio	Change is because of increase in profits during the year.	Profit after tax	Average shareholder's equity	26.4%	20.5%
(e) Inventory turnover ratio		Material cost	Avg. inventory	19.61	18.70
(f) Trade receivables turnover ratio		Revenue from contracts with customers	Avg. trade receivables	22.87	21.65
(g) Trade payables turnover ratio		Purchases	Trade payables	6.14	6.90
(h) Net capital turnover ratio	Increase is due to higher total income and reduction in working capital.	Total income	Avg. working capital	13.07	7.49
(i) Net profit ratio		Profit after tax	Total income	16.6%	16.1%
(j) Return on capital employed	Change is because of increase in profits during the year.	Profit before tax	Capital employed	33.2%	26.3%
(k) Return on investments	Change is because of increase in profits during the year.	Profit before tax	Average shareholder's equity	34.4%	26.5%

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 34 Fair value measurement

#### i) Financial instruments by category

(₹ In Crore)

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>						
Investments						
- Equity	-	3,152.58	-	-	2,275.02	-
- Bonds and debentures	-	-	1,439.04	-	-	3,552.98
- Government bonds and securities	-	-	367.70	-	-	845.85
- Certificate of Deposit	-	-	-	-	-	1,143.41
- Commercial Papers	-	-	195.39	-	-	-
- Fixed maturity plans	-	-	834.62	-	-	800.02
- Exchange traded funds	-	-	7,343.55	-	-	6,900.37
- Fixed deposits	-	-	1,851.59	-	-	1,400.00
- Short-term funds	4,715.75	-	-	4,219.25	-	-
- Liquid mutual funds	2,546.47	-	-	161.98	-	-
- Arbitrage Funds	819.59	-	-	-	-	-
Trade receivables	-	-	2,075.53	-	-	1,752.43
Loans	-	-	784.91	-	-	5.90
Other financial assets	-	-	775.62	-	-	617.45
Cash and cash equivalents	-	-	560.45	-	-	241.62
Other bank balances	-	-	394.87	-	-	448.86
	8,081.81	3,152.58	16,623.27	4,381.23	2,275.02	17,708.89
<b>Financial liabilities</b>						
Borrowings	-	-	1,785.90	-	-	-
Sales tax deferral	-	-	125.84	-	-	124.23
Trade payables	-	-	5,597.39	-	-	4,121.18
Other financial liabilities	-	-	597.03	-	-	464.09
	-	-	8,106.16	-	-	4,709.50

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 34 Fair value measurement (Contd.)

#### 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 Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### Financial assets/liabilities measured at fair value - recurring fair value measurements At 31 March 2024

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>Financial investments at FVTPL</b>					
- Short-term funds	5	4,715.75	-	-	4,715.75
- Liquid mutual funds	5	2,546.47	-	-	2,546.47
- Arbitrage funds	5	819.59	-	-	819.59
<b>Financial investments at FVTOCI</b>					
- Equity investment	5	2,895.46	257.12	-	3,152.58
		10,977.27	257.12	-	11,234.39

#### Assets disclosed at fair value - At 31 March 2024

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	-	225.38	-	225.38

#### Financial assets/liabilities measured at fair value - recurring fair value measurements At 31 March 2023

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>Financial investments at FVTPL</b>					
- Short-term mutual funds	5	4,219.25	-	-	4,219.25
- Liquid mutual funds	5	161.98	-	-	161.98
<b>Financial investments at FVTOCI</b>					
- Equity investment	5	2,072.04	202.98	-	2,275.02
		6,453.27	202.98	-	6,656.25

#### Assets disclosed at fair value - At 31 March 2023

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	-	223.09	-	223.09

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 34 Fair value measurement (Contd.)

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

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

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

- Open ended mutual funds at NAV's/rates declared and/or quoted

#### iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ In Crore)

Particulars	31 March 2024		31 March 2023	
	Carrying Amount	Fair value	Carrying Amount	Fair value
<b>Financial assets</b>				
<b>Investments</b>				
Bonds and debentures	1,439.04	1,379.96	3,552.98	3,458.40
Government bonds and securities	367.70	352.92	845.85	811.01
Fixed maturity plans	834.62	823.27	800.02	778.99
Exchange traded funds	7,343.55	7,234.73	6,900.37	6,710.97
	9,984.91	9,790.88	12,099.22	11,759.37

The carrying amounts of certificate of deposits, commercial papers, fixed deposits, trade receivables, trade payables, other financial assets/liabilities, loans and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 35 Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk (including foreign exchange risk). In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments such as foreign exchange forward contracts and foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss	Credit ratings	Diversification of counterparties, diversification of investment limits, monitoring of counterparties basis credit rating
	Derivative financial instruments	Credit ratings	Deal with reputed banks holding high credit risk rating.
	Trade receivables	Credit Limit and Ageing analysis	No. of overdue days, monitoring of credit limits
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk- Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR	Sensitivity analysis	Forward foreign exchange contracts and foreign currency options. - The Group has not hedged its FCY borrowings as it is naturally hedged against receivables. - Interest Rate Risk

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of available funds. The Group's risk management is carried out by a treasury department as per such policies approved by the Board of Directors. Accordingly, Group's treasury department identifies, evaluates and hedges financial risks.

### A) Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations leading to a financial loss to the Group. Credit risk primarily arises from cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and trade receivables. None of the financial instruments of the Group result in material concentration of credit risk.

### Credit risk management

For Derivative instruments exposures are extended with multiple banks holding high credit risk ratings.

In regard to Trade receivables, which are typically unsecured, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom credit is extended in the normal course of business. The Group follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Accordingly, impairment loss allowance is recognised based on lifetime expected credit losses at each reporting date, right from its initial recognition. The provision rates are based on days past due; and the calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 35 Financial risk management (Contd.)

Set out below is the information about the credit risk exposure of the Group's trade receivables using provision matrix:

Particulars	(₹ In Crore)	
	As on 31 March	
	2024	2023
Estimated total gross carrying amount	2,094.90	1,795.63
ECL	19.37	43.20
Net carrying amount	2,075.53	1,752.43

#### Classification of financial assets under various stages

**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 12-month ECL is recognised

Particulars	As on 31 March	
	2024	2023
	Term Loans to customers under Financing	710.84
ECL	3.10	-
Net carrying value	707.74	-

#### Stage classification for advances is based on lifetime ECL model

Particulars	As on 31 March	
	2024	2023
	Advances to dealer	242.55
ECL	0.98	-
Net carrying value	241.57	-

#### Reconciliation of impairment allowance – Trade receivable

Particulars	(₹ In Crore)
<b>Impairment allowance as on 31 March 2022</b>	<b>39.66</b>
Changes in loss allowance	3.54
<b>Impairment allowance as on 31 March 2023</b>	<b>43.20</b>
Changes in loss allowance	(23.83)
<b>Impairment allowance as on 31 March 2024</b>	<b>19.37</b>

For other financial assets, the Group has an investment policy which allows the Group to invest only with counterparties having a credit rating equal to or above AA+ and A1+. The Group reviews the creditworthiness of these counterparties on an on-going basis. Counter party limits maybe updated as and when required, subject to approval of Board of Directors.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 35 Financial risk management (Contd.)

#### B) Liquidity risk

The Group's principal source of liquidity are 'cash and cash equivalents' and cash flows that are generated from operations. The Group believes that its working capital is sufficient to meet the financial liabilities within maturity period. Apart from long-term borrowings of ₹ 633.33 crore, the Group has sales tax deferral liability amounting to ₹ 125.84 crore which is interest free and is repayable after 9 years from the Balance Sheet date. Additionally, the Group has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence the Group carries a negligible liquidity risk.

(₹ In Crore)

Particulars	As at 31 March	
	2024	2023
<b>The Company had</b>		
Net working capital funds	2,707.14	4,379.65
which includes;		
i) Cash and cash equivalents	560.45	241.62
ii) Current investments	5,431.59	4,581.35

The table below summarises the contractual maturities of financial liabilities as at 31 March 2024 and 31 March 2023:

#### Maturities of financial liabilities

(₹ In Crore)

Particulars	Less than and equal to 1 year	More than 1 year	Total
<b>As on 31 March 2024</b>			
<b>Non-derivatives</b>			
Sales tax deferral (discounted)		125.84	125.84
Trade payables	5,597.39		5,597.39
Long-term borrowings		633.33	633.33
Short-term borrowings	1,152.57		1,152.57
Other financial liabilities	597.03	–	597.03
	7,346.99	759.17	8,106.16
<b>As on 31 March 2023</b>			
<b>Non-derivatives</b>			
Sales tax deferral (discounted)	–	124.23	124.23
Trade payables	4,121.18	–	4,121.18
Other financial liabilities	464.09	–	464.09
	4,585.27	124.23	4,709.50

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 35 Financial risk management (Contd.)

### C) Market risk

#### (i) Foreign currency risk

The Group has significant exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through sensitivity analysis. The primary objective for forex hedging against anticipated foreign currency risks will be to hedge the Group's highly probable foreign currency cash flows arising from such transactions (thus reducing volatility of cash flow and profit).

The Group's risk management policy permits the use of plain foreign exchange forward contracts and foreign currency option contracts including Foreign Currency - INR Option Cost Reduction Structures to hedge forecasted sales.

The Group also imports certain materials the value of which is not material as compared to value of exports. Currently, Group does not hedge this exposure. Nevertheless, Group may wish to hedge such exposures.

The Group uses a combination of foreign currency option contracts and foreign exchange forward contracts to hedge its exposure in foreign currency risk. The Group designates forward contracts in entirety and intrinsic value of foreign currency option contracts as the hedging instrument. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised through other comprehensive income in the 'Cash flow hedging reserve' within equity. The change in time value that relate to the hedged item (aligned time value) is recognised through other comprehensive income in 'Costs of hedging reserve' within equity. Amount recognised in equity is reclassified to consolidated Statement of Profit and Loss when the hedged item (i.e. forecasted export sales) affects consolidated Statement of Profit and Loss. The ineffective portion of change in fair value of the hedging instrument and any residual time value (the non-aligned portion), if any, is recognised in the consolidated Statement of Profit and Loss immediately.

The intrinsic value of foreign exchange option contracts is determined with reference to the relevant spot market exchange rate. The differential between the contracted strike rate and the spot market exchange rate is defined as the intrinsic value. Time value of the option is the difference between fair value of the option and the intrinsic value.

#### Open exposure

The Group's exposure to foreign currency risk at the end of the reporting period are as follows

	(USD Million)	
	As at 31 March	
	2024	2023
Receivables	97.83	70.26
Payables	20.23	7.03
Borrowings	100.00	-
Others (EEFC balances)	24.41	3.98

#### Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

#### Cash flow hedge foreign exchange risk 31 March 2024

(₹ In Crore)					
Particulars	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency options	-	-	N.A.	-	-
	-	-		-	-

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

**35 Financial risk management** (Contd.)

**Cash flow hedge foreign exchange risk 31 March 2023**

(₹ In Crore)

Type of hedge and risk	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency options	-	-	N.A.	(72.60)	72.60
	-	-		(72.60)	72.60

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

**Cash flow hedge foreign exchange risk 31 March 2024**

(₹ In Crore)

Type of hedge	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 exchange risk – Options contracts	-	-	-	-
	-	-	-	-

**Cash flow hedge foreign exchange risk 31 March 2023**

(₹ In Crore)

Particulars	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 exchange risk – Option contracts	(72.60)	-	(25.63)	Revenue
	(72.60)	-	(25.63)	-

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, so a qualitative assessment of effectiveness is performed. During the years ended 31 March 2024 and 31 March 2023, the Group did not have any hedging instruments with terms which were not aligned with those of the hedged items.

Therefore, no ineffectiveness is recognised in the Statement of Profit and Loss during the years ended 31 March 2024 and 31 March 2023.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 35 Financial risk management (Contd.)

#### Movements in cash flow hedging reserve and costs of hedging reserve

(₹ In Crore)

Risk Category Derivative Instrument	Foreign Currency Risk Foreign exchange options
<b>(i) Cash flow hedging reserve</b>	
<b>Balance – As at 31 March 2022</b>	<b>54.33</b>
Add: Change in intrinsic value of foreign currency options	(98.23)
Less: Amount reclassified to profit or loss	25.63
Deferred tax relating to the above (net)	18.27
<b>Balance – As at 31 March 2023</b>	<b>–</b>
Add: Change in intrinsic value of foreign currency options	–
Less: Amount reclassified to profit or loss	–
Deferred tax relating to the above (net)	–
<b>Balance – As at 31 March 2024</b>	<b>–</b>
<b>(ii) Costs of hedging reserve</b>	
<b>Balance – As at 31 March 2022</b>	<b>5.93</b>
Add: Change in time value of foreign currency options	(21.48)
Less: Amount reclassified to profit or loss	13.56
Deferred tax relating to the above (net)	1.99
<b>Balance – As at 31 March 2023</b>	<b>–</b>
Add: Change in time value of foreign currency options	–
Less: Amount reclassified to profit or loss	–
Deferred tax relating to the above (net)	–
<b>Balance – As at 31 March 2024</b>	<b>–</b>

#### (ii) Other risks

The Group has deployed its surplus funds into various financial instruments including units of mutual funds, bonds, fixed maturity plans, exchange traded funds, index funds etc. The Group is exposed to price risk on such investments, which arises on account of movement in interest rates, liquidity and credit quality of underlying securities.

The Group has invested its surplus funds primarily in debt based mutual funds and fixed maturity plans. The value of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Group on daily basis. The Group has not performed a sensitivity analysis on these mutual funds based on estimated fluctuations in their NAV as in management's opinion, such analysis would not display a correct picture.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 36 Capital management

#### Objectives, policies and processes of capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group is not exposed to any regulatory imposed capital requirements.

The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with the guidelines set out by the management. Safety of capital is of prime importance to ensure availability of capital for operations. Investment objective is to provide safety and adequate return on the surplus funds.

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Equity	28,962.42	29,361.55
Less: Tangible and other assets	3,600.19	3,380.34
Working capital (excluding investments)	(2,724.45)	(201.70)
Investments in subsidiaries/associate	4,820.40	4,884.03
<b>Investments in debt and similar investments</b>	<b>23,266.28</b>	<b>21,298.88</b>

No changes were made in the objectives, policies and processes of capital management during the year.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 37 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 Group 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 Group's gratuity scheme. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The gratuity plan is a funded plan and the Group makes contributions to approved gratuity fund.

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Amount recognised in Balance Sheet</b>		
Present value of funded defined benefit obligation (DBO)	477.70	472.92
Fair value of plan assets	(499.86)	(505.15)
<b>Net funded obligation</b>	<b>(22.16)</b>	<b>(32.23)</b>
Present value of unfunded defined benefit obligation	0.90	–
Amount not recognised due to asset ceiling	4.81	31.57
<b>Net defined benefit liability/(asset) recognised in Balance Sheet</b>	<b>(16.45)</b>	<b>(0.66)</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	27.17	26.79
Interest on net defined benefit liability/(asset)	(1.89)	(2.74)
<b>Total expense charged to Statement of Profit and Loss</b>	<b>25.28</b>	<b>24.05</b>
<b>Amount recorded as Other Comprehensive Income</b>		
<b>Opening amount recognised in OCI outside Statement of Profit and Loss</b>	<b>56.48</b>	<b>54.34</b>
Remeasurements during the period due to		
Changes in financial assumptions	8.16	(6.30)
Experience adjustments	(4.10)	(1.51)
Actual return on plan assets less interest on plan assets	(8.65)	12.20
Adjustment to recognise the effect of asset ceiling	(29.11)	(2.25)
<b>Closing amount recognised in OCI outside Statement of Profit and Loss</b>	<b>22.78</b>	<b>56.48</b>

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Reconciliation of net liability/(asset)</b>		
<b>Opening net defined benefit liability/(asset)</b>	<b>(0.66)</b>	<b>(12.92)</b>
Expense charged to Statement of Profit and Loss	25.28	24.05
Amount recognised outside Statement of Profit and Loss	(33.70)	2.14
Employer contributions	(7.37)	(13.93)
<b>Closing net defined benefit liability/(asset)</b>	<b>(16.45)</b>	<b>(0.66)</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 37 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Gratuity (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Movement in benefit obligation</b>		
<b>Opening of defined benefit obligation</b>	472.92	477.07
Current service cost	27.17	26.79
Interest on defined benefit obligation	30.70	30.57
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	8.16	(6.30)
Actuarial loss/(gain) arising on account of experience changes	(4.10)	(1.51)
Benefits paid	(60.72)	(53.70)
Liabilities assumed/(settled)	4.47	-
<b>Closing of defined benefit obligation</b>	<b>478.60</b>	<b>472.92</b>

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Movement in plan assets</b>		
<b>Opening fair value of plan assets</b>	505.15	521.52
Employer contributions	7.37	13.93
Interest on plan assets	34.97	35.60
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	8.62	(12.20)
Benefits paid	(60.72)	(53.70)
Assets acquired/(settled)	4.47	-
<b>Closing fair value of plan assets</b>	<b>499.86</b>	<b>505.15</b>

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Disaggregation of assets</b>		
<b>Category of assets</b>		
Insurer managed funds.	499.86	505.15
Others	-	-
	<b>499.86</b>	<b>505.15</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 37 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Gratuity (Contd.)

##### 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 summarises the impact in percentage terms on the reported defined benefit obligation (DBO) at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
<b>Senior staff</b>				
Impact of increase in 50 bps on DBO	(3.00%)	3.09%	(3.09%)	3.18%
Impact of decrease in 50 bps on DBO	3.19%	(2.94%)	3.28%	(3.03%)
<b>Junior staff</b>				
Impact of increase in 50 bps on DBO	(3.65%)	3.86%	(3.21%)	3.40%
Impact of decrease in 50 bps on DBO	3.99%	(3.58%)	3.50%	(3.16%)

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 Group 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 Group to fully pre fund the liability of the Plan. The Group'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.

The expected contribution payable to the plan next year is ₹ 15.85 crore.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 37 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Gratuity (Contd.)

#### 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:

(₹ In Crore)

Particulars	Less than a year	Between 1 - 2 years	Between 3 -5 years	Over 5 years	Total
<b>31 March 2024</b>					
Senior staff	35.25	12.91	81.54	220.94	350.64
Junior staff	81.06	39.11	66.57	429.56	616.30
<b>31 March 2023</b>					
Senior staff	34.64	8.40	75.13	205.87	324.04
Junior staff	88.13	43.43	86.99	401.93	620.48

#### Weighted average duration of defined benefit obligation (in years)

	As at 31 March	
	2024	2023
Senior Staff	6.19	6.36
Junior Staff	7.63	6.70

#### Principal Actuarial Assumptions (Expressed as Weighted Averages)

	As at 31 March	
	2024	2023
Discount rate (p.a.)	7.20%	7.45%
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.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 37 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Provident Fund:

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Amount recognised in Balance Sheet</b>		
Present value of funded defined benefit obligation	1,516.11	1,452.17
Fair Value of plan assets	(1,566.45)	(1,476.49)
<b>Net funded obligation</b>	<b>(50.34)</b>	<b>(24.32)</b>
Amount not recognised due to asset ceiling	50.34	24.32
<b>Net defined benefit liability/(asset) recognised in Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	45.23	42.81
<b>Total expenses charged to Statement of Profit and Loss</b>	<b>45.23</b>	<b>42.81</b>
<b>Amount recorded as Other Comprehensive Income</b>		
<b>Opening amount recognised in OCI outside Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>
Remeasurements during the period due to		
Changes in financial assumptions	10.83	-
Experience adjustments	19.92	21.67
Actual return on plan assets less interest on plan assets	(54.95)	24.76
Adjustment to recognise the effect of asset ceiling	24.20	(46.43)
<b>Closing amount recognised in OCI outside Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of net liability/(asset)</b>		
<b>Opening net defined benefit liability/(asset)</b>	<b>-</b>	<b>-</b>
Expense charged to Statement of Profit and Loss	45.23	42.81
Employer contributions	(45.23)	(42.81)
<b>Closing net defined benefit liability/(asset)</b>	<b>-</b>	<b>-</b>
<b>Movement in benefit obligation</b>		
<b>Opening of defined benefit obligation</b>	<b>1,452.17</b>	<b>1,385.12</b>
Current service cost	45.23	42.81
Interest on defined benefit obligation	105.49	98.50
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	10.83	-
Actuarial loss/(gain) arising on account of experience adjustments	19.92	21.67
Employee contributions	82.60	80.26
Benefits paid	(194.93)	(173.18)
Liabilities assumed/(settled)	(5.20)	(3.01)
<b>Closing defined benefit obligation</b>	<b>1,516.11</b>	<b>1,452.17</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 37 Employee benefits (Contd.)

#### Funded schemes (Contd.)

##### Provident Fund: (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Movement in plan assets</b>		
<b>Opening fair value of plan assets</b>	1,476.49	1,451.09
Interest on plan assets	107.31	103.28
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	54.95	(24.76)
Employer contributions during the period	45.23	42.81
Employee contributions during the period	82.60	80.26
Benefits paid	(194.93)	(173.18)
Assets acquired/(settled)	(5.20)	(3.01)
<b>Closing fair value of plan assets</b>	<b>1,566.45</b>	<b>1,476.49</b>

Disaggregation of assets	(₹ In Crore)	
	As at 31 March	
	2024	
<b>Quoted</b>		
Government debt instruments		947.73
Other debt instruments		504.25
Others		48.59
<b>Unquoted</b>		
Others		65.88
		<b>1,566.45</b>

Key actuarial assumptions	As at 31 March	
	2024	2023
Discount rate (p.a.)	7.20%	7.45%
Future derived return on assets (p.a.)	8.97%	9.43%
Discount rate for the remaining term to maturity of the investment (p.a.)	7.15%	7.30%
Average historic yield on the investment (p.a.)	8.92%	9.28%
Guaranteed rate of return (p.a.)	8.25%	8.15%

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 37 Employee benefits (Contd.)

#### Unfunded schemes

Particulars	(₹ In Crore)	
	As at 31 March 2024	As at 31 March 2023
	Compensated Absences	Compensated Absences
Present value of unfunded obligations	153.62	135.00
Expense recognised in the Statement of Profit and Loss	27.31	18.80
Amount recorded as Other Comprehensive Income		
Discount rate (p.a.)	7.20%	7.45%
Salary escalation rate (p.a.) - senior staff	10.00%	10.00%
Salary escalation rate (p.a.) - junior staff	10.00%	10.00%

#### Compensated absences

The compensated absences cover the Group's liability for casual and earned 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.

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
Compensated absences expected to be settled after twelve months	121.86	105.60

Particulars	(₹ In Crore)	
	As at 31 March	
	2024	2023
<b>Amount recognised in the Statement of Profit and Loss</b>		
<b>Defined contribution plans:</b>		
Superannuation paid to trust	8.41	8.38
Pension fund paid to Government authorities	11.31	12.59
Provident fund paid to Government authorities	1.46	0.46
Others	4.60	0.83
<b>Defined benefit plans:</b>		
Gratuity	25.28	24.05
Provident fund paid to trust	45.23	42.81
Others	0.40	0.47
	<b>96.69</b>	<b>89.59</b>

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 38 Capital commitments

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
Capital commitments, net of capital advances	195.15	194.83

### 39 Expenditure incurred on Research and Development

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2024	2023
a. Revenue expenditure - charged to Statement of Profit and Loss	527.38	500.05
b. Revenue expenditure - capitalised	-	-
c. Capital expenditure - excluding building	36.89	37.56
d. Capital expenditure - building	-	-
	564.27	537.61

### 40 Other disclosures

Other notes and disclosures to be inserted in the consolidated financial statements are similar to those of standalone financial statements of Bajaj Auto Ltd.; and hence have not been repeated here.

The relevant note references in the standalone financial statements are given below:

Particulars	Note Reference of standalone financial statements
Dividends distributed and proposed	Note 34 (b)
Contingent liabilities	Note 35
Lease	Note 40
Share based payments (Employee stock option plans)	Note 43
Dues to micro, small and medium enterprises	Note 44

There are no changes arising out of inclusion of the subsidiaries/associate amounts in the above disclosures.

**41** Consolidated related party transactions are same as related party transactions of stand alone Bajaj Auto Ltd.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 42 Investment in an associate

Pierer Bajaj AG (formerly: PTW Holding AG) acts exclusively as the holding company of Pierer Mobility AG. The Pierer Mobility Group is Europe's leading 'Powered Two-Wheeler' (PTW) manufacturer with a focus on highly innovative sports motorcycles and electric mobility. With its KTM, HUSQVARNA Motorcycles, and GASGAS motorcycle brands, it is one of the technology and market leaders in Europe, especially when it comes to premium motorcycles.

Pierer Bajaj AG is a private entity that is not listed on any public exchange. The Group's interest is in Pierer Bajaj AG.

The following table illustrates the summarised financial information of the Group's investment in Pierer Bajaj AG (in Euro, which is its functional currency):

Particulars	(Euro in Million)	
	31 Dec 2023 Pierer Bajaj AG	31 Dec 2022 Pierer Bajaj AG
Current assets	1,629.51	1,368.92
Non-current assets	1,333.83	1,195.85
Current liabilities	929.77	1,010.71
Non-current liabilities	1,130.00	625.61
<b>Equity</b>	<b>903.57</b>	<b>928.45</b>
Revenue	2,661.21	2,437.20
Cost of sales	(1,977.12)	(1,745.88)
<b>Gross profit</b>	<b>684.09</b>	<b>691.32</b>
Selling and racing expenses	(289.84)	(242.80)
Research and development expenses	(53.76)	(55.35)
Infrastructure and administration expenses	(185.98)	(165.19)
Other operating expenses	(0.80)	(0.40)
Other operating income	3.74	2.38
Share of profit of associates	2.34	5.00
<b>Result from operating activities</b>	<b>159.79</b>	<b>234.96</b>
Interest income	11.06	4.04
Interest expenses	(74.03)	(19.34)
Other financial result	(4.62)	(4.06)
<b>Profit before tax</b>	<b>92.20</b>	<b>215.60</b>
Tax expense	(15.72)	(45.28)
<b>Profit for the year (continuing operations)</b>	<b>76.48</b>	<b>170.32</b>
<b>Total comprehensive income for the year (continuing operations)</b>	<b>63.35</b>	<b>187.72</b>

The associate had no contingent liabilities or capital commitments.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 43 Segment information

Segment information is based on the consolidated financial statements.

#### Segment wise revenue, results and capital employed for the year ended 31 March 2024

The Company's Core Management Committee (CMC), examines the Groups performance both from a product and geographical perspective and has identified three reportable operative business segments. The Group's significant source of risk and rewards are derived from Automotive business, Investments and Financing, the performance of which is reviewed by the committee on a periodic basis and hence considered as individual operative segments.

(₹ In Crore)

#### (a) Business segment

Particulars	Automotive	Investments	Financing	Consolidated
<b>Revenue</b>				
External sales and other income*	44,870.14	1,419.66	16.65	46,306.45
Inter segment sales and other income	-	-	-	-
<b>Total revenue</b>	<b>44,870.14</b>	<b>1,419.66</b>	<b>16.65</b>	<b>46,306.45</b>
* includes Revenue from contracts with customers: ₹ 43,782.08 crore				
Segment result	8,708.15	1,417.60	(25.35)	10,100.40
Finance costs	53.73	-	6.63	60.36
Tax expense	-	-	-	2,331.80
Non-controlling interest	-	-	-	-
<b>Profit for the year</b>	<b>8,654.42</b>	<b>1,417.60</b>	<b>(31.98)</b>	<b>7,708.24</b>
Segment assets	8,837.56	23,520.93	1,259.06	33,617.55
Investments in associate of subsidiary	4,820.40	-	-	4,820.40
Unallocated corporate assets	-	-	-	905.74
<b>Total assets</b>	<b>13,657.96</b>	<b>23,520.93</b>	<b>1,259.06</b>	<b>39,343.69</b>
Segment liabilities	8,701.54	-	376.05	9,077.59
Unallocated corporate liabilities	-	-	-	18.04
<b>Total liabilities</b>	<b>8,701.54</b>	<b>-</b>	<b>376.05</b>	<b>9,095.63</b>
<b>Capital employed</b>	<b>4,956.42</b>	<b>23,520.93</b>	<b>883.01</b>	<b>30,248.06</b>
<b>Reconciliation of segment liabilities</b>				
Total segment liabilities as above				9,095.63
Add: Considered as part of capital employed				
Long-term borrowings				633.33
Sales tax deferral				125.84
Deferred tax liabilities				493.13
Government grant (current and non-current)				33.34
<b>Total liabilities as per Balance Sheet</b>				<b>10,381.27</b>
Capital expenditure	887.36	-	-	887.36
Depreciation and write downs	364.77	-	-	364.77

#### (b) Geographic segment

Particulars	India	Rest of the world	Consolidated
Segment revenue: External sales and other income	31,764.57	14,541.88	46,306.45
Segment assets	32,916.96	6,426.73	39,343.69
Capital expenditure	885.07	2.29	887.36

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

### 43 Segment information (Contd.)

Segment information is based on the consolidated financial statements.

#### Segment wise revenue, results and capital employed for the year ended 31 March 2023

(₹ In Crore)

##### (a) Business segment

Particulars	Automotive	Investments	Consolidated
<b>Revenue</b>			
External sales and other income*	36,665.03	977.87	37,642.90
Inter segment sales and other income	–	–	–
<b>Total revenue</b>	<b>36,665.03</b>	<b>977.87</b>	<b>37,642.90</b>
* includes Revenue from contracts with customers: ₹ 35,391.52 crore			
Segment result	6,905.24	976.25	7,881.49
Finance costs	39.51	–	39.51
Tax expense	–	–	1,781.77
Non-controlling interest	–	–	–
<b>Profit for the year</b>	<b>6,865.73</b>	<b>976.25</b>	<b>6,060.21</b>
Segment assets	7,552.14	21,887.86	29,440.00
Investments in associate of subsidiary	4,884.03	–	4,884.03
Unallocated corporate assets	–	–	812.42
<b>Total assets</b>	<b>12,436.17</b>	<b>21,887.86</b>	<b>35,136.45</b>
Segment liabilities	5,245.78	–	5,245.78
Unallocated corporate liabilities	–	–	23.74
<b>Total liabilities</b>	<b>5,245.78</b>	<b>–</b>	<b>5,269.52</b>
<b>Capital employed</b>	<b>7,190.39</b>	<b>21,887.86</b>	<b>29,866.93</b>
<b>Reconciliation of segment liabilities</b>			
Total segment liabilities as above			5,269.52
Add: Considered as part of capital employed			
Sales tax deferral			124.23
Deferred tax liabilities			345.15
Government grant (current and non-current)			36.00
<b>Total liabilities as per Balance Sheet</b>			<b>5,774.90</b>
Capital expenditure	1,295.75	–	1,295.75
Depreciation and write downs	285.85	–	285.85
Non cash expenses other than depreciation	4.79	–	4.79

##### (b) Geographic segment

Particulars	India	Rest of the world	Consolidated
Segment revenue: External sales and other income	23,235.61	14,407.29	37,642.90
Segment assets	29,180.66	5,955.79	35,136.45
Capital expenditure	1,294.76	0.99	1,295.75

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

#### 44 Disclosure in terms of Schedule III of the Companies Act, 2013

Particulars	Net Assets (i.e. total assets minus total liabilities)		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount (₹ In Crore)	As a % of consolidated profit or loss	Amount (₹ In Crore)	As a % of consolidated other comprehensive income	Amount (₹ In Crore)	As a % of consolidated total comprehensive income	Amount (₹ In Crore)
<b>1. Parent:</b>								
Bajaj Auto Ltd.	85.84%	24,860.50	97.03%	7,478.79	108.67%	765.13	98.00%	8,243.92
<b>2. Subsidiaries (Indian):</b>								
Chetak Technology Ltd.	1.27%	368.91	(0.24%)	(18.13)	(0.06%)	(0.41)	(0.22%)	(18.54)
Bajaj Auto Credit Ltd. (earlier known as Bajaj Auto Consumer Finance Ltd.)	0.89%	258.23	(0.31%)	(23.77)	(0.14%)	(1.02)	(0.29%)	(24.79)
<b>3. Subsidiaries (Foreign):</b>								
PT Bajaj Auto Indonesia	-	0.91	-	(0.04)	0.03%	0.18	-	0.14
Bajaj Auto International Holdings BV	18.95%	5,487.75	3.68%	283.51	(9.79%)	(68.96)	2.55%	214.55
Bajaj Auto (Thailand) Ltd.	0.03%	9.05	0.01%	0.73	0.03%	0.18	0.01%	0.91
Bajaj Auto Spain S.L.U.	0.02%	6.25	0.01%	0.65	-	(0.02)	0.01%	0.63
Bajaj Do Brasil Comercio De Motocicletas LTDA	0.26%	74.51	(0.08%)	(5.83)	(0.03%)	(0.18)	(0.07%)	(6.01)
Add/(Less): Non-controlling interest in all subsidiaries	-	(0.01)	-	-	-	-	-	-
Add/(Less): Inter-company eliminations	(7.26%)	(2,103.69)	(0.10%)	(7.67)	1.29%	9.15	0.01%	1.48
<b>Total</b>	<b>100.00%</b>	<b>28,962.41</b>	<b>100.00%</b>	<b>7,708.24</b>	<b>100.00%</b>	<b>704.05</b>	<b>100.00%</b>	<b>8,412.29</b>

#### 45 Miscellaneous

- There have been no events after the reporting date that require disclosure in these financial statements.
- Amounts less than ₹ 50,000 have been shown at actual against respective line items statutorily required to be disclosed.
- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Company has performed the assessment to identify transactions with struck-off companies as at 31 March 2024 and identified no company with any transactions.
- The Group has not traded or invested in crypto-currency or virtual currency during the financial year.
- The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.
- 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 Group to or in any other person or entity, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds have been received by the Group from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Group has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- The Group has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.

Notes to consolidated financial statements for the year ended 31 March 2024 (Contd.)

## 45 Miscellaneous

- k. The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l. Bajaj Auto (BAL) uses SAP-S4 HANA as the accounting software. SAP ensures an audit trail, providing standard functionality and logging in all changed data in the system. This functionality and audit trail feature in SAP has been operational throughout the year for all relevant transactions recorded through the application at BAL.

At BAL, accounting documents are used to record all business transactions – posted documents are stored in SAP for every transaction and a financial document once posted cannot be deleted or changed for data points impacting financials. The SAP environment at BAL is appropriately governed and only authorised users can make postings in SAP, while interacting with the system through the application layer. Normal/regular users are not granted nor have direct SAP-DB (database) or super user level access which would allow them to make any changes to financial documents directly which have already been posted through the application.

To operate the SAP-application and the SAP-DB, the system necessarily requires a set of super-users to have DB-level accesses. These super-users are obligated to perform system related tasks. They are not allowed to carry out any direct changes/edits to financial transactions in the SAP-DB, which if carried out is ill-legal. In the event of an unauthorised change by a super user specifically, these can be detected through an investigative approach and/or using services provided by SAP as part of their financial data quality check service, which validates the consistency of financials based on the request of the client. Therefore, while the SAP-DB at the moment does not have the concurrent real time audit trail feature in view of its infeasibility, the tracking of changes can be done through a focused enquiry process.

- m. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- n. Figures for previous year/period have been regrouped wherever necessary.

As per our report of even date

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

per Arvind Sethi  
Partner  
Membership Number: 089802  
Pune: 18 April 2024

On behalf of the Board of Directors

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

Dinesh Thapar  
Chief Financial Officer

Rajiv Gandhi  
Company Secretary

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

## Salient features of the financial statements of subsidiaries for the year ended 31 March 2024

Form AOC-1

In accordance with section 129(3) of the Companies Act, 2013, the salient features of the financial statements of subsidiaries is given below:

Particulars	PT. Bajaj Auto Indonesia	Bajaj Auto International Holdings BV. (Consolidated)	Bajaj Auto (Thailand) Ltd.	Chetak Technology Ltd.	Bajaj Auto Credit Ltd. (earlier known as Bajaj Auto Consumer Finance Ltd.)	Bajaj Auto Spain S.L.U.	Bajaj Do Brasil Comercio De Motocicletas Ltda
a The date since when subsidiary was acquired	20 February 2008 (being the effective date of demerger of erstwhile BAL)	20 February 2008 (being the effective date of demerger of erstwhile BAL)	20 December 2019	04 October 2021	06 December 2021	05 August 2021	31 March 2022
b Reporting period for the subsidiary	1 April 2023 to 31 March 2024	1 April 2023 to 31 March 2024	1 January 2023 to 31 December 2023	1 April 2023 to 31 March 2024	1 April 2023 to 31 March 2024	1 January 2023 to 31 December 2023	1 January 2023 to 31 December 2023
c Reporting currency as on the last date of the relevant financial year in the case of foreign subsidiaries	IDR (Indonesian Rupiah)	Euro	THB (Thai Baht)	INR	INR	Euro	Reais (Brazilian Real)
d Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1 USD = IDR 15853 1 USD = 83.405	1 Euro = ₹ 89.8775	1 USD = THB 36.2489 1 USD = ₹ 83.405	NA	NA	1 Euro = ₹ 89.8775	1 USD = BRL 4.9959 1 USD = ₹ 83.405
e Share capital	6.13	1,779.57	10.35	470.00	295.00	5.39	86.81
f Reserves and surplus	(5.22)	3,708.18	(1.30)	(101.09)	(36.77)	0.86	(12.30)
g Total assets	0.94	5,490.04	9.79	394.16	1,259.06	7.08	82.86
h Total liabilities	0.94	5,490.04	9.79	394.16	1,259.06	7.08	82.86
i Investments	-	5,130.48	-	308.07	190.17	-	53.87
j Turnover	0.04	19.09	11.32	172.79	16.65	13.29	128.74
k Profit before tax	(0.04)	285.36	0.73	(18.13)	(31.98)	0.87	(11.11)
l Provision for tax	-	1.85	-	-	(8.21)	0.22	(5.28)
m Profit after tax	(0.04)	283.51	0.73	(18.13)	(23.77)	0.65	(5.83)
n Proposed dividend	-	-	-	-	-	-	-
o % of shareholding	99.25%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

On behalf of the Board of Directors

Niraj Bajaj  
Chairman  
(DIN: 00028261)

Rajiv Bajaj  
Managing Director  
(DIN: 00018262)

Anami N. Roy  
Chairman - Audit Committee  
(DIN: 01361110)

Dinesh Thapar  
Chief Financial Officer

Rajiv Gandhi  
Company Secretary

Pune: 18 April 2024





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FAVOURITE  
INDIAN**

**Bajaj Auto Limited**  
Akurdi, Pune - 411 035, India

[www.bajajauto.com](http://www.bajajauto.com)