BAJAJ AUTO LIMITED

ANNUAL REPORT 2024-25

BAJAJ

THE WORLD'S FAVOURITE INDIAN

CONTENTS

NON-FINANCIALS

FINANCIALS

Board of Directors

Niraj Bajaj, Chairman
Rajiv Bajaj, Managing Director and CEO
Sanjiv Bajaj
Pradeep Shrivastava, Executive Director
Dr. Naushad Forbes
Anami N. Roy
Rakesh Sharma, Executive Director
Pradip Shah
Abhinav Bindra
Vinita Bali
Dr. Sangita Reddy (from 16 July 2024)

Audit Committee

Anami N. Roy, Chairman
Dr. Naushad Forbes
Pradip Shah
Vinita Bali

Stakeholders' Relationship Committee

Pradip Shah, Chairman
Niraj Bajaj
Abhinav Bindra

Nomination and Remuneration Committee

Dr. Naushad Forbes, Chairman
Niraj Bajaj
Abhinav Bindra

Corporate Social Responsibility Committee

Rajiv Bajaj, Chairman
Pradeep Shrivastava
Dr. Naushad Forbes
Abhinav Bindra
Vinita Bali

Risk Management Committee

Anami N. Roy, Chairman
Pradip Shah
Dinesh Thapar

Duplicate Share Certificate Issuance Committee

Rajiv Bajaj, Chairman
Pradeep Shrivastava
Rakesh Sharma

Management

Rajiv Bajaj
Managing Director and CEO

Pradeep Shrivastava
Executive Director

Rakesh Sharma
Executive Director

Abraham Joseph
Managing Director of
Bajaj Auto Technology Ltd.

S Ravikumar
Chief Business Development Officer

Dinesh Thapar
Chief Financial Officer

Ravi Kyran Ramasamy
Chief Human Resources Officer

Ramtilak Ananthan
Chief Technology Officer

Baminee Viswanat
General Counsel

Kevin D'sa
Managing Director of
Bajaj Auto Credit Ltd.

Sarang Kanade
President (Motorcycle Business)

Samardeep Subandh
President (Intra-City Business)

K S Grihapathy
President (Export Business)

Eric Vas
President (Urbanite Business)

Manik Nangia
President (Probiking Business)

Sumeet Narang
President (Central Marketing)

C P Tripathi
Advisor (CSR)

Company Secretary and Compliance Officer

Rajiv Gandhi

Auditors

S R B C & CO LLP
Chartered Accountants

Secretarial Auditor

Shyamprasad D Limaye
Practising Company Secretary

Cost Auditor

R.B. Laddha & Co
Cost Accountants

Bankers

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
Canara Bank

Registered Office

Mumbai-Pune Road,
Akurdi, Pune 411 035.

CIN: L65993PN2007PLC130076

Works

- Mumbai-Pune Road,
  Akurdi, Pune 411 035.
- Bajaj Nagar,
  Chhatrapati Sambhajinagar
  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

RAMTILAK ANANTHAN

BAMINEE VISWANAT

KEVIN D'SA

SARANG KANADE

SAMARDEEP SUBANDH

K S GRIHAPATHY

ERIC VAS

MANIK NANGIA

SUMEET NARANG

C P TRIPATHI

CHAIRMAN'S LETTER

Dear Shareholders,

It gives me immense pleasure to write to you and share the highlights of what has turned out to be yet another milestone year for your Company.

FY 2025 saw your Company raise the bar even higher as it dynamically navigated a fast changing external environment with agility and decisiveness, to deliver record financial results.

We closed the year with our highest-ever revenue and profits, accompanied by solid cash flows, all underpinned by focused execution across our businesses and continued emphasis on innovation, scale, and resilience.

Let me give you a sense of the performance -

1. Revenue crossed the ₹ 50,000 crore mark for the first time as it grew 12% year-on-year, powered by the record performance across both vehicle and spares sales.
2. EBITDA delivered a record ₹ 10,101 crore, up 14%, while the EBITDA margin improved to 20.2% and held steady across quarters, led by dynamic price and cost management, improved dollar realisation, and operating leverage.
3. Standalone Profit Before Tax was ₹ 11,052 crore and Profit After Tax was ₹ 8,151 crore — both registering new highs. It is worth noting that the 9% growth in Profit After Tax is after absorbing a one-time exceptional deferred tax provision of ₹ 211 crore in Q2 of this year, on account of the withdrawal of indexation benefits on certain asset classes and changes in tax rates as announced in the Finance Act, 2024. Adjusting for this one-off impact, Profit After Tax grew a robust 12% year-on-year, underscoring the quality and sustainability of the underlying earnings.
4. Free Cash Flow generation for the year was about ₹ 6,500 crore and we closed the year with a strong surplus cash balance of nearly ₹ 17,000 crore, underscoring the continued strength and resilience of our Balance Sheet. This was achieved despite significant investments during the year — including ₹ 3,100 crore on strategic bets in subsidiary companies (Bajaj Auto Credit, Bajaj Auto International Holding BV and Bajaj Do Brazil) and ₹ 700 crore towards capex. Over ₹ 2,200 crore were returned to shareholders through dividends, reflecting our commitment to rewarding shareholders even as we invest for the future.

Revenue crossed ₹50,000 crore mark for the first time as it grew 12% year-on-year.

Importantly, we delivered these results against the backdrop of a shifting macroeconomic landscape, both domestically and internationally. You may recall that last year, our performance was largely driven by a buoyant domestic market, while exports remained subdued. This year, while we entered with similar strong domestic momentum and a slow recovery in exports, the story flipped in the second half — domestic demand slowed, but exports accelerated sharply. That your Company not only navigated this transition but delivered its best-ever performance is a testament to the very versatile nature of our business, which drives the resilience of our results. When one engine slows, the other steps up — allowing the enterprise to stay on course.

Underpinning the landmark performance was another notable feature – a year that was marked by the resilient performance on the existing ICE (internal combustion engines) business but turbo-charged by the rapid scale up to leadership on the emerging electric vehicles portfolio.

Given its significance to the year's results, I must call out that it is particularly heartening to see the steady and surefooted progress that your Company has made on building the electric vehicles business. In this last year, we have delivered over ₹ 5,500 crore of revenue from electric vehicles, that now comprises ~20% of domestic sales and importantly achieved segment leadership position on electric scooters during the year and on electric three wheelers as well as we entered FY26. From virtually nothing on this count a few years ago it is now the country's largest electric two + three wheeler business by revenue. The fact that all of this has been done in about 3 years, is another fitting example that bears testimony to the agility and adaptability of the Bajaj Auto organization.

Apart from the financial measures, there have been milestones spread across the broad spectrum of our businesses as well –

- Our Domestic business delivered its highest-ever revenue, growing double-digit growth across both two and three wheelers.
  - In Domestic Motorcycles, revenue for our strategically important and focussed segment of the 125cc+ hit a new peak. Pulsar, our flagship brand, remains a strong force in the sports motorcycle segment, leading the charge as a symbol of Indian engineering and excellence admired across the globe. Annual revenues from this brand at nearly ₹ 15,000 crore, of which, ₹ 10,000 crore domestically, on the back of the highest-ever retails in 125cc+ segment reinforcing the strength of its proposition. While the overall domestic motorcycles performance was subdued by a relatively weak second half that saw a loss of market share, we view this as a critical area and are taking clear and targeted actions to regain momentum.
  - This year will also remain important for us and the motorcycling industry as it saw the launch of the Bajaj Freedom 125 — the world's first CNG motorcycle – representing our commitment to breakthrough innovation while reimagining mobility. 'Freedom' is more than a bike; it is a statement of how engineering and environmental stewardship can go hand in hand.
  - As for our partner brands - KTM and Triumph, they clocked nearly 1 lakh units domestically, reflecting the growing preference for premium mobility and our decisive presence in this space. Buoyed by the strength of an expanded / upgraded portfolio and a wider reach in terms of city and dealership coverage, the interventions are yielding encouraging results. While KTM accelerated momentum in the latter part of the year, Triumph sales were up >60% year-on-year in the domestic market.
  - In Commercial Vehicles, we have registered highest ever volumes with revenues delivering well ahead of ₹ 10,000 crore milestone for the first time. Notably the electric three-wheeler business, which is under two years old, has rapidly scaled up to 20% of the Commercial Vehicles business revenue, with 3X increase in market share (and further going on to achieve segment leadership at the start of FY26).
  - This was the year in which Chetak hit leadership in the electric scooters market as volumes more than doubled year-on-year. The launch of the affordable variant earlier in the year and rapid expansion of the network to >4,000 touchpoints were key interventions that propelled the business to leadership.
- Exports staged a strong comeback with double-digit growth that was led by Latin America, which continued its strong momentum, registering yet another high over what was already a record performance last year. Our brands continue to enjoy deep trust and loyalty among customers, helping us reclaim volumes and drive share across markets.

- Spares reported yet another year of record revenue driven by sharper execution, conscious supply chain interventions to improve service levels and working closely with channel partners.

In all, as you would make out, dear Shareholders, it has been a year with much to cheer about.

Commenting briefly on our consolidated results since it has been impacted by an out-of-the-ordinary situation. It is unfortunate that our consolidated profit for the year was adversely hit by the share of loss that we had to account for arising from the investment in our associate company (Pierer Mobility AG / KTM AG), given the restructuring context of that business in Austria.

Outside of our Netherlands investments subsidiary, Bajaj Auto International Holdings BV, who's results was affected by the KTM restructuring, for our other key operating subsidiaries - Bajaj Auto Credit Limited and Bajaj Do Brasil Comercio De Motocicletas Ltda, we made substantial headway on our strategy and plans for these businesses.

Our captive financing business, Bajaj Auto Credit Limited continued to deepen its customer connect, financing over 7.5 lakh accounts and turning profitable in its very first year. The company was in ramp up phase for the most part of the year and finished its national coverage by the end of December 2024, positioning itself well to meet the future growth needs and serve the customers of the Bajaj Auto business.

As for our subsidiary in Brazil, the business has grown scale quarter after quarter particularly after supplies were unlocked following the commissioning of our first company-owned overseas assembling facility in Manaus in June 2024. The business ended the year at a quarterly run rate that was in excess of what it sold for all of the previous financial year. To leverage the attractive market opportunity, capacity is being further increased, the portfolio augmented and the network expanded to cover the country. I truly believe Brazil will emerge as a sizeable and exciting market for us in the years ahead.

Alongside delivering robust financial performance and business excellence, we also undertook transformative steps to make our organization future fit.

On the operations front, our Chakan plant achieved the highest milestone on its TPM journey. In 2024, it was awarded the 'World Class TPM Award' by Japanese Institute of Plant Maintenance [JIPM], making it the first automotive company in India to achieve this prestigious award. As your Company has been practicing TPM consistently for the last 25 years, in the last year Bajaj Auto also received the award for 'Global Leaders Initiative for TPM', a first for any Indian company.

In the year gone by, we envisioned Project Velocity, built around the 4S Framework focusing on four key principles. This exercise involved a thorough analysis of our Business Units, leadership-led reviews, and iterative refinements to each unit's organization structure. This was followed by a considered mapping of talent to key roles, ensuring alignment with business priorities, and stronger cross-functional collaboration. It resulted in simplification of the organization structure and flattening of the leadership layers to provide perfect correlation between our leadership levels, 4S framework and our leadership competency framework around -

- Simplicity of strategy - Anticipate the future with simplicity.
- Singularity of objectives - Drive singularity of alignment across the organization.
- Synergy of teams - Bring synergies by enabling the cross functional teams to continuously adapt to the dynamic environment.
- Speed of Execution - Act with speed in flawlessly executing and continuously improving.

These changes have already started to positively impact agility, efficiency, and speed of execution in the Company.

To round it all up therefore, as I reflect on the year gone by, for me it has brought home a profound business truth - in uncharted waters, competitiveness comes not from always having the wind at your back, but from being able to adroitly adjust your sails as the winds shift. Watching our teams rise to the challenge has been both energizing and gratifying. That we could do all this while staying true to our values, supporting our communities, and building for the future makes me proud not just of the performance but of the journey.

As we shift gears to the next year, the environment has turned increasingly volatile, uncertain and complex. In these times, what keeps me reassured and optimistic is –

1. We are in a country which offers a sizeable market opportunity and growth potential at home
2. We have a well-regarded presence as 'The World's Favourite Indian,' that allows us to serve and touch the lives of customers across 100 countries the world over
3. We have a well run business that is powered by a capable, committed and engaged team and supported by strong relationships with partners in the front and back end

That said, I have no doubt that the road ahead will have its turns and bumps, as always. However, we are not standing still. We have a clear set of actions to revive domestic momentum, accelerate exports rebound, strengthen our products/proposition/presence, and continue to lead the transition toward electric mobility.

We remain committed to:

- Driving the competitiveness in the strategically relevant and important 125cc+ motorcycle segment
- Scaling up Chetak even further with a view growing volumes, market share leadership and improving unit economics
- Expanding and replicating our market leadership to the electric three-wheelers segment, mirroring the strong position that we have built in the ICE category
- Sustaining and broad basing the recovery in exports, while leveraging the uptick across select overseas markets
- Staying the course relentlessly on delivering differentiated product innovation, impactful in-market activation and superior customer experience
- Investing sufficiently behind growth priorities, while building our strategic growth enablers and capabilities including through our subsidiaries
- Continuing the focus on dynamic financial management to ensure competitive and profitable growth with strong cash flow generation

In closing, I wish to congratulate and thank our CEO and Managing Director, Rajiv Bajaj, and his exceptional leadership team, along with every member of the Bajaj Auto family — across plants, offices, and geographies — who made this year's success possible.

I would also like to commend our partners, our vendors, distributors, dealers, service providers and many more in the wider ecosystem who are deeply instrumental in enabling us deliver day in day out. We appreciate each contribution and take pride in these relationships.

And to you, our shareholders — thank you for your continued trust. It is both our foundation and our fuel for the road ahead. We have done it this year. And with your support, I believe we will do it again in FY2026 — and better.

Yours sincerely,

Niraj Bajaj
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

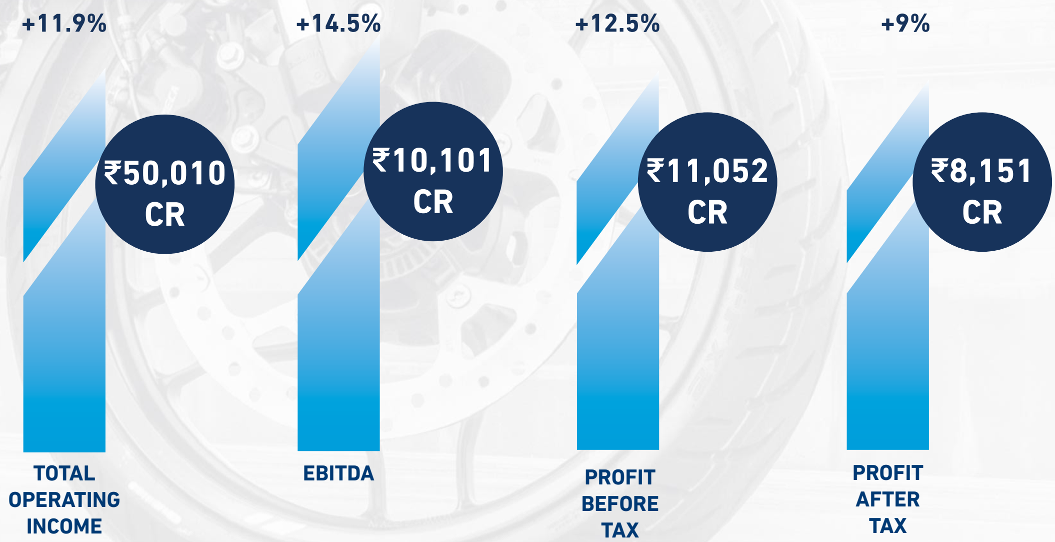
The IMF ***World Economic Outlook*** (January 2025) has estimated India's real GDP growth in 2024-25 (FY2025) at 6.5%. This is significantly higher than all major countries in the world, including China. Moreover, it has projected the same growth rate - 6.5% for FY2026. This is very much in line with the estimates released by the National Statistical Office (NSO) of the Government of India.

India has also seen continuing moderation of price inflation. Wholesale Price Index inflation has remained well under 4%. Inflation based on the Consumer Price Index for Industrial Workers (CPI-IW) has stayed between 2% and 4%. And inflation based on the Consumer Price Index for Agricultural Labourers (CPI-AL) has steadily fallen a bit over 4% in February 2025. With no imminent fear of inflation, the RBI's Monetary Policy Committee, in its first meeting of FY2026, unanimously decided to reduce the repo rate by 25 basis points to 6 per cent.

India's current account deficit (CAD) for Q3 of FY2025 (October-December 2024) stood at 1.1% of GDP. For an economy growing 6.5% real with no near-term inflation risks, this is not a CAD that one should worry about.

The Union Budget 2025 raised the income threshold for full tax rebates from ₹ 7 lakh to ₹ 12 lakh, effectively increasing disposable income for a broader segment of middle-income earners. This development is expected to bolster consumer sentiment and support discretionary spending. Given that this income group represents a significant share of two-wheeler and three-wheeler buyers, the measure is likely to have a positive impact on demand in the personal mobility segment.

Amidst this good macroeconomic scenario, Bajaj Auto has performed better than ever before. Here is a snapshot.



BAJAJ AUTO'S FINANCIAL PERFORMANCE FY2025

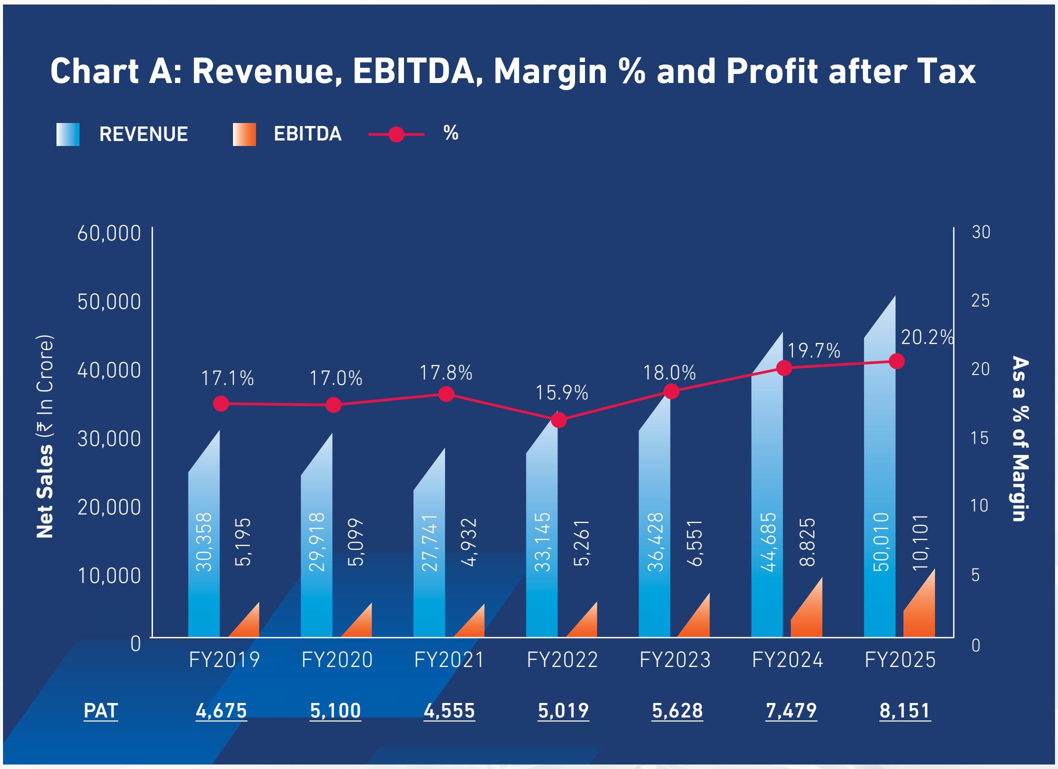
Recorded highest ever

Total operating income	**₹50,010 Crore** **growth of 11.9%.**
Earnings before interest, tax, depreciation, and amortisation (EBITDA)	**₹10,101 Crore** **growth of 14.5%.**
Profit before tax (PBT)	**₹11,052 Crore** **growth of 12.5%.**
Profit after tax (PAT)	**₹8,151 Crore** **growth of 9% compared to FY2024, after one time exceptional charge of ₹ 211 crore due to withdrawal of indexation benefit and change in tax rate in Finance Act, 2024.**

Operating EBITDA margin was at 20.2% — 40 basis points above the earlier year.

Surplus cash and cash equivalent as on 31 March 2025 at ₹ 16,999 crore, after investing ₹ 700+ crore in CAPEX, ₹ 3,100+ crore in strategic bets (BACL, BAIHBV, and Bajaj Brazil) and ₹ 2,233 crore to shareholders as dividend.

The Board of Directors have recommended a Final Dividend of ₹ 210 per share, totalling to ₹ 5,864 crores for FY2025. The said dividend would result in a payout of 72% of the Profits after Tax for the year.



Domestic Motorcycles

The domestic motorcycles industry recorded modest growth of 5% in FY25 totalling of 12.25 million units. Compared to this, performance of Bajaj Auto is reflected in Table 1 below

We remain focussed on growing the strategically important 125cc+ segment, with brands like Pulsar, Dominar, KTM, Husqvarna & Triumph. Our latest launch of Freedom brand, world's first CNG bike is an attempt to upgrade the 100-110cc riders with an offering, which provides ~50% savings in operating costs, while also setting the new benchmarks of styling and comfort.

We have noticed some pressure on the market share towards the second half of the year, and accordingly we have taken suitable product and pricing interventions to recoup the lost market share and continue to further expand the 125cc+ segment.

Table 1: Domestic Sale of Motorcycles (in numbers)

Year ended 31 March	Market (nos.)	Market growth	BAL (nos.)	BAL's 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%
2025	12,252,305	5.1%	2,031,066	(4.3%)	16.6%

Key Highlights

- **Domestic motorcycle revenue** hit a peak on the focussed 125cc+ segment.
- **Pulsar** continues to lead the way, crossing ₹ 10k crores in domestic revenue (~₹ 15k crores globally), on the back of the highest-ever retails in 125cc+ segment reinforcing the strength of its proposition.
- **Freedom**, World's first CNG Bike, turned >₹ 500 crores brand within 5 months of its launch.
- **KTM – Triumph duo sells** ~1 lakh units domestically, reflecting the strength of an expanded portfolio at the premium end.

- **KTM** accelerates momentum post the refresh of the Duke 200/250 and introduction of an all-new Adventure range. The India portfolio was expanded with 10 internationally acclaimed high-performance bikes (up to 1390cc) during the year, catering to different segments (Dirt, Enduro, Adventure and Street) to delight Indian sports motorcycling enthusiasts.
- **Triumph** sales were up >60% YoY aided by wider access as network expanded to 136 premium showrooms across 100 cities, each built to Triumph's global standards and format, and new products (Speed T4, MY25 Speed) were well received.

Domestic Three-Wheelers

ICE industry recorded a decline of 4% this year vis a vis a 7% decline for Bajaj Auto. However, this loss in volumes was partially recouped by the growth in EV portfolio which grew 376% vs. 59% increase for the industry. This strong performance in the EV space underscores the company's strategic pivot and resilience in a rapidly evolving mobility landscape.

The quantitative performance in this segment is highlighted in Table 2.

Table 2: Domestic Sale of Three-Wheelers (in numbers)

	ICE three-wheelers			EV three-wheelers		
Particulars	**FY2025**	**FY2024**	**FY2023**	**FY2025**	**FY2024**	**FY2023**
Passenger sales						
Industry sales	455,879	483,955	329,784	134,810	69,887	15,628
Bajaj Auto sales	368,638	400,846	261,386	52,517	10,761	0
Bajaj Auto market share	80.9%	82.8%	79.3%	39.0%	15.4%	0.0%
Goods carriers						
Industry sales	100,071	95,276	81,309	27,593	32,044	17,018
Bajaj Auto sales	52,481	50,336	38,623	5,680	1,470	0
Bajaj Auto market share	52.4%	52.8%	47.5%	20.6%	4.6%	0.0%
Total three-wheelers						
Industry sales	555,950	579,231	411,093	162,403	101,931	32,646
Bajaj Auto sales	421,119	451,182	300,009	58,197	12,231	0
Bajaj Auto market share	75.7%	77.9%	73.0%	35.8%	12.0%	0.0%

Key Highlights

- **Commercial Vehicles deliver record volumes;** revenues breach ₹ 10K crores mark for the first time.
- **ICE vehicles continued to remain undisputed leader** in the segment with 75% of market share.
- Electric three-wheeler volumes were up 4x YoY and market share trebled during the year.
- The launch of 'GoGo' brand with features loaded products and a network of 850+ dealerships is poised to drive the next wave of growth and decisive segment leadership.

Electric Two-Wheeler

The electric two-wheeler industry has grown 20%+ during this year and has been the fastest growing segment in the industry. Bajaj Auto has been the front runner in this growth led by a focussed innovation, strong product proposition, and rapid network expansion. Table 3 gives the data on domestic sales.

Table 3: Domestic Sale of Chetak EV (in numbers)

Year ended 31 March	Domestic Sale (nos.)	Growth
2022	8,187	487%
2023	36,260	343%
2024	115,702	219%
2025	260,033	125%

Key Highlights

- **Chetak firmly exits the year as #1 electric scooter**, as volumes more than double and market share grows +900 bps YoY.
- The **new Chetak 35 series launched in December, received a strong response** for its best-in-class range, enhanced storage and faster charging, along with the launch of the affordable variant earlier this year.
- Rapid expansion of network to >4,000 touchpoints propelled the business to leadership.

International Business

Exports hit their peak volume in FY22, post covid, when the world was flushed with liquidity. However, the subsequent years—FY23 and FY24—posed significant challenges due to turbulent macro-economic conditions, including sharp local currency fluctuations and Fx unavailability in key international markets. These headwinds led to a notable decline in export volumes. As economic conditions begin to stabilize, FY25 signals a turning point, suggesting that the worst of the downturn is behind us. Early signs of a strong recovery are evident, with total export volumes rising to 1.86 million units in FY25, up from 1.64 million in FY24. This recovery is visible across both motorcycles and commercial vehicles, reaffirming Bajaj Auto's resilience and adaptability in the face of external disruptions. Table 4 presents a yearly breakdown of this performance.

In FY2025:

- Exports rebounded strongly to double digit volume and revenue growth
- Exports constitute 33.7% of our sales in FY25, versus 33.2% last year.
- Bajaj Auto sold over 1.86 million units — a growth of 13.9%.
- Both motorcycles and commercial vehicles recorded a double-digit growth.
- The LATAM region recorded the highest ever motorcycle sales.

Table 4: : Export Volume and Value for Bajaj Auto

	FY2025	FY2024	FY2023	FY2022
Units				
Motorcycles	1,674,060	1,477,338	1,636,956	2,195,772
Commercial Vehicles	189,221	158,872	184,284	310,854
Total numbers	1,863,281	1,636,210	1,821,240	2,506,626
Exports in ₹ (crore)	16,254	14,449	14,458	16,934
Exports in USD (million)	1,875	1,705	1,787	2,172

Motorcycle exports:

- Bajaj Auto maintained No.1 position in the top eight out of 12 key countries that it exports to.
- ASIA and Latin America registered significant growth: 51% in the former and 30% in the latter.
- Pulsars (up 27% YoY) and Dominar (up 24% YoY) registered new peaks.
- CT have grown impressively, with volumes up 57% YoY.
- Triumph Speed400 and Scrambler400X motorcycles are being exported across 17 countries.

Commercial vehicles exports:

- Leadership position was maintained in 11 out of 12 key countries that it exports to.
- Asia and West Africa registered significant growth: 50% in the former and 58% in the latter.
- Philippines, Bangladesh, Cambodia, Nigeria and Guatemala have shown growth in both volumes and market share.

Outlook

We remain committed to strengthening our presence and delivering excellence across all segments we operate in. Our priorities for the coming year are multi-faceted. A key focus will be on restoring competitiveness in the strategically important 125cc+ motorcycle segment. We aim to unlock the full potential of the GoGo brand in the electric three-wheeler space, mirroring our leadership in the ICE category. The new Chetak range will be executed with the intent to significantly step up volumes and market share. We expect the export recovery to sustain, supported by improving macro-economic conditions. Multiple product launches across the KTM and Triumph portfolios are planned to further strengthen our global market positioning. Throughout this journey, we remain mindful of margin pressures arising from an increasingly competitive landscape and a strengthening rupee, and will navigate these challenges with disciplined execution.

Risks & Opportunities

In any business, risks and opportunities are two sides of the same coin and mastering both is essential to sustainable success. We recognize that the external environment is dynamic—whether it's geopolitical shifts, regulatory changes, technological disruption, or supply-chain vulnerabilities—such evolving risks must be continuously scanned and anticipated. Guided by our robust Enterprise Risk Management (ERM) framework, we systematically identify, assess, monitor, and govern these risks across the organization. Equally, we strive to convert uncertainties into strategic advantage—by developing response plans that not only mitigate threats but also position us to capture high-value opportunities through proactive response strategies and integrated business decision-making. This dual-focus approach ensures we are both resilient and agile—prepared to protect our business and nimble enough to seize tomorrow's growth possibilities.

Internal Control system and their adequacy

Our company has established a comprehensive internal financial control (IFC) framework to ensure the integrity, reliability, and compliance of our financial reporting and operations. In accordance with Section 134(5)(e) of the Indian Companies Act, 2013, and SEBI LODR requirements, management and the audit committee annually assess the design and operating effectiveness of our IFCs, affirming their adequacy in supporting orderly business conduct and safeguarding assets.

Our IFC system encompasses key elements—control environment, risk assessment, control activities, information and communication, and ongoing monitoring—aligned with globally recognised frameworks like COSO and ICAI guidance. We maintain a robust process for documentation, periodical review, and testing of controls through independent team, who report their findings to the management, with timely remediation of any gaps or deficiencies. Based on periodic testing, the IFC framework is updated annually to ensure continuous improvement and to ensure ongoing effectiveness of controls.

Furthermore, statutory auditors evaluate the operating effectiveness of IFCs under Section 143(3)(i) and have consistently reported no material weaknesses or significant deficiencies, underscoring the reliability of our financial disclosures. We acknowledge that while no system can offer absolute certainty, inherent limitations are managed through ongoing enhancements and policy updates to address evolving business risks.

In summary, our internal financial control framework is well designed, diligently monitored, and tailored to our company's size and complexity—providing reasonable assurance on financial accuracy, fraud prevention, regulatory adherence, and effective oversight by our management.

Research & Development

For our company, Research & Development isn't just a department - it's the heart of our strategy and the engine of our excellence. In today's fast-paced global landscape, especially when underpinned by AI and cutting-edge technologies, boosting R&D is not merely optional - it's an imperative for growth. Therefore, we place R&D at the centre of every major initiative - fuelling new products, refining processes, and unlocking transformative synergies. This unwavering commitment ensures we don't just adapt to change; we shape it.

While we had done many great innovations and improvement during the year, some of our breakthrough innovations are as follows:

World's First CNG Motorcycle : Freedom

The world's first CNG 2-wheeler, features a unique patented design of vehicle frame and CNG tank to create a safe, structurally strong motorcycle with distinct looks. With an on-road range of 102 km/kg in CNG mode, it not only halves the running cost but also emits 26% lesser CO_2 emissions than comparable gasoline motorcycle. The vehicle has been extensively tested under harsh conditions and subjected to multiple crash tests to showcase the safety aspect of the CNG fuel system. It has won several awards for technology and Bike of the year.

New Floorboard Platform for Electric Two-Wheeler : Chetak 35 Series

The Chetak range was upgraded with the Launch of 3501 and 3502 with optimized Powertrain package, Floorboard Battery, best in class boot space of 35 liter and 5" touch TFT (Full map, Document storage). The charging time has been reduced with a 950W charger. The range has a iFuse for safety (Patented) and an Integrated Motor + MCU for cost optimization.

Feature loaded all new Electric Three-Wheeler : GoGo

Electric three-wheelers were rebranded as GoGO and this was launched in January with the GoGo P7012, GoGo P5009, GoGo P5012, GoGo C9012, and GoGo C9009. The range has Best in class Performance, Advance TecPac features, Premium interior and styling and LED lighting. The Maxima Z and the RE are launched with 12 Kw battery packs giving them the best range in this class.

Along with this, the CV Platform of engines are upgraded from 2V to 4V, with ISG and Idle Start Stop (IDSS) along with the OBD2B changeover. The 4V engine delivers better low-end torque, improved transmission and fuel economy and increased durability of the power pack. The idle start stop offers rider comfort for congested traffic while giving better fuel economy.

Platform upgrade to meet OBD2B requirements

The entire ICE platform is upgraded from OBD2A to OBD2B. The On-Board Diagnostics stage 2 extends the standard to CAT monitoring. The catalyst is continuously monitored for optimal performance ensuring durability and emission performance.

Pulsar NS 400

NS line of muscular streetfighters has been upgraded with the NS 400. It features a new styling, new LED projector Head lamp and a Fully Digital reverse Colour LCD Instrument cluster. The electronic throttle control with true ride mode gives the customer unique riding experience basis the actual road conditions. For further safety, the vehicle has traction control. It also uses sintered brake pads for sharp & sporty brake feel.

Pulsar N 125

Launched with an all new supermoto inspired style, fork covers to give the vehicle a muscular look, new 125cc engine with Idle Start stop (IDSS) and best in class performance.

Pulsar RS 200

The vehicle has been upgraded with a unique integrated tail lamp and indicator, LED projector head lamps for improved visibility and ABS ride modes with MTC (Motorcycle Traction Control).

Pulsar NS 160 and NS 200

The models are upgraded with ABS ride modes which allow the user to select ABS interventions basis the road and weather conditions.

Duke & RC 200 UG

The Duke and RC 200 Gen 2 bikes were upgraded with a connected TFT speedometer which allows the rider better visual readout, music and navigation features.

KTM Adventure (390 R/S, 390 X and 250)

KTM Adventure 390 R/S is the flagship Adventure bike and has been upgraded with sports 21- and 17-inch tubeless spoke wheel rims with 230 mm suspension travel for true off-road experience and comes with a fully adjustable suspension, cornering ABS ride modes.

Triumph 400X and Scrambler XC

The 400X is the entry level Triumph with better low-end torque for effortless everyday city riding requiring lower gear shifting. It has been made more affordable with requisite changes to the Vehicle and Engine. The Scrambler XC is an update to the existing scrambler with premium fit and finish updates to the front fender, fairing, engine guard and seats. It also gets tubeless alloy wheels making it the perfect mid-range on-off road bike.

Operations

Bajaj Auto's 'back end' consists of its manufacturing, materials, engineering and development function. The principles and philosophy of TPM guide and align these functions to achieve excellence, enhanced productivity and world-class quality, all at optimized cost. 'The TPM way' also covers our vendors, dealers, and international distributors to create and nurture excellence. Bajaj Auto has rigorously established a production system that can flexibly respond to faster new product manufacturing requirement as well as meet volatility, uncertainty, complexity and ambiguity (VUCA) in market demands. To improve operational parameters, our engineering team has developed capabilities using robotics and deploying automations.

TPM

In FY2025, the motorcycle and commercial vehicle divisions at the Waluj Plant received the 'Advanced Special Award for TPM Achievement' by JIPM (Japan Institute of Plant Maintenance). The Chakan plant had already been conferred with 'World Class TPM Achievement' in previous year. Bajaj Auto also received TPM Excellence Award — "TPM Excellent Case Study Commendation" — which has been established award by JIPM in FY2025.

Vendor TPM Activities

In FY2025, two vendor partners were honoured with JIPM awards, taking the total number of JIPM TPM awards winning vendors till date to 37. Groundwork done by Bajaj Auto and vendors for TPM implementation and the fact that the Bajaj TPM Excellence Awards has been awarded to 83 vendors demonstrates the strong alignment between the Company and its vendors in embracing TPM. With focus on responsible resource utilisation, 50 vendors have started using renewable energy and implemented rooftop solar plants that can produce 45 MW of power.

TPM in Dealer Service and Overseas Distributor Plants

Our TPM philosophy is also spread across Bajaj Auto's supply chain encompassing our dealer network in India and international distributors across the globe.

Across our network in India, as on 31 March 2025, we had 1,217 dealerships practicing TPM; of these, 776 dealerships have been awarded with the 'BAL TPM Award'. Over 80,000 kaizens are implemented with active involvement of dealer and distributor employees.

Five years ago, Bajaj Auto started TPM implementation at international distributor plants.

As of FY2025, 24 distributor plants have been practicing TPM. These plants are now experiencing major improvements in productivity, first-time-right quality and optimisation in cost parameters.

Capacity and Employee Strength

Table 5: Plant-wise Capacities (in units per annum)

Plant		As on 31 March 2025	Product Range
Waluj	Motorcycles	2,700,000	Boxer, CT, Platina, Discover, Freedom, Pulsar
	Commercial Vehicles	1,020,000	Passenger Carriers, Good Carriers, Quadricycle
Chakan 1	Motorcycles	900,000	Pulsar, Avenger, Dominar
Chakan 2	Motorcycles	300,000	KTM, Husqvarna, Triumph
Chakan 1 / Akurdi	Scooters	480,000	Chetak, Yulu
Pantnagar	Motorcycles	1,800,000	CT, Platina, Freedom and Pulsar
		7,200,000	

As of 31 March 2025, BAL's employee strength stood at 7,444. This excludes Bajaj Auto Technology Limited's employee strength of 454. Our women employee strength has increased over 2.5 times in a decade — from 242 in FY2015 to 618 in FY2025. Almost 60% of the women are working in manufacturing plants and in engineering.

Human Resources (HR)

FY2025 has been another year of growth and transformation for the HR function at Bajaj Auto with efforts being focused around five core imperatives: (i) attracting and retaining top-tier talent, (ii) building new-age skills, (iii) identifying and nurturing leaders, (iv) fostering a culture of technology and innovation, and (v) improving employee experience, well-being and engagement.

Attracting and Retaining Top-Tier Talent

Our ability to attract highly skilled talent continues to strengthen. We recruit exclusively from top 10 IITs, top NITs and top 10 MBA institutes – with exclusive slots in over 90% of campuses and place significant emphasis on encouraging women candidates to apply to Bajaj Auto; 53% of our offers are made to women in STEM fields and are set to welcome first GTE batch of more women than men. To further deepen our engagement with these premier institutions, we launched the HR Pitstop event this year — an initiative aimed at building stronger campus connect and enhancing our employer brand.

Building New Age Skills

To drive sustained learning, provide global exposure and complement structured learning, we

a. Launched the “Bajaj Auto Academy of Excellence” — an initiative designed to build role-specific capabilities through structured training interventions.

b. Run LEAP program to enable employees to pursue work-integrated and international full-time masters and certification program, ensuring alignment with evolving industry demands.

c. Prioritized accessibility to cutting-edge knowledge through internal learning platform, BOLT.

Identifying and Nurturing Leaders

We believe that leadership development starts from within. Our focus is to identify and enable internal talent to grow into effective leaders across the organization. To this end, we

a. offer a structured growth journey that includes Development Centres, First-Time Manager Programs and targeted capability-building initiatives with emphasis on strengthening techno-managerial competencies.

b. launched iEMPOWER—a personalised coaching intervention designed to support leaders in expanding their influence and stepping onto larger roles.

Fostering a Culture of Technology and Innovation

To inspire innovation, empower talent and strengthen collaboration across industry and academia, we

a. hosted Bajaj Auto’s first Tech Conference “InnoVision” bringing together engineers, experts, and academic minds to explore topics like digital manufacturing, battery technology and AI.

b. launched LinkedIn Talent Insights GPT and Attrition Reports GPT — tools designed to provide increase data efficiency and enable faster analysis to help HR leaders identify trends, improve planning and take quicker decisions.

Improving Employee Experience, Well-Being and Engagement

FY2025 was the third consecutive year of our annual employee engagement survey, PULSE; 98% of our employees participated and 91% of employees expressing pride in working for Bajaj Auto. Based on the feedback, significant focus was placed on creating a ‘Culture of Recognition’.

Launched Bajaj Bytes, our employee magazine, to bring an inside-out perspective through stories of our corporate insights, technological leaps, manufacturing excellence and market breakthroughs.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We also celebrated The Mental Health Awareness Week, Womens Week and also focused on promoting healthy living, highlighting achievements, enhancing technical awareness while also highlighting the key qualities and skills required to become an effective leader.

In FY2025, Bajaj Auto was recognised for the fourth consecutive year as a 'Company with Great Managers', with nine of our managers being honoured at the Great Manager Awards 2024. Two women employees won Jombay's 1000 Women Leaders Program, an initiative designed to cultivate and amplify women's leadership. Nine of our employees won the Economic Times HR Emerging Leaders Award. Apart from these, our employees were recognised in multiple prestigious forums, including HR 30 Under 30 and HR 40 Under 40 awards.

Corporate Social Responsibility (CSR)

Within CSR, Bajaj Auto is building competence around selected areas that help focus on large-scale impact. Some of the key CSR initiative are

Skilling Initiatives

A. Bajaj Engineering Skills Training (BEST)

This initiative collaborates with top-ranked universities and engineering colleges to equip youth with the skills needed for employment. The goal is to establish state-of-the-art centres with world-class laboratories and equipment and allowing for hands-on training for engineers and diploma holders. Currently, there are five BEST centres operational across four states, with a total enrolment of 1,268 students, of which 31% are women.

B. Bajaj Manufacturing Systems (BMS) Certification program

This initiative aims to bridge the knowledge gap between the workforce and industry by providing insights into Total Productive Maintenance (TPM). It is a self-paced learning program consisting of nine BMS e-modules available on a user-friendly platform for ITI trainees. After a successful pilot, the program has expanded to Maharashtra, Uttarakhand, Karnataka, Gujarat, and Tamil Nadu, certifying a total of 15,004 students this year.

C. Service Technician Program (STEP)

This initiative aims to train freshers, 10th pass and above, seeking short-term vocational training to enhance their skills and career prospects in two-wheeler auto repair under ICE, CNG, and EV categories. The first STEP Centre was inaugurated at the CII-Rahul Bajaj Centre of Excellence on Skills, Chhindwara-Madhya Pradesh, in partnership with Ambuja Foundation as implementation partner and CII as infrastructure partner. The STEP program will now be expanded PAN India with a total of 57 centres to be set up, aiming to impact over 10,000 youth in the next three years.

Programs under Education

A. Supporting Youth Organization for Joining Action and Knowledge (YOJAK)

YOJAK offers an easily accessible platform tailored to the needs of disadvantaged students, particularly girls, empowering them with essential skills to pursue careers in STEM related fields. With 12 learning centres in Pune, YOJAK delivers academic excellence alongside experiential learning and social support. In FY2025, over 2,665 students from grades 8 to 12 received support.

B. Foundation of Advancing Science and Technology (FAST)

Dedicated to engage and inspire Indian civil society with the wonders of scientific exploration with primary focus on youth, particularly those considering or already pursuing science as a career. FAST endeavours to narrow the divide between science practitioners and the wider community. It hosted the India Science Connect 2025, where there were some 16,000 participants.

Programs under Environment Sustainability

A. Rupa Rahul Bajaj Centre of Environment and Arts (RRBCEA)

RRBCEA in Pune is dedicated to promoting environmental awareness through art. In FY2025, it conducted over 45 events, engaging more than 4,000 participants, including school children and youth. By collaborating with local organisations, RRBCEA nurtures a commitment to sustainability and climate action.

B. Canine Care and Control (CCC) & Blue Cross Society (BCS)

Canine Care and Control (CCC) and the Blue Cross Society (BCS) are focused on animal welfare through vaccination, sterilisation and adoption. In FY2025, CCC held 54 training sessions on dog bite prevention, organised 980 free anti-rabies vaccination drives, along with an animal birth control drive in Solapur; and completed 11,677 surgeries and vaccinations for dogs and cats. BCS provided 10,006 cats and dogs with free treatment at their outpatient department (OPD), with 835 treated in their inpatient department (IPD).

Programs under Health

A. PRANA

PRANA was established for promoting holistic health by integrating Homoeopathy and Yoga, along with Osteopathy, Chiropractic, Acupuncture, and Nutrition. Its comprehensive approach encompasses awareness, prevention, and treatment, impacting individuals of all ages. By spreading knowledge of holistic methods, PRANA empowers people to improve their well-being and effectively address various disorders.

B. PCCM

The Prashanti Cancer Care Mission (PCCM) is a registered public charitable trust based in Pune, dedicated to providing affordable medical treatment and rehabilitation for underprivileged breast cancer patients and their families. It has supported over 200 beneficiaries through various activities, including biopsies, surgeries, germline testing and microbiome/generic /transcriptomic profiling studies. In addition, PCCM has published four issues of the BreastGlobal Journal and conducted numerous awareness talks and webinars to advance knowledge and support for breast cancer patients.

Financials

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

Table 6: Summarised Standalone Profit and Loss Statement, Bajaj Auto, FY2025

(₹ In Crore)

Particulars	FY2025	FY2024	Growth%
Operations			
Sales	48,247	43,579	10.7%
Other operating income	1,763	1,106	
Total operating income	**50,010**	**44,685**	**11.9%**
Cost of materials consumed; net of expenditures capitalised	35,287	31,696	
	70.6%	70.9%	
Stores and tools	199	172	
	0.4%	0.4%	
Employee cost	1,577	1,536	
	3.2%	3.4%	
Factory, administrative and other expenses	1,399	1,216	
	2.8%	2.7%	
Sales and after sales expenses	1,447	1,240	
	2.9%	2.8%	
Total expenditure	**39,909**	**35,860**	
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**10,101**	**8,825**	**14.5%**
	20.2%	**19.7%**	
Interest	68	54	
Depreciation & amortisation	400	349	
Operating profit	**9,633**	**8,422**	**14.4%**
	19.3%	**18.8%**	
Non-operating income	1,421	1,402	
Less : Non-operating expense	2	2	
Non-operating income, net	**1,419**	**1,400**	
Profit before tax	**11,052**	**9,822**	**12.5%**
Tax expense	2,690	2,343	
Tax expense (exceptional item)*	211		
Profit after tax	**8,151**	**7,479**	**9.0%**

*One-time exceptional charge on withdrawal of indexation and change in tax rate (Finance Act, 2024).

Our surplus funds are invested in (i) fixed income securities rated A1+ and equivalent for short term investments, (ii) AA+ and above rated securities for long term investments, and (iii) fixed deposits with banks and finance companies.

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

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

Particulars	FY2025	FY2024	Remarks
Debtors Turnover Ratio	21.91	22.36	
Inventory Turnover Ratio	19.34	20.52	
Current Ratio	1.49	1.19	Increase in current assets due to investment & inventory
Operating Profit Margin	19.30%	18.80%	
Net Profit Margin	15.80%	16.20%	
Debt-Equity Ratio	0.02	0.03	Due to increase in other equity
Return on Equity	28.60%	29.70%	

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. Over the years, 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).

Pierer Bajaj AG holds 74.9% stake in Pierer Mobility AG (PMAG), which apart from other stakes, also holds 100% stake in KTM AG, the leading manufacturer of offroad and street motorcycles marketed under the marquee brands of KTM, Husqvarna and GASGAS. Thus, Bajaj Auto effectively is a partner in all mobility businesses.

In the year 2024, PBAG clocked revenue in excess of €1.9 billion and a loss of €1080 million.

On 28 November 2024, KTM AG applies for the initiation of judicial restructuring proceedings with self-administration over the assets of KTM AG and its two subsidiaries with an aim to agree a reorganization plan with the creditors within 90 days. On 25 February 2025, the creditors accepted the restructuring plan submitted by KTM AG. This plan provided for creditors to receive a cash quota of 30% of their claims in the form of a one-time payment to be deposited with the restructuring Administrator by 23 May 2025. On 22 May 2025, Bajaj Auto Ltd, through its wholly owned subsidiary, BAIHBV, intends to acquire a sole controlling stake in PBAG and secured a debt package of €800 million to meet the immediate liquidity need of creditors to receive cash quota and restart operations, subject to necessary regulatory approvals.

Bajaj Do Brasil Comercio De Motocicletas Ltda

Bajaj Do Brasil is a wholly owned subsidiary with an issued and subscribed share capital of BRL 58 million (₹ 94 crore). The subsidiary was set up to operate in the highly competitive market of Brazil, the size of which is close to 2 million units with SMC market representing ~43%.

In CY2024, Bajaj Do Brasil sold over 13,000 units — threefold increase compared to over 4,300 units sold in CY2023. A key enabler of this performance was the successful commencement of operations at the dedicated manufacturing facility in Manaus, the company's first plant with an annual capacity of 20,000 units outside India. This facility produced ~9,000 motorcycles during the second half of the year, contributing to supply chain efficiency and cost optimization. Dealership network also saw rapid expansion, from 10 outlets across 6 states in 2023 to 31 outlets across 17 states by the end of 2024, significantly improving national coverage.

Bajaj Auto Technology Limited (erstwhile Chetak Technology Limited)

Bajaj Auto Technology Limited (BATL) formed on 4 October 2021, stands adequately funded with paid-up equity share capital of ₹ 470 crore as on 31 March 2025. BATL is focussed on creating new disruptive / cutting edge technology and products.

In FY2025, BATL subsystems enabled successful upgradation in Chetak EV with Floorboard Battery and optimised powertrain and Integrated Motor + MCU along with substantial cost reduction. The team is also working towards evaluation of alternate winding configurations / topologies to improve motor performance and developing technologies to reduce dependence on import for magnets.

BATL team has filed for 12 patents in FY2025 in multiple areas of component and vehicle integration.

Bajaj Auto Credit Limited (BACL)

Bajaj Auto Credit Ltd. is a wholly owned captive financing subsidiary with an issued and subscribed share capital of ₹ 2,400 crore. With ~65-75% of two-wheelers and three-wheelers retailed in India being financed, this activity is the key to Bajaj Auto's business to increase geographic coverage and expand financing options for the retail customers.

BACL received its Certificate of Registration from the Reserve Bank of India on 29 August 2023; and officially launched its operations on 01 January 2024. The Company successfully navigated its business transition from Bajaj Finance Ltd and has built a healthy portfolio. It now operates across all geographies in India.

FY2025, BACL performance highlights were as follows:

- Assets under management (AUM) as of 31 March 2025 crossed ₹ 9,300 crore.
- Disbursement for FY2025 in excess of ₹ 10,000 crore – number of new loans was over 751,000.
- Net interest income (NII) stood at ₹ 852 crores.
- Profit before tax (PBT) was at ₹ 78 crore and Profit after tax (PAT) was ₹ 58 crores.
- Gross Non-Performing Assets (GNPA) at 0.80%; Net Non-Performing Asset (NNPA) at 0.44%.
- Capital adequacy ratio as on 31 March 2025 was 23.37% and Tier-I adequacy was 23.18% — which are both well above the RBI norms of 15%.

On the liability side, BACL continued to maintain conservative liquidity buffers. The consolidated liquidity buffer was ₹ 1,046 crore as on 31 March 2025, excluding undrawn lines. BACL has a rating of AAA stable from CRISIL, India Ratings and CARE

Bajaj Auto (Thailand) Limited

Bajaj Auto (Thailand) Ltd. is a wholly owned subsidiary in Bangkok, Thailand with an issued and subscribed share capital of Thai Baht (THB) 45 million (₹ 10 crore). The subsidiary has set up an Engineering Design Centre (EDC), to expand R&D's reach to trend defining markets and tap internationally available best designers. It has all necessary approvals from local authorities.

Bajaj Auto Spain S.L.U.

Bajaj Auto Spain S.L.U. is a wholly owned subsidiary in Barcelona, Spain, with an issued and subscribed share capital of €600K (₹ 5 crore). The subsidiary has set up an Engineering Design Centre (EDC), again, to expand R&D's reach and tap internationally available best designers. With all necessary approvals from local authorities, this EDC is now fully operational.


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Consolidation of accounts and segment reporting

Table 8 gives the numbers.

Table 8: Segment Revenue and Segment Results

(₹ In Crore)

Segment Revenue	**FY2025**	**FY2024**
Automotive	49.982	44,870
Financing	1,041	17
Investment and others	1,446	1,419
	52,469	**46,306**
Segment Results Profit / (Loss) from each segment before tax		
Automotive	8,770	8,708
Financing	78	(25)
Investment and others	1,444	1,417
	10,292	10,100
Less : Interest	68	60
Profit before tax	**10,224**	**10,040**
Profit after tax	**7,325**	**7,708**

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 Eighteenth 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 2025.

Performance Highlights

A Record year on Revenue and Profits

- Revenue crossed the ₹ 50,000 crore mark for the first time, up 12% YoY, led by record sales of both vehicles and spares
- At ₹ 10,101 crore, up 14% YoY, EBITDA clocked an all-time high; Profit after Tax also hit a new record at over ₹ 8,000 crore

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	FY2025	FY2024*
Two-wheelers	3,982,309	3,727,923
Commercial vehicles	668,657	623,010
Total	**4,650,966**	**4,350,933**
of which exports	1,863,281	1,636,210

*This includes sales of Bajaj Auto Technology Ltd., a wholly owned subsidiary of the Company.

Financial performance

(₹ In Crore)

Particulars	Standalone FY2025	Standalone FY2024	Consolidated FY2025	Consolidated FY2024
Total revenue	51,431.25	46,087.68	52,468.96	46,306.45
Total expenses	40,379.36	36,265.67	41,329.95	36,534.00
Share of profit/(loss) of associate	-	-	(915.48)	267.59
Profit before tax	**11,051.89**	**9,822.01**	**10,223.53**	**10,040.04**
Tax expense	2,689.21	2,343.22	2,687.54	2,331.80
Deferred Tax- exceptional item	211.26	-	211.26	-
Profit for the year	**8,151.42**	**7,478.79**	**7,324.73**	**7,708.24**
Basic Earnings per share (₹)	**292.1**	**264.6**	**262.4**	**272.7**
Diluted Earnings per share (₹)	**291.5**	**264.3**	**262.0**	**272.4**

Closing balances in reserve/other equity

(₹ In Crore)

Particulars	Standalone FY2025	Standalone FY2024	Consolidated FY2025	Consolidated FY2024
General reserve	6,389.60	6,389.60	6,389.60	6,389.60
Retained earnings	22,419.94	16,416.32	24,498.81	19,666.70
Cash flow hedging reserve	-	-	(24.28)	-
Statutory Reserve	-	-	11.66	-
Foreign exchange difference of subsidiary on paid-up capital	-	-	0.27	0.28
Foreign currency translation reserve	-	-	911.75	787.95
FVTOCI reserve	2,871.20	1,665.71	2,871.59	1,665.71
Capital reserve	-	-	63.14	63.14
Securities premium	115.57	86.31	115.57	86.31
Capital redemption reserve	10.41	10.41	10.41	10.41
Share based payments reserve	99.44	102.46	99.44	102.62
Treasury shares	(38.48)	(89.49)	(38.48)	(89.49)
Total	**31,867.68**	**24,581.32**	**34,909.48**	**28,683.23**

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').

Pursuant to the provisions of the said regulation, the latest 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 ₹ 210 per equity share of ₹ 10 each (2100%) for the year ended 31 March 2025 totalling to ₹ 5,864 crore.

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 20 June 2025 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 77,852 equity shares of face value of ₹ 10 each on 23 August 2024 to the Bajaj Auto ESOP Trust in accordance with the Scheme. The equity shares so allotted rank *pari-passu* with the existing shares of the Company.

Consequently, the issued, subscribed and paid-up share capital of the Company was at ₹ 279.26 crore comprising of 279,257,608 equity shares of face value of ₹ 10 each as on 31 March 2025, as against ₹ 279.18 crore comprising of 279,179,756 equity shares of face value of ₹ 10 each as on 31 March 2024. 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 2024-25, CRISIL Ratings has affirmed 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 and India Ratings and Research (Ind-Ra) has also rated its long-term rating of 'IND AAA' and short-term rating of 'IND 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 7.2 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

During the year under review, the Company exported 1.86 million vehicles as against 1.64 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 statement of the Company's subsidiaries for the financial year ended on 31 March 2025 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 2025 for each of the subsidiary companies will be made available by email to members of the Company, seeking such information. These financial statements shall also be kept open for inspection by any member at the registered office of the Company during business hours. The members can send an e-mail to investors@bajajauto.co.in 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.

PT BAI would continue to study the evolving market and evaluate different possible opportunities.

Bajaj Auto International Holdings BV, Netherlands (BAIH BV)

Bajaj Auto International Holdings BV (BAIH BV) is a 100% Netherlands based subsidiary of Bajaj Auto Limited. Bajaj Auto has historically built a 49.9% stake in Pierer Bajaj AG (PBAG) with a total investment of Euro (€) 198.1 million (₹ 1,219 crore). This connection gives Bajaj Auto a vital link to Pierer Mobility AG (PMAG) and its fully-owned subsidiary, KTM AG – a powerhouse behind KTM, Husqvarna, and GASGAS motorcycles.

On 28 November 2024, KTM AG and its subsidiaries initiated a self-administrative restructuring due to crippling debt and working capital shortages. A restructuring plan, approved by creditors on 25 February 2025, mandates a 30% cash settlement (~€600 million) to creditors by 23 May 2025. To meet this obligation and to enable KTM AG to resume normal operations, the Company, through BAIH BV, infused crucial €800 million in the form of debt to PBAG/KTM AG, subject to regulatory approvals. The court has passed the final order concluding the restructuring process.

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).

The subsidiary has set up an Engineering Design Centre (EDC), to expand R&D's reach to trend defining markets and tap internationally available best designers. It has all necessary approvals from local authorities.

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 subsidiary has set up an Engineering Design Centre (EDC), again, to expand R&D's reach and tap internationally available best designers. With all necessary approvals from local authorities, this EDC is now fully operational.

Bajaj Auto Technology Ltd. (BATL)

(Formerly 'Chetak Technology Ltd.')

Recognizing the significant impact of electric vehicles (EVs) on its core business, Bajaj Auto is proactively leading the charge in this evolving domain. To achieve this, the company established Chetak Technology Ltd. in October 2021 as a wholly owned subsidiary, dedicated to developing new EV technologies and products. This subsidiary is well-funded, boasting a paid-up equity share capital of ₹ 470 crore as of 31 March 2025.

Reflecting its expanded mandate beyond just the "Chetak-EV" and adapting to new business dynamics, the subsidiary was renamed Bajaj Auto Technology Limited (BATL) on 29 November 2024. BATL's core focus is now on research and development of cutting-edge, disruptive technologies for electric vehicles.

Currently, BATL is concentrating on creating affordable and scalable solutions such as electronic powertrains and controllers, Human-Machine Interface (HMI) solutions, and connectivity solutions, ensuring their seamless integration into EV subsystems and vehicles. BATL's commitment to innovation is evident through its 12 patent applications filed in FY2025, covering various areas of component and vehicle integration.

Bajaj Auto Credit Ltd. (BACL)

(Formerly 'Bajaj Auto Consumer Finance Ltd.')

Bajaj Auto Credit Ltd. is a wholly owned captive financing subsidiary of the Company with an issued and subscribed share capital of ₹ 2,400 crore, BACL plays a pivotal role in a market where 65-75% of two-wheelers and three-wheelers are sold on finance. This financing arm significantly boosts Bajaj Auto's reach and expands options for retail customers.

BACL demonstrated strong performance in Fiscal Year 2025:

- Assets Under Management (AUM) crossed ₹ 9,300 crore as of 31 March 2025.
- Disbursements for the year exceeded ₹ 10,000 crore, with over 751,000 new loans issued.
- Net Interest Income (NII) reached ₹ 852 crore.
- Profit Before Tax (PBT) stood at ₹ 78 crore, and Profit After Tax (PAT) was ₹ 58 crore.
- BACL maintained healthy asset quality with Gross Non-Performing Assets (GNPA) at 0.80% and Net Non-Performing Assets (NNPA) at 0.44%.

Given its robust financial standing, low NPAs, and strong growth, Bajaj Auto is highly optimistic about BACL's future potential.

Bajaj Do Brazil Comercio De Motocicletas Ltda

Bajaj Do Brazil Comercio De Motocicletas Ltda., a wholly owned subsidiary of Bajaj Auto with a capital of BRL 58 million (₹ 94 crore), has rapidly established a significant presence in Brazil's competitive motorcycle market.

In 2024, Bajaj Do Brazil's sales surged to over 13,000 units, a remarkable threefold increase from 4,300 units in 2023.

This impressive growth was largely driven by the successful launch of its first manufacturing plant outside India, located in Manaus. The facility, which has an annual capacity of 20,000 units, produced approximately 9,000 motorcycles in the second half of the year, significantly boosting supply chain efficiency and optimizing costs.

Looking ahead to 2025, Bajaj Do Brazil aims to further expand its footprint across Brazil, supported by increasing consumer demand, a robust dealer network, and growing brand recognition from new products and market investments.

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

Investment 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 4 metros viz. Bangalore, Mumbai, NCR and Hyderabad, during 2024-25 Yulu Bikes has grown its fleet by ~1.5X to ~45,000 electric two-wheelers and has seen its monthly revenue grow by ~2X, on the back of higher fleet and improved utilisation of fleet.

Your Company has also supported the development and production of Electric two-wheelers for Yulu Bikes fleet and has supplied approximately 30,000 low speed electric 2w to date.

During FY2025, the Company has given loan of ₹ 21.40 crore for general corporate purposes in the ordinary course of its business.

Your Company's total investment in Yulu bikes stands at ₹ 165 crore.

Collaboration with Triumph Motorcycles Ltd. (Triumph)

With the launch of Triumph, Bajaj Auto has established itself in the classic premium range with an iconic British brand – the models representing technology-led, high-performance motorcycles designed in their timeless forms. These motorcycles are being produced in our new Chakan 2 plant to cater to the domestic and export markets.

Bajaj Auto, after taking over the existing 15 Triumph showrooms in India, has expanded the network to 136 premium showrooms across 100 cities, each built to Triumph's global standards and format. The showrooms also sell accessories specially developed for the 400cc India bikes.

In FY2025, Bajaj Auto sold 36,545 units in the domestic market.


KTM
390
390

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 2024-25 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.

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, Practicing Company Secretary (Membership No.1587, CP No. 572) was appointed as the Secretarial Auditor of the Company for the financial year 2024-25. The Secretarial Audit Report in Form MR-3 for the financial year 2024-25 is annexed to this Directors' Report as **'Annexure I'.**

In addition to the above, pursuant to regulation 24A (2) of the Listing Regulations, 2015, a secretarial compliance report for the financial year 2024-25 has been issued by Shyamprasad D Limaye and the same will be submitted to the stock exchanges within the given timeframe. The report will also be made available on the website of the Company.

There are no qualifications, reservations or adverse remarks or disclaimers in any of the aforesaid reports.

The Secretarial Auditor has recently expressed his desire to retire from the office due to his age and health. Accordingly, in compliance with the Regulation 24A of the SEBI Regulations, 2015, as amended, the Board of Directors has approved the appointment of M/s. Makarand M Joshi & Co. (Firm Registration No.: P2009MH007000, Peer Review No.: 6290/2024), a Peer Reviewed Firm of Company Secretaries in Practice, as a Secretarial Auditor of the Company for a period of five consecutive years commencing from 2025-26 till 2029-30, subject to approval of the shareholders of the Company at the ensuing Annual General Meeting.

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 2026 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 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

During the financial year, in accordance with section 143(12) of the Companies Act, 2013, and Rule 13 of the Companies (Audit and Auditors) Rules, 2014, our statutory auditors reported an instance of fraud involving a conflict of interest and professional misconduct.

The matter pertained to Manager (Purchase - E&E), Akurdi Unit, who was responsible for price settlement of wiring harnesses with the Company's Tier-1 vendors and had access to sensitive cost data. Investigation revealed that his wife's firm was engaged in supplying materials to one of the Company's Tier-2 vendor, who in turn was selling the same material to the Company.

This discrepancy resulted in the inflated material cost to the Company with an annualised impact of ₹ 1.88 crore.

Following a thorough investigation initiated by the Audit Committee upon receiving the auditor's report, the net monetary loss to the Company due to this conflict of interest was determined to be ₹ 1.71 crore.

Consequently, the said Purchase Manager's employment was terminated effective 13 October 2023, and the entire loss amounting to ₹ 1.71 crore was successfully recovered. In compliance with regulatory requirements, this matter was duly reported to the Central Government in the prescribed Form ADT-4 on 11 June 2024.

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 2025. 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 Report as **'Annexure II'**.

Particulars of Contracts or Arrangements with Related Parties

During the year, pursuant to the amendments notified by the Securities and Exchange Board of India (SEBI) on 12 December 2024 and 14 February 2025, to Regulation 23 of the Listing Regulations, the Company has amended its existing Policy on Materiality and dealing with Related Party Transactions to ensure alignment with these revised requirements. The revised policy is available on the Company's website at https://www.bajajauto.com/investors/policies-codes

All contracts/arrangements/transactions entered into by the Company during FY2025 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 a quarterly basis.

All related party transactions entered into during FY2025 were in the ordinary course of business and on arm's length basis.

Details of transactions with related parties during FY2025 are provided in the notes to the financial statements. There were no transactions requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC–2 does not form a part of this report.

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:

Sad demise of Madhur Bajaj, Former Vice Chairman of the Company

At the outset, your directors express their profound grief on the sad demise of Madhur Bajaj, veteran industrialist and former Vice-Chairman of the Company, who passed away on 11 April 2025.

Madhur Bajaj was associated with Bajaj Auto Ltd. and Bajaj Group for over 45 years. Prior to joining the Board, he worked in different positions in the senior management. He was on the Board of Directors of the company for more than 23 years including as a Whole-time director and non-executive Vice Chairman, the position which he held till his retirement in January 2024.

He made significant contributions to the company and the industry at large. He also served as a director on other companies of Bajaj group.

The Board places on record its whole-hearted appreciation for the invaluable contribution made by him during his association with the Company.

I. Cessation

There has been no cessation of any Director from the Company during the year under review.

II. Appointment/Re-appointment of Independent Directors

Dr. Sangita Reddy (holding DIN: 00006285) was appointed as a Non-executive independent director of the Company, not liable to retire by rotation, for a term of five consecutive years with effect from 16 July 2024 up to 15 July 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 30 August 2024 through postal ballot conducted by remote e-voting process. Considering the skills, knowledge and experience of Dr. Reddy in the fields of healthcare, business management, social service etc., her appointment as an Independent director is of significant benefit to the Company.

Abhinav Bindra (holding DIN: 00929250) will complete his first term of five consecutive years as a Non-executive independent director of the Company on 19 May 2025. The Board based on the recommendation of the Nomination and Remuneration Committee and considering his skills, experience and knowledge he possesses and the report of performance evaluation, approved the re-appointment of Abhinav Bindra for a second term of five consecutive years with effect from 20 May 2025 up to 19 May 2030 at its meeting held on 18 March 2025. The members of the Company approved the said appointment by way of a special resolution passed on 30 April 2025 through postal ballot conducted by remote e-voting process.

In terms of the provisions of rule 8(5)(iiia) 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.

III. Re-appointment of Managing Director and CEO

Rajiv Bajaj was re-appointed as the Managing Director of the Company for a period of 5 years from 1 April 2025 up to 31 March 2030. The Board, on recommendation of the Nomination and Remuneration Committee and after considering the outstanding leadership role and valuable contribution made by him towards bringing the company to its current eminent position, approved his re-appointment for a further term of 5 years commencing 1 April 2025, subject to approval of the shareholders.

Accordingly, the members of the Company approved the said appointment by way of a special resolution passed on 30 April 2025 through postal ballot conducted by remote e-voting process.

IV. Retirement by Rotation

Pursuant to the provisions of section 152 of the Companies Act, 2013, Niraj Bajaj (holding DIN: 00028261), director, is liable to retire by rotation at the ensuing AGM of the Company and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Brief details of Niraj Bajaj are given in the Notice of ensuing AGM.

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, eight (8) 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 2024-25 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 2025, 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 2025 and of the profit and loss of your Company for the financial year ended 31 March 2025;
- 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;


Pulsar
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- the annual accounts for the financial year ended on 31 March 2025 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, Vinita Bali and Dr. Sangita Reddy.

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 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.

The salient features of the policy have been detailed in the *Corporate Governance Report*, 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 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 Report as **'Annexure III'.**

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 and shall also be kept open for inspection by any member at the Registered Office of the Company during business hours. The members can send an e-mail to investors@bajajauto.co.in

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.

During the year under review, the Nomination and Remuneration Committee of the Board granted 312,128 stock options convertible into equivalent number of equity shares of ₹ 10 each to the eligible employees of your Company and its Indian subsidiaries as per the terms and conditions of 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 2025, 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 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 gave a loan of ₹ 21.40 crore to Yulu Bikes Pvt. Ltd. for general corporate purposes in the ordinary course of its business.

During the year under review and the first two months of the current FY, your Company has made an additional investment totaling to Euro 275 million (equivalent to approximately ₹ 2,700 crore) in the form of equity and debt in BAIH BV to facilitate the funding needs of KTM AG group, a leading European motorcycle manufacturer, as part of its restructuring process.

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

Continuing its streak of active employee development, Bajaj Auto prioritised well-being, diversity, inclusion, and equal opportunities for employees. Supporting employees through skill development and recognition creates an environment conducive of innovation and consistency.

In the financial year 2024-25, unceasing employee engagement resulted in sustained business excellence. Pleasant relationships were carried forward throughout various plants of the company at Akurdi, Waluj, Chakan, and Pantnagar.

Embodying the philosophy “Yutori” to infuse “Joy at Workplace”, non-work activities that excite people and encourage involvement are layered in. To inculcate a positive and fulfilling professional environment, the Company has adopted a three-pronged approach:

1. Body - Physical Happiness

To sustain and improve physical fitness by workplace improvement in terms of ergonomics, work environment improvement, health improvement with medical checks up followed by consultation and physical fitness programs and sports competitions at plant and corporate level.

2. Mind - Mental Happiness

To improve mental happiness, we focused on education and training, stress-free operations, sessions by medical expert for stress management, and access to online platform for mental happiness, healthy communication and interpersonal relationships, rewards and recognition.

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 trekking activities and collaborative culture development.

Continuous evolution through TPM culture for excellence involving all employees to improve processes across the company. The results were evident in the recognition that the plants of the Company have received from CII, JIPM TPM, Acko Auto Awards, MCN, NCQC, QCFI, IIIE Pune Chapter, The Times of India Group, etc.

Through active collaboration with various committees dedicated to worker welfare, we have achieved lasting industrial harmony. This is exemplified by the timely signing of the Long-Term Wage Settlement at the Waluj plant. The agreement, effective from 1 February 2025 to 31 July 2028 (42 months), reflects the shared commitment of the company and the union to ensuring a balanced and prosperous future.

A gender diverse pool was of motivated employees has been developed and retained. Participation of women in the talent pool has been improved by aligning and developing targeted policies ensuring women’s safety at work, hosting empowerment events, and rewarding female employees to foster an inclusive and caring workplace.

At Bajaj Auto, employee’s well-being is a top priority. To this endeavour, employees have access to state-of-the-art health and sports facilities. These include gymnasium, indoor courts, track and field, community treks, etc. Mental well-being has also been given special importance and company has partnered with organizations that specialize in mental well-being. Employees benefit from Chai pe Charcha, Employee Assistance Program, and maternity kits for new mothers, inter-departmental sports league, music contests, festival celebrations, recognition of achievements of employee’s children were routinely conducted with an objective of comprehensive improvement of employees’ health and wellness. Regular health check-up and blood/organ donation camps were also organised for lasting social impact. Various charitable events such as donation drives, NGO stalls, reforestation drives, etc. saw active participation from employees.

We take immense pride in providing our talented artist employees with opportunities to showcase their skills in drama competitions organised by the Government of Maharashtra at the State level. Their dedication and creativity have earned them numerous prestigious awards and recognitions. Additionally, our employees have demonstrated remarkable athletic prowess by winning awards and accolades in the Athletic (Masters) Championship held at the National level in Alwar, Rajasthan. Their achievements continue to inspire excellence and bring honour to our organisation.

Constant employee development, employee satisfaction, meaningful and lasting social impact continue to be the driving force behind proactive employee engagement. A sense of belongingness and familiarity at workplace motivate and support employees to excel at Bajaj Auto.

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, one complaint was filed pertaining to sexual harassment of woman employee in terms of the PoSH Act, which were suitably resolved as per the laid down process. No complaints remained unresolved as on 31 March 2025.

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:

a. In the form of in-person interventions for employees and ICC members.

b. 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 aforestated by prioritizing in areas of skilling, education, environment sustainability and health.

'Bajaj Beyond', a Bajaj Group social impact program embraces its primary focus towards skill development. Under this, your Company's three flagship programs: Bajaj Engineering Skills Training (BEST), Bajaj Manufacturing Systems (BMS) Certification program and Service Technician Excellence Program (STEP), drives its overarching commitment towards skill development.

The detailed information on CSR initiatives undertaken by your Company during the financial year ended 31 March 2025 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 IV'.**

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 2025.

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 FY2025.

The CSR policy is hosted on the Company's website at https://www.bajajauto.com/corporate/key-policies

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 2024-25 in the 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 FY2025.

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.


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Research and Development (R&D) and Technology Absorption

The Company is focussed on creating its own cutting-edge technology to make affordable and scalable Electronic Powertrains and its controllers, HMI solutions, connectivity solutions and value-added features for the vehicles employing these technologies. The Company will enable seamless integration of developed technologies into the vehicles/its subsystems.

Products

Many new products were launched during the year under review. Pulsar and Chetak EV have been consistently upgraded over the years to keep it in sync with changing times. During the year, the Company launched the world's First CNG Motorcycle which is the product of innovative design and technology developed in house. 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.
- **Patent:** The wholly owned subsidiary of the Company, Bajaj Auto Technology Ltd. (BATL) team has filed 12 patents in FY25 in multiple areas of component and vehicle integration.

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

(₹ In Crore)

Particulars	FY2025	FY2024
i. Capital (including technical know-how)	51.56	33.22
ii. Recurring	574.10	486.96
Total	**625.66**	**520.18**
Total R&D expenditure as a percentage of sales	1.30%	1.19%

Conservation of energy

Our commitment to energy conservation continues to drive across all our manufacturing facilities and at the Corporate Office in Pune. Through a combination of technological upgrades, process improvements, and a strong operational control, we could optimize energy and water usage in operations. Moreover, we are also maximising the use of renewable energy. This is reinforcing our dedication to sustainability and operational efficiency.

As a result of these efforts, we have achieved significant reductions in energy and water consumption year on year. It is also helping to promote environmental stewardship while generating cost savings. The following key initiatives highlight our journey towards a more sustainable and energy-efficient future.

A) Electrical Energy:

- Harvesting renewable energy through Rooftop Solar Plants having total capacity of 12 MW across all manufacturing facilities.
- Increased usage of energy efficient Motors (from IE2 to IE5 class).
- Use of hermetically sealed natural oil cooled Transformers.
- Use of energy efficient compressors for compressed air supply.
- Optimised compressed air pressure setting across all Plants.
- Use of BLDC blowers for AHU in place of conventional blowers.
- ED bath Voltage Optimisation based on surface area of SKU and process temperature.
- Use of highly efficient LED lights across all plants.
- Harvesting Daylight from roof (through north light structure).
- Resource efficient building design for heat load reduction.
- Continued efforts on Power factor improvement and Harmonics reduction.

B) Water:

- 100 % recycling of treated effluent and Sewage at all plants to ensure Zero Liquid Discharge (ZLD).
- Installation of highly efficient ETP for EV -3wh Paint shop with 3 stage RO system.
- Hydropneumatics pumping system to eliminate localised water storage.
- Replacement of “underground old pipelines” with “above ground new pipelines”.
- Reuse of treated water for auxiliary activities such as cooling towers, landscaping, etc.
- Use of Drip irrigation and sprinklers for horticulture.
- Continued use of auto shut off taps in Canteen and Offices.
- Rainwater harvesting with a storage capacity of 5.7 Lac KL.
- Ground water re-charging to the extent of 11 Lac KL is done every year.

C) LPG/Propane:

- Replaced the conventional indirect heating system with a direct heating system in the paint shop.
- Implemented the “Oven-in-Oven” concept in the paint shop to minimize heat loss.
- Reduced thermal loss in paint ovens through enhanced insulation.
- Continued use of magnetic resonators in the gas train pipeline to improve combustion efficiency.
- Ongoing use of low-temperature chemicals for pre-treatment processes.
- Installed energy-efficient cooking equipment in the canteen.
- Adopted energy-efficient burners in the canteen for improved fuel utilization.

D) Utilization of Renewable Energy - Key initiatives

- Ongoing solar power generation from solar plants having total capacity of 12 MW.
- Use of Solar concentrator for hot water generation required in Pre-treatment process.
- Hot Water Rooftop Solar System for Canteen and Residential Area.
- Use of Natural day light system.

E) Impact of measures taken:

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

	% Reduction w.r.t. previous year	
Description	**FY2025**	**FY2024**
Electricity consumption	2.07	2.50
Water consumption	2.45	0.86
LPG/PNG consumption	0.92*	3.27

* Impact of addition of 2 New Paint shops (EV-3wh Paint shop at Waluj and EV-2wh Paint shop at Akurdi)

F) Investment and savings:

(₹ In Crore)

Description	**FY2025**	**FY2024**
Investment for energy conservation activities	1.86	1.63
Recurring savings achieved through above activities	1.64	0.94

We will persist in tracking energy consumption, refining our strategies, and striving toward our long-term energy objectives. Additionally, we will continue to minimize our environmental footprint and enhance energy efficiency throughout all our operations by TPM way.

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 2024-25 was ₹ 15,864.36 crore, as compared to ₹ 14,252.96 crore during the financial year 2023-24.

Total foreign exchange outflow during the financial year 2024-25 was ₹ 2,583.68 crore, as against ₹ 1,221.75 crore during the financial year 2023-24.

Annual Return

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration) Rules, 2014, the annual return for FY2025 (under the revised format), which will be filed with Registrar of Companies/MCA, will be 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 2025 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.

Other Disclosures

1. There is no change in the nature of business of the Company during FY2025.
2. 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.
3. Your Company has not accepted any public deposits under Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during FY2025.
4. A cash flow statement for FY2025 is attached to the Balance Sheet.
5. The securities of the Company were not suspended from trading during the year under review on account of corporate actions or otherwise.
6. There was no revision to the financial statements and Directors' Report of the Company during the year under review.
7. 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 strong performance under the leadership of MD and CEO was recognised in December 2024 with the prestigious **"Outstanding Company of the Year"** award at the India Business Leader Awards (IBLA) - 2024, conferred by CNBC-TV18 India.

Motorcycle Division (MCD) and Commercial Vehicle Division (CVD) of Bajaj Auto Ltd., Waluj Plant has been honoured with the prestigious **"Advanced Special Award for TPM Achievement"** by the Japan Institute of Plant Maintenance (JIPM) in March 2025 at the International Conference Centre, Kyoto, Japan. Your Company's consistent efforts towards excellence in product quality, cost optimization, and operational efficiency were acknowledged by this award.

Motorcycle Division (MCD) and Commercial Vehicle Division (CVD) of Bajaj Auto Ltd., Waluj Plant were also recognised as winners of **TPM Excellence Award** - **"TPM Excellent Case Study Commendation"** by JIPM.

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: 29 May 2025


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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 2025.

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, 2025, 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 2025, 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. 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:

The Company allotted 77,852 Equity Shares of ₹10/- each on 23 August 2024 to the Bajaj Auto ESOP Trust under the Bajaj Auto Employee Stock Option Scheme 2019.

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

Pune: 29 May 2025
UDIN: F001587G000486511

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 2025 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: 29 May 2025

Shyamprasad D Limaye
FCS No. 1587 CP 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 Limited (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 2025 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.

Auditor's 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.

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 auditor's judgement, 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 2025 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 2024 to 31 March 2025:

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;

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 2025 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 SRBC and CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 25105754BMITLN2541

Pune: 29 May 2025

Annexure III 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 2025]

Sr. No.	Name of Director/KMP	Ratio of Remuneration of director to Median Remuneration of employees (including perquisite value of ESOPs exercised)	% increase in the financial year (including perquisite value of ESOPs exercised)	Ratio of Remuneration of director to Median Remuneration of employees (excluding perquisite value of ESOPs exercised)	% increase in the financial year (excluding perquisite value of ESOPs exercised)
(A)	**Whole-time directors/Managerial Personnel**				
	Rajiv Bajaj, Managing Director and CEO	575.47	8.98	575.47	8.98
	Pradeep Shrivastava, Executive Director	278.31	81.41	140.43	17.96
	Rakesh Sharma, Executive Director	165.16	39.18	138.21	16.48
	Whole-time directors in aggregate	**1018.94**	**27.35**	**854.11**	**11.54**
(B)	**Non-executive directors[1]**				
	Sanjiv Bajaj	2.48	33.33	2.48	33.33
	Niraj Bajaj	4.02	18.18	4.02	18.18
	Dr. Naushad Forbes	5.57	12.50	5.57	12.50
	Anami N. Roy	4.95	14.29	4.95	14.29
	Pradip Shah	5.26	13.33	5.26	13.33
	Abhinav Bindra	4.64	4.64	4.64	25.00
	Vinita Bali[2]	3.40	0.00	3.40	0.00
	Sangita Reddy[3]	1.24	0.00	1.24	0.00
(C)	**Key Managerial Personnel**				
	Rajiv Bajaj, Managing Director and CEO		8.98		8.98
	Dinesh Thapar, CFO		17.34		17.34
	Rajiv Gandhi, Company Secretary		61.87[4]		41.41[4]
(D)	**Remuneration of Median Employee (other than Whole-time directors) 11.39**				
(E)	**Permanent employees as on 31 March 2025: 5598**				

1. 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.
2. Vinita Bali was appointed as a Non-executive Independent Director w.e.f. 1 April 2024. Figures regarding % increase in her case are therefore not comparable/not applicable.
3. Sangita Reddy was appointed as a Non-executive Independent Director w.e.f. 16 July 2024. Figures regarding % increase in her case are therefore not comparable/not applicable.
4. Rajiv Gandhi was appointed as Company Secretary of the Company w.e.f. 01 October 2023. Figures regarding % increase in his case are not comparable.
5. The term 'Permanent Employees' does not include trainees, probationers and contract employees.

Notes on Disclosures under Rule 5

1 In FY2025, the remuneration of median employee other than Whole-time directors increased by 11.39% over the previous year.
2 The increase in the remuneration of the Whole-time directors/Managerial personnel, in the aggregate was 11.54 % during the year under review, which was given, keeping in view the trends of remuneration in industry.
3 The remuneration paid as above was as per the Remuneration Policy of the Company.

Annexure IV to Directors' Report
Annual Report on CSR activities for the financial year ended 31 March 2025

1. Brief outline of Company's CSR Policy

Introduction

The vision and philosophy of Late Jamnalal 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.

Bajaj Engineering Skills Training (BEST)

Hands on training of BEST students at PES University equipping them with skills for the future.

Bajaj Manufacturing System (BMS)

ITI students showcasing project work with application of TPM (Total Productive Maintenance) principles.

Service Technician Excellence Program (STEP)

STEP trainees in action, honing skills with a sharp focus on quality and service excellence

Samaj Seva Kendra (SSK)

Marking 50 Years of SSK at Akurdi with vibrant community celebrations

India Science Festival with FAST

Science enthusiasts, business leaders, and students participate at the 6th edition of India Science Festival in Pune

STEM Education Support Program with YOJAK

Students from STEM Education community learning centres displaying their projects, powered by passion

Animal Welfare with Canine Control and Care

Celebrating a decade of compassion for stray animals with humane and scientific guided strategies of Animal Birth Control

Rupa Rahul Bajaj Centre for Environment & Arts (RRBCEA)

Young explorers at RRBCEA's tree walks, discovering and appreciating biodiversity

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.	Mr. Rajiv Bajaj	Chairman	2	2/2
2.	Mr. Pradeep Shrivastava	Member		2/2
3.	Dr. Naushad Forbes	Member		2/2
4.	Mr. Abhinav Bindra	Member		2/2
5.	*Ms. Vinita Bali	Member		1/2

*Ms. 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	Doosara Dashak	Foundation for education and development	Sirohi, Rajasthan	30.08.2022	1.68	31.12.2024	The program reached 6,374 children, adolescents, and community members across 20 villages. 100% respondents have become confident in both reading and numeracy skills. 98.3% of the respondents now find school studies interesting. 96.7% of the girls have adopted proper menstrual hygiene practices.

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
2	Installation of COVID ICU at Jamnalal Bajaj Wing of Mahatma Gandhi Tribal Hospital	Meditation, Addiction, Health, AIDS, Nutrition Trust	Melghat, Maharashtra	31.07.2022	2.10	31.12.2024	The project has benefitted 35,347 people from 30 villages. Over 1,705 COVID patients were provided with ICU services. The acceptance rate of the Covid vaccine increased and the death rate in intervention villages was less than 50%.
3	KSCF's COVID-19 Response for children	Kailash Satyarthi Children's Foundation	Multiple, Maharashtra Rajasthan	30.10.2022	3.10	31.12.2024	The program supported 258 Child Care Institutions and provided emergency aid to 100 highly vulnerable children which led to improved hygiene practices, reduced illness rates, and strengthened emotional security among children and staff.
4	Life Lab Science Programme	Women's Organization of Socio-Cultural Awareness	Aurangabad, Maharashtra	31.07.2022	1.60	31.12.2024	The program supported 9,660 students from 31 govt. and 5 private schools. 78.1% respondents feel that the demonstration models helped make science concepts easier to remember, improving their overall academic performance.
5	Augmenting conservation of water for improving resilience of agriculture in rainfed areas	Foundation for Ecological Security	Multiple, Rajasthan	31.07.2022	26.22	31.12.2024	The project has impacted 7 blocks in 5 districts of Rajasthan. 100% of the respondents reported having sufficient drinking water and green fodder for cattle after the intervention. 99.5% of the respondents reported an increase in cultivable land area on their farm during the Rabi season.90.2% and 88.4% of the respondents reported experiencing no water scarcity for irrigation and drinking after the intervention, respectively.
6	Continuation of support for sterilization and vaccinating canines	Canine Control and Care Trust	Pune, Maharashtra	30.11.2022	2.70	31.12.2024	Over 16,725 dogs were sterilised and vaccinated. Significant improvement in community safety and reduction in stray dog aggression cases.
7	Reducing Communicable, maternal, neo-natal and nutrition related morbidities in tribal community of Pratapgarh	Prayas	Pratapgarh, Rajasthan	31.12.2022	1.48	31.12.2024	The project reached 27,478 people in 30 villages, improving healthcare access and awareness.99.6% of the respondents found services provided by the project affordable, 90.9% of them registered early for ANC, 88.3% respondents adopted contraception post awareness, and 91.3% had institutional deliveries post implementation.

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
8	To improve access to health services during COVID19 through Mobile Medical units in underserved villages.	The PRIDE India	Osmanabad, Latur, Maharashtra	31.12.2022	1.01	31.12.2024	131,057 people from the marginalised communities were benefitted through this project (both direct and indirect). 88% of the respondents (provided with hygiene kits) agreed that the MMU services helped to reduce the severity of health issues for the family during the pandemic to a great extent.
9	Expansion of Bhakti Vedanta Hospital	Sri Chaitanya Seva Trust	Mumbai, Maharashtra	31.03.2021	6.00	31.12.2024	The Rahul Bajaj Auditorium has directly benefited over 200 nursing staff and numerous medical students. 100% of respondents reported improvements in professional learning, understanding of medical concepts due to enhanced training sessions, and advanced AV facilities.
10	Incorporating Multi Skill Foundation Course	Lend a hand India	Multiple, Rajasthan, Uttarakhand	31.01.2023	10.60	31.12.2024	The project has benefitted 1,833 students.93.1% of the respondents stated that the training increased their confidence in using vocational skills.87.1% of the respondents agreed that the program would help them find job opportunities and 94% of them considered the skills learned relevant to their career goals.
11	Bajaj Water Conservation Project	Jankidevi Bajaj Gram Vikas Sanstha	Aurangabad, Maharashtra	30.09.2022	32.49	31.12.2024	The project supported 25,000 people across 31 villages. 87% reported a 20% reduction in water usage, reflecting better conservation and soil moisture. 98.9% confirmed adequate water supply for their cattle, highlighting improved livestock welfare. Water scarcity dropped significantly—only 69.8% faced two months of shortage, drinking water scarcity reduced drastically, with 95.1% experiencing just one month of shortage.

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
12	Bajaj Water Conservation project	Action for Agricultural Renewal in Maharashtra	Aurangabad, Maharashtra	30.09.2022	20.60	31.12.2024	The project supported 6,051 households in 28 villages of Aurangabad. Key structures—117 Nala deepening projects, 38 CNBs, 15 Gabion structures, and 10 percolation tanks—boosted water retention. Drinking water scarcity dropped from over six months to just one month for 87.2% of respondents. Dependency on water tankers reduced significantly, with 93.2% of the respondents no longer reliant on them.
13	Bajaj Water Conservation project	Action for Food Production	Aurangabad, Maharashtra	30.09.2022	14.61	31.12.2024	The project benefited 12,353 farmers, 5,027 households, and 27,576 people across 22 villages. Water accessibility improved, with 79.5% of the households facing only one month of drinking water scarcity and groundwater levels rising to 15-20 feet. Protective irrigation helped 49.3% of farmers, boosting cotton yields by 200%.Annual agricultural income rose by 10-30% for 83.7% of respondents with 19.7% reporting a 25-30% increase. Livelihoods diversified, as 51.9% of the framers expanded orchard cultivation to 0.25-0.5 hectares and vegetable farming.
14	Bajaj water conservation project	BAIF Institute for Sustainable Livelihood and Development	Aurangabad, Maharashtra	31.12.2021	7.20	31.12.2024	The project supported 2,347 households in 14 villages, benefiting over 20,000 people.62.9% of the respondents saw a 10–20% income rise from better agricultural yields. 97.3% respondents have sufficient water for cattle, and 60% respondents reported a 15–19% increase in Kharif crop yields.

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
15	Bajaj water conservation project	Development Support Center	Aurangabad, Maharashtra	30.09.2022	13.57	31.12.2024	The project in 15 villages directly benefited 16,335 people. 96.2% of the respondents no longer relied on costly water tankers with improved water access and reduced financial burden. 43% of the respondents noted over a 20% increase in Kharif crop yields, 57% experienced a 15-19% increase in Rabi crop yields. 42.2% of the respondents reported a 20-25% increase in annual agricultural income improving the economic status of the farming community.
16	Bajaj Water Conservation Project-Phase-III	SPARSH- Center for participatory learning	Aurangabad, Maharashtra	31.10.2022	7.34	31.12.2024	The project has benefitted 3,063 people from Vaijapur Block of Aurangabad.69.9% of respondents saved 10-20% water using micro-irrigation, and 18.6% saved 20–30%. 47.5% respondents reported improved irrigation water availability.66.5% of the respondents saw a 15-19% rise in Kharif yields, while 22.9% reported over 20% increase.73.5% respondents experienced a 10–20% income boost from vegetable farming.
17	Bajaj Water Conservation Project	Shramjivi Janata Sahayyak Mandal	Satara, Maharashtra	31.12.2021	8.50	31.12.2024	The project benefited 6,251 people in four drought-prone villages. 76.6% of the respondents has adopted micro-irrigation and saved up to 30% water. 82.4% of them saw over 20% increase in Kharif yields, and 39.8% reported a 25–30% rise in income.99.2% now follow community-based water governance protocols for long-term sustainability.
18	Bajaj Water Conservation Project-Phase-III	Marathwada Gramin Vikas Sanstha	Aurangabad, Maharashtra	31.03.2023	9.57	31.12.2024	The project benefited 8,931 people. Drinking water scarcity dropped to one month for 86.8% of the respondents, and 99.2% of the respondents have enough water for cattle. Micro-irrigation rose from 1.2% to 98.8%, boosting crop yields.60.9% of the respondents reported an increased annual agricultural income of 10-15%, and 32.1% experienced a rise of 15- 20%.


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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
19	Wings of Doon	Aasraa Trust	Dehradun, Uttarakhand	31.03.2023	2.57	31.12.2024	Aasraa provided after-school education to 1,100+ marginalised children in Dehradun. Students have demonstrated improved academic performance with 87% of the students scoring in first division. 99.6% of the students reported improvement in reading, writing, and comprehension skills. 92.6% respondents attended Computer-Aided Learning. 38 students have enrolled in higher education, with 11 pursuing STEM related courses.83.9% of the students benefitted from emergency ration support during COVID-19.
20	MacDermid Alpha of Excellence in Advanced Electronics Manufacturing and Skilling	College of Engineering Pune	Pune, Maharashtra	31.03.2023	1.00	31.03.2025	33 students were benefitted through this initiative.81.8% of respondents rated the training infrastructure as excellent, and 90.9% rated the SMT equipment as excellent, indicating industry-standard facilities.81.8% of the participants received full sponsorship.
21	Integrated Rural and Urban Development Program 21-22	Jankidevi Bajaj Gram Vikas Sanstha	Multiple, Maharashtra	31.03.2023	9.51	31.03.2025	The program supported underprivileged communities in 228 villages across Maharashtra, Rajasthan, and Uttarakhand. 60.5% of the respondents highlighted that they earn an average additional income of less than ₹ 5,000 through all income-generating activities. 85.9% of the respondents highlighted availability of good and pure potable water.93.2% of the respondents reported increased awareness and understanding of diseases was reported as the major benefit of the health camps. 75.9% of the respondents shared that their child has improved mathematical skills.

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
22	Vikas Mitra	Jnana Prabodhini	Pune, Maharashtra	31.03.2023	1.40	31.03.2025	The program has benefitted 2,089 students.63.8% of the respondents mentioned that the intervention's Project-Based learning model improved their understanding of science subjects. 94 % of the students reported the program to be extremely helpful in enhancing their learning ability and academic performance.
23	Find, Support and Grow Social Entrepreneurs	Social Entrepreneurs Foundation-Unlimited	Pan India	31.03.2023	2.44	31.03.2025	The program supported 23 entrepreneurs.95% joined the incubator for capacity building.85% of the respondents found webinars and mentoring engaging, 80% valued site visits, and 90% found one-on-one coaching highly effective.
24	Bringing Quality Healthcare to Rural Kumaon	Aarohi	Kumaon, Uttarakhand	30.04.2023	3.39	31.03.2025	The health project reached 23,147 beneficiaries in Saitoli, Nainital.90% found ASHA, SK, and Aarohi's support helpful for their child's health needs. 100% respondents attended at least one Swasthya Mela. 93.6% of the respondent women did not experience post-delivery complications.95.8% of the mothers' groups and 76.7% of adolescent groups were functional in the community.
25	Supporting literacy program in 96 schools in Maharashtra and Uttarakhand.	Room to Read	Multiple, Maharashtra	30.04.2023	6.80	31.03.2025	The initiative reached 15,083 students. 96% of the students stated that improved reading skills resulted in them acquiring greater knowledge.94% of the students were informed of improved performance owing to improved reading skills.
26	Fellowship and Beyond Classroom	Teach to Lead	Pune, Maharashtra	30.06.2023	5.90	31.03.2025	The program supported 75 fellows in 40 Pune schools.86.7% of the respondents reported that the training program was positively impactful.63.3% of the respondents reported to have acquired an effective teaching and leadership mindset because of the training program.70% of the fellows noted significant improvement in math scores and 50% observed substantial progress in reading and Comprehension.

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
27	Construction of additional rooms in Aurangabad Police Public School	Aurangabad Police Public School Trust via JBGVS	Aurangabad, Maharashtra	30.09.2023	1.78	31.03.2025	Bajaj Auto Ltd. supported Aurangabad Police Public School for construction of 10 new classrooms, benefiting 1,260 students. 94.4% of the respondents observed improvements in attendance and academic performance due to better classroom infrastructure with 100% of them reporting improved focus and ease of studying.99.4% of the respondents noted better student-teacher interaction.
28	STEM Education support program for students- Specially focusing on girl child, tribal and migrants.	JBGVS-YOJAK	Pune, Maharashtra	31.08.2023	2.16	31.03.2025	The YOJAK STEM Program reached 1,200+ students via 6 community centres and 5 school hubs in PCMC and Khed blocks. It offered STEM education, counselling, life skills, and robotics, leading to 71.2% STEM enrolment post 10th and 100% science/ technical pursuit post 12th.97.3% students gained confidence in science; 82.4% of the respondents said that the career counselling sessions helped them make clear and informed choices in their pursuits of career. The program also trained 32 teachers and actively involved parents, promoting lasting STEM engagement.

5. (a) Average net profit of the Company as per section 135(5) — ₹ 7,866.14 crore

(b) Two percent of average net profit of the company as per section 135(5) — ₹ 157.32 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)] — ₹ 157.32 crore

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) — ₹ 15.45 crore

(b) Amount spent in Administrative Overheads — ₹ 7.42 crore

(c) Amount spent on Impact Assessment, if applicable — ₹ 0.30 crore

(d) Direct expenses by Company — ₹ 0.41 crore

(d) Total amount spent for the financial Year [(a)+(b) +(c) +(d)] **('spent' as clarified by MCA FAQ dated 25 August 2021)** — ₹ 23.58 crore

(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
₹ 23.58 crore	₹ 133.74 crore	28 April 2025	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 2021-22	51 crore	0	11.78 crore	0	0	0	0
2	FY-2 2022-23	72.42 crore	0	46.48 crore	0	0	0	0
3	FY-3 2023-24	105.87 crore	87.26 crore	18.61 crore	0	0	87.26 crore	0

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 (2024-25)

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.) 2024-25	Details of entity/authority/ beneficiary of the registered owner		
					CSR registration number, if applicable	Name	Registered address
1	IPD and ABC kennels in Blue Cross Campus, Infrastructure for ABS and IPD and Cat ward section **Add:** Sr. No. 5, Sharad Nagar, Mundhwa, Pune- 411036	411036	30.03.2025	1.83	CSR00037262	Blue Cross Society of Pune	T-4, Florida Estate, Keshav Nagar, Mundhwa, Pune: 411036
2	Equipment and Furniture for setting up of STEP Centre at CII-Rahul Bajaj Centre of Excellence on Skills **Add:** CII-Rahul Bajaj Centre of Excellence on Skills Betul Road, Imlikheda Crossing, Dist.- Chhindwara- 480001	480001	20.03.2025	0.30	CSR00001725	Jankidevi Bajaj Gramvikas Sanstha	Akurdi Gaothan, Vivek Nagar, Akurdi, Pimpri-Chinchwad, Maharashtra 411035
3	Equipment and Furniture for setting up of BEST Centre at SASTRA University, Thanjavur **Add:** SASTRA University, Thanjavur, Tamil Nadu- 613401	613401	22.04.2024	15.29	CSR00001725	Jankidevi Bajaj Gramvikas Sanstha	Akurdi Gaothan, Vivek Nagar, Akurdi, Pimpri-Chinchwad, Maharashtra 411035
4	Equipment and Furniture for setting up of BEST Centre at PES University, Bangalore **Add:** 50 Feet Road, BSK 1st Stage Hanumanthanagar, Bangalore, Karnataka -560050	560050	01.07.2024	15.32	CSR00001725	Jankidevi Bajaj Gramvikas Sanstha	Akurdi Gaothan, Vivek Nagar, Akurdi, Pimpri-Chinchwad, Maharashtra 411035
5	Equipment and Furniture for setting up of BEST Centre at Bajaj Institute of Technology, Wardha **Add:** Bajaj Institute of Technology, Arivi Road, Pipri, Wardha -442001	442001	24.02.2025	12.62	CSR00001725	Jankidevi Bajaj Gramvikas Sanstha	Akurdi Gaothan, Vivek Nagar, Akurdi, Pimpri-Chinchwad, Maharashtra 411035
6	Purchase of furniture and computers for setting up of STEM labs in Mona Convent School **Add:** Raja Nawab Ali Road, Kaiserbagh, Lucknow-226001	226001	29.10.2024	1.11	CSR00028602	Mona Convent School (Unit of Nari Sewa Samiti)	Raja Nawab Ali Road, Kaiserbagh, Lucknow-226001
7	Equipment and Furniture for setting up of BEST Centre at Banasthali Vidyapith (Pending equipment) **Add:** Vanasthali Road, Aliyabad, Radha Kishnpura, Rajasthan- 304022	304022	31.03.2025	0.84	CSR00001725	Jankidevi Bajaj Gramvikas Sanstha	Akurdi Gaothan, Vivek Nagar, Akurdi, Pimpri-Chinchwad, Maharashtra 411035
8	Equipment and Furniture for setting up of BEST Centre at Symbiosis, Pune (Pending equipment) **Add:** Symbiosis International University, Near Lupin Research Park, Gram: Lavale, Tal: Mulshi, Maharashtra	412115	31.03.2025	1.64	CSR00001725	Jankidevi Bajaj Gramvikas Sanstha	Akurdi Gaothan, Vivek Nagar, Akurdi, Pimpri-Chinchwad, Maharashtra 411035

Includes projects which have been completed in FY 2024-25.


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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:

a) 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 2025.

b) 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: 29 May 2025

CORPORATE GOVERNANCE REPORT

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct driven by the objective of creating and enhancing long-term value for all stakeholders of the Company.

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'/'BAL') for the year 2024-25 (or 'FY2025').

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, which guides us in pursuing our purpose and achieving excellence in corporate governance.

At Bajaj Auto, we strive to achieve business excellence through ethically driven business process and a firm commitment to the rich legacy of our values, while meeting the stakeholders' expectations. This Report gives a detailed overview of our governance framework.

The Governance Structure

Bajaj Auto's governance structure is based on the overall guidance of the Board of Directors and 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.:

1. **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 such as Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, etc. are focused on specific elements of the governance like audit and internal controls, financial reporting, risk management framework, appointment and remuneration of directors/senior management personnel, investors' grievance management, implementation and monitoring of CSR activities in furtherance to the Company's societal commitments.

2. **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 directors, independent directors (including women directors) and non-executive non-independent directors to maintain independence of the Board and to separate the Board functions of governance from that of management. The Company has a non-executive Chairman (promoter), who heads the Board and oversees its overall conduct.

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 2025, the Board consisted of eleven directors, of whom three (27%) were executive directors (including the Managing Director), two non-executive non-independent directors (18%) and six independent directors including two women independent directors (55%). The Board has no institutional nominee director.

Further, the changes in the composition of the Board of Directors during FY2025 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 members 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 a wide range of experience and skills which add value to the performance of the Board and the Company while ensuring the best interest of stakeholders. 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 FY2025, the Board met eight times: 5 April 2024, 18 April 2024, 16 July 2024, 16 October 2024, 9 January 2025, 28 January 2025, 21 February 2025 and 18 March 2025. The gap between any two consecutive meetings was less than 120 days.

Attendance record of directors

Table 1: Composition of the Board and attendance record of directors for FY2025

Name of director	Category of director	Relationship with other directors	No. of shares held by director [6]	No. of Board meetings attended	Attended the last Annual General Meeting held on 16 July 2024
Niraj Bajaj	Chairman, non-executive, non-independent director (Promoter)	–	710,279[5]	8 out of 8	Yes
Rajiv Bajaj[4]	Managing Director and CEO, executive director (Promoter)	Brother of Sanjiv Bajaj	747,001[5]	8 out of 8	Yes
Sanjiv Bajaj	Non-executive, non-independent director (Promoter)	Brother of Rajiv Bajaj	759,916[5]	8 out of 8	Yes
Pradeep Shrivastava	Executive director	–	75	7 out of 8	Yes
Dr. Naushad Forbes	Non-executive, independent director	–	3,500	7 out of 8	Yes
Anami N. Roy	Non-executive, independent director	–	0	8 out of 8	Yes
Rakesh Sharma	Executive director	–	6,328	8 out of 8	Yes
Pradip Shah[1]	Non-executive, independent director	–	3,952	8 out of 8	Yes
Abhinav Bindra[4]	Non-executive, independent director	–	0	8 out of 8	Yes
Vinita Bali[2]	Non-executive, independent director	–	0	6 out of 8	Yes
Dr. Sangita Reddy[3]	Non-executive, independent director	–	0	4 out of 6	Yes

Notes:

(1) Pradip Shah was re-appointed as a Non-executive independent director for a second term of five years commencing from 1 April 2024. The members have approved the said re-appointment vide special resolution passed on 5 March 2024 through postal ballot conducted by remote e-voting process.

(2) Vinita Bali was appointed as a Non-executive independent director for the first term of five years commencing from 1 April 2024. The members have approved the said appointment vide special resolution passed on 5 March 2024 through postal ballot conducted by remote e-voting process.

(3) Dr. Sangita Reddy was appointed as a Non-executive independent director for the first term of five years commencing from 16 July 2024. The members have approved the said appointment vide special resolution passed on 30 August 2024 through postal ballot conducted by remote e-voting process.

(4) The Board, at its meeting held on 18 March 2025, based on the recommendations of Nomination and Remuneration Committee, have approved the re-appointment(s) of Rajiv Bajaj as Managing Director and CEO for another term of five years commencing from 1 April 2025 and Abhinav Bindra as a Non-executive independent director for a second term of five years commencing from 20 May 2025. The said re-appointment(s) have been approved by the members vide special resolution(s) passed through postal ballot on 30 April 2025.

(5) The equity shares also includes shares held in the capacity of trustee of private family trusts.

(6) None of the directors hold any convertible instrument. Pradeep Shrivastava and Rakesh Sharma, the Executive directors of the Company are entitled to employee stock options as per Bajaj Auto Employee Stock Option Scheme 2019, as amended.

Directorships and memberships of Board Committees

Table 2: Number of directorships/committee positions of directors as on 31 March 2025 (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 chairperson)	As chairperson
Niraj Bajaj	3	4	7	1	0
Rajiv Bajaj	5	2	4	0	0
Sanjiv Bajaj	6	4	8	5	0
Pradeep Shrivastava	1	0	0	0	0
Dr. Naushad Forbes	5	1	7	6	1
Anami N. Roy	5	0	1	6	4
Rakesh Sharma	1	2	0	0	0
Pradip Shah	4	2	8	6	2
Abhinav Bindra	2	1	4	1	0
Vinita Bali	2	0	0	2	0
Dr. Sangita Reddy	3	5	11	0	0

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 companies 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 companies (including debt listed companies, if any) where directors of the Company held directorships as on 31 March 2025 (including the Company)

Name of director	Name of listed companies	Category
Niraj Bajaj	a. Bajaj Auto Ltd.	Chairman, non-executive director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, non-independent director
	c. Mukand Ltd.	Chairman and Managing Director, executive director
Rajiv Bajaj	a. Bajaj Auto Ltd.	Managing Director and CEO, executive director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, non-independent director
	c. Bajaj Finserv Ltd.	Non-executive, non-independent director
	d. Bajaj Finance Ltd.	Non-executive, non-independent director
	e. Bajaj Electricals Ltd.	Non-executive, non-independent director

Name of director	Name of listed companies	Category
Sanjiv Bajaj	a. Bajaj Auto Ltd.	Non-executive, non-independent director
	b. Bajaj Holdings & Investment Ltd.	Managing Director and CEO, executive director
	c. Bajaj Finserv Ltd.	Chairman and Managing Director, executive director
	d. Bajaj Finance Ltd.	Chairman, non-executive, non-independent director
	e. Maharashtra Scooters Ltd.	Chairman, non-executive, non-independent director
	f. Bajaj Housing Finance Ltd.	Chairman, non-executive, non-independent director
Pradeep Shrivastava	a. Bajaj Auto Ltd.	Executive director
Dr. Naushad Forbes	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent director
	c. Bajaj Finserv Ltd.	Non-executive, independent director
	d. Bajaj Finance Ltd.	Non-executive, independent director
	e. Zodiac Clothing Company Ltd.	Non-executive, independent director
Anami N. Roy	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Finserv Ltd.	Non-executive, independent director
	c. Bajaj Finance Ltd.	Non-executive, independent director
	d. Bajaj Housing Finance Ltd.	Non-executive, independent director
	e. Siemens Ltd.	Non-executive, independent director
Rakesh Sharma	a. Bajaj Auto Ltd.	Executive director
Pradip Shah	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent director
	c. Pfizer Ltd.	Chairman, non-executive, non-independent director
	d. BASF India Ltd.	Chairman, non-executive, non-independent director
Abhinav Bindra	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent director
Vinita Bali	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Syngene International Ltd.	Non-executive, independent director
Dr. Sangita Reddy	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Apollo Hospitals Enterprise Ltd.	Joint Managing Director
	c. Indraprastha Medical Corporation Ltd.	Non-executive, non-independent director

Independent Directors

The independent directors on the Board of the Company are highly experienced, competent and persons of repute in their respective fields, their collective wisdom and prudence brings an ideal mixture of expertise, professionalism, knowledge and experience to the table.

In accordance with the provisions of section 149(10) and (11) of the Act and regulation 25(2) of the Listing Regulations, 2015, the independent directors can hold office for two consecutive terms of maximum period of five years each on the Board of the Company. As regards the appointment and tenure of independent directors, the Company has complied with the provisions of the Act and the Listing Regulations, 2015.

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Act at the time of their appointment/re-appointment. The terms and conditions of appointment/re-appointment of independent directors are available on the Company's website at https://www.bajajauto.com/investors/miscellaneous

The Company has received declaration from all the independent directors stating that they meet the criteria of independence stipulated under section 149(6) of the Act read with rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and 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.

Based on the declarations received from the independent directors, the Board is of the opinion that the independent directors fulfil the conditions of independence specified in the Listing Regulations, 2015 and the Act and are independent of the Management.

During the year under review, none of the independent directors of the Company have resigned before the expiry of their tenure.

Induction and Familiarisation programme

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:

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

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

During FY2025, the directors were updated extensively on the following through presentations/updates at Board meetings:

- Two-wheeler, Three-wheeler and EV business.
- Industry trends and competition.
- 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.

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. Further, the Nomination and Remuneration Committee is instrumental in identifying successors for Board members and senior management thereby aligning the succession plans with the Company's strategic and long-term goals.

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.

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. The directors possess extensive knowledge and expertise in their areas of function which allows them to make effective contributions to the Board and its Committees.

As stipulated under schedule V of the Listing Regulations, 2015, core skills/expertise/competencies, the Board has identified the skills/expertise/competencies for its effective functioning as required in the context of the business and sector and those actually available with the Board. The details of which are given below:

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.

Table 4: The Chart/matrix of such core skills/expertise/competencies of each director as on the date of this Report is as under:

Name of director	Designation	Core skills/expertise/ competencies of directors
Niraj Bajaj	Chairman	Business & Industry, Management & Strategy, Commercial, Financial Expertise, Governance & Compliance and such other areas.
Rajiv Bajaj	Managing Director and CEO	Business & Industry, Management & Strategy, Product Development, Manufacturing & Sales Operations, CSR & Sustainability.
Sanjiv Bajaj	Non-executive director	Business & Industry, Management & Strategy, Financial Expertise, Information Technology, Human Resources, Governance & Compliance.
Pradeep Shrivastava	Executive director	Management & Strategy, Manufacturing & Operations, Project Management, CSR & Sustainability.
Dr. Naushad Forbes	Independent director	Management & Strategy, Operations, Human Resources & Industrial Relations, Finance & Taxation, Governance & Compliance, CSR & Sustainability.
Anami N. Roy	Independent director	Human Resources & Industrial Relations, Governance & Compliance, Law, Banking, Investment & Treasury Management, CSR & Sustainability.
Rakesh Sharma	Executive director	Management & Strategy, Global Business Operations, Marketing & Sales, Project Management.
Pradip Shah	Independent director	Strategy, Finance & Taxation, Governance & Compliance and such other areas.
Abhinav Bindra	Independent director	Strategy, CSR & Sustainability, Academics & Education, Sports & Administration.
Vinita Bali	Independent director	Management & Strategy, Sales & Marketing, Brand Building, CSR & Sustainability.
Dr. Sangita Reddy	Independent director	Corporate Leadership, Strategy, Governance & Compliance and CSR.

Performance Evaluation of the Board, its Committees, the Chairman and the Directors

Board Evaluation

The annual evaluation process of the Board, its Committees, Chairman and individual directors for FY2025 was conducted as per provisions of the Act and the Listing Regulations, 2015. With a view to maintain high level of confidentiality and ease of doing evaluation, the exercise was carried out online using secured web-based application. Each Board member filled up the online evaluation template on the functioning and overall level of engagement of the Board and its Committees, on parameters such as composition, execution of specific duties, quality, quantity and timeliness of flow of information, deliberations at the meeting, independence of judgment, decision-making, management actions, etc. The evaluation templates were designed considering the guidelines issued under the Listing Regulations, 2015 and the Secretarial Standards and taking into consideration the suggestions given by the directors.


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Feedback Mechanism

A one-on-one meeting of the individual directors with the Chairman of the Board was also conducted as a part of self-appraisal and peer-group evaluation. The directors were also asked to provide their valuable feedback and suggestions on the overall functioning of the Board and its Committees and the areas of improvement for a higher degree of engagement with the Management.

Evaluation Results

The independent directors met on 18 March 2025 to review the performance evaluation of non-independent directors and the entire Board of Directors, including the Chairman, while considering the views of the executive and non-executive directors.

The independent directors were highly satisfied with the overall functioning of the Board and its various Committees, which displayed a high level of commitment and engagement. They also appreciated the exemplary leadership of the Chairman of the Board and its Committees in upholding and following the highest values and standards of corporate governance.

Post the review by the independent directors, the results were shared with the entire Board and its respective Committees. The Board expressed its satisfaction with the evaluation results, which reflects very high degree of engagement of the Board and its Committees with the Management.

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. The criteria for evaluation of independent directors, *inter alia*, includes attendance and participation, openness to ideas, perspectives and opinions, demonstrating highest level of integrity, independent views and judgment, etc.

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.

Certificate from Practising Company Secretary

The Company has received a certificate from Shyamprasad D Limaye, Practising Company Secretary (Membership No. 1587, CP No. 572) to the effect that none of the directors on the Board of the Company 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. The certificate forms part of this Corporate Governance Report.

Meetings, Information supplied to the Board and Proceedings

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 consecutive meetings of the Board did not exceed 120 days. In case of urgent business matters, approval of the Board/Committee is obtained by passing a circular resolution, as permitted by law and the same is noted in the subsequent meeting of the Board/Committee. 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 is not just limited to the list of items 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 18 March 2025 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, financial performance and strategic initiatives.
- Capital expenditure and updates.
- Internal financial controls.
- Succession planning and organisation structure.
- Details of incidence of frauds, if any and corrective action taken thereon.
- Performance of subsidiaries.
- Status of compliances with the Companies Act, 2013, the SEBI regulations and shareholder related matters.
- Various policies framed by the Company and revised 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.

Proceedings

Apart from the Board members, the Chief Business Development Officer, Chief Financial Officer 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.

Minutes of proceedings of each Board and Committee meeting are recorded and draft minutes are circulated to Board/Committee members for their confirmation within 15 days from the date of meeting. The comments/suggestions of the Board/Committee members are invited and duly incorporated in the minutes after which these are entered in the minutes book within 30 days from the date of meeting.

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 18 March 2025, without the attendance of non-independent directors and members of Management.

All independent directors were present at the meeting.

The independent directors present elected Vinita Bali as chairperson for the meeting.

The independent directors, *inter alia*, discussed on changes in the Board, report of performance evaluation of Board, its Committees and Chairman and reviewed the performance of non-independent directors and the Board as a whole and also the performance of Chairman of the Company taking into account the views of executive directors and non-executive directors, assessment of quality, quantity and timeliness of flow of information between the Company's Management and the Board, etc. and provided their views and expressed satisfaction on each of the matters.

In addition, the independent directors had a separate meeting with senior management personnel to deliberate on various matters concerning the Company's business.

Committees of the Board

The Company has six committees of the Board, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Duplicate Share Certificate Issuance Committee.

These Committees function under the direct supervision of the Board. Mostly, the Committee meetings are held prior to the Board meeting and the Chairman of the respective Committees brief the Board about the deliberations and decisions taken at the Committee meetings.

Audit Committee

The Company has a duly constituted 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.

During FY2025, the Audit Committee met six times: 18 April 2024, 16 July 2024, 16 October 2024, 28 January 2025, 21 February 2025 and 18 March 2025.

Table 5: Composition of the Audit Committee and attendance of members at its meeting(s) held during FY2025

Name of member	Category	No. of meetings attended
Anami N. Roy	Chairman (non-executive, independent director)	6 out of 6
Dr. Naushad Forbes	Member (non-executive, independent director)	5 out of 6
Pradip Shah	Member (non-executive, independent director)	6 out of 6
Vinita Bali[(1)]	Member (non-executive, independent director)	4 out of 5

Notes:

(1) Vinita Bali was appointed as a member of the Audit Committee by the Board effective from 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 auditors of the Company and such executives who were considered necessary for providing inputs to the Committee.

The Company Secretary acts 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 grant of omnibus approval, investment related reports, internal financial controls, utilisation of loans and/or advances from/investment by the Company in subsidiaries, whistle blower/PoSH complaints, etc.

Anami N. Roy, Chairman of the Audit Committee, was present at the previous Annual General Meeting of the Company held on 16 July 2024.

Terms of reference of the Audit Committee

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

Financial Statements:

1. To oversee 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. To review, with the management, the quarterly financial statements before submission to the Board of Directors for approval.
3. To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board of Directors 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 section 134(3)(c) 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 the 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. Modified opinion(s) in the draft audit report.
4. To review management discussion and analysis of financial condition and results of operations.
5. To review the financial statements, in particular, the investments made by the unlisted subsidiary(s) of the Company.

Audit:

6. To recommend to the Board of Directors for appointment, remuneration and terms of appointment of the auditors of the Company.
7. To approve availing of the permitted non-audit services rendered by the statutory auditors and approval of payment of fees thereof.
8. To review and monitor the auditor's independence and performance, and effectiveness of audit process.
9. To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems.
10. To review 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.
11. To discuss with internal auditors of any significant findings and follow up thereon.

12. To review 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.
13. To discuss 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.
14. To review management letters/letters of internal control weaknesses issued by the statutory auditors.
15. To review the internal audit reports relating to internal control weaknesses.
16. To review the appointment, removal and terms of remuneration of the chief internal auditor.

Others:

17. To approve the transactions of the Company and its unlisted subsidiary(s) with related parties, as may be applicable, including any subsequent modifications thereto.
18. To review the utilisation of loans and/or advances from/investment by the Company in its subsidiary company exceeding ₹ 100 crore or 10% of the asset size of the subsidiary company, whichever is lower.
19. To scrutinise inter-corporate loans and investments.
20. To undertake valuation of undertakings or assets of the Company, wherever it is necessary.
21. To evaluate internal financial controls and risk management systems.
22. To review the functioning of the whistle blower mechanism.
23. To approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
24. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
25. To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
26. To review the investment policy.
27. To review, with the management, the statement of use/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 issue or rights issue or preferential issue or qualified institutional placement and making appropriate recommendations to the Board of Directors to take up steps in this matter.
28. To review the 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.
29. To review compliance with the provisions of the 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.
30. To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Nomination and Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee. The Committee also acts as a Compensation Committee for implementation of the Bajaj Auto Employee Stock Option Scheme 2019.

During FY2025, the Nomination and Remuneration Committee met four times: 18 April 2024, 16 July 2024, 28 January 2025 and 18 March 2025.

Table 6: Composition of Nomination and Remuneration Committee and attendance of members at its meeting(s) held during FY2025

Name of member	Category	No. of meetings attended
Dr. Naushad Forbes	Chairman (non-executive, independent director)	4 out of 4
Niraj Bajaj	Member (non-executive, non-independent director)	4 out of 4
Abhinav Bindra	Member (non-executive, independent director)	4 out of 4

The Company Secretary acts as the secretary to the Nomination and Remuneration Committee.

As provided under the terms of reference of the Nomination and Remuneration Committee, the members, *inter alia*, discussed and deliberated on appointment/re-appointment, performance assessment and payment of remuneration to directors and senior management and grant of stock options, etc.

Dr. Naushad Forbes, Chairman of the Nomination and Remuneration Committee, was present at the previous Annual General Meeting of the Company held on 16 July 2024.

Terms of reference of the Nomination and Remuneration Committee

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

Appointment and Re-appointment of Directors & Senior Management:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director.

2. To devise a policy on diversity of the Board of Directors.

3. To identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.

4. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board of Directors 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 of Directors for appointment as an independent director shall have the capabilities identified in such description.

   For the purpose of identifying suitable candidates, the Committee may:

   a. consider candidates from a wide range of backgrounds, having due regard to diversity;

   b. consider the time commitments of the candidates;

   c. use the services of external agencies, if required.

5. To consider whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.

Performance evaluation:

6. To formulate criteria/manner for effective evaluation of performance of the Board of Directors, its committees and individual directors to be carried out either by the Committee or the Board or by an independent external agency and review its implementation and compliance.

7. To undertake the annual performance assessment of the key managerial personnel and other senior management employees.

Compensation:

8. To recommend to the Board of Directors the remuneration policy for the directors, key managerial personnel and other employees.

   The Committee shall ensure the following while formulating the said policy:

   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;

   c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed pay and performance incentive reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

9. To recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.

10. To review and recommend to the Board of Directors the revision in the remuneration to be paid to the Managing Director and CEO and the executive director(s) based on their performance.

Compensation Committee:

11. To act as the Compensation Committee for administration of the employee stock option schemes and to perform such other functions in terms of the schemes or as may be required under the law or delegated by the Board of Directors, from time to time.

Others:

12. To carry out any other function(s) mandated by the Board of Directors, from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

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

Stakeholders' Relationship Committee

The Board has a duly constituted Stakeholders' Relationship Committee to specifically oversee various shareholders' related matters.

During FY2025, the Stakeholders' Relationship Committee met on 28 January 2025 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 registrar and 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.

Table 7: **Composition of Stakeholders' Relationship Committee and attendance of members at its meeting(s) held during FY2025**

Name of member	Category	Attendance at the meeting held on 28 January 2025
Pradip Shah	Chairman (non-executive, independent director)	Yes
Niraj Bajaj	Member (non-executive, non-independent director)	Yes
Abhinav Bindra	Member (non-executive, independent director)	Yes

Rajiv Gandhi, Company Secretary is the Compliance Officer and acts as the secretary to the Stakeholders' Relationship Committee.

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

Pradip Shah, Chairman of the Stakeholders' Relationship Committee, was present at the previous Annual General Meeting of the Company held on 16 July 2024.

Details of investors' grievance redressal

Table 8: **Investors' complaints received and resolved during FY2025**

Particulars	Attended/resolved during the FY2025
Pending at the beginning of the year	0
Received during the year	21
Disposed of during the year	21
Pending at the end of the year	0

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

Terms of reference of the Stakeholders' Relationship Committee

The terms of reference of the Committee are in accordance with the Act and 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 registrar and 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.

Corporate Social Responsibility Committee

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

Risk Management Committee

The Company has a duly constituted Risk Management Committee in compliance with the provisions of the Listing Regulations, 2015. The Risk Management Committee oversees the overall risk management processes of the Company and ensures that the business risks are identified and addressed by the Management.

During FY2025, the Risk Management Committee met twice: 16 October 2024 and 18 March 2025.

Table 9: Composition of Risk Management Committee and attendance of members at its meeting(s) held during FY2025

Name of member	Category	No. of meetings attended
Anami N. Roy	Chairman (non-executive, independent director)	2 out of 2
Pradip Shah	Member (non-executive, independent director)	2 out of 2
Dinesh Thapar	Member (chief financial officer)	2 out of 2

The Company Secretary acts as the secretary to the Risk Management Committee.

Terms of reference of the Risk Management Committee

The detailed terms of reference of the Risk Management Committee are in accordance with the Listing Regulations, 2015 and the same are as under:

1. To formulate a detailed Risk Management Policy which shall include:

   a. A framework for identification of internal and external risks specifically faced by the Company, 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.

   b. Measures for risk mitigation including systems and processes for internal control of identified risks.

   c. Business continuity plan.

2. 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.


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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 mitigates various risks associated with the business of the Company through a properly defined framework.

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 letter of confirmation(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(s).

Table 10: Composition of the Duplicate Share Certificate Issuance Committee and attendance of members at its meeting(s) held during FY2025

Name of member	Category	Attendance at the meeting held on 28 January 2025
Rajiv Bajaj	Chairman (Managing Director and CEO, executive director)	Yes
Pradeep Shrivastava	Member (executive director)	Yes
Rakesh Sharma	Member (executive director)	Yes

Recommendations of Committees of the Board

During FY2025, the Board of Directors accepted all the recommendations as and when received from its Committees on different matters.

Details of remuneration paid to directors during FY2025

Non-executive directors

The Company pays sitting fees of ₹ 100,000 per meeting to its non-executive directors for attending meetings of the Board and its Committees (except Duplicate Share Certificate Issuance Committee).

The shareholders of the Company through a special resolution passed at the Annual General Meeting of the Company held on 22 July 2021, by way of an enabling provision, have accorded approval for 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 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.

The commission is paid after the audited financial statements are approved by the Board of Directors and adopted by the shareholders at the Annual General Meeting.

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

The Company has adopted the Bajaj Auto Employee Stock Option Scheme 2019 ('the Scheme') 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. During the year under review, the shareholders at the Annual General Meeting held on 16 July 2024 had approved changes to the Scheme, *inter alia*, to cater to expanded categories and base of employees to include the employees of group and associate companies for grant of options in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Scheme also amended certain criteria relating to retirement, transfers/deputation, death/permanent incapacity.

Pecuniary relationship/transaction with non-executive directors

During FY2025, there were no pecuniary relationship or transactions of any non-executive directors with the Company, apart from their remuneration as directors.

During FY2025, 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

The Remuneration Policy disclosing the criteria of making payments to directors, key managerial personnel and employees is available on the Company's website at https://www.bajajauto.com/investors/policies-codes

Executive directors

Managing Director and Chief Executive Officer ('MD') and two executive directors ('EDs') are paid salaries, perquisites and allowances, company's 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. The executive directors are also granted stock options in terms of the Bajaj Auto Employee Stock Option Scheme 2019, as amended.

During the year under review, none of the directors were paid any performance-linked incentive, apart from Pradeep Shrivastava and Rakesh Sharma, who are executive directors. The remuneration payable to the executive directors is benchmarked annually and is reviewed by the Nomination and Remuneration Committee ('NRC'). The revisions to the remuneration payable to the executive directors is reviewed by the NRC based on their performance evaluation, achievement of targets and performance of the Company.

The tenure of MD and EDs is of five years each from the date of their respective appointment/re-appointment with a notice period of ninety days. 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 11: Remuneration paid/payable to directors for FY2025

(Amount in ₹)

Name of director	Category	Sitting fees	Salary and perquisites	Commission	Total
Niraj Bajaj	Chairman, non-executive, non-independent director	1,300,000	-	4,095,000	5,395,000
Rajiv Bajaj	Managing Director and CEO, executive director	-	233,676,325	352,148,400	585,824,725
Sanjiv Bajaj	Non-executive, non-independent director	800,000	-	2,520,000	3,320,000
Pradeep Shrivastava*	Whole-time Director, executive director	-	283,317,842	-	283,317,842
Dr. Naushad Forbes	Non-executive, independent director	1,800,000	-	5,670,000	7,470,000
Anami N. Roy	Non-executive, independent director	1,600,000	-	5,040,000	6,640,000
Rakesh Sharma*	Whole-time Director, executive director	-	168,130,754	-	168,130,754
Pradip Shah	Non-executive, independent director	1,700,000	-	5,355,000	7,055,000
Abhinav Bindra	Non-executive, independent director	1,500,000	-	4,725,000	6,225,000
Vinita Bali	Non-executive, independent director	1,100,000	-	3,465,000	4,565,000
Dr. Sangita Reddy	Non-executive, independent director	400,000	-	1,260,000	1,660,000

Notes:

*Pradeep Shrivastava and Rakesh Sharma, the executive directors of the Company are entitled to employee stock options as per Bajaj Auto Employee Stock Option Scheme 2019, as amended. The above remuneration is exclusive of fair value of options granted as per Black Scholes model in the year of vesting.

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 under review, 10,940 options each were granted to the executive directors and other eligible employees at a grant price of ₹ 8,919.15, being the closing market price on the NSE on the day preceding the day 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.

During the year under review, the Scheme was amended, *inter alia*, to expand the categories and base of employees who could be eligible for grant of options in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('ESOP Regulations'). The Scheme was also amended to include enabling provisions for vesting and exercise of stock options in case of retirement, transfers/deputation, death/permanent incapacity. The same has been approved by way of the special resolution(s) passed by the shareholders at the Annual General Meeting held on 16 July 2024. The amended Scheme is in compliance with the ESOP Regulations.

In terms of the Listing Regulations, 2015, the amended Scheme is available on the website of the Company at https://www.bajajauto.com/investors/disclosures-under-regulation-46-of-the-sebi-lodr

Senior Management

During the year under review, the particulars of the senior management pursuant to the provisions of regulation 16(1)(d) of the Listing Regulations, 2015 and changes therein are as under:

Name of the senior management personnel	Designation
S Ravikumar	Chief Business Development Officer
Dinesh Thapar	Chief Financial Officer
Ramtilak Ananthan	Chief Technology Officer (effective from 1 April 2024)
Ravi Kyran Ramasamy	Chief Human Resources Officer
Amitabh Lal Das	General Counsel (up to 17 September 2024)
Baminee Viswanat	General Counsel (effective from 19 February 2025)
Rajiv Gandhi	Company Secretary and Compliance Officer

Disclosures

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

A. Details of Annual General Meetings (AGM) held during last three years

Details of AGM	Location	Date and time of AGM	Details of special resolution(s) passed at the AGM, if any
15th AGM (e-AGM)	Conducted through video conference/other audio visual means. The deemed venue is the registered office of the Company at Mumbai - Pune Road, Akurdi, Pune - 411035.	26 July 2022 at 2:00 p.m.	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. 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.
16th AGM* (Physical)	Conducted at the registered office of the Company at Mumbai - Pune Road, Akurdi, Pune - 411035.	25 July 2023 at 2:00 p.m.	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.
17th AGM* (Physical)	Conducted at the registered office of the Company at Mumbai - Pune Road, Akurdi, Pune - 411035.	16 July 2024 at 2:00 p.m.	1. Modification to the Bajaj Auto Employee Stock Option Scheme 2019. 2. Approval to extend the benefits and grant of options to the employee(s) of associate and group company(ies), if any, in addition to holding and subsidiary company(ies) under Bajaj Auto Employee Stock Option Scheme 2019.

*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.

B. Details of special business passed through postal ballot during last year

During FY2025, the Company had sought approval of the members through postal ballot (special resolutions) and the details of the same are given below:

Date of postal ballot notice	Items of special business	Votes (No. of shares and %)		Date of passing the resolution
		In favour	Against	
16 July 2024	Appointment of Dr. Sangita Reddy (DIN: 00006285) as a non-executive independent director of the Company for a term of five consecutive years with effect from 16 July 2024. (Special Resolution)	225,964,853 (99.49%)	1,158,124 (0.51%)	30 August 2024
18 March 2025	Re-appointment of Rajivnayan Rahulkumar Bajaj (DIN: 00018262) as Managing Director and Chief Executive Officer of the Company for a period of five years with effect from 1 April 2025. (Special Resolution)	201,064,466 (92.00%)	17,474,904 (7.99%)	30 April 2025
18 March 2025	Re-appointment of Abhinav Bindra (DIN: 00929250) as a non-executive independent director of the Company for a second term of five consecutive years with effect from 20 May 2025. (Special Resolution)	215,354,568 (98.51%)	3,244,237 (1.48%)	30 April 2025

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

Other than those stated hereinabove, no special resolution is proposed to be passed through the postal ballot up to the date of this Annual Report.

Procedure for Postal Ballot

- In compliance with the provisions of sections 108, 110 and other applicable provisions of the Act read with rules issued thereunder & the general circulars issued in this regard by the Ministry of Corporate Affairs ('MCA') and the Listing Regulations, 2015, the Company provided the facility to the members to exercise votes through electronic voting system ('remote e-voting') for postal ballot conducted during the year under review. The Company had engaged the services of its registrar and share transfer agent, i.e., KFin Technologies Ltd. for the purpose of providing remote e-voting facility to all its members.

- Postal ballot notices, *inter alia*, detailing the voting instructions were sent through email only, to all those members who had registered their email addresses with the Company/depositories, in view of the relaxation granted by MCA. The notices of aforementioned postal ballot are available on the Company's website at https://www.bajajauto.com/investors/disclosures

- The Company also published notice in the newspapers for the information of the members. Voting rights were reckoned on the equity shares held by the members as on the cut-off date.

- Pursuant to the provisions of the Act, the Company had appointed a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submited 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.

Related party transactions

All related party transactions ('RPTs') 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 terms of regulation 23 of the Listing Regulations, 2015. Prior approval of the Audit Committee was obtained for all related party transactions. On a quarterly basis, details of such transactions were placed before the Audit Committee for noting/review.

During FY2025, there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The RPTs undertaken by the Company were in compliance with the applicable provisions of the Act, the Listing Regulations, 2015 and as per the Company's Policy on materiality & dealing with Related Party Transactions.

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.

The Policy on materiality of RPTs stipulating threshold limits and also on dealing with RPTs including material modifications definition, as revised by the Board pursuant to the recent amendments to the Listing Regulations, 2015, is available on the Company's website at https://www.bajajauto.com/investors/policies-codes

Subsidiary companies

The Company has two Indian subsidiaries, viz., Bajaj Auto Technology Ltd. (formerly 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, as amended.

The Company's Policy for determination of material subsidiary, as revised in terms of the recent amendments to 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 FY2025, no company became or ceased to be the Company's subsidiary company or joint venture company.

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 independent 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 the recent amendments to the applicable regulations and was duly approved by the Board at its meeting held on 18 March 2025. 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 FY2025. A declaration to this effect signed by the Managing Director and CEO is given in this Corporate Governance Report.

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 to be in order by the Board.

Review of legal compliance reports

The Company has in place a robust legal compliance reporting system 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.

Compliances by the Company

- There were no non-compliance of any legal requirements; nor has there been any penalty or stricture imposed on the Company by any stock exchange, the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.
- The Company has complied with the requirements specified in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) of the Listing Regulations, 2015.
- 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.
- The Company has complied with all the disclosure requirements of Corporate Governance Report as specified under schedule V to the Listing Regulations, 2015.
- The Company has not been informed of any agreement under regulation 30A(1) read with clause 5A of paragraph A of part A of schedule III to the Listing Regulations, 2015. Accordingly, there were no disclosures under the said provisions to the stock exchanges.

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 its Designated Persons and immediate relatives of Designated Persons ('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.

In order to spread awareness on prevention of insider trading and to aid the designated persons to fulfil their obligations under the SEBI PIT Regulations, the Company periodically circulates informatory emails along with the code and policies on Insider Trading, Do's and Dont's, etc. In addition to this, training sessions are conducted by the officials of secretarial department in order to educate and sensitise the designated persons.

The Audit Committee and the Board at its meeting held on 18 March 2025 had reviewed the compliance in terms of 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.

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

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

Whistle Blower Policy/Vigil Mechanism

The Company has a Whistle Blower Policy encompassing vigil mechanism pursuant to the requirements of 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 under review, eight complaints were received under the above mechanism. The cases investigated were mainly in the nature of fraud, misbehaviour, misuse of Company's resources, violation of company policies/code, etc. Appropriate actions have been taken in these matters including termination of employees, imposition of fine, issuance of warning letters and reporting the matter to the statutory auditors and the Audit Committee. The financial impact of the reported cases was insignificant and caused no material damages to the Company.

Dividend Distribution Policy

The Company has adopted a Dividend Distribution Policy. More particulars are given in the *Directors' Report*. The said policy is available on the Company's website at https://www.bajajauto.com/investors/policies-codes

Disclosures in financial statements

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.

Disclosure of commodity price risk or foreign exchange risk and hedging activities

During FY2025, the Company neither traded in nor had any exposure in commodities markets.

The details of the Company's foreign currency risk and hedging are provided in the notes to the standalone financial statements.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of the Listing Regulations, 2015

The Company has not raised funds through preferential allotment or qualified institutions placement during the year under review.

Disclosure of loans and advances in the nature of loans to firms/companies in which directors are interested

During FY2025, the Company and its subsidiaries have not provided any loans and advances in the nature of loans to firms/companies in which its directors are interested in terms of the provisions of section 184 of the Act.

Means of communication

- **Publication of financial results and other notices:** Quarterly, half-yearly and annual financial results of the Company and other public notices issued for the shareholders are published in leading English and Marathi language dailies, such as Financial Express and Kesari – Pune edition. An official press release is also issued. The half-yearly results are also sent via email to the shareholders, whose email addresses are registered with the Company.

- **Company website:** A separate dedicated section 'Shareholders' is maintained on the Company's website, viz. www.bajajauto.com for ease of access to the shareholders. The information required to be disseminated as per regulations 30 and 46 of the Listing Regulations, 2015 and the applicable provisions of the Act is made available on the Company's website. These more particularly include quarterly financial results, annual reports, press releases, earnings call transcripts, corporate governance policies and codes, shareholding pattern and other disclosures filed with the stock exchanges, details of the corporate contact persons and registrar and share transfer agent of the Company, etc.

- **Analysts/Institutional investors meet:** The Company conducts quarterly conference calls/meetings with analysts/institutional investors immediately after declaration of financial results to brief them on the performance of the Company. In compliance with regulation 46 of the Listing Regulations, 2015, the schedule, audio recordings and transcripts of the analyst/institutional investor conference call are hosted on the Company's website besides being communicated to the stock exchanges.

- **Stock exchange(s) intimations:** All financial and other vital official news releases and documents under the Listing Regulations, 2015 are also communicated to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE), where shares of the Company are listed, besides being placed on the Company's website.

- **Communication to investors:** Sections 20 and 136 of the Act read with the Companies (Accounts) Rules, 2014 and the applicable provisions of the Listing Regulations, 2015 permit companies to service delivery of documents electronically at the registered members'/shareholders' email addresses. During the year under review, the Company sent documents, such as notice calling the general meeting/postal ballot, audited financial statements, directors' report, auditors' report, credit of dividend intimation letters, half-yearly financial results, 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. The Company has a dedicated email address exclusively for investor services, viz., investors@bajajauto.co.in and the same is prominently displayed on the Company's website.

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Statutory Auditors

S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) 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/network 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	2.16
2	PT. Bajaj Auto Indonesia	-	-
3	Bajaj Auto International Holdings BV, Netherlands	-	-
4	Bajaj Auto (Thailand) Ltd.	0.08	-
5	Bajaj Auto Spain, S.L.U.	-	-
6	Bajaj Auto Technology Ltd. (Formerly 'Chetak Technology Ltd.')	0.03	-
7	Bajaj Auto Credit Ltd.	-	-
8	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 website; extracts of these results in the prescribed format are published in newspapers on an all-India basis.

   As a part of good corporate governance practice, the Company sends its half-yearly financial results to shareholders whose email addresses are registered with the depository participants through email after they are approved by the Board and disseminated to the stock exchanges.

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

   The Company confirms that its financial statements are with unmodified audit opinion.

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.**

Policies

The Company has various policies and codes, duly approved by the Board. The same are reviewed periodically, to incorporate the changes required in terms of the amendments to the applicable laws or as per the changing business dynamics. The following contains the link to key policies and codes adopted by the Company:

Sr. No.	Name of Policy	Website Link
1	Whistle Blower Policy/Vigil Mechanism	https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Whistle-Blower-Policy.ashx
2	Remuneration Policy	https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/BAL---Revised-Remuneration-Policy-25-Apr-2023.ashx
3	Policy of materiality of & dealing with related party transactions	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/policy-on-materiality-dealing-with-related-party-transactions.pdf
4	Policy for determining material subsidiaries	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/policy-for-determining-material-subsidiaries-7425.pdf
5	Policy on determination of materiality for disclosure of events or information	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-materiality-policy-16072024.pdf
6	Performance evaluation criteria for Board, committees of Board and directors	https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/final-evaluation-criteria-for-ids.ashx
7	Dividend Distribution Policy	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/dividend-distribution-policy---18-october-2023.pdf
8	Corporate Social Responsibility Policy	https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx
9	Code of practices and procedures for fair disclosure of unpublished price sensitive information	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/code-for-fair-disclosure-25.pdf
10	Code of Conduct for directors and senior management	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-code-for-directors-sr-mgt-18-mar-25.pdf
11	Archival Policy	https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/bal-policy-on-archival-of-disclosures.ashx

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 for FY2025. 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 under review, no cyber security incidents or breaches or loss of data or documents were observed in quarterly compliance report.

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 Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management of the Company for the year ended 31 March 2025.

Rajiv Bajaj
Managing Director and CEO
Pune: 29 May 2025

GENERAL SHAREHOLDER INFORMATION

18th Annual General Meeting (AGM)

Date	06 August 2025
Day	Wednesday
Time	12:30 PM
Venue/Mode	Registered office at Mumbai-Pune Road, Akurdi, Pune 411035
Remote e-voting starts	Saturday, 02 August 2025 at 9:00 am
Remote e-voting ends	Tuesday, 05 August 2025 at 5:00 pm
E-voting at AGM	Wednesday, 06 August 2025
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 01 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 18th AGM scheduled on 06 August 2025.

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 30 July 2025 and the remote e-voting shall be open for a period of four days, from 02 August 2025 (9.00 a.m.) till 05 August 2025 (5.00 p.m.). The Board has appointed Makarand Joshi, (FCS 5533, COP 3662), or failing him, Kumudini Bhalerao (FCS 6667, COP 6690) partner of M/s Makarand M Joshi & Co, Mumbai (MMJC), Practicing Company Secretaries as the scrutiniser for the e-voting process.

The detailed procedure is given in the Notice of the 18th AGM and is also placed on the Company's website at https://www.bajajauto.com/investors/annual-reports

Financial calendar

Approval of audited annual results for year ending 31 March	April/May
Mailing of Annual Reports	June/July
Annual general meeting	July/August
Unaudited first quarter financial results	July/August
Unaudited second quarter financial results	October/November
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 services 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, 20 June 2025 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for the financial year 2024-25.

Dividend and date of dividend payment

The Board of Directors has proposed a dividend of ₹ 210 per equity share (2100%) of the face value of ₹ 10 for the financial year 2024-25, subject to approval of members at the ensuing AGM.

Dividend on equity shares, if declared, at the AGM, will be credited/dispatched on or around 08 August 2025, as under:

a. 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 on closing hours on Friday, 20 June 2025 and

b. 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, 20 June 2025.

Payment of dividend

The SEBI Listing Regulations, 2015 read with SEBI Master circular dated 07 May 2024, 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/2024/37 dated 07 May 2024, 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) and ISR-2 (Specimen Signature). As per SEBI vide its circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10 June 2024, all existing investors/unitholders are encouraged, in their own interest, to provide 'choice of nomination' through 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

   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 367 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, 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 2016-17 has been already transferred by the Company to this said Fund from September 2015 onwards.

Unclaimed dividend amounting to ₹ 23,056,990/- in respect of financial year 2016-17 was transferred to the Fund in compliance with the provisions of section 125 of the Act in September 2024.

Unpaid/unclaimed dividend for the financial year 2017-18 shall be due for transfer to the Fund in August/September 2025. Members are requested to verify their records and send their claim, if any, for the 2017-18 before such amount become due for transfer. Communications are sent to members, who have not yet claimed final dividend for 2017-18, 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:

Year	Dividend Type	Date of Declaration AGM Date	Last date for claiming dividend	Due date for transfer
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	22 August 2030	23 September 2030
2023-2024	Final	16 July 2024	16 August 2031	15 September 2031

The Company has uploaded details of unclaimed dividend on its website at https://www.bajajauto.com/investors/dividend

Initiatives for reduction of unclaimed dividend

The Company with a view to reducing the quantum of unclaimed dividend has undertaken several steps as was taken 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 requests 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.


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Accordingly, the Company has sent individual letters through ordinary/speed post and e-mail to such shareholders, whose dividend from the year 2017-18 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 14,836 [previous year: 4,221 (Final) and 4,208 (Interim)] equity shares of the face value of ₹ 10 each relating to 20 shareholders [previous year: 34 (Final) and 38(Interim)] 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

Share Transfer System

SEBI's amended regulation 40 of the Listing Regulations, 2015, prohibits the transfer of securities in physical form from 1 April 2019. Also, transmission and transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

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.

The total number of shares transferred by issuing letter of confirmations during 2024-25 due to transmission/deletion of name cases was 72,879 shares versus 53,905 shares during 2023-24. Such details were placed before the Board on a quarterly basis. However, the requirement to place report on transfer of securities before the Board as per Regulation 40(2) of the Listing Regulations, 2015 is no more applicable w.e.f. 13 December 2024.

Dematerialisation/Rematerialisation of shares

During 2024-25, 126,631 shares were dematerialised, versus, 1,017,643 shares in 2023-24. Nil shares were rematerialised during 2024-25 versus Nil shares in 2023-24. Shares held in physical and electronic mode as on 31 March 2025 are in Table 1.

Table 1: Shares held in physical and electronic mode

	Position as on 31 March 2025			Position as on 31 March 2024			Net change during 2024-25		
Particulars	**No. of Share holders**	**No. of shares**	**% to total share holding**	**No. of Share holders**	**No. of shares**	**% to total share holding**	**No. of Share holders**	**No. of shares**	**% to total share holding**
Physical	474	800,908	0.29	554	942,347	0.34	(80)	(141,439)	(0.05)
Demat									
NSDL	138,398	204,009,376	73.05	119,470	205,056,022	73.45	18,928	(1,046,646)	(0.4)
CDSL	215,345	74,447,324	26.66	184,759	73,181,387	26.21	30,586	1,265,937	0.45
Sub-total	353,743	278,456,700	99.71	304,229	278,237,409	99.66	49,514	219,291	0.05
Total	**354,217**	**279,257,608**	**100**	**304,783**	**279,179,756**	**100**	**49,434**	**77,852**	**-**

Stock code

1. BSE Ltd., Mumbai	532977
2. National Stock Exchange of India Ltd.	BAJAJ-AUTO
3. ISIN for depositories (NSDL and CDSL)	INE917I01010

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.

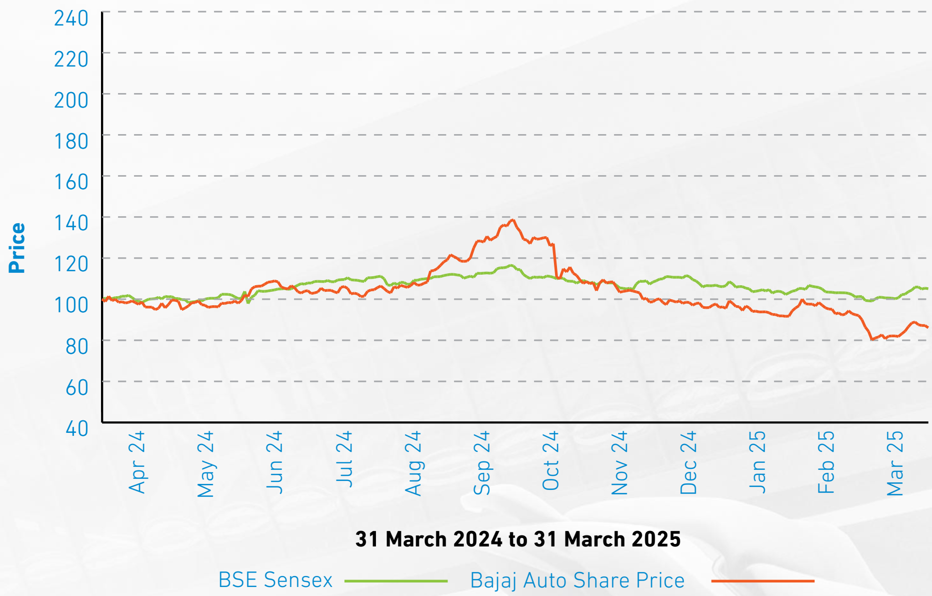
Pursuant to the SEBI Listing Regulations, 2015 the Company has entered into a Uniform Listing Agreement with BSE and NSE. For FY 2025, the listing fees payable to these stock exchanges have been paid in full.

Market price data

Table 2: Monthly highs and lows of Company's shares in FY2025 (₹ vis-à-vis BSE Sensex)

	BSE		NSE		
Month	**High**	**Low**	**High**	**Low**	**Closing BSE Sensex**
Apr-24	9,356.00	8,643.10	9,357.95	8,641.40	74,482.78
May-24	9,252.50	8,591.30	9,258.60	8,592.80	73,961.31
Jun-24	10,037.30	8,805.95	10,038.80	8,808.00	79,032.73
Jul-24	9,909.95	8,746.25	9,909.95	8,744.60	81,741.34
Aug-24	10,916.40	9,333.35	10,921.35	9,369.30	82,365.77
Sep-24	12,772.15	10,779.00	12,774.00	10,780.00	84,299.78
Oct-24	12,499.95	9,645.00	12,500.00	9,640.00	79,389.06
Nov-24	10,189.95	8,995.80	10,079.80	8,992.25	79,802.79
Dec-24	9,245.10	8,727.25	9,240.00	8,719.90	78,139.01
Jan-25	9,109.15	8,295.00	9,109.95	8,290.35	77,500.57
Feb-25	9,178.15	7,885.10	9,178.00	7,886.30	73,198.10
Mar-25	8,219.95	7,308.00	8,213.95	7,301.00	77,414.92

Bajaj Auto Ltd. stock performance vs BSE Sensex, during 2024-25, indexed to 100 on 31 March 2024



Distribution of shareholding

Table 3 gives details about the pattern of shareholding across various categories as on 31 March 2025, while Table 4 gives the data according to size classes.

Table 3: Distribution of shareholdings across Categories

Categories	As on 31 March 2025 No. of shares	As on 31 March 2025 % to total capital	As on 31 March 2024 No. of shares	As on 31 March 2024 % to total capital
Promoters	153,708,367	55.04	153,708,367	55.06
FPIs/FIIs	32,411,270	11.61	40,545,549	14.52
Mutual Funds	18,264,671	6.54	13,985,332	5.01
Nationalised and other banks	143,739	0.05	18,229	0.01
NRIs and OCBs	2,006,885	0.72	1,900,769	0.68
Others	72,722,676	26.04	69,021,510	24.72
Total	**279,257,608**	**100.00**	**279,179,756**	**100.00**

Table 4: Distribution of shareholding according to size class as on 31 March 2025

Category	No. of shareholders		Shares held in each class	
	Number	%	Number	%
1 to 500	347,364	98.07	6,416,761	2.30
501 to 1000	2,263	0.64	1,656,026	0.59
1001 to 2000	1,421	0.40	2,066,097	0.74
2001 to 3000	688	0.19	1,708,311	0.61
3001 to 4000	409	0.12	1,437,124	0.51
4001 to 5000	312	0.09	1,414,526	0.51
5001 to 10000	623	0.18	4,410,702	1.58
10001 and above	1,137	0.32	260,148,061	93.16
Total	**354,217**	**100.00**	**279,257,608**	**100.00**

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 FY2025 were relating to buyback offer, TDS matters, KYC updates, clarification on shareholding etc.

As on 31 March 2025, there was no pending issue to be addressed or resolved.

During the year, letters/complaints were received from SEBI/Stock Exchanges/Investors concerning twenty one complaints filed by the shareholders on various matters. For each of these complaints, replies were sent to SEBI/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

A) 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 FY2025 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 2024	20	2,192
ii.	No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year 2024-25	2	225
iii.	No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year 2024-25	1	75
iv.	No. of shares transferred to IEPF Authority during the year 2024-25	Nil	Nil
v.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31 March 2025	19	2,117

B) In accordance with the SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022 on 'Issuance of Securities in dematerialised form in case of Investor Service Requests', the Letter of Confirmation which are not dematerialised within 120 days from the date of its issuance, the RTA/Issuer Companies credits the securities to the Suspense Escrow Demat Account of the Company. Pursuant to the said circular, the company has opened a suspense escrow demat account with HDFC Bank. The position of the said demat account as on 31 March 2025 is as follows:

Sr. No.	Particulars	No. of shareholders	Outstanding shares
i.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1 April 2024	2	1,310
ii.	No. of shareholders who approached the company for transfer of shares from the Unclaimed Suspense Account during the year 2024-25	2	155
iii.	No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year 2024-25	2	155
iv.	No. of shares transferred to Unclaimed Suspense Account during the year 2024-25	3	12,635
v.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31 March 2025	3	13,790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Certification obtained from Practising Company Secretary

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

Regulation	Frequency
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 (Share 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

iv. 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 dematerialised 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;

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 07 May 2024) read with its circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10 June 2024 has, inter alia, mandated that any service request shall be entertained only upon registration of PAN and KYC details.

All holders of physical securities of the Company are therefore encouraged 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 07 May 2024) 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 transmission service request. A link to the procedure is available on the Company's website at https://www.bajajauto.com/investors/miscellaneous

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 07 May 2024) has standardised 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 the 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. A link to the procedure is available on the Company's website at https://www.bajajauto.com/investors/miscellaneous

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 be 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 July 2023, as amended, mandated the listed entity to enrol 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 accessed 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>InvestorServices>InvestorSupport

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://kprism.kfintech.com/

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/signup for our investors. Members can download the mobile app and register with the PAN number. Post verification, user can use functionalities like – Check portfolio/holding, check IPO status/Demat/Remat, Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query. This mobile application can be downloaded from the Google Play Store and App 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 Building,
Tower-B, Plot No 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad,
Rangareddy, Telangana,
India - 500 032

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
Website: 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
Website: www.bajajauto.com

Shareholders may get in touch with the Company Secretary for further assistance.

Certificate by Practising Company Secretary

[Pursuant to Regulation 34(3) & Schedule V, Para C, Clause (10)(i) of SEBI (LODR) 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 01/04/2024 to 31/03/2025) 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	Rajivnayan Rahulkumar Bajaj	00018262	Managing Director & CEO
3	Sanjivnayan Rahulkumar Bajaj	00014615	Non-Executive Director
4	Pradeep Shrivastava	07464437	Whole-time Director
5	Rakesh Sharma	08262670	Whole-time Director
6	Dr Naushad Darius Forbes	00630825	Independent Director
7	Anami Narayan Prema Roy	01361110	Independent Director
8	Pradip Panalal Shah(1)	00066242	Independent Director
9	Abhinav Bindra	00929250	Independent Director
10	Vinita Bali(2)	00032940	Independent Director
11	Dr Sangita Reddy(3)	00006285	Independent Director

Notes:

(1) Pradip Panalal Shah was re-appointed as an independent director for the consecutive second 5 year term with effect from 1 April 2024.

(2) Vinita Bali was appointed as an independent director for the first 5 year term with effect from 1 April 2024.

(3) Dr Sangita Reddy was appointed as an independent director for the first 5 year term with effect from 16 July 2024.

Pune: 29 May 2025
UDIN: F001587G000486577

Shyamprasad D Limaye
FCS No. 1587 CP No. 572

STANDALONE FINANCIAL STATEMENTS

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 Ltd. (the 'Company'), which comprise the Balance Sheet as at 31 March 2025, 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 2025, 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
Accounting for income from Production Linked Incentive (as described in note 7 and note 23 of the standalone financial statement)	
The Company recognises Production Linked incentives ('PLI') receivable from the Government of India amounting to ₹ 467 crore as per the relevant schemes, notifications and policies issued from time to time. Recognition of PLI income and assessment of its recoverability is subject to significant judgments arising out of conditions of PLI scheme for Automobile and Auto Component Industry (including Standard Operating Procedures (SOPs)) and interpretation of various notifications of respective Government authorities. Accordingly, considering the magnitude and judgments involved in arriving at recognition criteria, this matter has been determined to be a Key Audit Matter.	Our audit procedures included the following: • Read the relevant schemes, notifications and policies issued by respective Government authorities. • Obtained and tested the computation of PLI income prepared by Management. • Evaluated the Management's assessment regarding compliance with the relevant conditions as specified in the relevant notifications and policies including compliance with relevant accounting standards. • Assessed the disclosures in the standalone financial statements for compliance with relevant standards.

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31 March 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (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.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the 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 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 2' to this report;

   (g) In our opinion, the managerial remuneration for the year ended 31 March 2025 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;

   (h) 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;

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

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, other than as disclosed in the 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.

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 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 accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer note 45(l) to the standalone financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior year, as stated in note 45(l) to the standalone financial statements.

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 25105754BMITLJ2354
Pune: 29 May 2025

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 2025. 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 provided loans to companies and loans/advances in the nature of loans to employee, the details of which are as follows:

Particulars	Amount (₹ in Crore)
Aggregate amount granted during the year	
a) Companies	
– Subsidiary	1,059.03
– Others	21.40
b) Employees	4.05
Balance outstanding as at Balance Sheet date	
a) Companies	
– Subsidiary	1,059.03
– Others	21.40
b) Employees	4.26

During the year the Company has not stood guarantee or provided security to any entity and hence not commented upon by us.

Annexure 1 to Independent Auditors' Report (Contd.)

(b) During the year the investments made and the terms and conditions of the grant of all loans to companies and loans/ advances in the nature of loans to its employees are not prejudicial to the Company's interest. The Company has not stood guarantee or provided security in nature of loans during the year and hence not commented upon by us.

(c) The Company has granted loans to companies 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 to companies 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 loans to companies and loan/advances in the nature of loans to its employees is not applicable.

(e) In respect of loans to companies and loans/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 companies and to the same employees. Accordingly, the requirement to report on clause 3(iii)(e) in respect of loans to companies and loans/advances in nature of loans to its employees is not applicable.

(f) In respect of loans to companies and loans/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.

iv. The Company has not advanced any loans, guarantees or security to any entity covered by the provisions of section 185 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 of the Companies Act, 2013, pertaining to these transactions. In respect of loans given and 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 amount relates to	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
	Excise Duty	0.34	Various Years from 1991-92 to 2016-17	Commissioner Appeals

Annexure 1 to Independent Auditors' Report (Contd.)

Name of the Statute	Nature of dues	Amount (₹ in Crore)	Period to which amount relates to	Forum where the dispute is pending
Central Sales Tax Act, 1956 and Sales Tax Act of various States	Sales Tax	62.98	Various Years from 2000-01 to 2017-18	Appellate Tribunal
	Sales Tax	0.25	Financial Year 2009-10	Appellate Authority
	Sales Tax	0.17	Financial Year 2015-16	Adjudicating authority
	Sales Tax	34.63	Various Years from 1998-99 to 2017-18	Appellate Authority
The Income Tax Act, 1961	Income Tax	552.48	Various Years from FY 2007-08 to FY 2011-12	Income Tax Appellate Tribunal
	Income Tax	151.83	Various years from FY 2017-18 to FY 2021-22	Commissioner of Income-Tax (Appeals)
The Customs Act, 1962	Customs Duty	3.85	Financial Year 1984-85 and 1985-86	High Court
	Customs Duty	2.30	Various Years from FY 2019-2025	Commissioner of Customs
	Customs Duty	5.50	Various Years from 1977-78 to 2013-14	Assistant Commissioner of Customs
Goods and Service Tax Act, 2017	Goods and Service Tax	15.72	Various Years from 2017-18 to 2020-21	Joint Commissioner (Appeals)
	Goods and Service Tax	265.07	FY 2020-21	High Court
	Goods and Service Tax	9.06	Various Years from 2017-22	Commissioner (Appeals)
Octroi	Octroi Duty	12.67	Various Years from 1988-89 to 2004-05 and from 2012-13 to 2016-17	High Court

Note: The amounts disclosed above are net of the payments made to the respective authorities where the dispute is pending.

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.

Annexure 1 to Independent Auditors' Report (Contd.)

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 except one case which has been informed to us by the management wherein an employee of the Company was involved in professional misconduct during the period from October 2021 to September 2023 leading to fraud of ₹ 1.71 crore on the Company. The employee has been terminated, and full amount has been recovered by the Company.

(b) Report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed 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.

(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 18 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 realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence

Annexure 1 to Independent Auditors' Report (Contd.)

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 Paul Alvares
Partner
Membership Number: 105754
UDIN: 25105754BMITLJ2354
Pune: 29 May 2025

Annexure 2 to Independent Auditors' Report

Referred to in paragraph 2(f) 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 Ltd. (the 'Company') as of 31 March 2025 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 Companies Act, 2013.

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 auditor's 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 2025, 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 Paul Alvares
Partner
Membership Number: 105754
UDIN: 25105754BMITLJ2354
Pune: 29 May 2025

Balance Sheet

(₹ In Crore)

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	2	3,500.17	3,137.85
Capital work-in-progress	2	26.02	24.29
Investment property	3	47.78	48.90
Intangible assets	4	2.81	11.91
Intangible assets under development	4	2.24	3.20
Investments in subsidiaries	5A	4,201.95	2,088.42
Financial assets			
Investments	5B	18,784.83	17,524.60
Loans	6	1,082.14	2.06
Other financial assets	7	29.38	27.68
Income tax assets (net)		1,237.61	905.74
Other non-current assets	8	86.66	118.82
		29,001.59	**23,893.47**
Current assets			
Inventories	9	1,957.90	1,695.62
Financial assets			
Investments	5B	5,583.45	3,837.98
Trade receivables	10	2,282.64	2,122.40
Cash and cash equivalents	11	813.42	448.61
Other bank balances	12	515.13	1,129.51
Loans	6	2.55	3.21
Other financial assets	7	1,486.95	463.90
Other current assets	8	785.27	664.13
		13,427.31	**10,365.36**
		42,428.90	**34,258.83**

Balance Sheet (Contd.)

(₹ In Crore)

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	279.26	279.18
Other equity	14	31,867.68	24,581.32
		32,146.94	**24,860.50**
Non-current liabilities			
Financial liabilities			
Sales tax deferral	15	127.64	125.84
Provisions	16	0.45	0.84
Deferred tax liabilities (net)	17	1,123.03	506.94
Government grant		28.04	30.69
Other non-current liabilities	18	0.05	0.14
		1,279.21	**664.45**
Current liabilities			
Financial liabilities			
Short-term borrowings	19	800.00	834.05
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	246.11	745.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	6,021.52	4,848.31
Other financial liabilities	21	680.07	551.41
Other current liabilities	22	772.74	1,529.34
Provisions	16	251.06	204.78
Government grant		2.65	2.65
Current tax liabilities (net)		228.60	18.04
		9,002.75	**8,733.88**
		42,428.90	**34,258.83**
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 Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Statement of Profit and Loss

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2025	2024
Revenue from contracts with customers		48,247.22	43,578.87
Other operating revenue		1,763.09	1,106.36
Revenue from operations	23	50,010.31	44,685.23
Other income	24	1,420.94	1,402.45
Total income		**51,431.25**	**46,087.68**
Expenses			
Cost of raw materials and components consumed		32,265.79	29,268.59
Purchase of traded goods		3,036.47	2,545.30
Changes in inventories of finished goods, work–in–progress and traded goods	25	35.18	(70.45)
Employee benefits expense	26	1,579.44	1,537.56
Finance costs	27	67.72	53.50
Depreciation and amortisation expense	28	400.09	349.84
Other expenses	29	3,044.34	2,628.86
Expenses, included in above items, capitalised		(49.67)	(47.53)
Total expenses		**40,379.36**	**36,265.67**
Profit before tax		**11,051.89**	**9,822.01**
Tax expense			
Current tax		2,559.04	2,283.60
Deferred tax		130.17	59.62
Deferred tax– Exceptional Item		211.26	–
Total tax expense	30	**2,900.47**	**2,343.22**
Profit for the year		**8,151.42**	**7,478.79**

Statement of Profit and Loss (Contd.)

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2025	2024
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) of defined benefit plans		23.72	35.48
Tax impact on above		(5.97)	(8.93)
Changes in fair value of FVTOCI equity instruments		1,474.17	831.82
Tax impact on above	45m	(268.68)	(93.24)
Items that will be reclassified to profit or loss			
Valuation gains/(losses) on derivative hedging instruments		–	–
Tax impact on above		–	–
Other comprehensive income for the year (net of tax)		**1,223.24**	**765.13**
Total comprehensive income for the year		**9,374.66**	**8,243.92**
Earnings per share (in ₹)	31		
Basic Earnings per share (in ₹)		292.1	264.6
Diluted Earnings per share (in ₹)		291.5	264.3
(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.

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

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)

Statement Of Changes In Equity

A. Equity share capital

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2025	2024
At the beginning of the year		279.18	282.96
Changes in equity share capital due to prior period errors		–	–
Restated balance at the beginning of the current reporting period		279.18	282.96
Changes in equity share capital during the year (net)		0.08	(3.78)
At the end of the year	13	**279.26**	**279.18**

Statement of Changes in Equity (Contd.)

B. Other equity

(₹ In Crore)

Particulars	Note No.	Reserves and surplus		Other reserves					
		General reserve	Retained earnings	FVTOCI reserve equity instruments	Securities premium	Capital redemption reserve	Share based payments reserve	Treasury shares	Total other equity
Balance as at 31 March 2023	14	**6,389.60**	**17,821.40**	**927.13**	**–**	**6.41**	**62.09**	**(63.73)**	**25,142.90**
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
Transactions with owners in their capacity as owners									
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)
Share buyback and tax thereon		–	(4,945.02)	–	–	–	–	–	(4,945.02)
Final dividend for the year ended 31 March 2023		–	(3,961.40)	–	–	–	–	–	(3,961.40)
Balance as at 31 March 2024	14	**6,389.60**	**16,416.32**	**1,665.71**	**86.31**	**10.41**	**102.46**	**(89.49)**	**24,581.32**
Profit for the year		–	8,151.42	–	–	–	–	–	8,151.42
Other comprehensive income (net of tax)		–	17.75	1,205.49	–	–	–	–	1,223.24
Total comprehensive income for year ended 31 March 2025		–	8,169.17	1,205.49	–	–	–	–	9,374.66
Transactions with owners in their capacity as owners									
Recognition of capital redemption reserve		–	–	–	–	–	–	–	–
Recognition of share based payments to employees		–	–	–	–	–	64.87	–	64.87
Securities premium on issue of shares		–	–	–	29.26	–	–	–	29.26
Treasury shares held by ESOP Trust		–	–	–	–	–	–	51.01	51.01
Final dividend for the year ended 31 March 2024		–	(2,233.44)	–	–	–	–	–	(2,233.44)
Transfer of share based payment reserve to free reserve		–	67.89	–	–	–	(67.89)	–	–
Balance as at 31 March 2025	14	**6,389.60**	**22,419.94**	**2,871.20**	**115.57**	**10.41**	**99.44**	**(38.48)**	**31,867.68**

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 Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

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 2025		2024	
I. Operating activities				
Profit before tax		11,051.89		9,822.01
Adjustments to reconcile profit before tax to net cash flows:				
Add:				
i) Depreciation and amortisation expense	400.09		349.84	
ii) Loss on property, plant and equipment sold, demolished, discarded and scrapped	2.28		2.91	
iii) Provision for doubtful debts and advances	(4.92)		(23.83)	
iv) Bad debts written off	6.82		14.89	
v) Share based payment to employees	64.87		40.37	
vi) Exchange loss/(gain) on cash and cash equivalents	6.71		(0.19)	
vii) Exchange loss/(gain) on trade receivables	0.07		(6.17)	
viii) Exchange loss/(gain) on import payables	0.51		–	
ix) Exchange loss/(gain) on borrowings	16.44		1.35	
x) Exchange loss/(gain) on loans given	(16.02)		–	
xi) Interest adjustment on Government grant	1.79		1.60	
xii) Interest expense	65.93		51.90	
		544.57		432.67
Less:				
i) Investment income included in above:				
Interest income on fixed income securities	123.81		195.55	
Interest income on fixed deposits	87.29		141.85	
Interest income on loans	7.64		-	
Interest income on exchange traded funds	436.49		443.19	
Interest income on fixed maturity plans	49.55		46.90	
Profit/(loss) on sale of other investments, net	31.05		(16.61)	
Gain on valuation and realisation of mutual funds measured at fair value through profit or loss	633.28		437.11	
Dividend income on other strategic investments	30.10		43.05	
Amortisation of premium/discount on acquisition of fixed income securities	1.35		96.50	
	1,400.56		1,387.54	
ii) Government grants	2.65		2.65	
iii) Surplus on sale of property, plant and equipment	3.23		5.83	
		(1,406.44)		(1,396.02)
		10,190.02		8,858.66
Change in assets and liabilities				
i) (Increase)/decrease in inventories	(262.28)		(297.72)	
ii) (Increase)/decrease in trade receivables	(162.21)		(331.17)	
iii) (Increase)/decrease in loans and other assets	(867.26)		(178.75)	
iv) Increase/(decrease) in liabilities and provisions	1,048.93		1,809.86	
		(242.82)		1,002.22
Annuity payments (net) to VRS/Welfare scheme optees		(0.12)		0.01
Net cash flow from operating activities before income-tax		9,947.08		9,860.89
Income-tax paid		(2,680.35)		(2,382.62)
Net cash flow from/(used in) operating activities		**7,266.73**		**7,478.27**
Carried forward		7,266.73		7,478.27

Statement Of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Brought forward	7,266.73	7,478.27
II. Investing activities		
i) Investment in subsidiary	(2,113.53)	(301.98)
ii) Sale of investments	2,387.57	14,794.92
iii) Purchase of investments	(4,047.32)	(12,008.38)
iv) Sale/(purchase) of liquid mutual funds, etc., net	1,279.91	(2,073.32)
v) Changes in treasury shares by ESOP trust	51.01	(25.76)
vi) (Increase)/decrease in other bank balances	22.88	(21.68)
vii) Deposits with Banks placed	(750.00)	(2,595.01)
viii) Deposits with Banks redeemed	1,041.50	2,453.51
ix) Purchase of property, plant and equipment (including advances)	(725.31)	(807.69)
x) Sale proceeds of property plant and equipment	6.38	11.99
xi) Loans given	(1,064.41)	–
xii) Expenditure on intangible assets (including under development)	(2.80)	(3.20)
	(3,914.12)	(576.60)
xiii) Investment income		
Interest income on fixed income securities	123.81	195.55
Interest income on fixed deposits	87.29	141.85
Interest income on loans	7.64	–
Dividend income on other strategic investments	30.10	43.05
	248.84	380.45
(Increase)/decrease in interest receivable	24.30	56.93
	273.14	437.38
Net cash flow from/(used in) investing activities	**(3,640.98)**	**(139.22)**
Carried forward	3,625.75	7,339.05

Statement Of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Brought forward	3,625.75	7,339.05
III. Financing activities		
i) Short term bank loan taken/(repaid)	(50.49)	832.70
ii) Interest expense	(65.93)	(51.90)
iii) Equity share buy-back (incl. tax and expenses)	(931.84)	(4,017.18)
iv) Change in sales tax deferral liability	0.01	–
v) Issue of capital (including securities premium)	29.34	86.53
vi) Dividend paid (including payment of unclaimed dividend)	(2,235.32)	(3,960.20)
Net cash flow from/(used in) financing activities	**(3,254.23)**	**(7,110.05)**
Net change in cash and cash equivalents	**371.52**	**229.00**
Cash and cash equivalents at the beginning of the year	448.61	219.42
Add/(Less): Effects of exchange (loss)/gain on cash and cash equivalents	(6.71)	0.19
Cash and cash equivalents at the end of the year [See note 11]	813.42	448.61
Change in liability arising from financing activity:		
At the beginning of the year	834.05	–
Changes from financing cash flows	(50.49)	832.70
Foreign exchange movement	16.44	1.35
As at the end of the year	**800.00**	**834.05**

As per our report of even date

On behalf of the Board of Directors

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 Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

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 29 May 2025.

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 business 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 and note 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 and Investment Property [Refer note 1.3]

2 Revenue from contracts with customers

Revenue is recognised when control of goods (vehicles or parts) or 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 2025 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

Sale of Goods (vehicles or parts)

The Company has determined in case of sale of goods 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, 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.

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. 1.15 '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 2025 (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 (including prototype)	1.5-10 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.

1 Summary of material accounting policies followed by the Company (Contd.)

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.

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 expenditure 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.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

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.

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.

1 Summary of material accounting policies followed by the Company (Contd.)

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.

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.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

In respect of other financial assets (e.: 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:

- 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.

1 Summary of material accounting policies followed by the Company (Contd.)

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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Fair value remeasurements are recognised in the Statement of Profit and Loss in the period in which fair value changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

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).

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.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

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 revalorised 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.

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.

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.

1 Summary of material accounting policies followed by the Company (Contd.)

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.

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 recognised 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.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

Goods and Services Tax (GST)/value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

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

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/non-current assets/liabilities in the Balance Sheet.

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.

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.

1 Summary of material accounting policies followed by the Company (Contd.)

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 Borrowing cost

Borrowing costs are expensed in the period in which they are incurred. There are no general and specific borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of a qualifying asset during the year.

21 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.

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.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

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)

22 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 other 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.

23 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.

1 Summary of material accounting policies followed by the Company (Contd.)

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.

24 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.

25 Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

26 Changes in accounting policies and disclosures

New and amended standards

Several amendments and interpretations apply for the first time annual periods beginning on or after 1 April 2024, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

2 Property, plant and equipment
Current year

(₹ In Crore)

Particulars	Gross block (a)				Depreciation				Net block
	As at 1 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 1 April 2024	Deductions	For the year (b)	As at 31 March 2025	As at 31 March 2025
Land freehold	19.97	–	–	19.97	–	–	–	–	19.97
Land leasehold (Right-of-use assets)	148.45	–	1.98	146.47	–	–	–	–	146.47
Buildings	1,401.42	79.18	0.06	1,480.54	442.15	0.03	38.52	480.64	999.90
Waterpumps, reservoirs and mains	20.06	3.20	–	23.26	15.65	–	0.41	16.06	7.20
Plant and machinery	1,688.43	182.18	19.47	1,851.14	1,062.28	16.11	75.68	1,121.85	729.29
Computers and IT Equipment	89.92	23.90	0.04	113.78	75.82	0.04	9.10	84.88	28.90
Dies and moulds	1,040.43	364.48	0.91	1,404.00	628.26	0.88	114.92	742.30	661.70
Electric installations	97.60	10.07	–	107.67	75.56	–	2.81	78.37	29.30
Factory equipment	589.87	33.66	1.26	622.27	321.09	1.17	33.06	352.98	269.29
Furniture	54.02	3.38	0.19	57.21	38.34	0.15	5.46	43.65	13.56
Office equipment	66.76	4.40	0.77	70.39	50.36	0.76	5.49	55.09	15.30
Electric fittings	58.00	2.71	0.19	60.52	32.23	0.19	3.77	35.81	24.71
Vehicles and aircraft	756.66	46.70	13.56	789.80	152.00	11.69	94.91	235.22	554.58
Total	**6,031.59**	**753.86**	**38.43**	**6,747.02**	**2,893.74**	**31.02**	**384.13**	**3,246.85**	**3,500.17**
Capital work-in-progress	**24.29**	**23.94**	**22.21**	**26.02**	**–**	**–**	**–**	**–**	**26.02**

(a) At cost, except leasehold land which is at cost, less amortisation.
(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	24.39	1.63	–	–	26.02
Projects temporarily suspended	–	–	–	–	–
Total	**24.39**	**1.63**	**–**	**–**	**26.02**

There are no delayed and overrun projects.

2 Property, plant and equipment (Contd.)

Previous year

(₹ In Crore)

	Gross block (a)				Depreciation				Net block
Particulars	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
Total	**5,303.51**	**841.56**	**113.48**	**6,031.59**	**2,668.22**	**102.43**	**327.95**	**2,893.74**	**3,137.85**
Capital work-in-progress	**81.92**	**22.27**	**79.90**	**24.29**	**–**	**–**	**–**	**–**	**24.29**

(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	–	–	–	–	–
Total	**23.10**	**1.19**	**–**	**–**	**24.29**

There are no delayed and overrun projects.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

3 Investment property

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Gross carrying amount		
Opening balance	69.67	69.67
Additions	–	–
Closing balance	69.67	69.67
Accumulated depreciation		
Opening balance	20.77	19.65
Depreciation charge	1.12	1.12
Closing balance	21.89	20.77
Net carrying amount	47.78	48.90

i) Amounts recognised in the Statement of Profit and Loss for investment properties

(₹ In Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rental income	19.70	14.62
Direct operating expenses from property that generated rental income	(0.36)	(1.52)
Direct operating expenses from property that did not generate rental income	–	–
Profit from investment properties before depreciation	19.34	13.10
Depreciation	(1.12)	(1.12)
Profit from investment property	18.22	11.98

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

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Investment property	234.09	225.38

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.

4 Intangible assets
Current year

(₹ In Crore)

Particulars	Gross block: As at 1 April 2024	Gross block: Additions	Gross block: Deductions/ adjustments	Gross block: As at 31 March 2025	Amortisation: As at 1 April 2024	Amortisation: Deductions	Amortisation: For the year	Amortisation: As at 31 March 2025	Net block: As at 31 March 2025
Intangible assets									
Technical know-how developed/acquired	131.29	–	–	131.29	119.38	–	11.91	131.29	–
Software	–	3.76	–	3.76	–	–	0.95	0.95	2.81
Total Intangible assets	**131.29**	**3.76**	**–**	**135.05**	**119.38**	**–**	**12.86**	**132.24**	**2.81**
Intangible assets under development	**3.20**	**1.79**	**2.75**	**2.24**	**–**	**–**	**–**	**–**	**2.24**

(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 1 April 2023	Gross block: Additions	Gross block: Deductions/ adjustments	Gross block: As at 31 March 2024	Amortisation: As at 1 April 2023	Amortisation: Deductions	Amortisation: For the year	Amortisation: As at 31 March 2024	Net block: As at 31 March 2024
Intangible assets									
Technical know-how developed/acquired	131.29	–	–	131.29	100.59	–	18.79	119.38	11.91
Total Intangible assets	**131.29**	**–**	**–**	**131.29**	**100.59**	**–**	**18.79**	**119.38**	**11.91**
Intangible assets under development	**–**	**3.20**	**–**	**3.20**	**–**	**–**	**–**	**–**	**3.20**

(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 2025 (Contd.)

5 Investments

(₹ In Crore)

Particulars		Non-current investments As at 31 March 2025	Non-current investments As at 31 March 2024	Current investments As at 31 March 2025	Current investments As at 31 March 2024
(A) Investment in subsidiaries					
Investment carried at cost					
In subsidiaries					
Unquoted:					
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 US$ 3 each in PT. Bajaj Auto Indonesia	6.17	6.17	–	–
	Less: Provision for diminution in the value of investment	(2.17)	(2.17)	–	–
	Net value of investment in P T. Bajaj Auto Indonesia after provision for diminution	4.00	4.00	–	–
470,000,000	(470,000,000) Equity Shares of ₹ 10 each in Bajaj Auto Technology Ltd. (earlier known as Chetak Technology Ltd.)	470.00	470.00	–	–
57,500,000	(52,000,000) Equity Shares of Reais 1 each in Bajaj do Brasil Comercio De Motocicletas Ltda	93.52	84.99	–	–
2,400,000,000	(295,000,000) Equity Shares of ₹ 10 each in Bajaj Auto Credit Ltd. (earlier known as Bajaj Auto Consumer Finance Ltd.)	2,400.00	295.00	–	–
6,000	(6,000) Equity Shares of 100 Euro each in Bajaj Auto Spain S.L.U.	5.17	5.17	–	–
Total (A)		4,201.95	2,088.42	–	–
(B) Other Investments					
Investment carried at Fair Value through OCI					
In Equities:					
Quoted:					
3,500,000	(3,500,000) Equity Shares of ₹ 10 each in Bajaj Holdings & Investments Ltd.	4,365.57	2,895.46	–	–
Unquoted:					
23,924	(23,924) Compulsorily Convertible Preference Shares of ₹ 100 each in Yulu Bikes Private Ltd.	261.08	257.04	–	–
100	(100) Equity Shares of ₹ 1 each in Yulu Bikes Private Ltd.	0.10	0.08	–	–
	Fair Value	4,626.75	3,152.58	–	–
	Carried over	4,626.75	3,152.58	–	–

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments As at 31 March 2025	Non-current investments As at 31 March 2024	Current investments As at 31 March 2025	Current investments As at 31 March 2024
Brought over	4,626.75	3,152.58	–	–
Investment carried at amortised cost				
In Bonds				
Quoted:				
500 (500) 8.18% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	52.40	52.94	–	–
1,750 (1,750) 8.24% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	184.76	186.86	–	–
4,550 (4,550) 7.43% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	471.85	474.73	–	–
700 (700) 7.10% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	72.08	72.43	–	–
600 (600) 6.87% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	60.82	60.96	–	–
2,800 (2,800) 6.39% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	278.10	277.84	–	–
750 (750) 6.42% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	73.95	73.76	–	–
250 (250) 6.44% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	24.70	24.65	–	–
1,900 (1,900) 6.49% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	189.83	189.71	–	–
250 (250) 6.85% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	25.14	25.16	–	–
Amortised Cost	1,433.63	1,439.04	–	–
In Government securities:				
Quoted:				
10,000,000 (10,000,000) 6.49% Gujarat State Development Loan 2029 of ₹ 100 each	100.22	100.26	–	–
5,000,000 (5,000,000) 6.57% Gujarat State Development Loan 2031 of ₹ 100 each	50.10	50.11	–	–
10,000,000 (10,000,000) 6.53% Karnataka State Development Loan 2030 of ₹ 100 each	100.26	100.30	–	–
4,150,000 (4,150,000) 6.54% Karnataka State Development Loan 2030 of ₹ 100 each	41.53	41.54	–	–
7,500,000 (7,500,000) 6.96% Karnataka State Development Loan 2031 of ₹ 100 each	75.44	75.49	–	–
Amortised Cost	367.55	367.70	–	–
Carried over	6,427.93	4,959.32	–	–

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars		Non-current investments		Current investments	
		As at 31 March		As at 31 March	
		2025	2024	2025	2024
	Brought over	6,427.93	4,959.32	–	–
In Commercial Paper:					
Unquoted:					
–	(4,000) Commercial Paper of ₹ 500,000 each of Kotak Mahindra Prime Ltd. - 22.07.2024	–	–	–	195.39
	Amortised Cost	–	–	–	195.39
In Fixed Deposits:					
Unquoted:					
–	8.18% Bajaj Finance Ltd. Fixed Deposit	–	–	250.00	–
–	8.00% Bajaj Finance Ltd. Fixed Deposit	–	–	30.00	–
–	7.68% Bajaj Finance Ltd. Fixed Deposit	–	–	–	250.00
–	7.90% Bajaj Finance Ltd. Fixed Deposit	–	–	–	250.00
	Amortised Cost	–	–	280.00	500.00
In Fixed maturity plans					
Unquoted:					
44,000,000	(44,000,000) Units of Aditya Birla Sun Life Fixed Term Plan - Series - TQ (1879 Days) - Direct Growth	52.78	49.70	–	–
50,000,000	(50,000,000) Units of HDFC Fixed Maturity Plan- Series 46 (1861 Days) - Direct Growth	59.78	56.40	–	–
74,996,250	(74,996,250) Units of Kotak Fixed Maturity Plan- Series 292 - Direct Growth	92.55	87.35	–	–
44,997,750	(44,997,750) Units of Nippon India Fixed Horizon Fund XLIII -Series 1 - Direct Growth	55.29	52.23	–	–
29,998,500	(29,998,500) Units of Nippon India Fixed Horizon Fund XLIII -Series 5 - Direct Growth	36.32	34.14	–	–
74,996,250	(74,996,250) Units of SBI Fixed Maturity Plan - Series 49 (1823 Days) - Direct Growth	92.25	87.10	–	–
60,000,000	(60,000,000) Units of SBI Fixed Maturity Plan - Series 51 (1846 Days) - Direct Growth	73.02	69.08	–	–
25,000,000	(25,000,000) Units of SBI Fixed Maturity Plan - Series 52 (1848 Days) - Direct Growth	30.27	28.66	–	–
60,000,000	(60,000,000) Units of SBI Fixed Maturity Plan - Series 53 (1839 Days) - Direct Growth	72.59	68.67	–	–
7,500,000	(7,500,000) Units of SBI Fixed Maturity Plan - Series 54 (1842 Days) - Direct Growth	9.11	8.60	–	–
50,000,000	(50,000,000) Units of SBI Fixed Maturity Plan - Series 55 (1849 Days) - Direct Growth	60.41	57.11	–	–
52,500,000	(52,500,000) Units of SBI Fixed Maturity Plan - Series 57 (1835 Days) - Direct Growth	63.24	59.77	–	–
	Carried over	697.61	658.81	–	–
	Carried over	6,427.93	4,959.32	280.00	695.39

5 Investments (Contd.)

(₹ In Crore)

Particulars		Non-current investments As at 31 March 2025	Non-current investments As at 31 March 2024	Current investments As at 31 March 2025	Current investments As at 31 March 2024
	Brought over	6,427.93	4,959.32	280.00	695.39
In Fixed maturity plans (Contd.)					
Unquoted: (Contd.)					
	Brought over	697.61	658.81	–	–
50,000,000	(50,000,000) Units of SBI Fixed Maturity Plan - Series 58 (1842 Days) - Direct Growth	60.72	57.18	–	–
40,000,000	(40,000,000) Units of SBI Fixed Maturity Plan - Series 60 (1878 Days) - Direct Growth	47.92	45.23	–	–
65,000,000	(65,000,000) Units of SBI Fixed Maturity Plan - Series 61 (1927 Days) - Direct Growth	77.93	73.40	–	–
	Amortised Cost	884.18	834.62	–	–
In Exchange Traded Funds					
Quoted:					
8,724,846	(8,724,846) Edelweiss Mutual Fund Bharat Bond ETF April 2025	–	1,060.37	1,117.86	–
15,940,436	(15,940,436) Edelweiss Mutual Fund Bharat Bond ETF - April 2030	2,349.39	2,202.00	–	–
3,565,094	(3,565,094) Edelweiss Mutual Fund Bharat Bond ETF - April 2031	471.18	441.55	–	–
4,282,638	(4,282,638) Edelweiss Mutual Fund Bharat Bond ETF - April 2032	529.37	495.22	–	–
–	(13,695,640) Nippon India ETF Nifty CPSE Bond Plus SDL - 2024 Maturity	–	–	–	165.69
43,000,000	(43,000,000) Nippon India ETF Nifty SDL - April 2026	552.61	522.37	–	–
205,847,653	(205,847,653) Nippon India Nifty AAA CPSE Bond Plus SDL Apr 2027 Maturity 60:40 Index Fund	245.32	229.23	–	–
48,828,497	(48,828,497) Nippon India Nifty SDL Plus G-Sec Jun 2028 70:30 Index Fund	57.63	53.70	–	–
263,770,566	(263,770,566) Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund	319.49	301.80	–	–
166,093,651	(166,093,651) Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund	200.71	189.10	–	–
226,004,362	(226,004,362) Aditya Birla Sun Life Crisil IBX SDL Plus AAA PSU Apr 2027 60:40 Index Fund	269.87	252.59	–	–
76,795,997	(76,795,997) Aditya Birla Sun Life Crisil IBX GILT Plus SDL Apr 2028 50:50 Index Fund	92.04	85.84	–	–
113,891,937	(113,891,937) Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund	137.24	129.18	–	–
20,000,000	(20,000,000) Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund	24.68	23.08	–	–
48,396,620	(48,396,620) Kotak Nifty SDL Plus AAA PSU Bond Jul 2028 60:40 Index Fund	57.72	53.74	–	–
	Carried over	5,307.25	6,039.77	1,117.86	165.69
	Carried over	7,312.11	5,793.94	280.00	695.39

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars		Non-current investments As at 31 March 2025	Non-current investments As at 31 March 2024	Current investments As at 31 March 2025	Current investments As at 31 March 2024
	Brought over	7,312.11	5,793.94	280.00	695.39
In Exchange Traded Funds (Contd.)					
Quoted: (Contd.)					
	Brought over	5,307.25	6,039.77	1,117.86	165.69
298,359,352	(298,359,352) SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund	359.35	339.15	–	–
183,849,514	(183,849,514) Axis Crisil IBX SDL 2027 Debt Index Fund	219.69	205.71	–	–
192,038,100	(192,038,100) HSBC Crisil IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund	230.18	214.64	–	–
191,980,955	(191,980,955) DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund	230.23	214.66	–	–
81,937,188	(81,937,188) ICICI Prudential Nifty SDL Dec 2028 Index Fund	98.60	91.59	–	–
63,868,446	(63,868,446) ICICI Prudential Nifty SDL Sep 2027 Index Fund	76.89	72.35	–	–
	Amortised Cost	6,522.19	7,177.87	1,117.86	165.69
Investment carried at fair value through profit or loss					
In Short Term Funds					
Quoted:					
34,631,684	(34,631,684) Units of DSP Banking and PSU Debt Fund - Direct Plan - Growth	84.62	77.89	–	–
673,225,624	(673,225,624) Units of Bandhan Corporate Bond Fund - Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund-Direct Plan-Growth)	1,302.87	1,199.76	–	–
14,296,498	(14,296,498) Units of Bandhan Bond Fund - Short Term-Direct Plan-Growth (erstwhile IDFC Bond Fund-Direct Plan-Growth)	85.44	78.52	–	–
117,182,739	(117,182,739) Units of Bandhan Banking and PSU Debt Fund - Direct Plan - Growth (erstwhile IDFC Banking and PSU Debt Fund - Direct Plan - Growth)	290.48	268.41	–	–
30,603,467	(30,603,467) Units of Kotak Bond Short Term Plan-Direct Plan - Growth	171.52	157.68	–	–
30,779,648	(30,779,648) Units of HSBC Short Duration Fund - Direct Plan- Growth	84.30	77.66	–	–
122,864,287	(122,864,287) Units of Nippon India Floating Rate Fund - Short Term-Direct Plan - Growth	570.06	524.86	–	–
146,141,389	(146,141,389) Units of ICICI Prudential Bond Fund - Direct Plan-Growth	610.15	557.74	–	–
449,031,864	(449,031,864) Units of HDFC Corporate Bond Fund - Direct Plan-Growth	1,461.22	1,341.86	–	–
	Carried over	4,660.66	4,284.38	–	–
	Carried over	13,834.30	12,971.81	1,397.86	861.08

5 Investments (Contd.)

(₹ In Crore)

Particulars		Non-current investments As at 31 March 2025	Non-current investments As at 31 March 2024	Current investments As at 31 March 2025	Current investments As at 31 March 2024
	Brought over	13,834.30	12,971.81	1,397.86	861.08
In Short Term Funds (Contd.)					
Quoted: (Contd.)					
	Brought over	4,660.66	4,284.38	–	–
116,201,242	(116,201,242) Units of HSBC Banking and PSU Debt Fund - Direct Plan- Growth	289.87	268.41	–	–
	Fair Value	4,950.53	4,552.79	–	–
In Short Duration Bond Funds					
Quoted:					
132,151,678	(–) Units of Aditya Birla Sun Life CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	–	–	135.20	–
58,528,134	(–) Units of Bandhan Money Manager Fund - Direct Plan - Growth	–	–	250.50	–
48,894,814	(-) Units of Edelweiss Money Market Fund - Direct Plan - Growth	–	–	150.30	–
497,759	(-) Units of Edelweiss Low Duration Fund - Direct Plan - Growth	–	–	50.03	–
46,938,133	(-) Units of Kotak Nifty AAA Bond Jun 2025 HTM Index Fund - Direct Plan - Growth	–	–	50.60	–
49,750,749	(-) Units of Kotak CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	–	–	50.08	–
44,907,042	(-) Units of ICICI Prudential CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	–	–	45.07	–
	Fair Value	–	–	731.78	–
In Arbitrage Funds					
Quoted:					
254,900,813	(176,363,260) Units of Bandhan Arbitrage Fund - Direct Plan - Growth	–	–	879.67	563.09
49,438,933	(49,438,933) Units of Bajaj Finserv Arbitrage Fund - Direct Plan - Growth	–	–	55.31	51.45
509,540,461	(-) Units of DSP Arbitrage Fund - Direct Plan - Growth	–	–	783.72	–
227,842,209	(-) Units of Edelweiss Arbitrage Fund - Direct Plan - Growth	–	–	465.79	–
154,725,978	(110,620,376) Units of HSBC Arbitrage Fund - Direct Plan - Growth	–	–	309.08	205.05
	Fair Value	–	–	2,493.57	819.59
	Carried over	18,784.83	17,524.60	4,623.21	1,680.67

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars		Non-current investments As at 31 March 2025	Non-current investments As at 31 March 2024	Current investments As at 31 March 2025	Current investments As at 31 March 2024
	Brought over	18,784.83	17,524.60	4,623.21	1,680.67
In Liquid and Overnight Mutual Funds					
Quoted:					
-	(893,009) Units of HDFC Liquid Fund - Direct Plan - Growth	–	–	–	423.61
4,051,431	(1,455,431) Units of Bajaj Finserv Liquid Fund - Direct Plan - Growth	–	–	458.64	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
736,150	(1,002,880) Units of UTI Overnight Fund - Direct Plan - Growth	–	–	257.29	328.68
3,219,398	(27,876,019) Units of Nippon India Overnight Fund - Direct Plan - Growth	–	–	44.15	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
1,481,406	(1,582,075) Units of Axis Overnight Fund - Direct Plan - Growth	–	–	200.16	200.38
	Fair Value	–	–	960.24	2,157.31
Total (B)		18,784.83	17,524.60	5,583.45	3,837.98
Total (A+B)		22,986.78	19,613.02	5,583.45	3,837.98
Aggregate provision for diminution in value of investments		2.17	2.17	–	–

(₹ In Crore)

Particulars	Book value As at 31 March 2025	Book value As at 31 March 2024	Market value As at 31 March 2025	Market value As at 31 March 2024
Quoted	22,942.92	19,575.45	22,942.70	19,396.21
Unquoted	5,627.31	3,875.55	NA	NA
Total	**28,570.23**	**23,451.00**		

Notes to Investments

1 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.

2 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.

3 Refer note 1 (6) for accounting policy on investments and note 33 for credit risk management related to investments.

6 Loans

(Unsecured, considered good, unless stated otherwise)

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Employee loans	1.71	2.06	2.55	3.21
Loans	21.40	–	–	–
Loans to related party [See note 39]	1,059.03	–	–	–
	1,082.14	2.06	2.55	3.21

Details of loans

(₹ In Crore)

Particulars	Maturity Date	Rate of Interest p.a.	Secured/ Unsecured	Closing balance As at 31 March 2025	Closing balance As at 31 March 2024	Maximum balance As at 31 March 2025	Maximum balance As at 31 March 2024
Yulu Bikes Private Ltd.	31 Dec 2026	10.6%	Unsecured	21.40	–	21.40	–
Bajaj Auto International Holdings BV (Subsidiary)	21 Feb 2028	3-month Euribor + 425 bps	Unsecured	1,059.03	–	1,059.03	–

Loan have been granted for general corporate purpose in the ordinary course of business

7 Other financial assets

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Bank balances [See note 12]	0.02	0.02	300.00	–
Security deposits *	29.36	27.66	–	–
Interest receivable on investments	–	–	75.18	99.48
Interest receivable on loans, deposits etc.	–	–	8.60	0.62
Mark-to-market gains on derivative instruments ** [See note 32]	–	–	2.51	–
Incentives receivable from Government	–	–	983.14	290.80
Other receivable and advances	–	–	117.52	73.00
	29.38	27.68	1,486.95	463.90

* Security deposits include a sum of ₹ 1.92 crore (previous year ₹ 1.92 crore) against use of premises on a Leave License basis, placed with directors and their relatives, jointly and severally. [See note 39]

** Forward contract receivable are derivative instruments measured at fair value through profit and loss which reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

8 Other assets

(Unsecured, considered good, unless stated otherwise)

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Capital advances	33.30	63.56	–	–
Security deposits	7.45	8.30	–	–
Advances recoverable in cash or in kind				
Other advances	27.05	27.87	263.78	105.34
Doubtful advances	4.03	4.03	–	–
	31.08	31.90	263.78	105.34
Less: Provision for doubtful advances	4.03	4.03	–	–
	27.05	27.87	263.78	105.34
Gratuity asset [See note 38]	18.86	19.09	–	–
GST/VAT credit/refund receivable	–	–	473.74	490.81
Export incentives receivable	–	–	47.75	67.98
	86.66	118.82	785.27	664.13

9 Inventories

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and components (includes in transit ₹ 196.8 crore (previous year ₹ 85.70 crore))	1,185.38	887.90
Work-in-progress	56.42	84.63
Finished goods	688.86	695.83
Stores, spares and packing material	22.54	25.69
Loose tools	4.70	1.57
	1,957.90	1,695.62

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 ₹ (45.90) crore [Previous year – ₹ 23.17 crore]. These were recognised as an expense/(income) during the year in the Statement of Profit and Loss.

10 Trade receivables

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Unsecured, considered good	–	–	2,282.64	2,122.40
Receivables which have significant increase in credit risk	14.45	19.37	–	–
	14.45	19.37	2,282.64	2,122.40
Less: Allowance for bad and doubtful receivable [See note 33(A)]	14.45	19.37	–	–
	–	–	2,282.64	2,122.40
	–	–	2,282.64	2,122.40

(₹ In Crore)

Ageing schedule as at 31 March 2025	Outstanding for following periods from due date of payment: 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	2,279.22	0.51	2.84	-	0.07	2,282.64
ii) Undisputed trade receivables – which have significant increase in credit risk	5.33	0.90	0.56	0.56	0.50	7.85
iii) Disputed trade receivables - considered good	–	–	–	–	–	–
iv) Disputed trade receivables - which have significant increase in credit risk	–	–	–	0.02	6.58	6.60
	2,284.55	1.41	3.40	0.58	7.15	2,297.09

(₹ In Crore)

Ageing schedule as at 31 March 2024	Outstanding for following periods from due date of payment: 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

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

11 Cash and cash equivalents

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Balances with banks	578.39	448.55
Cash on hand	0.03	0.06
Cash equivalents		
Fixed Deposits with banks with original maturity of less than three months from date of acquisition	235.00	–
	813.42	448.61

12 Other bank balances

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current 2024	Current As at 31 March 2025	Current 2024
Unclaimed dividend and unspent CSR accounts	–	–	65.13	88.01
Deposits with residual maturity for more than twelve months	0.02	0.02	–	–
Deposits with residual maturity for less than twelve months	–	–	300.00	–
Deposits with original maturity of more than three months but less than twelve months	–	–	450.00	1,041.50
	0.02	0.02	815.13	1,129.51
Amount disclosed under 'other financial assets' [See note 7]	(0.02)	(0.02)	(300.00)	–
	–	–	515.13	1,129.51

Deposits with original maturity of more than three months but less than twelve months amounting to ₹ 1,041.5 crore for previous year have been reclassified from Investments to Other Bank Balances in order to conform to this year's classification.

13 Equity share capital

Particulars	As at 31 March 2025 Nos.	As at 31 March 2025 ₹ in Crore	As at 31 March 2024 Nos.	As at 31 March 2024 ₹ in Crore
Authorised Equity shares of ₹ 10 each	300,000,000	300.00	300,000,000	300.00
Issued, subscribed and fully paid-up shares Equity shares of ₹ 10 each	279,257,608	279.26	279,179,756	279.18
	279,257,608	279.26	279,179,756	279.18

13 Equity share capital (Contd.)

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	Nos.	₹ in Crore	Nos.	₹ in Crore
Equity shares				
At the beginning of the year	279,179,756	279.18	282,957,358	282.96
Issued during the year	77,852	0.08	222,398	0.22
Bought back during the year*	–	–	(40,00,000)	(4.00)
Outstanding at the end of the year	279,257,608	279.26	279,179,756	279.18

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 buy back 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.

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 2025		As at 31 March 2024	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹ 10 each fully paid				
Bajaj Holdings & Investment Ltd.	95,547,251	34.21%	95,547,251	34.22%
Jamnalal Sons Pvt. Ltd.	25,960,841	9.30%	25,960,841	9.30%

d. Shareholding of promoters

Promoter name	No. of shares	% of total shares	% change during the year*
For 2024-25			
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.	955,47,251	34.21%	(0.01%)

* There is no change in number of shares held however percentage of shareholding by the promoters is changed pursuant to increase on account of issue of 77,852 equity shares of the Company made during the year for ESOP

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

13 Equity share capital (Contd.)

Promoter name	No. of shares	% of total shares	% change during the year*
For 2023-24			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	1,97,561	0.07%	0.00%
Niraj Bajaj	42,103	0.02%	0.00%
Rajiv Bajaj	7,45,001	0.27%	0.00%
Sanjiv Bajaj	3,23,233	0.12%	0.00%
Bajaj Holdings & Investment Ltd.	9,55,47,251	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.

14 Other equity

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Reserves and surplus:		
General reserve		
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
Retained earnings		
Balance as at the beginning of the year	16,416.32	17,821.40
Profit for the year	8,151.42	7,478.79
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gains/(losses) of defined benefit plans	17.75	26.55
Add: Amount transferred from Share based payment reserve	67.89	–
Less: Appropriations		
Share buyback and tax thereon	–	4,945.02
Recognition of capital redemption reserve	–	4.00
Final dividend for the year ended 31 March 2024/2023	2,233.44	3,961.40
Total appropriations	2,233.44	8,910.42
Balance as at the end of the year	22,419.94	16,416.32
Other reserves:		
FVTOCI reserve		
Balance as at the beginning of the year	1,665.71	927.13
Net (losses)/gains on FVTOCI equity securities	1,205.49	738.58
Balance as at the end of the year	2,871.20	1,665.71
Securities premium		
Balance as at the beginning of the year	86.31	–
Add: Recognised during the year	29.26	86.31
Balance as at the end of the year	115.57	86.31

14 Other equity (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Capital redemption reserve		
Balance as at the beginning of the year	10.41	6.41
Add: Changes during the year	–	4.00
Balance as at the end of the year	10.41	10.41
Share based payment reserve		
Balance as at the beginning of the year	102.46	62.09
Add: Recognised during the year	64.87	40.37
Less: Amount transferred to retained earnings	(67.89)	–
Balance as at the end of the year	99.44	102.46
Treasury shares		
Balance as at the beginning of the year	(89.49)	(63.73)
Add: Changes during the year	51.01	(25.76)
Balance as at the end of the year	(38.48)	(89.49)
	31,867.68	24,581.32

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.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

15 Sales tax deferral

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured		
Sales tax deferral liability/loan, an incentive under Package Scheme of Incentives 1983 and 1993 - interest free, partially prepaid	127.64	125.84
	127.64	125.84

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 33]

16 Provisions

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Provision for employee benefits [See note 38]				
Provision for compensated absences	–	–	132.81	147.89
Provision for welfare scheme	0.45	0.84	–	–
	0.45	0.84	132.81	147.89
Other provisions				
Provision for warranties	–	–	118.25	56.89
	0.45	0.84	251.06	204.78

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.

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
At the beginning of the year	56.89	30.81
Arising during the year	154.46	62.87
Utilised during the year	93.10	36.79
At the end of the year	118.25	56.89

17 Deferred tax liabilities (net)

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities		
On account of timing difference in		
Property, plant and equipment	198.06	178.56
Employee benefits:		
Defined benefit plans provisions - P&L	4.06	10.09
Defined benefit plans provisions - OCI	1.10	0.42
Financial instruments:		
Mutual funds including fixed maturity plans, ETFs	502.47	194.83
Fair valuation of derivative hedging contracts	4.03	–
Financial assets at FVTOCI	479.09	210.41
	985.59	405.24
Gross deferred tax liabilities	1,188.81	594.31
Deferred tax assets		
On account of timing difference in		
Employee benefits:		
Welfare scheme costs and others	0.11	0.21
Bonus provisions	1.72	1.72
Provision for privilege leave etc.	33.42	37.22
Defined benefit plans provisions - P&L	–	–
Defined benefit plans provisions - OCI	–	5.28
	35.25	44.43
Financial instruments:		
Amortisation on acquisition /liquidation of fixed income securities	13.77	24.94
Other items:		
Provision for bad/doubtful debts and advances	4.65	5.89
Taxes, duties, others etc.	12.11	12.11
	16.76	18.00
Gross deferred tax assets	65.78	87.37
	1,123.03	506.94

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

Movement in deferred tax liabilities (net):

(₹ In Crore)

Particulars	Property, plant and equipment	Financial instruments	Employee benefits	Other items	Total
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
Charged/(credited)					
- to profit and loss	19.50	322.84	(2.13)	1.24	341.45
- to other comprehensive income	–	268.68	5.96	–	274.64
At 31 March 2025	198.06	971.82	(30.09)	(16.76)	1,123.03

18 Other non-current liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Annuity payable to VRS/Welfare scheme optees	0.05	0.14
	0.05	0.14

19 Short-term borrowings

(₹ In Crore)

Particulars	Interest Rate	Maturity Date	For the year ended 31 March 2025	2024
Unsecured				
Foreign currency loan, from a bank as packing credit facility against exports	3M SOFR + 25 bps	25 June 2024	–	834.05
INR loan, from a bank as packing credit facility against exports	1M T-bill + 43 bps	20 June 2025	800.00	–
			800.00	834.05

20 Trade payables

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Total outstanding dues of micro enterprises and small enterprises (refer note 44 for details of dues to micro and small enterprises)	246.11	745.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,021.52	4,848.31
	6,267.63	5,593.61

(₹ In Crore)

Ageing schedule as at 31 March 2025	Unbilled	Not due	Due - Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises (MSME)	–	246.11	–	–	–	–	246.11
(ii) Others	1,021.21	3,780.75	1,191.58	22.68	1.47	3.83	6,021.52
(iii) Disputed dues - MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–	–
	1,021.21	4,026.86	1,191.58	22.68	1.47	3.83	6,267.63

(₹ In Crore)

Ageing schedule as at 31 March 2024	Unbilled	Not due	Due - Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises (MSME)	–	745.30	–	–	–	–	745.30
(ii) Others	871.21	3,026.11	939.94	7.36	1.00	2.69	4,848.31
(iii) Disputed dues - MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–	–
	871.21	3,771.41	939.94	7.36	1.00	2.69	5,593.61

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

21 Other financial liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Security deposits	126.40	36.45
Unclaimed dividend	27.87	29.75
Directors' remuneration and commission payable [see note 39]	38.43	35.63
Employee benefits payable	286.25	198.85
Other payables	201.12	250.73
	680.07	551.41

Refer note 32 for financial liabilities measured at amortised cost.

22 Other current liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Annuity payable to VRS/Welfare scheme optees	0.09	0.12
Advance received from customers	392.88	326.07
Taxes and duties payable	134.44	1,012.06
Other payables	245.33	191.09
	772.74	1,529.34

23 Revenue from operations

(₹ In Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations		
Revenue from contracts with customers		
Sale of products	48,247.22	43,578.87
Other operating revenue		
Scrap sales	26.41	30.34
Export incentives	468.62	434.99
Package Scheme of Incentives (PSI)	60.71	58.89
Production Linked Incentive (PLI)	466.59	0.41
Royalty	415.08	316.29
Rent [See note 40]	48.17	51.82
Insurance claims	0.26	0.56
Miscellaneous receipts	158.11	100.71
Government grants	2.65	2.65
Interest income on financial services to dealers	116.49	109.70
	1,763.09	1,106.36
	50,010.31	44,685.23

23 Revenue from operations (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Revenue from contracts with customers (Goods transferred at a point in time)		
India	31,993.08	29,130.10
Outside India	16,254.14	14,448.77
Total revenue from contracts with customers	48,247.22	43,578.87
Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price		
Revenue as per contracted price	48,787.49	44,034.27
Adjustments:		
Cash discounts and target incentives	(368.25)	(371.20)
Sales promotion expenses (primarily vehicle discounts)	(172.02)	(84.20)
Revenue from contracts with customers	48,247.22	43,578.87

24 Other income

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Investment income		
Interest income on fixed income securities	123.81	195.55
Amortisation of (premium)/discount on acquisition of fixed income securities	1.35	96.50
Interest income on fixed deposits	87.29	141.85
Interest income on loans	7.64	–
Interest income on exchange traded funds	436.49	443.19
Interest income on fixed maturity plans	49.55	46.90
Interest income from financial assets including amortised cost	706.13	923.99
Dividend income on other strategic investments	30.10	43.05
Gain on valuation and realisation of mutual funds measured at FVTPL	633.28	437.11
Profit/(loss) on sale of other investments, net, measured at amortised cost	31.05	(16.61)
	1,400.56	1,387.54
Others		
Surplus on sale of property, plant and equipment	3.23	5.83
Interest on tax refunds/credits	17.15	–
Gains on exchange fluctuations	–	9.08
	20.38	14.91
	1,420.94	1,402.45

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

25 Changes in inventories

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024	(Increase)/ decrease
Inventories at the end of the year			
Work-in-progress	56.42	84.63	28.21
Finished goods and traded goods	688.86	695.83	6.97
	745.28	780.46	35.18
Inventories at the beginning of the year			
Work-in-progress	84.63	78.13	(6.50)
Finished goods and traded goods	695.83	631.88	(63.95)
	780.46	710.01	(70.45)
	35.18	(70.45)	

26 Employee benefits expense

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Salaries, wages and bonus to employees [See note 39]	1,332.37	1,320.62
Contribution to provident and other funds [See note 38 and 39]	92.84	91.41
Share based payment to employees [See note 14 and 43]	64.87	40.37
Staff welfare expenses	89.36	85.16
	1,579.44	1,537.56

27 Finance costs

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Interest expense	65.93	51.90
Interest adjustment on Government grant	1.79	1.60
	67.72	53.50

28 Depreciation and amortisation expense

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Depreciation on property, plant and equipment	384.13	327.95
Depreciation on investment property	1.12	1.12
Amortisation of intangible asset	12.86	18.79
Amortisation of leasehold land	1.98	1.98
	400.09	349.84

29 Other expenses

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Stores and tools consumed	199.00	171.94
Power, fuel and water	176.94	147.80
Rent	16.99	16.70
Repairs to buildings	46.76	58.27
Repairs to machinery	129.05	99.70
Other repairs	26.52	23.61
Insurance	19.26	15.01
Rates and taxes	15.98	12.83
Payment to auditor	2.15	2.09
Directors' fees and travelling expenses	1.02	0.97
Commission to non-executive directors	3.21	3.02
Travelling expenses	59.01	56.89
Miscellaneous expenses	720.23	660.67
Loss on exchange fluctuations	2.19	–
Packing material consumed	411.73	368.08
Freight and forwarding expenses	185.86	148.22
Advertisement	508.40	478.05
Vehicle service charges and other expenses	288.18	211.37
Sales promotion expenses	45.36	27.95
Donation to political party (Paid to Bharatiya Janata Party)	25.00	–
Expenditure towards Corporate Social Responsibility (CSR) activities	157.32	131.72
Bad debts and other irrecoverable debit balances written off	6.82	14.89
Loss on property, plant and equipment sold, demolished, discarded and scrapped	2.28	2.91
Provision for doubtful debts and advances, net (includes expected credit loss on trade receivables)	(4.92)	(23.83)
	3,044.34	2,628.86

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

Payment to auditor

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
As auditor		
Audit fee	1.04	1.04
Tax audit fee	0.10	0.10
Limited review	0.66	0.66
Other services (certification fees)	0.34	0.24
Reimbursement of expenses	0.01	0.05
	2.15	2.09

Expenditure towards Corporate Social Responsibility (CSR) activities

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
a) Detail of spends		
i) Gross amount required to be spent by the Company during the year	157.32	131.72
ii) Amount of expenditure incurred	157.32	131.72
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	1.64	5.09
Education, Special Education, Vocation, Livelihoods	9.78	13.50
Environment, Soil And Water, Protection of Flora and fauna	3.85	1.54
Heritage, Art, Culture, Handicrafts, Public Libraries	0.18	0.18
Rural Development	–	–
Gender/Women, Orphans, Homes and Hostels, Day Care	–	–
Others (including provision for unspent)	141.87	111.41
Total	157.32	131.72
No funds relating to other than identified and ongoing projects are required to be transferred to specified funds.		
b) Amount spent in cash during the year on:		
i) Construction/acquisition of any asset	–	–
ii) On purposes other than (i) above	157.32	131.72
	157.32	131.72

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 (includes advances given)
105.87	58.26	157.32	23.58	76.87	105.87	133.74	87.26

30 Tax expense

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
(a) Tax expense		
Current tax		
Current tax on profits for the year	2,559.04	2,283.60
Deferred tax		
Decrease/(increase) in deferred tax assets	10.28	(11.87)
(Decrease)/increase in deferred tax liabilities	331.15	71.49
Total deferred tax expense/(benefit)	341.43	59.62
Tax expenses	2,900.47	2,343.22
(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate		
Profit before tax	11,051.89	9,822.01
Tax at the Indian tax rate of 25.17% (Previous year - 25.17%)	2,781.54	2,472.00
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Corporate social responsibility expenditure and donations	45.89	33.15
- Rate difference in amortisation of fixed income securities	(0.47)	(2.58)
- Others	26.86	22.97
- One time impact due to change in tax rates *	211.26	–
Tax effect of amounts which are deductible (non taxable) in calculating taxable income:		
- Dividend received on strategic investment	(7.58)	(10.84)
- Profit on investments not taxable	(153.07)	(28.83)
- Income from fair valuation of mutual funds	(3.10)	(142.73)
- Disallowance of expenditure incurred on rented property (net)	(0.86)	0.08
Tax expense	2,900.47	2,343.22

* The Company invests its surplus funds into a range of asset classes including debt mutual funds, index funds and fixed maturity plans. In compliance with Ind AS 12, the Company was making accounting provisions for Deferred Tax as per applicable law (taking cognizance of the indexation impact) on changes in fair value on these investments.

The Finance (No. 2) Act, 2024 withdrew the indexation benefit on long-term capital gains on debt mutual funds which were purchased prior to 1 April 2023 and the tax rate with respect to long-term capital gains for the said asset class was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation).

Due to withdrawal of the indexation benefit and change in tax rate, the accounting provision for Deferred Tax created on Investment Income has been consequently increased by ₹ 211.26 crore as a cumulative one-time provision while computing the profit after tax for the reporting period.

It is to be noted that only a provision is being made in the books of accounts at this point of time to record the Deferred Tax in line with the applicable accounting standards and the recently enacted tax change. The actual payment of tax would be made at the time of redemption of this asset class. The cash outflow towards tax could be different at the time of redemption depending on the actual gain and prevailing tax regulations.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

31 Earnings Per Share (EPS)

Basic EPS are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS are calculated by dividing the profit attributable to owners of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

	For the year ended 31 March	
Particulars	**2025**	**2024**
a. Profit for the year (₹ In Crore)	8,151.42	7,478.79
b. Weighted average number of shares outstanding during the year (Nos)	279,103,387	282,695,661
Effect of dilution:		
Employee stock options	511,554	279,457
c. Weighted average number of equity shares for diluted earnings per share	279,614,941	282,975,118
Earnings per share (Basic) ₹ (a/b)	292.1	264.6
Earnings per share (Diluted) ₹ (a/c)	291.5	264.3
Face value per share ₹	10.0	10.0

32 Fair value measurement

i) Financial instruments by category

(₹ In Crore)

Particulars	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
– Equity	–	4,626.75	–	–	3,152.58	–
– Bonds	–	–	1,433.63	–	–	1,439.04
– Government securities	–	–	367.55	–	–	367.70
– Commercial Papers	–	–	–	–	–	195.39
– Fixed maturity plans	–	–	884.18	–	–	834.62
– Exchange traded funds	–	–	7,640.05	–	–	7,343.56
– Fixed deposits	–	–	280.00	–	–	500.00
– Short–term funds	4,950.53	–	–	4,552.79	–	–
– Short duration bond funds	731.78	–	–	–	–	–
– Liquid mutual funds	960.24	–	–	2,157.31	–	–
– Arbitrage Funds	2,493.57	–	–	819.59	–	–
– Derivative Asset	2.51	–	–	–	–	–
Trade receivables	–	–	2,282.64	–	–	2,122.40
Loans	21.40	–	1,063.29	–	–	5.27
Other financial assets	–	–	1,513.82	–	–	491.58
Cash and cash equivalents	–	–	813.42	–	–	448.61
Other bank balances	–	–	515.13	–	–	1,129.51
Total financial assets	9,160.03	4,626.75	16,793.71	7,529.69	3,152.58	14,877.68
Financial liabilities						
Borrowings	–	–	800.00	–	–	834.05
Sales tax deferral	–	–	127.64	–	–	125.84
Trade payables	–	–	6,267.63	–	–	5,593.61
Other financial liabilities	–	–	680.07	–	–	551.41
Total financial liabilities	–	–	7,875.34	–	–	7,104.91

Notes to standalone financial statements for the year ended 31 March 2025 (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 2025

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
– Short–term funds	5	4,950.53	–	–	4,950.53
– Short duration bond funds	5	731.78	–	–	731.78
– Liquid mutual funds	5	960.24	–	–	960.24
– Arbitrage funds	5	2,493.57	–	–	2,493.57
– Derivative Asset	7	–	2.51	–	2.51
– Loans	6	–	21.40	–	21.40
Financial investments at FVTOCI					
– Equity investment	5	4,365.57	261.18	–	4,626.75
Total financial assets		13,501.69	285.09	–	13,786.78

Assets disclosed at fair value - At 31 March 2025

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	–	234.09	–	234.09

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
Financial investments at FVTPL					
– Short–term mutual funds	5	4,552.79	–	–	4,552.79
– Short duration bond funds	5	–	–	–	–
– Liquid mutual funds	5	2,157.31	–	–	2,157.31
– Arbitrage funds	5	819.59	–	–	819.59
– Derivative Asset	7	–	–	–	–
– Loans	6	–	–	–	–
Financial investments at FVTOCI					
– Equity investment	5	2,895.46	257.12	–	3,152.58
Total financial assets		10,425.15	257.12	–	10,682.27

32 Fair value measurement (Contd.)

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

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
- Derivative instruments at values determined by counter parties/banks using market observable data

iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ In Crore)

Particulars	31 March 2025		31 March 2024	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial assets				
Investments				
Bonds	1,433.63	1,403.15	1,439.04	1,379.96
Government securities	367.55	362.30	367.70	352.92
Fixed maturity plans	884.18	891.68	834.62	823.27
Exchange traded funds	7,640.05	7,675.55	7,343.56	7,238.18
	10,325.41	10,332.68	9,984.92	9,794.33

The carrying amounts of 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 2025 (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.

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. • 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 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 credit worthiness 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.

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:

(₹ In Crore)

Particulars	As on 31 March 2025	As on 31 March 2024
Estimated total gross carrying amount	2,297.09	2,141.77
ECL	(14.45)	(19.37)
Net carrying amount	2,282.64	2,122.40

Reconciliation of impairment allowance – Trade receivable

Particulars	(₹ In Crore)
Impairment allowance as on 31 March 2023	**43.20**
Changes in loss allowance	(23.83)
Impairment allowance as on 31 March 2024	**19.37**
Changes in loss allowance	(4.92)
Impairment allowance as on 31 March 2025	**14.45**

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 Board of Directors.

B) Liquidity risk

The Company's principal source 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 ₹ 127.64 crore which are interest free and are repayable after 8 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.

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
The Company had		
Net working capital funds	4,424.56	1,631.48
which includes;		
i) Cash and cash equivalents	813.42	448.61
ii) Current investments	5,583.45	3,837.98
iii) Other bank balances	515.13	1,129.51

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

33 Financial risk management (Contd.)

The table below summarises the contractual maturities of financial liabilities as at 31 March 2025 and 31 March 2024:

Maturities of financial liabilities

(₹ In Crore)

Particulars	Less than and equal to 1 year	More than 1 year	Total
As on 31 March 2025			
Non-Derivatives			
Sales tax deferral (discounted)	–	127.64	127.64
Trade payables	6,267.63	–	6,267.63
Short-term borrowings	800.00	–	800.00
Other financial liabilities	680.07	–	680.07
Total non-derivative liabilities	7,747.70	127.64	7,875.34
As on 31 March 2024			
Non-Derivatives			
Sales tax deferral (discounted)	–	125.84	125.84
Trade payables	5,593.61	–	5,593.61
Short-term borrowings	834.05	–	834.05
Other financial liabilities	551.41	–	551.41
Total non-derivative liabilities	6,979.07	125.84	7,104.91

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 US$. 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 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, Company does not hedge this exposure. Nevertheless, 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 or 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.

33 Financial risk management (Contd.)

Derivative

The Company enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

The fair values (Mark-to-market/MTM) of foreign currency forward contracts outstanding as on 31 March 2025 and 31 March 2024 are as follows:

For foreign currency loan receivable:

	31 March 2025		31 March 2024	
Particulars	**Notional In EURO Mn (Sell)**	**MTM Gain/(Loss) (₹ In Crore)**	**Notional In EURO Mn (Sell)**	**MTM Gain/(Loss) (₹ In Crore)**
Foreign currency forward contract	115.00	2.51	–	–
Total	115.00	2.51	–	–

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	
Particulars	**2025**	**2024**
Receivables	59.81	97.83
Payables	33.47	20.23
Borrowings	–	100.00
Others (EEFC balances)	50.24	24.41

Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position: NIL
(b) Disclosure of effects of hedge accounting on financial performance: NIL

Maturity of outstanding contracts

The details in respect of the maturity of outstanding foreign exchange forward contracts are given below:

On foreign currency loan receivable:

	31 March 2025		31 March 2024	
Particulars	**Notional In EURO Mn (Sell)**	**MTM Gain/(Loss) (₹ In Crore)**	**Notional In EURO Mn (Sell)**	**MTM Gain/(Loss) (₹ In Crore)**
Not later than 3 months	115.00	2.51	–	–
Later than three months and not later than six months	–	–	–	–
Later than six months and not later than one year	–	–	–	–
Later than one year and not later than two years	–	–	–	–
Total	115.00	2.51	–	–

Notes to standalone financial statements for the year ended 31 March 2025 (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 though 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.

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Equity	32,146.94	24,860.50
Less: Tangible and other assets	4,735.60	3,616.00
Working capital (excl. investments)	(1,158.89)	(2,206.50)
Investments in subsidiaries	4,201.95	2,088.42
Investments in debt and similar investments	24,368.28	21,362.58

No changes were made in the objectives, policies and processes of capital management during the year.

b) Dividends distributed and proposed

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Dividends recognised in the financial statements Final dividend for the year ended 31 March 2024 of ₹ 80 (31 March 2023 - ₹ 140) per equity share, declared and paid	2,233.44	3,961.40
Dividends not recognised at the end of the reporting period Directors have recommended the payment of a final dividend of ₹ 210 per equity share (31 March 2024 – ₹ 80). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	5,864.41	2,233.44

35 Contingent liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	2024
a. Claims against the Company not acknowledged as debts	214.38	208.27
b. Excise, Service tax, GST and Customs matters under dispute	634.38	355.20
c. Income-tax matters	1,091.80	958.43
d. Value Added Tax (VAT)/Sales Tax matters under dispute	93.28	101.03
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

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Capital commitments, net of capital advances	128.58	234.85
Investments related commitments	322.32	–

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 2025 (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.

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation (DBO)	457.23	471.15
Fair value of plan assets	(477.55)	(495.05)
Net funded obligation	**(20.32)**	**(23.90)**
Amount not recognised due to asset ceiling	1.46	4.81
Net defined benefit liability/(asset) recognised in Balance Sheet	**(18.86)**	**(19.09)**
Expense recognised in the Statement of Profit and Loss		
Current service cost	27.93	26.67
Interest on net defined benefit liability/(asset)	(1.91)	(1.94)
Total expense charged to Statement of Profit and Loss	**26.02**	**24.73**
Amount recorded as Other Comprehensive Income		
Opening amount recognised in OCI outside Statement of Profit and Loss	21.00	56.48
Remeasurements during the period due to		
Changes in financial assumptions	10.23	8.12
Changes in demographic assumptions	(10.51)	-
Experience adjustments	(10.21)	(6.13)
Actual return on plan assets less interest on plan assets	(9.53)	(8.36)
Adjustment to recognise the effect of asset ceiling	(3.70)	(29.11)
Closing amount recognised in OCI outside Statement of Profit and Loss	**(2.72)**	**21.00**

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	(19.09)	(1.03)
Expense charged to Statement of Profit and Loss	26.02	24.73
Amount recognised outside Statement of Profit and Loss	(23.72)	(35.48)
Employer contributions	(2.07)	(7.31)
Closing net defined benefit liability/(asset)	**(18.86)**	**(19.09)**

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Movement in benefit obligation		
Opening of defined benefit obligation	471.15	472.56
Current service cost	27.93	26.67
Interest on defined benefit obligation	29.76	30.63
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	10.23	8.12
Actuarial loss/(gain) arising from change in demographic assumptions	(10.51)	-
Actuarial loss/(gain) arising on account of experience changes	(10.21)	(6.13)
Benefits paid	(54.44)	(60.70)
Liabilities assumed/(settled)	(6.68)	-
Closing of defined benefit obligation	**457.23**	**471.15**

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Movement in plan assets		
Opening fair value of plan assets	495.05	505.16
Employer contributions	2.07	7.31
Interest on plan assets	32.02	34.91
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	9.53	8.37
Benefits paid	(54.44)	(60.70)
Assets acquired/(settled)	(6.68)	–
Closing fair value of plan assets	**477.55**	**495.05**

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Disaggregation of assets		
Category of assets		
Insurer managed funds	477.55	495.05
Others	–	–
Grand Total	477.55	495.05

Notes to standalone financial statements for the year ended 31 March 2025 (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 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 2025		As at 31 March 2024	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Senior staff				
Impact of increase in 50 bps on DBO	(2.79%)	2.86%	(3.00%)	3.09%
Impact of decrease in 50 bps on DBO	2.96%	(2.73%)	3.19%	(2.94%)
Junior staff				
Impact of increase in 50 bps on DBO	(3.49%)	3.66%	(3.65%)	3.86%
Impact of decrease in 50 bps on DBO	3.79%	(3.41%)	3.99%	(3.58%)

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

Funding arrangement and policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to insurance companies. The insurance companies in turn manage these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

The expected contribution payable to the plan next year is ₹ 30 crore

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
31 March 2025					
Senior staff	41.11	48.61	52.42	206.95	349.09
Junior staff	73.35	30.77	56.37	324.42	484.91
31 March 2024					
Senior staff	34.78	12.47	79.22	214.96	341.43
Junior staff	80.89	38.96	66.10	424.22	610.17

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

Weighted average duration of defined benefit obligation (in years)	As at 31 March 2025	As at 31 March 2024
Senior Staff	5.75	6.19
Junior Staff	7.27	7.63

Principal Actuarial Assumptions (Expressed as Weighted Averages)	As at 31 March 2025	As at 31 March 2024
Discount rate (p.a.)	6.85%	7.20%
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.

Provident Fund:

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation	1,571.04	1,516.11
Fair Value of plan assets	(1,600.19)	(1,566.45)
Net funded obligation	(29.15)	(50.34)
Amount not recognised due to asset ceiling	29.15	50.34
Net defined benefit liability/(asset) recognised in Balance Sheet	–	–
Expense recognised in the Statement of Profit and Loss		
Current service cost	45.85	45.23
Total expenses charged to Statement of Profit and Loss	**45.85**	**45.23**
Amount recorded as Other Comprehensive Income		
Opening amount recognised in OCI outside Statement of Profit and Loss	–	–
Remeasurements during the period due to		
Changes in financial assumptions	48.76	10.83
Experience adjustments	(28.22)	19.92
Actual return on plan assets less interest on plan assets	4.28	(54.95)
Adjustment to recognise the effect of asset ceiling	(24.82)	24.20
Closing amount recognised in OCI outside Statement of Profit and Loss	**–**	**–**

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd)

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	–	–
Expense charged to Statement of Profit and Loss	45.85	45.23
Employer contributions	(45.85)	(45.23)
Closing net defined benefit liability/(asset)	**–**	**–**
Movement in benefit obligation		
Opening of defined benefit obligation	1,516.11	1,452.17
Current service cost	45.85	45.23
Interest on defined benefit obligation	106.56	105.49
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	48.76	10.83
Actuarial loss/(gain) arising on account of experience adjustments	(28.22)	19.92
Employee contributions	80.53	82.60
Benefits paid	(176.61)	(194.93)
Liabilities assumed/(settled)	(21.94)	(5.20)
Closing defined benefit obligation	**1,571.04**	**1,516.11**
Movement in plan assets		
Opening fair value of plan assets	1,566.45	1,476.49
Interest on plan assets	110.19	107.31
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(4.28)	54.95
Employer contributions during the period	45.85	45.23
Employee contributions during the period	80.53	82.60
Benefits paid	(176.61)	(194.93)
Assets acquired/(settled)	(21.94)	(5.20)
Closing fair value of plan assets	**1,600.19**	**1,566.45**

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Disaggregation of assets		
Quoted		
Government debt instruments	1,007.28	947.73
Other debt instruments	499.57	504.25
Others	30.08	48.59
Unquoted		
Other debt instruments	–	–
Others	63.26	65.88
	1,600.19	**1,566.45**

Particulars	As at 31 March 2025	As at 31 March 2024
Key actuarial assumptions		
Discount rate (p.a.)	6.85%	7.20%
Future derived return on assets (p.a.)	8.22%	8.97%
Discount rate for the remaining term to maturity of the investment (p.a.)	6.55%	7.15%
Average historic yield on the investment (p.a.)	7.92%	8.92%
Guaranteed rate of return (p.a.)	8.25%	8.25%

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

38 Employee benefits (Contd.)

Unfunded schemes

(₹ In Crore)

Particulars	Compensated Absences	
	As at 31 March 2025	As at 31 March 2024
Present value of unfunded obligations	132.81	147.89
Expense recognised in the Statement of profit and loss	(4.47)	24.37
Amount recorded as Other Comprehensive Income		
Discount rate (p.a.)	6.85%	7.20%
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	
	2025	2024
Compensated absences expected to be settled after twelve months	103.30	117.05

(₹ In Crore)

Particulars	As at 31 March	
	2025	2024
Amount recognised in the Statement of Profit and Loss		
Defined contribution plans:		
Superannuation paid to trust	8.37	8.41
Pension fund paid to Government authorities	8.70	10.78
Others	1.18	1.86
Defined benefit plans:		
Gratuity	26.02	24.73
Provident fund paid to trust	45.85	45.23
Others	2.72	0.40
	92.84	**91.41**

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	2024–25 Transaction value	2024–25 Outstanding amounts carried in the Balance Sheet	2023–24 Transaction value	2023–24 Outstanding amounts carried in the Balance Sheet
A Subsidiaries:					
PT.Bajaj Auto Indonesia	Contribution to equity (411,875 shares of USD 3 each)	–	6.17	–	6.17
(99.25% shares held by Bajaj Auto Ltd.)	Provision for diminution in value of investment	–	(2.17)	–	(2.17)
Bajaj Auto International Holdings BV (Fully owned subsidiary)'	Contribution to equity (1,980,000 shares of Euro 100 each)	–	1,218.72	–	1,218.72
	Contribution to capital and/or Loan Amount*	1,043.02	1,043.02	–	–
	Interest Accrued on loan	7.07	7.07	–	–
Bajaj Auto (Thailand) Ltd. (Fully owned subsidiary)	Contribution to equity (449,997 shares of THB 100 each)	–	10.54	–	10.54
	Services received	13.78	(4.23)	12.09	–
Bajaj Auto Technology Ltd. (Fully owned subsidiary)	Contribution to equity (470,000,000 shares of ₹ 10 each)	–	470.00	–	470.00
	Services received (including reimbursement of expenses)				
	- Billed	76.96	(20.13)	45.59	–
	- Unbilled	10.66	(10.66)	–	–
	Services rendered				
	- Billed	25.12	–	16.84	–
	- Unbilled	7.82	7.82	–	–
	Sales (including capital asset)	–	–	5.34	–
	Purchases (including capital items)	0.65	–	204.69	(33.47)
	Sale of BATL assets to BAL	–	–	147.58	–
Bajaj Auto Credit Ltd. (Fully owned subsidiary)	Contribution to capital (2,400,000,000 shares of ₹ 10 each)	2,105.00	2,400.00	265.00	295.00
	Services received (including reimbursement of expenses)	0.11	–	0.31	–
	Services rendered (including reimbursement of expenses)	15.81	–	1.57	(0.10)
Bajaj Do Brasil Comercio De Motocicletas Ltda	Contribution to equity (57,500,000 shares of Reais 1 each)	8.53	93.52	36.98	84.99
	Sale of material	327.03	200.05	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	15.37	(0.59)	13.62	–
B. Associates, joint ventures and investing parties:					
Bajaj Holdings & Investment Ltd. (Investing party - holds 34.21% shares of Bajaj Auto Ltd.)	Investment in shares by BHIL [95,547,251 shares of ₹ 10 each]	–	(95.55)	–	(95.55)
	Purchase of shares by BAL [3,500,000 shares of ₹ 10 each]	–	1,111.49	–	1,111.49
	Buyback of shares	–	–	1,179.80	–
	Dividend paid	764.38	–	1,354.18	–
	Dividend received	30.10	–	43.05	–
	Business support service received	33.54	–	31.83	–
	Business support service rendered	1.28	–	1.10	–
C Key management personnel and their relatives:					
Rajiv Bajaj (Managing Director)	Short-term employee benefits (including Commission)	54.85	(35.21)	50.30	(32.61)
	Post-employment benefits	3.73	–	3.46	–
	Rent paid for premises	3.24	–	3.08	–
	Deposit paid against premises taken on lease	–	1.92	–	1.92
Pradeep Shrivastava (Executive Director)	Short-term employee benefits	27.34	–	14.70	–
	Post-employment benefits	0.99	–	0.92	–
	Equity shares issued pursuant to stock option scheme	10.53	–	6.26	–
	Fair value of stock options granted	2.62	–	1.79	–
Rakesh Sharma (Executive Director)	Short-term employee benefits	15.94	–	11.29	–
	Post-employment benefits	0.87	–	0.79	–
	Equity shares issued pursuant to stock option scheme	1.20	–	–	–
	Fair value of stock options granted	2.62	–	1.79	–

Notes to standalone financial statements for the year ended 31 March 2025 (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	2024–25 Transaction value	2024–25 Outstanding amounts carried in the Balance Sheet	2023–24 Transaction value	2023–24 Outstanding amounts carried in the Balance Sheet
Madhur Bajaj	Rent paid for premises	–	–	0.29	–
	Sitting fees	–	–	0.05	–
	Commission	–	–	0.16	(0.16)
Sanjiv Bajaj	Sitting fees	0.08	–	0.06	–
	Commission	0.25	(0.25)	0.19	(0.19)
Niraj Bajaj (Chairman)	Sitting Fees	0.13	–	0.11	–
	Commission	0.41	(0.41)	0.35	(0.35)
Rishabnayan Bajaj	Remuneration including perquisites	0.44	–	0.39	–
Estate of Rahul Bajaj	Rent paid for premises	–	–	0.25	–
D Other entities/persons: (Employee benefit plans, independent directors, and entities where persons under Ind AS 24 para 9(a) hold significant influence, control, joint control, or acts as KMP)					
Bajaj Finserv Ltd.	Business support service rendered	0.11	–	0.38	–
Bajaj Finance Ltd.	Investment in shares by BFL (150 shares of ₹ 10 each) - ₹ 1,500	–	–	–	–
	Service rendered	30.30	(0.06)	37.40	(0.09)
	Service received	1.68	(0.33)	4.43	–
	Security deposit received	–	(0.21)	–	(0.21)
	Investment in/(redemption of) fixed deposit	(220.00)	280.00	–	500.00
	Investment in/(redemption of) Secured Non Convertible Debentures	–	–	(500.00)	–
	Interest income/(reversal) on fixed deposit	29.76	15.39	37.82	19.92
	Interest income/(reversal) on Secured Non Convertib le Debentures	–	–	2.70	–
Bajaj Allianz General Insurance Co. Ltd.	Insurance premiums paid	26.21	12.66	25.51	0.92
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)	1.26	–	1.59	–
	Dividend paid	1.00	–	1.75	–
Bajaj Housing Finance Ltd.	Services rendered	2.38	–	2.03	–
	Security deposit received	–	(0.03)	–	(0.03)
Bajaj Electricals Ltd.	Purchases (including services received)	–	(0.11)	0.01	(0.12)
Hind Musafir Agency Ltd.	Services received	12.36	(0.02)	17.36	0.13
Hindustan Housing Co. Ltd.	Maintenance charges paid	0.23	0.03	0.27	0.04
KTM AG	Sale of vehicles and material	102.22	(91.15)	548.63	(49.11)
	Services rendered and other debits	9.46	–	36.83	–
	Purchases (including purchases of accessories) and other credits	1.76	–	0.46	–
KTM Sportmotorcycle GmbH	Sale of vehicles and material	452.60	59.37	1,133.33	32.00
	Royalty paid and payable				
	- Billed	24.43	–	36.38	(8.78)
	- Unbilled	11.10	(11.10)	–	–
	Services rendered and other debits	0.24	–	0.09	–
	Purchase of accessories, merchant purchase and other credits	2.83	–	0.49	–
KTM Sportmotorcycle India Pvt. Ltd.	Royalty paid and payable				
	- Billed	6.23	–	9.19	(2.26)
	- Unbilled	2.79	(2.79)	–	–
	Services rendered and other debits				
	- Billed	4.98	(0.42)	5.95	1.41
	- Unbilled	1.65	1.65	–	–
KTM Forschungs & Entwicklungs Gmbh	Sale of vehicles and material	2.13	0.11	4.33	0.01
Husqvarna Motorcycles GmbH	Sale of vehicles and material	89.43	(0.20)	224.45	7.41
	Royalty paid and payable				
	- Billed	0.47	–	0.38	(0.25)
	- Unbilled	0.05	(0.05)	–	–
	Purchase of accessories and other credits	0.02	–	0.02	–

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	2024–25 Transaction value	2024–25 Outstanding amounts carried in the Balance Sheet	2023–24 Transaction value	2023–24 Outstanding amounts carried in the Balance Sheet
Maharashtra Scooters Ltd.	Investment in shares by MSL (6,879,333 shares of ₹ 10 each)	–	(6.88)	–	(6.88)
	Dividend paid	55.03	–	97.50	–
	Buyback of shares	–	–	84.94	–
	Purchases	0.18	–	1.48	(0.01)
	Services rendered	0.03	–	0.07	–
Rishabh Family Trust	Rent paid for premises	0.36	(0.32)	–	–
Forbes Marshall Pvt Ltd	Purchases	0.06	–	–	–
Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	3.70	–	1.91	–
Bajaj Auto Senior Staff Group Gratuity Fund	Gratuity contribution	1.00	–	1.50	–
Bajaj Auto Employees Superannuation Fund	Superannuation contribution	8.37	–	8.41	–
Bajaj Auto Ltd. Provident Fund	Provident fund contribution (Employer's share)	45.85	(1.15)	45.23	(0.02)
Kiska GmbH	Services received	1.90	–	3.92	–
D J Balaji Rao	Sitting fees	–	–	0.10	–
	Commission	–	–	0.32	(0.32)
Naushad D Forbes	Sitting fees	0.18	–	0.16	–
	Commission	0.57	(0.57)	0.50	(0.50)
Anami N. Roy	Sitting fees	0.16	(0.01)	0.14	–
	Commission	0.50	(0.50)	0.44	(0.44)
Pradip Shah	Sitting fees	0.17	(0.01)	0.15	–
	Commission	0.54	(0.54)	0.47	(0.47)
Vinita Bali	Sitting fees	0.11	–	–	–
	Commission	0.35	(0.35)	–	–
Abhinav Bindra	Sitting fees	0.15	–	0.12	–
	Commission	0.47	(0.47)	0.38	(0.38)
Lila Poonawala	Sitting fees	–	–	0.07	–
	Commission	–	–	0.22	(0.22)
Sangita Reddy	Sitting fees	0.04	–	–	–
	Commission	0.13	(0.13)	–	–
CSEP Research Foundation	CSR Expenses	–	–	1.70	–

Transaction values are excluding taxes and duties.

Transactions where the Company act as an intermediary and passed through Company's books of accounts are not in nature of related party transaction and hence are not disclosed.

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, repayable in cash, and no impairment or provision has been recorded against such balances.

*The loan has been/will be utilised by Bajaj Auto International Holdings BV (BAIHBV) for the purpose for which it was obtained (refer footnote to note 6 of standalone financial statements for details, terms, and conditions). For the year, the Company has not recorded any impairment on loans due from BAIHBV (31 March 2024: ₹ Nil). The outstanding amount does not reflect the impact of forex mark-to-market (MTM) changes.

Notes to standalone financial statements for the year ended 31 March 2025 (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 ten 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 2025	As at 31 March 2024
Receivable		
Within one year	36.91	43.53
After one year but not more than five years	58.63	92.32
More than five years	0.93	1.23
	96.47	137.08

41 Expenditure incurred on Research and Development

(₹ In Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a. Revenue expenditure - charged to Statement of Profit and Loss	574.10	486.96
b. Revenue expenditure - capitalised	–	–
c. Capital expenditure - excluding building	51.56	33.22
d. Capital expenditure - building	–	–
	625.66	520.18

42 Ratios

Particulars	Remarks	Numerator	Denominator	As at/For the year ended 31 March 2025	As at/For the year ended 31 March 2024
(a) Current ratio	Change is because of increase in current assets	Current assets	Current liabilities	1.49	1.19
(b) Debt equity ratio	Change is because of decrease in short-term borrowings and increase in other equity	Total debt	Shareholder's equity	0.02	0.03
(c) Debt service coverage ratio		Earnings for debt service	Debt service	9.93	8.88
(d) Return on equity ratio		Profit after tax	Average shareholder's equity	28.6%	29.7%
(e) Inventory turnover ratio		Material cost	Avg. inventory	19.34	20.52
(f) Trade receivables turnover ratio		Revenue from contracts with customers	Avg. trade receivables	21.91	22.36
(g) Trade payables turnover ratio		Purchases	Trade payables	6.06	6.11
(h) Net capital turnover ratio	Decrease is due to higher total income and increase in working capital.	Total income	Working capital	11.62	28.25
(i) Net profit ratio		Profit after tax	Total income	15.8%	16.2%
(j) Return on capital employed		Profit before tax	Capital employed	33.1%	38.5%
(k) Return on investments		Profit before tax	Average shareholder's equity	38.8%	39.1%

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 13 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 2025 are given in below tables:

Particulars	**31 March 2025**				
Grant date	17 May 2019	29 April 2021	27 April 2022	25 April 2023	18 April 2024
No. of options granted	287,636	277,116	447,692	475,268	312,128
Exercise price (₹)	2,942.65	3,889.75	3,892.10	4,332.10	8,919.15
Weighted average fair value (₹)	827.52	1,091.44	959.75	1,143.72	3,029.51

Total for all grants	**No. of options**	**Range of fair value (₹)**	**Weighted average fair value (₹)**	**Weighted average remaining contractual life (years)**
Outstanding at the beginning of the year	1,153,489	663.31 - 1248.65	1,065.50	5.65
Granted during the year	312,128	2367.84 - 3550.05	3,029.51	6.55
Cancelled during the year	25,783	992.52 - 3550.05	1,723.51	NA
Expired during the year	–	–	–	NA
Exercised during the year	211,853	663.31 - 1138.49	952.91	NA
Outstanding at the end of the year	1,227,981	663.31 - 3550.05	1,983.52	5.36
Vested and exercisable at the end of the year	321,501	663.31 - 1138.49	1,015.83	3.39

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
18 April 2024	7.06% to 7.08%	3.50-6.51 years	23.79% to 26.42%	0.90%	8,919.15

For the year ended 31 March 2025, the Company has accounted expense of ₹ 64.87 crore as employee benefit expenses (See note 26) on the aforesaid employee stock option plan (Previous year ₹ 40.37 crore). The balance in employee stock option outstanding account is ₹ 99.44 crore as of 31 March 2025 (Previous year ₹ 102.46 crore).

Notes to standalone financial statements for the year ended 31 March 2025 (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 year. 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 2025 and 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 other than disclosed in note 6.

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 except, the Company on 24 February 2025 has advanced loan of ₹ 1,043 crore (Euro 115 million) (excluding impact of forex mark-to-market (MTM) changes) to Bajaj Auto International Holding B.V. (Netherlands) ('BAIHBV'), a wholly owned subsidiary. Of this, BAIHBV further granted a loan amounting of ₹ 456 crore (Euro 50 million) on 24 February 2025 and invested in convertible bonds amounting to ₹ 460 crore (Euro 50 million) on 31 March 2025 ultimately into KTM AG, Austria (subsidiary of Pierer Mobility AG, Austria) through its associate Pierer Bajaj AG – to Pierer Mobility AG, Austria (subsidiary of Pierer Bajaj AG, Austria) to facilitate the funding needs of KTM AG, Austria towards the phased resumption of production at KTM AG and its operating costs. The said transactions has been executed within the framework defined by the Administrator in Austria. The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 for the said transactions, and these transactions are not violative of the Prevention of Money-Laundering Act, 2002.

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.

45 Miscellaneous (Contd.)

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).

l. **31 March 2025:**

The Company has used accounting software SAP-S4 HANA for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, audit trail feature has not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the Company has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013. Further, in respect of the FY 2023-24, the Company has preserved the requirements of recording audit trail to the extent it was enabled and recorded in prior year.

31 March 2024:

Bajaj Auto Ltd (BAL) has used SAP-S4 HANA as the accounting software in previous year. 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 holds investment in Bajaj Holdings & Investment Ltd. (listed entity) and Yulu Bikes Private Ltd. Changes in fair value in respect of these investments is accounted for in other comprehensive income. In compliance with Ind AS 12, the Company was making accounting provisions for Deferred Tax as per applicable law on changes in fair value on this investment. For the listed entity, the Finance (No. 2) Act, 2024 changed the tax rate with respect to long-term capital gains from 10% plus surcharge and cess to 12.5% plus surcharge and cess.

Further, for the unlisted entity, the said Act withdrew the indexation benefit on long-term capital gains and the tax rate was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation).
Due to the aforesaid changes, the accounting provision for Deferred Tax created on changes in fair value has been consequently increased by ₹ 75.80 crore while computing the other comprehensive income for the reporting period.

Notes to standalone financial statements for the year ended 31 March 2025 (Contd.)

45 Miscellaneous (Contd.)

It is to be noted that only a provision is being made in the books of accounts at this point of time to record the Deferred Tax, in line with the applicable accounting standards and the recently enacted tax change. The actual payment of tax would be made at the time of sale/transfer of these investments. The cash outflow towards tax could be different at the time of sale/transfer depending on the actual gain and prevailing tax regulations.

n. The management is continuously evaluating the developments and likely impact of imposition of Unites States tariff/reciprocal tariffs between countries and currently believes that there is no material impact on the financial statements/operations of the Company.

o. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

p. 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 Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

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

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 2025, 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 2025, 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 'Auditor's 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment of carrying value of investment in associate consequent to restructuring proceedings (as described in note 5A and 42 of consolidated financial statements)	
The Group has carrying amount of ₹ 3,688.27 crore towards investment in Pierer Bajaj AG ('PBAG'), an associate, as at 31 March 2025. During the year, KTM AG, a subsidiary of PBAG, applied for court restructuring proceedings with self-administration under Austrian jurisdiction ('restructuring proceedings') pursuant to liquidity crisis and other adverse financial conditions. Consequent to the liquidity situation and the restructuring proceedings, following were some of the key developments which impacted the consolidated financial statements of the Company/KTM AG;	Our audit procedures and/or procedures performed by independent auditor of PBAG amongst others included the following: • Read the accounting policies with respect to investments and evaluated design and implementation and tested operating effectiveness of control over the Group's process of impairment assessment. • Obtained and read the order of 'Restructuring proceedings with self-administration' issued by Regional Court of Austria ('Court's Order'). • Obtained the computation of the basis of impairment losses on certain assets and verified the assumptions used to test the carrying values/ recoverable amount of those assets.

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

Key audit matter	How our audit addressed the key audit matter
a. KTM AG recognised impairment losses on certain assets, consequent to decisions forming part/ consequent to restructuring proceedings. b. The restructuring proceedings also resulted into the creditors agreeing to receive a cash quota of 30% of their claims in the form of a one-off payment. The determination of timing of recognition of gain on creditors liabilities involves significant judgment. c. The Group assessed the carrying amount of the investment in PBAG consequent to the above developments. The processes and methodologies for assessing and determining the recoverable amount of investment in are based on complex assumptions and require use of significant management's judgment, (such as estimating future cashflows and determining applicable discount rates) As a result, the Group has recognised a net share of loss of associate of ₹ 915.48 crore (Refer Note 42b) in the consolidated financial statements. We identified this as a key audit matter in our audit of the consolidated financial statements considering the magnitude, complexity and judgment required in estimating the cash flows and the complexity of the assumptions used.	• Obtained the computation of gain towards write back of creditor liabilities on account of settlement of creditors and assessed whether it satisfies the condition pursuant to the Court's Orders. • Obtained the underlying workings of investment in associate as appearing in the consolidated financial statements and assessed the same is in accordance with the requirements of Ind AS. • Obtained financial projections based on approved business plans/ budgets used for computation of value in use for the purpose of determining recoverable amount. • Assessed and evaluated the key assumptions (such as cashflow forecasts and discount rates) used to determine the recoverable amounts of the associate. • Involved valuation experts to assist in evaluating the valuation methodology, identifying and testing key assumptions and estimates and to test the reasonableness of key assumptions used in preparing the cash flow forecasts. • Performed sensitivity testing of key assumptions used. • Assessed the arithmetical accuracy of the models and the computation of impairment loss. • Assessed the disclosures in the consolidated financial statements for compliance with the relevant accounting standard requirements.
Impairment of Loans to customers under financing activity based on expected credit loss model (as described in note 6 of the consolidated financial statements)	
Loans to customers under financing activity, represents a significant portion of the total assets of the Group and are conducted through Bajaj Auto Credit Limited ('BACL'), a wholly owned subsidiary. The Group has Loans to customers under financing activity aggregating to ₹ 9,392.95 crore as at 31 March 2025. As per the expected credit loss model of the Group developed in accordance with the principles set out in Ind-AS 109 on Financial Instruments, the Group is required to estimate the expected loss based on past experience and future considerations. This involves a significant degree of estimation and judgments, including for portfolio segmentation, determination of staging of financial assets; estimation of probability of defaults, loss given defaults, exposure at defaults; and forward-looking factors in estimating the expected credit losses (ECL). In view of the high degree of management's judgment involved in estimation of ECL and the overall significance of the impairment loss allowance to the consolidated financial statements, it is considered as a key audit matter.	Our audit procedures and/or procedures performed by independent auditor of the subsidiary amongst others included the following: • Read and assessed the Group's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the subsidiary's Board of Directors pursuant to Reserve Bank of India guidelines. • Evaluated design and implementation and tested operating effectiveness of control over the Group's process of impairment of loans to customers. • Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. • Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing loans to assess whether any significant increase in credit risk (SICR) or loss indicators were present requiring them to be classified under higher stages. • Obtained an understanding of the methodology adopted by management to determine probability of defaults, loss given defaults and exposure at default for various loans products and tested the same on a sample basis. • Tested the inputs used on a sample basis and tested the arithmetical accuracy of the ECL computation. • Assessed disclosures included in the consolidated financial statements in respect of expected credit losses.

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

Key audit matter	How our audit addressed the key audit matter
Accounting for income from Production Linked Incentive (as described in note 7 and note 23 of the consolidated financial statements)	
The Company recognises Production Linked incentives ('PLI') receivable from the Government of India amounting to ₹ 467 crore as per the relevant schemes, notifications and policies issued from time to time. Recognition of PLI income and assessment of its recoverability is subject to significant judgments arising out of conditions of PLI scheme for Automobile and Auto Component Industry (including Standard Operating Procedures (SOPs)) and interpretation of various notifications of respective Government authorities. Accordingly, considering the magnitude and judgments involved in arriving at recognition criteria, this matter has been determined to be a key audit matter.	Our audit procedures amongst others included the following: • Read the relevant schemes, notifications and policies issued by respective Government authorities. • Obtained and tested the computation of PLI income prepared by Management. • Evaluated the Management's assessment regarding compliance with the relevant conditions as specified in the relevant notifications and policies including compliance with relevant accounting standards. • Assessed the disclosures in the consolidated financial statements for compliance with relevant standards.

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 auditor's 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 of 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 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.

Auditor's 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 auditor's report that includes our opinion. Reasonable

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

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 auditor's 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 auditor's 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.

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 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

(a) We did not audit the financial statements and other financial information, in respect of 5 subsidiaries, whose financial statements include total assets of ₹ 11,478.95 crore as at 31 March 2025, and total revenues of ₹ 1,377.09 crore and net cash inflows of ₹ 892.23 crore for the year ended on that date. These financial statement and other financial information have

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

been audited by other auditors, such financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 3,374.17 crore for the year ended 31 March 2025, 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 its 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 One (1) 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 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;

   (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 2025 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 2025 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 database is as stated in the paragraph (i) (vi) below on reporting under Rule 11(g) so far as relates to One (1) subsidiary, which is company incorporated in India.

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

(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 2025 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 did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March 2025. In respect to its associate, provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts – Refer Note 42 to the consolidated financial statements.

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 2025.

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, other than as disclosed in the 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 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 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, 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 auditor's 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 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 40 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective 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 Holding Company and its subsidiaries incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for the instances discussed in refer note 45(l) to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year have been preserved by the Holding Company and its subsidiaries incorporated in India as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior year, as stated in note 45(l) to the consolidated financial statements.

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 25105754BMITLK7764
Pune: 29 May 2025

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 2025, 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.

Auditor's 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 auditor's 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 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.

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

Annexure 1 to Independent Auditors' Report (Contd.)

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 2025, 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 is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India. 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 Paul Alvares
Partner
Membership Number: 105754
UDIN: 25105754BMITLK7764
Pune: 29 May 2025

Consolidated Balance Sheet

(₹ In Crore)

Particulars	Note No.	As at 31 March 2025	2024
ASSETS			
Non-current assets			
Property, plant and equipment	2	3,588.74	3,147.46
Capital work-in-progress	2	29.20	28.23
Investment property	3	47.78	48.90
Intangible assets	4	40.07	21.01
Intangible assets under development	4	31.60	6.87
Investments in associate of subsidiary	5A	3,688.27	4,820.40
Financial assets			
Investments	5B	19,323.58	17,524.60
Loans	6	6,450.97	576.99
Other financial assets	7	124.83	297.95
Deferred tax assets	19	88.69	13.81
Income tax assets (net)		1,251.90	910.02
Other non-current assets	8	87.05	122.43
		34,752.68	**27,518.67**
Current assets			
Inventories	9	2,077.36	1,688.75
Financial assets			
Investments	5B	5,902.02	4,390.09
Trade receivables	10	2,125.22	2,075.53
Cash and cash equivalents	11	2,331.53	560.45
Other bank balances	12	516.07	1,476.83
Loans	6	3,465.19	207.92
Other financial assets	7	2,167.73	751.66
Other current assets	8	860.81	695.78
		19,445.93	**11,847.01**
Total		**54,198.61**	**39,365.68**

Consolidated Balance Sheet (Contd.)

(₹ In Crore)

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	279.26	279.18
Other equity	14	34,909.48	28,683.23
Equity attributable to owners of the Company		**35,188.74**	**28,962.41**
Non-controlling interest		0.01	0.01
Total equity		**35,188.75**	**28,962.42**
Non-current liabilities			
Financial liabilities			
Borrowings	15	6,082.74	633.33
Sales tax deferral	16	127.64	125.84
Other financial liabilities	17	50.22	–
Provisions	18	14.33	6.83
Deferred tax liabilities	19	1,123.03	506.94
Government grant		28.04	30.69
Other non-current liabilities	20	0.05	0.22
		7,426.05	**1,303.85**
Current liabilities			
Financial liabilities			
Short-term Borrowings	15	3,153.78	1,152.57
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	253.56	747.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	6,119.15	4,833.31
Other financial liabilities	17	743.57	597.03
Other current liabilities	22	813.61	1,539.08
Provisions	18	261.72	207.18
Government grant		2.65	2.65
Current tax liabilities (net)		235.77	20.08
		11,583.81	**9,099.41**
Total		**54,198.61**	**39,365.68**
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 Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Consolidated Statement of Profit and Loss

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2025	2024
Revenue from contracts with customers		49,266.95	43,782.08
Other operating revenue		1,727.60	1,088.35
Revenue from operations	23	50,994.55	44,870.43
Other income	24	1,474.41	1,436.02
Total income		**52,468.96**	**46,306.45**
Expenses			
Cost of raw materials and components consumed		32,194.31	29,267.47
Purchase of traded goods		3,036.47	2,702.10
Changes in inventories of finished goods, work-in-progress and traded goods	25	28.41	(76.34)
Employee benefits expense	26	1,925.80	1,627.00
Finance costs	27	388.90	60.36
Depreciation and amortisation expense	28	414.23	364.77
Other expenses	29	3,439.05	2,636.17
Expenses, included in above items, capitalised		(97.22)	(47.53)
Total expenses		**41,329.95**	**36,534.00**
Share of profits/(loss) of associate	42b	(915.48)	267.59
Profit before tax		**10,223.53**	**10,040.04**
Tax expense			
Current tax		2,623.85	2,285.67
Deferred tax		63.69	46.13
Deferred tax – Exceptional Item		211.26	–
Total tax expense	30	**2,898.80**	**2,331.80**
Profit after tax		**7,324.73**	**7,708.24**
Profit attributable to non-controlling interest		–	–
Profit for the year		**7,324.73**	**7,708.24**

Consolidated Statement of Profit and Loss (Contd.)

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2025	2024
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) of defined benefit plans		20.53	33.70
Tax impact on above		(5.06)	(8.58)
Changes in fair value of FVTOCI equity instruments		1,474.17	831.82
Tax impact on above	45m	(268.68)	(93.24)
Items that will be reclassified to profit or loss			
Valuation gains/(losses) on derivative hedging instruments		(32.43)	–
Tax impact on above		8.15	–
Changes in fair value of FVTOCI debt instruments		0.52	–
Tax impact on above		(0.13)	–
Other adjustments – share of associate of subsidiary		(5.87)	(43.69)
Change in foreign currency translation reserve of subsidiary		123.79	25.72
Other comprehensive income (net of tax)		**1,314.99**	**745.73**
Total comprehensive income for the year		**8,639.72**	**8,453.97**
Profit attributable to:			
Owners of the Company		7,324.73	7,708.24
Non-controlling interest		–	–
		7,324.73	**7,708.24**
Total comprehensive income attributable to:			
Owners of the Company		8,639.72	8,453.97
Non-controlling interest		–	–
		8,639.72	**8,453.97**
Earnings per share (in ₹)	31		
Basic Earnings per share (in ₹)		262.4	272.7
Diluted Earnings per share (in ₹)		262.0	272.4
(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

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

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 Statement Of Changes In Equity

A. Equity share capital

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2025	2024
At the beginning of the year		279.18	282.96
Changes in equity share capital due to prior period errors		–	–
Restated balance at the beginning of the current reporting period		279.18	282.96
Changes in equity share capital (net)		0.08	(3.78)
At the end of the year	13	**279.26**	**279.18**

Consolidated Statement of Changes in Equity (Contd.)

B. Other equity

(₹ In Crore)

		Attributable to owners													
		Reserves and surplus		Other reserves											
Particulars	Note No.	General reserve	Retained earnings	Cash flow hedging reserve	Statutory Reserves	Foreign exchange difference of subsidiary on paid-up capital	Foreign currency translation reserve	FVTOCI reserve	Capital Reserve	Securities premium	Capital redemption reserve	Share based payments reserve	Treasury shares	Total other equity	Non-controlling interest
Balance as at 31 March 2023	14	6,389.60	20,931.43	-	-	0.29	762.22	927.13	63.14	-	6.41	62.09	(63.73)	29,078.58	0.01
Profit for the year		-	7,708.24	-	-	-	-	-	-	-	-	-	-	7,708.24	-
Other comprehensive income (net of tax)		-	(18.57)	-	-	(0.01)	25.73	738.58	-	-	-	-	-	745.73	-
Total comprehensive income for the year ended 31 March 2024		-	7,689.67	-	-	(0.01)	25.73	738.58	-	-	-	-	-	8,453.97	-
Transactions with owners in their capacity as owners															
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)	-
Adjustments on account of change in share of net assets of associate		-	(41.68)	-	-	-	-	-	-	-	-	-	-	(41.68)	-
Rights issue expenses		-	(2.30)	-	-	-	-	-	-	-	-	-	-	(2.30)	-
Share buyback and tax thereon		-	(4,945.02)	-	-	-	-	-	-	-	-	-	-	(4,945.02)	-
Balance as at 31 March 2024	14	**6,389.60**	**19,666.70**	**-**	**-**	**0.28**	**787.95**	**1,665.71**	**63.14**	**86.31**	**10.41**	**102.62**	**(89.49)**	**28,683.23**	**0.01**
Profit for the year		-	7,324.73	-	-	-	-	-	-	-	-	-	-	7,324.73	-
Other comprehensive income (net of tax)		-	9.60	(24.28)	-	(0.01)	123.80	1,205.88	-	-	-	-	-	1,314.99	-
Total comprehensive income for the year ended 31 March 2025		-	7,334.33	(24.28)	-	(0.01)	123.80	1,205.88	-	-	-	-	-	8,639.72	-
Transactions with owners in their capacity as owners															
Recognition of capital redemption reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recognition of share based payments to employees		-	-	-	-	-	-	-	-	-	-	64.71	-	64.71	-
Transfer of share based payment reserve to free reserve		-	67.89	-	-	-	-	-	-	-	-	(67.89)	-	-	-
Securities premium on issue of shares		-	-	-	-	-	-	-	-	29.26	-	-	-	29.26	-
Treasury shares held by ESOP Trust		-	-	-	-	-	-	-	-	-	-	-	51.01	51.01	-
Final dividend for the year ended 31 March 2024		-	(2,233.44)	-	-	-	-	-	-	-	-	-	-	(2,233.44)	-
Adjustments on account of change in share of net assets of associate		-	(325.01)	-	-	-	-	-	-	-	-	-	-	(325.01)	-
Transfer to statutory reserve		-	(11.66)	-	11.66	-	-	-	-	-	-	-	-	-	-
Share buyback and tax thereon		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	14	**6,389.60**	**24,498.81**	**(24.28)**	**11.66**	**0.27**	**911.75**	**2,871.59**	**63.14**	**115.57**	**10.41**	**99.44**	**(38.48)**	**34,909.48**	**0.01**

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.

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

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 Statement Of Cash Flows

(₹ In Crore)

Particulars	For the year ended 31 March			
	2025		2024	
I. Operating activities				
Profit before tax		10,223.53		10,040.04
Adjustments to reconcile profit before tax to net cash flows:				
Add:				
i) Depreciation and amortisation	414.23		364.77	
ii) Loss on property, plant and equipment sold, demolished, discarded and scrapped	2.35		3.12	
iii) Provision/Impairment for doubtful debts and advances/loans	142.42		(19.75)	
iv) Bad debts written off	6.82		14.89	
v) Share based payment to employees	67.32		40.53	
vi) Exchange loss/(gain) on cash and cash equivalents	6.71		(0.19)	
vii) Exchange loss/(gain) on trade receivables	0.07		(6.17)	
viii) Exchange loss/(gain) on import payables	0.51		–	
ix) Exchange loss/(gain) on borrowings	16.44		1.35	
x) Interest adjustment on Government grant	1.79		1.60	
xi) Interest expense (excluding financial services business)	66.30		52.13	
		724.96		452.28
Less:				
i) Investment income included in above:				
Interest income on fixed income securities	123.81		195.55	
Interest income on fixed deposits	124.78		162.53	
Interest income on loans	8.38		–	
Interest income on exchange traded funds	436.49		443.19	
Interest income on fixed maturity plans	49.55		46.90	
Profit/(loss) on sale of other investments, net	31.05		(16.61)	
Gain on valuation and realisation of mutual funds measured at fair value through profit or loss	648.28		448.55	
Dividend income on other strategic investments	30.10		43.05	
Amortisation of premium/discount on acquisition of fixed income securities	1.35		96.50	
	1,453.79		1,419.66	
ii) Share of profits/(loss) of associate	(915.48)		267.59	
iii) Government grants	2.65		2.65	
iv) Surplus on sale of property, plant and equipment	3.23		5.87	
		(544.19)		(1,695.77)
		10,404.30		8,796.55
Change in assets and liabilities				
i) (Increase)/decrease in inventories	(388.61)		(125.20)	
ii) (Increase)/decrease in trade receivables	(51.64)		(308.01)	
iii) (Increase)/decrease in loans and other assets	(9,848.16)		(1,210.99)	
iv) Increase/(decrease) in liabilities and provisions	1,228.70		1,786.06	
		(9,059.71)		141.86
Annuity payments (net) to VRS/Welfare scheme optees		(0.12)		0.01
Net cash flow from operating activities before income tax		1,344.47		8,938.42
Income tax paid		(2,750.04)		(2,386.89)
Net cash flow from/(used in) operating activities		**(1,405.57)**		**6,551.53**
Carried forward		(1,405.57)		6,551.53

Consolidated Statement Of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Brought forward	(1,405.57)	6,551.53
II. Investing activities		
i) Sale of investments	9,803.85	12,911.48
ii) Purchase of investments	(11,896.59)	(10,546.72)
iii) Sale/(purchase) of liquid mutual funds, etc., net	1,425.49	(2,091.31)
iv) Changes in treasury shares by ESOP trust	51.01	(25.76)
v) (Increase)/decrease in other bank balances	22.88	53.99
vi) Deposits with Banks placed	(2,808.72)	(4,727.45)
vii) Deposits with Banks redeemed	3,424.53	4,336.95
viii) Purchase of property, plant and equipment (including advances)	(813.54)	(706.45)
ix) Sale proceeds of property plant and equipment	6.38	12.15
x) Loans given	(518.68)	–
xi) Expenditure on intangible assets (including under development)	(60.30)	(16.39)
	(1,363.69)	(799.51)
xii) Investment income		
Interest income on fixed income securities	123.81	195.55
Interest income on fixed deposits	124.78	162.53
Interest income on loans	8.38	–
Dividend income on other strategic investments	30.10	43.05
	287.07	401.13
(Increase)/decrease in interest receivable	20.35	54.65
	307.42	455.78
Net cash flow from/(used in) investing activities	**(1,056.27)**	**(343.73)**
Carried forward	(2,461.84)	6,207.80

Consolidated Statement Of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Brought forward	(2,461.84)	6,207.80
III. Financing activities		
i) Interest expense (excluding financial services business)	(66.30)	(52.13)
ii) Change in sales tax deferral liability	0.01	–
iii) Proceeds from borrowings	8,945.14	1,784.55
iv) Repayment from borrowings	(1,510.96)	–
v) Equity share buy-back (incl. tax and expenses)	(931.84)	(4,017.18)
vi) Issue of capital (including securities premium)	29.34	86.53
vii) Transaction costs on issue of shares	–	(2.30)
viii) Dividend paid (including payment of unclaimed dividend)	(2,235.32)	(3,960.20)
Net cash flow from/(used in) financing activities	**4,230.07**	**(6,160.73)**
IV. Change in foreign currency translation arising on consolidation	**9.56**	**271.57**
Net change in cash and cash equivalents	**1,777.79**	**318.64**
Cash and cash equivalents at the beginning of the year	560.45	241.62
Add/(Less): Effects of exchange (loss)/gain on cash and cash equivalents	(6.71)	0.19
Cash and cash equivalents at the end of the year [See note 11]	2,331.53	560.45
Change in liability arising from financing activity:		
At the beginning of the year	1,785.90	–
Changes from financing cash flows	7,434.18	1,784.55
Foreign exchange movement	16.44	1.35
As at the end of the year	**9,236.52**	**1,785.90**

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

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 consolidated financial statements for the year ended 31 March 2025

Corporate information

Bajaj Auto Limited (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 Limited (the 'Company') and its subsidiaries (collectively, the 'Group') for the year ended 31 March 2025. The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on 29 May 2025.

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'.

Name of the Company	Country of Incorporation	% Shareholding of Bajaj Auto Ltd.	% Shareholding of Non-controlling interest	Consolidated as
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
Bajaj Auto Technology Ltd. (earlier known as Chetak Technology Ltd.)	India	100.00%	–	Subsidiary
Bajaj Auto Credit Limited (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 in accordance with Ind AS.

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 business 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

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Group (Contd.)

variable returns from its involvement with the investee and has the ability to affect those returns through its power over the 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 unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealized 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 associate.

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.

1 Summary of material accounting policies followed by the Group (Contd.)

3 Accounting policies relevant Specifically for the financial service business of the Group other than covered in Note 1 of the standalone financial statement of the Parent Company.

i. Revenue from contracts with customers

Income from financial services business:

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

Fees and commission income:

The Company recognises:

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

Net gain on fair value changes

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

ii. Expenditures

- Finance Cost - pertaining to financing Borrowing costs on financial liabilities are recognised using the EIR method as per Ind AS 109 'Financial Instruments'.

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

iii. Financial asset

At amortized cost

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

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

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

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Group (Contd.)

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

At fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as 'Contractual cash flows of Asset collected through hold and sell model and SPPI', such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.

The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealized gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual gain/loss realized is recorded in the profit and loss statement and the unrealized gain/losses recorded in OCI are recycled to the Statement of Profit and Loss.

At fair value through profit and loss (FVTPL)

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

iv. Impairment of Financial Asset

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

Financial assets where no significant increase in credit risk has been observed since inception are considered to be in 'stage 1' for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk since inception are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Life time ECL is recognised for stage 2 and stage 3 financial assets.

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

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

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

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

(a) Credit impaired (stage 3)

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

- Contractual payments of principal and/or interest are past due for more than 90 days;
- The loan is otherwise considered to be in default.

Loan accounts where principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared.

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

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, any overdue of more than 1 day past due and up to 90 days past due as on the reporting date is considered as an indication of financial assets to have suffered a significant increase in credit risk.

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

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

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

(d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including past events, current conditions and current profile of customers.

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

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

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

The Company recalibrates above components of its ECL model on a periodical basis by using the available incremental and recent information, except where this information does not represent the future outcome.

v. Derivative financial instruments

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

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

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

1 Summary of material accounting policies followed by the Group (Contd.)

Hedge accounting

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

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

Cash flow hedge

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

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

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

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

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

4 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 profit or 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 profit or 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.

1 Summary of material accounting policies followed by the Group (Contd.)

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 profit or 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 statements of profit or 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 profit or 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.

5 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.

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.

6 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 Limited; and hence have not been reproduced here. Refer note 1 of standalone financial statements of Bajaj Auto Limited for the year ended 31 March 2025 for details in regard to other material accounting policies.

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

2 Property, plant and equipment
Current year

(₹ In Crore)

Particulars	Gross block				Depreciation				Net block
	As at 1 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 1 April 2024	Deductions	For the year	As at 31 March 2025	As at 31 March 2025
Land freehold	19.97	–	–	19.97	–	–	–	–	19.97
Land leasehold (Right-of-use assets)	148.45	–	1.98	146.47	–	–	–	–	146.47
Buildings	1,401.42	109.58	0.06	1,510.94	442.16	0.04	42.27	484.39	1,026.55
Waterpumps, reservoirs and mains	20.06	3.20	–	23.26	15.65	–	0.41	16.06	7.20
Plant and machinery	1,689.91	213.81	19.47	1,884.25	1,062.70	16.10	77.03	1,123.63	760.62
Computers and IT Equipment	93.60	43.73	0.04	137.29	76.75	0.04	12.78	89.48	47.81
Dies and moulds	1,040.42	364.49	0.91	1,404.00	628.25	0.87	114.92	742.30	661.70
Electric installations	97.60	10.09	–	107.69	75.56	–	2.81	78.37	29.32
Factory equipment	594.39	38.99	1.26	632.12	321.46	1.18	33.89	354.17	277.95
Furniture	54.59	5.34	0.19	59.74	38.47	0.15	5.63	43.95	15.79
Office equipment	68.55	4.40	0.77	72.18	51.48	0.76	5.87	56.59	15.59
Electric fittings	58.00	2.71	0.19	60.52	32.23	0.19	3.77	35.81	24.71
Vehicles and aircraft	757.64	47.03	13.78	790.89	152.43	11.84	95.24	235.83	555.06
Total	**6,044.60**	**843.37**	**38.65**	**6,849.32**	**2,897.14**	**31.17**	**394.62**	**3,260.58**	**3,588.74**
Capital work-in-progress	**28.23**	**29.98**	**29.01**	**29.20**	**–**	**–**	**–**	**–**	**29.20**

(a) At cost, except leasehold land which is at cost, less amortisation.
(b) No revaluation has been done during the year with respect to property, plant and equipment.
(c) 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	27.57	1.63	–	–	29.20
Projects temporarily suspended	–	–	–	–	–
Total	**27.57**	**1.63**	**–**	**–**	**29.20**

There are no delayed and overrun projects.

2 **Property, plant and equipment** (Contd.)

Previous 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
Total	**5,433.83**	**887.36**	**276.59**	**6,044.60**	**2,672.31**	**117.63**	**342.46**	**2,897.14**	**3,147.46**
Capital work-in-progress	**85.27**	**24.26**	**81.30**	**28.23**	**–**	**–**	**–**	**–**	**28.23**

(a) At cost, except leasehold land which is at cost, less amortisation.

(b) No revaluation has been done during the year with respect to property, plant and equipment.

(c) 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	24.73	3.50	–	–	28.23
Projects temporarily suspended	–	–	–	–	–
Total	**24.73**	**3.50**	**–**	**–**	**28.23**

There are no delayed and overrun projects.

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

3 Investment property

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Gross carrying amount		
Opening balance	69.67	69.67
Additions	–	–
Closing balance	69.67	69.67
Accumulated depreciation		
Opening balance	20.77	19.65
Depreciation charge	1.12	1.12
Closing balance	21.89	20.77
Net carrying amount	47.78	48.90

See note 3 of standalone financial statements for the following disclosures in regard to investment property:
i) Amounts recognised in profit and loss for investment properties
ii) Contractual obligations
iii) Leasing arrangements
iv) Fair value

4 Intangible assets
Current year

(₹ In Crore)

Particulars	Gross block: As at 1 April 2024	Gross block: Additions	Gross block: Deductions/ adjustments	Gross block: As at 31 March 2025	Amortisation: As at 1 April 2024	Amortisation: Deductions	Amortisation: For the year	Amortisation: As at 31 March 2025	Net block: As at 31 March 2025
Intangible assets									
Technical know-how developed/acquired	131.30	18.18	–	149.48	119.38	–	13.69	133.07	16.41
Software	9.51	17.39	–	26.90	0.42	–	2.82	3.24	23.66
Total Intangible assets	**140.81**	**35.57**	**–**	**176.38**	**119.80**	**–**	**16.51**	**136.31**	**40.07**
Intangible assets under development	**6.87**	**39.64**	**14.91**	**31.60**	**–**	**–**	**–**	**–**	**31.60**

(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 1 April 2023	Gross block: Additions	Gross block: Deductions/ adjustments	Gross block: As at 31 March 2024	Amortisation: As at 1 April 2023	Amortisation: Deductions	Amortisation: For the year	Amortisation: As at 31 March 2024	Net block: As at 31 March 2024
Intangible assets									
Technical know-how developed/acquired	131.29	0.01	–	131.30	100.59	–	18.79	119.38	11.92
Software	–	9.51	–	9.51	–	–	0.42	0.42	9.09
Total Intangible assets	**131.29**	**9.52**	**–**	**140.81**	**100.59**	**–**	**19.21**	**119.80**	**21.01**
Intangible assets under development	**–**	**6.87**	**–**	**6.87**	**–**	**–**	**–**	**–**	**6.87**

(a) No revaluation has been done during the year with respect to intangible assets.

5 Investments

(₹ In Crore)

Particulars	Non-current investments As at 31 March 2025	2024	Current investments As at 31 March 2025	2024
(A) Investments in associate of subsidiary				
49,900 equity shares of Euro 1 each in Pierer Bajaj AG	3,688.27	4,820.40	–	–
	3,688.27	4,820.40	–	–
(B) Other investments				
Investment carried at fair value through other comprehensive income				
In equities	4,626.75	3,152.58	–	–
Investment in SDL (State development loan) bond	78.30	–	–	–
Investment carried at amortised cost				
In Government Securities	367.55	367.70	–	–
In Bonds	1,433.63	1,439.04	–	–
In Fixed deposits other than banks	–	–	503.50	500.00
In Commercial paper	–	–	–	195.39
In Exchange traded funds	6,522.19	7,177.86	1,117.86	165.69
In Fixed maturity plans	884.18	834.62	–	–
Investment carried at fair value through profit or loss				
In Mutual fund units	4,950.53	4,552.80	4,280.66	3,529.01
Investment in optionally convertible redeemable non-cumulative bonds of EURO 100,000 each	460.45	–	–	–
	19,323.58	17,524.60	5,902.02	4,390.09
	23,011.85	22,345.00	5,902.02	4,390.09

Notes to Investments

1. See note 5B of standalone financial statements for details of 'Other investments'.
2. See footnotes (1) and (2) to note 5 of standalone financial statements.

6 Loans
(Unsecured, good, unless stated otherwise)

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	2024	Current As at 31 March 2025	2024
Employee loans	1.94	2.06	2.59	3.21
Loan to related party*	460.44	71.90	36.84	–
Loans (considered good – unsecured)*	21.40	–	–	–
Receivable from financing service business				
Secured term loans to customers under financing (against hypothecation of vehicles)	6,049.87	505.20	3,453.41	205.64
Less: Impairment loss allowance	82.68	2.17	27.65	0.93
	5,967.19	503.03	3,425.76	204.71
	6,450.97	576.99	3,465.19	207.92

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

6 Loans (Contd.)
(Unsecured, good, unless stated otherwise)

* Details of loans

(₹ In Crore)

Particulars	Maturity Date	Rate of Interest p.a.	Secured/ Unsecured	Closing balance As at 31 March 2025	Closing balance As at 31 March 2024	Maximum balance As at 31 March 2025	Maximum balance As at 31 March 2024
Pierer Bajaj AG	31 Dec 2025	3-month Euribor + 200 bps	Unsecured	36.84	71.90	71.90	71.90
Pierer Bajaj AG	25 Feb 2028	12-month Euribor + 800 bps	Unsecured	460.44	–	460.44	–
Yulu Bikes Private Limited	31 Dec 2026	10.6%	Unsecured	21.40	–	21.40	–

Loan have been granted for funding needs of KTM AG Austria [See note 45g for details]
See note 35 for disclosures related to credit risk, impairment of financial services receivables under expected credit loss model and related disclosure.

7 Other financial assets

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Bank balances [See note 12]	92.11	269.65	514.18	–
Security deposits *	31.58	28.30	–	–
Interest receivable on investments	–	–	83.97	104.32
Interest receivable on loans, deposits etc.	–	–	8.92	0.62
Mark-to-market gains on derivative instruments ** [See note 35]	1.14	–	2.51	–
Incentives receivable from Government	–	–	986.76	295.16
Other advances	–	–	559.85	314.68
Other receivables	–	–	11.54	36.88
	124.83	297.95	2,167.73	751.66

* Security deposits include a sum of ₹ 1.92 crore (previous year ₹ 1.92 crore) against use of premises on a Leave License basis, placed with directors and their relatives, jointly and severally. [see note 41]

** Forward contract receivable are derivative instruments measured at fair value through profit and loss which reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk.

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

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

8 Other assets

(Unsecured, good, unless stated otherwise)

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Capital advances	33.30	64.10	–	–
Security deposits	7.45	9.86	–	–
Advances recoverable in cash or kind				
Other advances	27.44	29.38	318.81	130.46
Doubtful advances	4.03	4.03	–	–
	31.47	33.41	318.81	130.46
Less: Provision for doubtful advances	4.03	4.03	–	–
	27.44	29.38	318.81	130.46
Gratuity asset [See note 37]	18.86	19.09	–	–
GST/VAT credit/refund receivable	–	–	494.25	496.67
Other assets	–	–	–	0.67
Export incentives receivable	–	–	47.75	67.98
	87.05	122.43	860.81	695.78

9 Inventories

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and components [includes in transit ₹ 196.80 crore (previous year ₹ 85.70 crore)]	1,289.96	872.80
Work-in-progress	56.42	84.63
Finished goods	703.74	703.94
Stores, spares and packing material	22.54	25.81
Loose tools	4.70	1.57
	2,077.36	1,688.75

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 ₹(45.34) crore [Previous year – ₹ 23.17 crore]. These were recognised as an expense/(income) during the year in the consolidated Statement of Profit and Loss.

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

10 Trade receivables

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Unsecured, considered good	–	–	2,125.22	2,075.53
Receivables which have significant increase in credit risk	14.45	19.37	–	–
	14.45	19.37	2,125.22	2,075.53
Less: Allowance for bad and doubtful receivable [See note 35 (A)]	14.45	19.37	–	–
	–	–	2,125.22	2,075.53
	–	–	2,125.22	2,075.53

(₹ In Crore)

Ageing schedule as at 31 March 2025	Outstanding for following periods from due date of payment: 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	2,121.80	0.51	2.84	–	0.07	2,125.22
ii) Undisputed trade receivables – which have significant increase in credit risk	5.33	0.90	0.56	0.56	0.50	7.85
iii) Disputed trade receivables – considered good	–	–	–	–	–	–
iv) Disputed trade receivables – which have significant increase in credit risk	–	–	–	0.02	6.58	6.60
	2,127.13	1.41	3.40	0.58	7.15	2,139.67

(₹ In Crore)

Ageing schedule as at 31 March 2024	Outstanding for following periods from due date of payment: 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	2,071.99	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
	2,072.56	3.35	2.58	2.20	14.21	2,094.90

11 Cash and cash equivalents

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks	1,245.58	560.39
Cash on hand	0.03	0.06
Cash equivalents		
Fixed Deposits with original maturity of less than three months from date of acquisition	1,085.92	–
	2,331.53	560.45

12 Other bank balances

(₹ In Crore)

Particulars	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Unclaimed dividend & unspent CSR accounts	–	–	65.13	88.01
Deposits with original maturity of more than three months but less than twelve months	–	–	450.94	1,388.82
Deposits with residual maturity for more than twelve months	92.11	269.65	–	–
Deposits with residual maturity for less than twelve months	–	–	514.18	–
	92.11	269.65	1,030.25	1,476.83
Amount disclosed under 'other financial assets' [See note 7]	(92.11)	(269.65)	(514.18)	–
	–	–	516.07	1,476.83

Deposits with original maturity of more than three months but less than twelve months amounting to ₹ 1,081.96 crore and Deposits with residual maturity for more than twelve months amounting to ₹ 269.63 crore for previous year have been reclassified from Investments to Other Bank Balances in order to conform to this year's classification.

13 Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised 300,000,000 equity shares of ₹ 10 each	300.00	300.00
Issued, subscribed and fully paid-up shares 279,257,608 equity shares of ₹ 10 each	279.26	279.18
	279.26	279.18

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

13 Equity share capital (Contd.)

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Equity shares				
At the beginning of the year	279,179,756	279.18	282,957,358	282.96
Issued during the year	77,852	0.08	222,398	0.22
Bought back during the year*	–	–	(4,000,000)	(4.00)
Outstanding at the end of the year	279,257,608	279.26	279,179,756	279.18

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 buy back 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.

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 2025		As at 31 March 2024	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹ 10 each fully paid				
Bajaj Holdings & Investment Ltd.	95,547,251	34.21%	95,547,251	34.22%
Jamnalal Sons Pvt. Ltd.	25,960,841	9.30%	25,960,841	9.30%

d. Shareholding of promoters

Promoter name	No. of shares	% of total shares	% change during the year*
For 2024-25			
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	34.21%	(0.01%)

* There is no change in number of shares held however percentage of shareholding by the promoters is changed pursuant to increase on account of issue of 77,852 equity shares of the Company made during the year for ESOP.

13 Equity share capital (Contd.)

Promoter name	No. of shares	% of total shares	% change during the year*
For 2023-24			
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.

14 Other equity

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Reserves and surplus:		
General reserve		
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
Retained earnings		
Balance as at the beginning of the year	19,666.70	20,931.43
Profit for the year	7,324.73	7,708.24
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gains/(losses) of defined benefit plans	15.47	25.12
Less: Adjustments on account of change in share of net assets of associate	330.88	85.37
Add:- Amount transferred from Share based payment reserve	67.89	–
Less: Appropriations		
Transfer to statutory reserve	11.66	–
Rights issue expenses	–	2.30
Share buyback and tax thereon	–	4,945.02
Recognition of capital redemption reserve	–	4.00
Final dividend for the year ended 31 March 2024/2023	2,233.44	3,961.40
Total appropriations	2,245.10	8,912.72
Balance as at the end of the year	24,498.81	19,666.70

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

14 Other equity (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Other reserves:		
Statutory reserve	11.66	–
Cash flow hedging reserve [See note 35]	(24.28)	–
Foreign exchange difference of subsidiary on paid-up capital	0.27	0.28
Foreign currency translation reserve	911.75	787.95
Capital Reserve	63.14	63.14
FVTOCI reserve		
Balance as at the beginning of the year	1,665.71	927.13
Net (losses)/gains on FVTOCI equity/debt securities	1,205.88	738.58
Balance as at the end of the year	2,871.59	1,665.71
Securities premium		
Balance as at the beginning of the year	86.31	–
Add: Recognised during the year	29.26	86.31
Balance as at the end of the year	115.57	86.31
Capital redemption reserve		
Balance as at the beginning of the year	10.41	6.41
Add: Recognised during the year	–	4.00
Balance as at the end of the year	10.41	10.41
Share based payment reserve		
Balance as at the beginning of the year	102.62	62.09
Add: Recognised during the year	64.71	40.53
Less: Transfer to retained earnings	(67.89)	–
Balance as at the end of the year	99.44	102.62
Treasury shares		
Balance as at the beginning of the year	(89.49)	(63.73)
Add: Changes during the year	51.01	(25.76)
Balance as at the end of the year	(38.48)	(89.49)
	34,909.48	28,683.23

14 Other equity (Contd.)

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.

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

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.

Capital reserve
Capital reserve mainly represent fair value gains/(losses) on swapping of stake in associate entity pursuant to buy back.

Statutory reserve
For its financing subsidiary, every year the company transfers sum of not less than twenty percent of net profit of that year to the statutory reserve fund created pursuant to section 45IC(1) of the Reserve Bank of India Act, 1934. No appropriation of any sum from the reserve fund is permitted except for the purpose as may be specified by the Reserve Bank of India from time to time.

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 2025 (Contd.)

15 Borrowings

(₹ In Crore)

Particulars	Maturity Date	Interest Rate	Non-current As at 31 March 2025	Non-current As at 31 March 2024	Current As at 31 March 2025	Current As at 31 March 2024
Secured (against hypothecation of loans, book debts of financial service business)						
Term loan from banks *						
– INR loans			4,199.95	633.33	2,339.17	318.52
– Foreign currency loan			1,882.79	–	–	–
Interest accrued but not due			–	–	14.61	–
Other Loans						
Unsecured	**Maturity Date**	**Interest Rate**				
– INR loan, from a bank as packing credit facility against exports	20 June 2025	1M T-bill + 43 bps	–	–	800.00	–
– Foreign currency loan, from a bank as packing credit facility against exports	25 June 2024	3M SOFR + 25 bps	–	–	–	834.05
			6,082.74	633.33	3,153.78	1,152.57

* Details of loans:

(₹ In Crore)

Particulars	Maturity Date	Interest Rate	Amount
FY 2024-25			
Term loan 1	02-Sep-28	7.80% - 8.03%	874.98
Term loan 2	16-Mar-26	7.62% - 7.77%	400.00
Term loan 3	30-Nov-28	8.50% - 8.55%	468.75
Term loan 4	11-Nov-27	7.85% - 8.42%	491.67
Term loan 5 (Foreign currency loan)	26-Mar-29	7.75% - 8.60%	1,882.79
Term loan 6	20-Mar-28	7.20% - 8.70%	770.83
Term loan 7	29-Sep-27	8.50% - 8.60%	1,045.83
Term loan 8	14-Oct-27	8.14%	500.00
Term loan 9	31-Dec-28	8.60% - 8.70%	374.98
Term loan 10	28-Mar-28	8.38%	500.00
Term loan 11	29-Sep-27	8.10% - 8.60%	625.00
Term loan 12	29-Feb-28	8.40%	487.49
Less: Impact of EIR			0.41
Total			8,421.91
FY 2023-24			
Term loan 1	26-Mar-27	8.24% - 8.56%	350.00
Term loan 2	26-Mar-27	8.50% - 8.60%	600.00
Add: Impact of EIR			1.85
Total			951.85

16 Sales tax deferral

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured		
Sales tax deferral liability/loan, an incentive under Package Scheme of Incentives 1983 and 1993 - interest free, partially prepaid	127.64	125.84
	127.64	125.84

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 Other financial liabilities

(₹ In Crore)

	Non-current		Current	
	As at 31 March		As at 31 March	
Particulars	2025	2024	2025	2024
Security deposits	–	–	126.40	36.45
Unclaimed dividend	–	–	27.87	29.75
Directors' remuneration and commission payable [see note 39 of standalone financial statement]	–	–	38.43	35.63
Employee benefits payable	–	–	329.01	208.07
Derivative financial liability *	18.56	–	–	–
Other payables	31.66	–	221.86	287.13
	50.22	–	743.57	597.03

Refer note 34 for financial liabilities measured at amortised cost.

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

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

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

18 Provisions

(₹ In Crore)

	Non-current		Current	
	As at 31 March		As at 31 March	
Particulars	2025	2024	2025	2024
Provision for employee benefits [See note 37 of financial statements]				
Provision for gratuity	5.24	2.64	–	–
Provision for compensated absences	8.64	3.35	141.00	150.28
Provision for welfare scheme	0.45	0.84	–	–
	14.33	6.83	141.00	150.28
Other provisions				
Provision for warranties	–	–	120.72	56.90
	14.33	6.83	261.72	207.18

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

18 Provisions (Contd.)

Provision for warranties

Provision is made for estimated warranty claims in respect of products 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.

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
At the beginning of the year	56.90	30.98
Arising during the year	156.92	62.71
Utilised during the year	93.10	36.79
At the end of the year	120.72	56.90

19 Deferred tax assets/liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities	1,123.03	506.94
Deferred tax assets*	88.69	13.81

See note 17 of standalone financial statements for detailed break-up of deferred tax liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
*** Deferred tax assets**		
On account of timing difference in		
Employee benefits:		
Bonus provisions	0.68	0.44
Provision for privilege leave etc.	4.23	0.41
Defined benefit plans provisions - P&L	0.34	0.06
Defined benefit plans provisions - OCI	1.24	0.34
	6.49	1.25
Other items:		
Un-utilized tax loss	41.87	7.30
Deferred Income	18.58	3.87
Expected Credit Loss	25.31	1.02
Others	(3.83)	0.36
Taxes, duties, others etc.	0.27	0.01
	82.20	12.56
Gross deferred tax assets	88.69	13.81

20 Other non-current liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Annuity payable to VRS/Welfare scheme optees	0.05	0.14
Other payables	–	0.08
	0.05	0.22

21 Trade payables

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	253.56	747.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,119.15	4,833.31
	6,372.71	5,580.82

Ageing schedule as at 31 March 2025

(₹ In Crore)

Particulars	Unbilled	Not due	Due – Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises (MSME)	–	253.56	–	–	–	–	253.56
(ii) Others	1,127.72	3,786.51	1,176.91	22.71	1.47	3.83	6,119.15
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	–	–
	1,127.72	4,040.07	1,176.91	22.71	1.47	3.83	6,372.71

Ageing schedule as at 31 March 2024

(₹ In Crore)

Particulars	Unbilled	Not due	Due – Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises (MSME)	–	747.51	–	–	–	–	747.51
(ii) Others	894.58	2,980.49	947.18	7.37	1.00	2.69	4,833.31
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	–	–
	894.58	3,728.00	947.18	7.37	1.00	2.69	5,580.82

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

22 Other current liabilities

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Annuity payable to VRS/Welfare scheme optees	0.09	0.12
Advance received from customers	392.88	326.07
Taxes and duties payable	168.16	1,018.69
Other payables	252.48	194.20
	813.61	1,539.08

23 Revenue from operations

(₹ In Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations		
Revenue from contracts with customers		
Sale of products and services	48,226.14	43,765.43
Income from financial services business	1,040.81	16.65
Net sales	49,266.95	43,782.08
Other operating revenue		
Scrap sales	26.41	30.39
Export incentives	468.62	434.99
Package Scheme of Incentives (PSI)	60.71	58.89
Production Linked Incentive (PLI)	466.59	0.41
Royalty	415.08	316.29
Rent [See note 40 of standalone financial statements]	48.17	37.29
Insurance claims	0.26	0.56
Miscellaneous receipts	122.61	97.14
Government grants	2.65	2.65
Interest income on financial services to dealers	116.50	109.74
	1,727.60	1,088.35
	50,994.55	44,870.43
Revenue from contracts with customers (Goods transferred at a point in time/Services transferred over a period of time)		
India	33,012.81	29,206.97
Outside India	16,254.14	14,575.11
Total revenue from contracts with customers	49,266.95	43,782.08
Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price		
Revenue as per contracted price	49,807.22	44,237.48
Adjustments:		
Cash discounts & target incentives	(368.25)	(371.20)
Sales promotion expenses (primarily vehicle discounts)	(172.02)	(84.20)
Revenue from contracts with customers	49,266.95	43,782.08

24 Other income

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Investment income		
Interest income on fixed income securities	123.81	195.55
Amortisation of (premium)/discount on acquisition of fixed income securities	1.35	96.50
Interest income on fixed deposits	124.78	162.53
Interest income on loans	8.38	–
Interest income on exchange traded funds	436.49	443.19
Interest income on fixed maturity plans	49.55	46.90
Interest income from financial assets including amortised cost	744.36	944.67
Dividend income on other strategic investments	30.10	43.05
Gain on valuation and realisation of mutual funds measured at FVTPL	648.28	448.55
Profit/(loss) on sale of other investments, net, measured at amortised cost	31.05	(16.61)
	1,453.79	1,419.66
Others		
Interest – others	0.19	1.39
Surplus on sale of property, plant and equipment	3.23	5.87
Interest on tax refunds/credits	17.15	–
Bad debts recovered	0.03	–
Gains on exchange fluctuations	0.02	9.10
	20.62	16.36
	1,474.41	1,436.02

25 Changes in inventories

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024	(Increase)/ decrease
Inventories at the end of the year			
Work-in-progress	56.42	84.63	28.21
Finished goods and traded goods	703.74	703.94	0.20
	760.16	788.57	28.41
Inventories at the beginning of the year			
Work-in-progress	84.63	78.18	(6.45)
Finished goods and traded goods	703.94	634.05	(69.89)
	788.57	712.23	(76.34)
	28.41	(76.34)	

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

26 Employee benefits expense

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Salaries, wages and bonus to employees	1,649.67	1,402.05
Contribution to provident and other funds	109.01	96.69
Share based payment to employees [See note 43 of standalone financial statements]	67.32	40.53
Staff welfare expenses	99.80	87.73
	1,925.80	1,627.00

See note 14, 37 & 41

27 Finance costs

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Interest expense *	387.11	58.76
Interest adjustment on Government grant	1.79	1.60
	388.90	60.36

* Out of the above, finance cost related to financial services business is ₹ 320.81 crore [Previous year – ₹ 6.63 crore]

28 Depreciation and amortisation expense

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Depreciation on property, plant and equipment	394.62	342.46
Depreciation on investment property	1.12	1.12
Amortisation of intangible asset	16.51	19.21
Amortisation of leasehold land	1.98	1.98
	414.23	364.77

29 Other expenses

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
Stores and tools consumed	199.50	174.06
Power, fuel and water	176.94	147.94
Rent	23.71	21.23
Repairs to buildings	47.01	61.48
Repairs to machinery	129.05	106.90
Other repairs	28.22	23.80
Insurance	19.44	15.60
Rates and taxes	16.01	12.93
Payment to auditors	2.52	2.53
Directors' fees and travelling expenses	1.37	1.04
Commission to non-executive directors	3.21	3.02
Travelling expenses	79.96	59.26
Miscellaneous expenses	855.76	620.31
Loss on exchange fluctuations	12.97	0.01
Packing material consumed	411.73	368.19
Freight and forwarding expenses	185.88	148.13
Advertisement	530.00	487.12
Vehicle service charges and other expenses	288.18	211.58
Sales promotion expenses	45.36	40.99
Donation to political party (Paid to Bharatiya Janata Party)	25.00	–
Expenditure towards Corporate Social Responsibility (CSR) activities	157.32	131.72
Bad debts and other irrecoverable debit balances written off	6.82	14.89
Loss on property, plant and equipment sold, demolished, discarded and scrapped	2.35	3.12
Fee and Commission expense (of financing business)	48.32	0.07
Impairment on financial assets (of financing business)	147.34	4.08
Provision for doubtful debts and advances (includes expected credit loss on trade receivables)	(4.92)	(23.83)
	3,439.05	2,636.17

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

29 Other expenses (Contd.)

Expenditure towards Corporate Social Responsibility (CSR) activities

(₹ In Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Details of spends		
i) Gross amount required to be spent by the Company during the year	157.32	131.72
ii) Amount of expenditure incurred	157.32	131.72
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	1.64	5.09
Education, Special Education, Vocation, Livelihoods	9.78	13.50
Environment, Soil And Water, Protection of Flora and fauna	3.85	1.54
Heritage, Art, Culture, Handicrafts, Public Libraries	0.18	0.18
Others (including provision for unspent)	141.87	111.41
Total	157.32	131.72
No funds relating to other than identified and ongoing projects are required to be transferred to specified funds.		
b) Amount spent in cash during the year on:		
i) Construction/acquisition of any asset	–	–
ii) On purposes other than (i) above	157.32	131.72
	157.32	131.72

* [See footnote to note 29 of standalone financial statements]

30 Tax expense

(₹ In Crore)

Particulars	For the year ended 31 March 2025	2024
(a) Tax expense		
Current tax		
Current tax on profits for the year	2,623.85	2,285.67
Deferred tax		
Decrease/(increase) in deferred tax assets	(72.59)	(16.85)
(Decrease)/increase in deferred tax liabilities	347.54	62.98
Total deferred tax expense/(benefit)	274.95	46.13
Tax expenses	2,898.80	2,331.80
(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate		
Profit before tax	10,223.53	10,040.04
Tax at the Indian tax rate of 25.17% (Previous year – 25.17%)	2,573.06	2,526.87
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
– Corporate social responsibility expenditure	45.89	33.15
– Rate difference in amortisation of fixed income securities	(0.47)	(2.58)
– Others	7.65	11.55
– One time impact due to change in tax rates *	211.26	–
Tax effect of amounts which are deductible (non taxable) in calculating taxable income:		
– Profits of subsidiaries not taxable in India	226.02	(54.87)
– Dividend received on strategic investment	(7.58)	(10.84)
– Profit on investments not taxable	(153.07)	(28.83)
– Income from fair valuation of mutual funds	(3.10)	(142.73)
– Disallowance of expenditure incurred on rented property (net)	(0.86)	0.08
Tax expense	2,898.80	2,331.80

* [See footnote to note 30 of standalone financial statements]

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

31 Earnings Per Share (EPS)

Basic EPS are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS are calculated by dividing the profit attributable to owners of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	For the year ended 31 March 2025	2024
a. Profit for the year (₹ In Crore)	7,324.73	7,708.24
b. Weighted average number of equity shares for basic earnings per share	279,103,387	282,695,661
Effect of dilution: Employee stock options	511,554	279,457
c. Weighted average number of equity shares for diluted earnings per share	279,614,941	282,975,118
Earnings per share (Basic) ₹ (a/b)	262.4	272.7
Earnings per share (Diluted) ₹ (a/c)	262.0	272.4
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 2025	2024
(a) Current ratio	Change is because of increase in current assets	Current assets	Current liabilities	1.68	1.30
(b) Debt equity ratio	Change is because of increase in long-term borrowings	Total debt	Shareholder's equity	0.26	0.06
(c) Debt service coverage ratio	Change is because of increase in finance cost	Earnings for debt service	Debt service	2.29	6.71
(d) Return on equity ratio		Profit after tax	Average shareholder's equity	22.8%	26.4%
(e) Inventory turnover ratio		Material cost	Avg. inventory	18.72	19.61
(f) Trade receivables turnover ratio		Revenue from contracts with customers	Avg. trade receivables	23.46	22.87
(g) Trade payables turnover ratio		Purchases	Trade payables	5.99	6.16
(h) Net capital turnover ratio		Total income	Avg. working capital	9.89	12.99
(i) Net profit ratio		Profit after tax	Total income	14.0%	16.6%
(j) Return on capital employed	Change is because of increase in capital employed	Profit before tax	Capital employed	24.0%	33.2%
(k) Return on investments		Profit before tax	Average shareholder's equity	31.9%	34.4%

34 Fair value measurement

i) Financial instruments by category

(₹ In Crore)

Particulars	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
– Equity	–	4,626.75	–	–	3,152.58	–
– Bonds	460.45	–	1,433.63	–	–	1,439.04
– Government securities	–	78.30	367.55	–	–	367.70
– Commercial Papers	–	–	–	–	–	195.39
– Fixed maturity plans	–	–	884.18	–	–	834.62
– Exchange traded funds	–	–	7,640.05	–	–	7,343.55
– Fixed deposits	–	–	503.50	–	–	500.00
– Short-term funds	4,985.22	–	–	4,715.75	–	–
– Short duration bond funds	731.78	–	–	–	–	–
– Liquid mutual funds	1,020.62	–	–	2,546.47	–	–
– Arbitrage Funds	2,493.57	–	–	819.59	–	–
– Derivative Asset	2.51	1.14	–	–	–	–
Trade receivables	–	–	2,125.22	–	–	2,075.53
Loans	21.40	–	9,894.76	–	–	784.91
Other financial assets	–	–	2,288.91	–	–	1,049.61
Cash and cash equivalents	–	–	2,331.53	–	–	560.45
Other bank balances	–	–	516.07	–	–	1,476.83
Total financial assets	9,715.55	4,706.19	27,985.40	8,081.81	3,152.58	16,627.63
Financial liabilities						
Borrowings	–	–	9,236.52	–	–	1,785.90
Sales tax deferral	–	–	127.64	–	–	125.84
Trade payables	–	–	6,372.71	–	–	5,580.82
Derivative financial liability	–	18.56	–	–	–	–
Other financial liabilities	–	–	775.23	–	–	597.03
Total financial liabilities	–	18.56	16,512.10	–	–	8,089.59

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

34 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 2025

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
– Short-term funds	5	4,985.22	–	–	4,985.22
– Short duration bond funds	5	731.78	–	–	731.78
– Liquid mutual funds	5	1,020.62	–	–	1,020.62
– Bonds	5	–	460.45	–	460.45
– Derivative Asset	7	–	2.51	–	2.51
– Loans	6	–	21.40	–	21.40
– Arbitrage funds	5	2,493.57	–	–	2,493.57
Financial investments at FVTOCI					
– Derivative Asset	7	–	1.14		1.14
– Government securities	5	–	78.30		78.30
– Equity investment	5	4,365.57	261.18	–	4,626.75
Total financial assets		13,596.76	824.98	–	14,421.74
Financial liabilities at FVTOCI					
Derivative financial liability	17	–	18.56	–	18.56
Total financial liabilities		–	18.56	–	18.56

Assets disclosed at fair value – At 31 March 2025

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	–	234.09	–	234.09

34 Fair value measurement (Contd.)

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
Financial investments at FVTPL					
– Short-term funds	5	4,715.75	–	–	4,715.75
– Short duration bond funds	5	–	–	–	–
– Liquid mutual funds	5	2,546.47	–	–	2,546.47
– Bonds	5	–	–	–	–
– Derivative Asset	7	–	–	–	–
– Loans	6	–	–	–	–
– Arbitrage funds	5	819.59	–	–	819.59
Financial investments at FVTOCI					
– Derivative Asset	7	–	–	–	–
– Government securities	5	–	–	–	–
– Equity investment	5	2,895.46	257.12	–	3,152.58
Total financial assets		10,977.27	257.12	–	11,234.39
Financial liabilities at FVTOCI					
Derivative financial liability	17	–	–	–	–
Total financial liabilities		–	–	–	–

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

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

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

34 Fair value measurement (Contd.)

iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ In Crore)

Particulars	31 March 2025		31 March 2024	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial assets				
Investments				
Bonds	1,433.63	1,403.15	1,439.04	1,379.96
Government securities	367.55	362.30	367.70	352.92
Fixed maturity plans	884.18	891.68	834.62	823.27
Exchange traded funds	7,640.05	7,675.55	7,343.55	7,238.18
Total financial assets	10,325.41	10,332.68	9,984.91	9,794.33

The carrying amounts of 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.

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 & fair value through profit or loss • Derivative financial instruments • Trade receivables • Risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations of the Company.	• Credit ratings • Credit Limit & Ageing analysis • Credit risk is measured as the amount at risk due to repayment default by customers or counterparties to the Company. Various metrics such as the instalment default rate, overdue position, contribution of stage 2 and stage 3 assets etc are used as leading indicators to assess credit risk.	• Diversification of counterparties, diversification of investment limits, monitoring of counterparties basis credit rating • Deal with reputed banks holding high credit risk rating. • No. of overdue days, monitoring of credit limits • Monitored by CRO through review of level of credit exposure, portfolio monitoring, contribution of repeat customers, customer and portfolio • Managed by a robust control framework by the risk unit.
Liquidity Risk	• Other liabilities • Risk arising from mismatch in the timing of cashflows	• Maturity analysis • Measured by identification of gaps in the structural and dynamic liquidity and Liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework.	• Maintaining sufficient cash/cash equivalents and marketable securities • Monitored by periodic review of ALCO of liquidity position and LCR position. • Managed by the Group's treasury team through various means like HQLA, liquidity buffers, source of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions from banks.

35 Financial risk management (Contd.)

Risk	Exposure arising from	Measurement	Management
Market Risk-Foreign Exchange	• Highly probable forecast transactions and financial assets and liabilities not denominated in INR	• Sensitivity analysis • Measured by using changes in interest rates and foreign exchange currency fluctuations resulting impact on net interest and other metrics.	• Forward foreign exchange contracts and foreign currency options. • Interest Rate Risk • Monitored by assessment of key parameters like fluctuations in interest rates and foreign currency fluctuation and probable interest rate movement in both fixed and floating rate assets and liabilities. • Managed by the Group's treasury team under the guidance of ALCO and investment committee and in accordance with approved investment and hedging policy.

The Board of Directors of the respective companies of the group 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 of the respective companies of the group. 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.

A.1 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.

Set out below is the information about the credit risk exposure of the Group's trade receivables using provision matrix:

(₹ In Crore)

	As on 31 March	
Particulars	**2025**	**2024**
Estimated total gross carrying amount	2,139.67	2,094.90
ECL	(14.45)	(19.37)
Net carrying amount	2,125.22	2,075.53

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

35 Financial risk management (Contd.)

Reconciliation of impairment allowance – Trade receivable

Particulars	(₹ In Crore)
Impairment allowance as on 31 March 2023	**43.20**
Changes in loss allowance	(23.83)
Impairment allowance as on 31 March 2024	**19.37**
Changes in loss allowance	(4.92)
Impairment allowance as on 31 March 2025	**14.45**

A.2 Classification of financial assets under various stages (of Financial Service Business)

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

Stage 3: objective evidence of impairment and therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

(₹ In Crore)

Particulars	As on 31 March 2025	2024
Term Loans to customers under Financing	9,503.28	710.84
ECL	(110.33)	(3.10)
Net carrying value	9,392.95	707.74

Stage classification for advances is based on lifetime ECL model

(₹ In Crore)

Particulars	As on 31 March 2025	2024
Advances to dealer	444.37	242.55
ECL	(2.04)	(0.98)
Net carrying value	442.33	241.57

Collateral

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

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

35 Financial risk management (Contd.)

A.3 Impairment assessment of Pierer Bajaj AG ('PBAG' or 'Associate')

As at 31 March 2025, the Group has recognized an impairment loss of ₹ 600.93 crore on the carrying amount of PBAG forming part of automotive segment which has been identified as a separate CGU. The impairment loss has been recognized pursuant to liquidity crisis and other adverse financial conditions which led to restructuring of KTM AG (subsidiary of Associate). Management has done comprehensive review of the underlying valuation and long-term approved cash flow projections of operating entity KTM AG. The impairment assessment considered multiple scenarios and incorporated potential downside risks to future performance, including sensitivity to macroeconomic conditions, market demand, and execution of the restructured business plan.

The recoverable amount of the PBAG as at 31 March 2025 has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a eight-year period.

Key Assumptions used and sensitivity

The calculation of value in use for PBAG is most sensitive to the following assumptions:

Significant Assumption used	Assumption rate	Sensitivity to Recoverable amount	Headroom %
Terminal Value EBIT Margin	9.80%	(2%)	13%
Weighted Average Cost of Capital	7.95%	(0.5%)	53%

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.

B) Liquidity risk

The Group's principal source of liquidity are 'cash and cash equivalents', bank balance other than 'cash and cash equivalents' and cash flows that are generated from operations and investment for the purpose of maintaining liquidity ratio as per RBI. The Group believes that its working capital is sufficient to meet the financial liabilities within maturity period. 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	Total as on 31 March 2025	2024
Net Working capital funds (includes)	7,862.12	2747.60
– Cash and Cash equivalents	2,331,53	560.45
– Current Investments	5,902.02	4,390.09
– Other bank balances	516.07	1476.83

Financial Service Business

The Subsidiary Company has a Board approved Liquidity Risk Management Framework which covers liquidity risk management policy, strategies and practices, liquidity coverage ratio (LCR), liquidity risk measurement- currency risk, interest rate risk and liquidity risk monitoring framework. The Company exceeds the regulatory requirements of LCR which mandates maintaining prescribed coverage of expected net cash outflows for a stressed scenario in the form of high-quality liquidity assets (HQLA). The Subsidiary Company's ALCO monitors assets liability mismatch to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet.

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

35 Financial risk management (Contd.)

The table below summarises the contractual maturities of financial liabilities as at 31 March 2025 and 31 March 2024:

Maturities of financial liabilities

(₹ In Crore)

Particulars	Less than and equal to 1 year	More than 1 year	Total
As on 31 March 2025			
Non-derivatives			
Sales tax deferral (discounted)	–	127.64	127.64
Trade payables	6,372.71	–	6,372.71
Long-term borrowings	–	6,082.74	6,082.74
Short-term borrowings	3,153.78	–	3,153.78
Other financial liabilities	743.57	31.66	775.23
Total non-derivative liabilities	10,270.06	6,242.04	16,512.10
Derivative financial liability	–	18.56	18.56
Total financial liabilities	10,270.06	6,260.60	16,530.66
As on 31 March 2024			
Non-derivatives			
Sales tax deferral (discounted)	–	125.84	125.84
Trade payables	5,580.82	–	5,580.82
Long-term borrowings	–	633.33	633.33
Short-term borrowings	1,152.57	–	1,152.57
Other financial liabilities	597.03	–	597.03
Total non-derivative liabilities	7,330.42	759.17	8,089.59
Derivative financial liability	–	–	–
Total financial liabilities	7,330.42	759.17	8,089.59

C) Market risk

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

(i) 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.

35 Financial risk management (Contd.)

Amount recognised in equity is reclassified to consolidated profit or loss when the hedged item (i.e. forecasted export sales) affects consolidated statement of profit or 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.

Derivative

The holding company enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

The fair values (Mark-to-market/MTM) of foreign currency forward contracts outstanding as on 31 March 2025 and 31 March 2024 are as follows:

For foreign currency loan receivable:

Particulars	31 March 2025		31 March 2024	
	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)
Foreign currency forward contract	115.00	2.51	–	–
Total	115.00	2.51	–	–

Maturity of outstanding contracts

The details in respect of the maturity of outstanding foreign exchange forward contracts are given below

On foreign currency loan receivable:

Particulars	31 March 2025		31 March 2024	
	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)
Not later than 3 months	115.00	2.51	–	–
Later than three months and not later than six months	–	–	–	–
Later than six months and not later than one year	–	–	–	–
Later than one year and not later than two years	–	–	–	–
Total	115.00	2.51	–	–

Open exposure

The Group's exposure to foreign currency risk at the end of the reporting period are as follows

(USD Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Receivables	59.81	97.83
Payables	33.66	20.23
Borrowings	–	100.00
Others (EEFC balances)	50.24	24.41
ECB	220.00	–

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

35 Financial risk management (Contd.)

Impact of hedging activities

The Group's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant IndAS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instruments.

(a) Disclosure of effects of hedge accounting on financial position:

Cash flow hedge foreign exchange risk 31 March 2025

(₹ In Crore)

Particulars	Nominal value	Carrying amount of hedging instrument	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans	1,866.00	1.14	6.32	5.18	16.80
Indian currency loans	1,637.50	–	12.24	12.24	–
Total	3,503.50	1.14	18.56	17.42	16.80

Cash flow hedge foreign exchange risk 31 March 2024

(₹ In Crore)

Particulars	Nominal value	Carrying amount of hedging instrument	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans	–	–	NA	–	–
Indian currency loans	–	–	NA	–	–
Total	–	–	–	–	–

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

Cash flow hedge foreign exchange risk 31 March 2025

(₹ In Crore)

Particulars	Carrying amount of hedging instrument	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans	5.18	–	–	–
Indian currency loans	12.24	–	–	–
Total	17.42	–	–	–

Cash flow hedge foreign exchange risk 31 March 2024

(₹ In Crore)

Particulars	Carrying amount of hedging instrument	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans	–	–	–	–
Indian currency loans	–	–	–	–
Total	–	–	–	–

35 Financial risk management (Contd.)

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 2025 and 31 March 2024, 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 2025 and 31 March 2024.

Movements in cash flow hedging reserve

(₹ In Crore)

Risk Category	Foreign Currency Risk and Interest Rate Risk
Derivative Instrument	**Cross Currency Interest Rate Swaps (CCIRS) and Interest rate swap (IRS)**
Cash flow hedging reserve	
Balance – As at 31 March 2023	**–**
Add: Change in intrinsic value of foreign currency options	–
Less: Amount reclassified to profit or loss	–
Deferred tax relating to the above (net)	–
Balance – As at 31 March 2024	**–**
Add: Change in value of hedge of CCIRS and IRS	(32.43)
Less: Amount reclassified to profit or loss	–
Deferred tax relating to the above (net)	8.15
Balance – As at 31 March 2025	(24.28)

(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 though 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 2025 (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 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.

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Equity	35,188.75	28,962.42
Less: Tangible and other assets	4,314.78	3,869.82
Working capital (excluding investments)	1,960.10	(1,642.49)
Investments in subsidiaries/associate	3,688.27	4,820.40
Investments in debt and similar investments	25,225.60	21,914.69

No changes were made in the objectives, policies and processes of capital management during the year.

(i) Capital Management of Financial Service Business

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI. The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment.

The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times. The Company's assessment of capital requirement is aligned to the mandatory regulatory capital and its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and market.

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

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

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

36 Capital management (Contd.)

(ii) Regulatory capital

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Tier I capital	2,316.43	236.88
Tier II capital	55.44	3.10
Total capital (Tier I + Tier II)	2,371.87	239.98
Risk weighted assets	9,994.45	1,153.42
Tier I CRAR	23.18%	20.54%
Tier II CRAR	0.55%	0.27%
CRAR (Tier I + Tier II)	23.73%	20.81%

Notes to consolidated financial statements for the year ended 31 March 2025 (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 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 Group makes contributions to approved gratuity fund.

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation (DBO)	480.45	477.70
Fair value of plan assets	(495.53)	(499.86)
Net funded obligation	**(15.08)**	**(22.16)**
Present value of unfunded defined benefit obligation	–	0.90
Amount not recognized due to asset ceiling	1.46	4.81
Net defined benefit liability/(asset) recognized in Balance Sheet	**(13.62)**	**(16.45)**
Expense recognised in the Statement of Profit and Loss		
Current service cost	29.70	27.17
Interest on net defined benefit liability/(asset)	(1.77)	(1.89)
Total expense charged to Statement of Profit and Loss	**27.93**	**25.28**
Amount recorded as Other Comprehensive Income		
Opening amount recognized in OCI outside Statement of Profit and Loss	22.78	56.48
Remeasurements during the period due to		
Changes in financial assumptions	9.35	8.16
Changes in demographic assumptions	(11.29)	–
Experience adjustments	(5.03)	(4.10)
Actual return on plan assets less interest on plan assets	(9.86)	(8.65)
Adjustment to recognize the effect of asset ceiling	(3.70)	(29.11)
Closing amount recognized in OCI outside Statement of Profit and Loss	**2.25**	**22.78**

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	(16.45)	(0.66)
Expense charged to Statement of Profit and Loss	27.93	25.28
Amount recognized outside Statement of Profit and Loss	(20.53)	(33.70)
Employer contributions	(4.57)	(7.37)
Closing net defined benefit liability/(asset)	**(13.62)**	**(16.45)**

37 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Movement in benefit obligation		
Opening of defined benefit obligation	478.60	472.92
Current service cost	29.70	27.17
Interest on defined benefit obligation	30.26	30.70
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	9.35	8.16
Actuarial loss/(gain) arising from change in demographic assumptions	(11.29)	–
Actuarial loss/(gain) arising on account of experience changes	(5.03)	(4.10)
Benefits paid	(54.62)	(60.72)
Liabilities assumed/(settled)	3.48	4.47
Closing of defined benefit obligation	**480.45**	**478.60**

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Movement in plan assets		
Opening fair value of plan assets	499.86	505.15
Employer contributions	4.57	7.37
Interest on plan assets	32.37	34.97
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	9.87	8.62
Benefits paid	(54.62)	(60.72)
Assets acquired/(settled)	3.48	4.47
Assets distributed on settlements	–	–
Closing fair value of plan assets	**495.53**	**499.86**

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Disaggregation of assets		
Category of assets		
Insurer managed funds.	495.53	499.86
Others	–	–
Grand Total	**495.53**	**499.86**

Notes to consolidated financial statements for the year ended 31 March 2025 (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 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 2025		As at 31 March 2024	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Senior staff				
Impact of increase in 50 bps on DBO	(2.79%)	2.86%	(3.00%)	3.09%
Impact of decrease in 50 bps on DBO	2.96%	(2.73%)	3.19%	(2.94%)
Junior staff				
Impact of increase in 50 bps on DBO	(3.49%)	3.66%	(3.65%)	3.86%
Impact of decrease in 50 bps on DBO	3.79%	(3.41%)	3.99%	(3.58%)

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

Funding arrangement and policy

The money contributed by the 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 ₹ 31.35 crore.

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
31 March 2025					
Senior staff	41.99	50.11	56.09	227.72	375.91
Junior staff	74.38	31.70	59.14	343.64	508.86
31 March 2024					
Senior staff	35.25	12.91	81.54	220.94	350.64
Junior staff	81.06	39.11	66.57	429.56	616.30

37 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Weighted average duration of defined benefit obligation (in years)		
Senior Staff	5.75	6.19
Junior Staff	7.27	7.63

Particulars	As at 31 March 2025	As at 31 March 2024
Principal Actuarial Assumptions (Expressed as Weighted Averages)		
Discount rate (p.a.)	6.85%	7.20%
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.

Provident Fund:

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation	1,571.04	1,516.11
Fair Value of plan assets	(1,600.19)	(1,566.45)
Net funded obligation	(29.15)	(50.34)
Amount not recognised due to asset ceiling	29.15	50.34
Net defined benefit liability/(asset) recognised in Balance Sheet	–	–
Expense recognised in the Statement of Profit and Loss		
Current service cost	45.85	45.23
Total expenses charged to Statement of Profit and Loss	**45.85**	**45.23**
Amount recorded as Other Comprehensive Income		
Opening amount recognized in OCI outside Statement of Profit and Loss	–	–
Remeasurements during the period due to		
Changes in financial assumptions	48.76	10.83
Changes in demographic assumptions	–	–
Experience adjustments	(28.22)	19.92
Actual return on plan assets less interest on plan assets	4.28	(54.95)
Adjustment to recognize the effect of asset ceiling	(24.82)	24.20
Closing amount recognized in OCI outside Statement of Profit and Loss	–	–

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

37 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2025	2024
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	–	–
Expense charged to Statement of Profit and Loss	45.85	45.23
Employer contributions	(45.85)	(45.23)
Closing net defined benefit liability/(asset)	**–**	**–**
Movement in benefit obligation		
Opening of defined benefit obligation	1,516.11	1,452.17
Current service cost	45.85	45.23
Interest on defined benefit obligation	106.56	105.49
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	48.76	10.83
Actuarial loss/(gain) arising on account of experience changes	(28.22)	19.92
Employee contributions	80.53	82.60
Benefits paid	(176.61)	(194.93)
Liabilities assumed/(settled)	(21.94)	(5.20)
Closing defined benefit obligation	**1,571.04**	**1,516.11**
Movement in plan assets		
Opening fair value of plan assets	1,566.45	1,476.49
Interest on plan assets	110.19	107.31
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(4.28)	54.95
Employer contributions during the period	45.85	45.23
Employee contributions during the period	80.53	82.60
Benefits paid	(176.61)	(194.93)
Assets acquired/(settled)	(21.94)	(5.20)
Closing fair value of plan assets	**1,600.19**	**1,566.45**
Disaggregation of assets		
Quoted		
Government debt instruments	1,007.28	947.73
Other debt instruments	499.57	504.25
Others	30.08	48.59
Unquoted		
Others	63.26	65.88
Total	**1,600.19**	**1566.45**

37 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Key actuarial assumptions		
Discount rate (p.a.)	6.85%	7.20%
Future derived return on assets (p.a.)	8.22%	8.97%
Discount rate for the remaining term to maturity of the investment (p.a.)	6.55%	7.15%
Average historic yield on the investment (p.a.)	7.92%	8.92%
Guaranteed rate of return (p.a.)	8.25%	8.25%

Unfunded schemes

(₹ In Crore)

Particulars	Compensated Absences As at 31 March 2025	Compensated Absences As at 31 March 2024
Present value of unfunded obligations	149.64	153.62
Expense recognized in the Statement of Profit and Loss	10.16	27.31
Amount recorded as Other Comprehensive Income		
Discount rate (p.a.)	6.85%	7.20%
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 Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group 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 2025	As at 31 March 2024
Compensated absences expected to be settled after 12 months	118.85	121.86

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

37 Employee benefits (Contd.)

Unfunded schemes (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Amount recognised in the Statement of Profit and Loss		
Defined contribution plans:		
Superannuation paid to trust	8.67	8.41
Pension fund paid to Government authorities	11.36	11.31
Provident fund paid to Government authorities	6.10	1.46
Others	6.38	4.60
Defined Benefit Plans:		
Gratuity	27.93	25.28
Provident fund paid to trust	45.85	45.23
Others	2.72	0.40
Total	**109.01**	**96.69**

38 Capital commitments

(₹ In Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Capital commitments, net of capital advances	139.06	195.15
Investments related commitments*	4,604.50	–

* The Group has an investment in Pierer Bajaj AG (associate) through its wholly owned subsidiary Bajaj Auto International Holdings BV (BAIHBV). KTM AG, which is part of Pierer Bajaj AG Group applied for court restructuring proceedings with self-administration under Austrian jurisdiction pursuant to liquidity crisis and other adverse financial conditions. In this regard, creditors of KTM AG accepted the restructuring plan submitted by KTM AG which provides creditors to receive a cash quota of 30% of their claims in the form of a one-off payment. As a prerequisite to fulfil the cash quota of 30%, KTM AG was required to pay an equivalent amount with the restructuring administrator. To facilitate such funding needs of KTM AG, all shareholders of associate are committed to pay its share of Euro 540 million.

39 Expenditure incurred on Research and Development

(₹ In Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a. Revenue expenditure - charged to Statement of Profit and Loss	694.50	527.38
b. Revenue expenditure - capitalised	47.54	–
c. Capital expenditure - excluding building	68.71	36.89
d. Capital expenditure - building	–	–
	810.75	564.27

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 Limited; 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

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 standalone Bajaj Auto Ltd. except for following transactions which are additional in consolidated financial statements:

(₹ In Crore)

		2024–25		2023–24	
Name of related party	Nature of transaction	Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
Bajaj Finance Ltd.	Services rendered	–	–	–	–
	Investment in/(redemption of) fixed deposit	223.50	223.50	–	–
	Interest income/(reversal) on fixed deposit	8.06	7.56	–	–
	Services received	0.08	(0.01)	–	–
	Assets Purchased (includes laptop, cars and other assets)	3.01	0.11	1.11	–
Maharashtra Scooters Ltd.	Purchases (including services received)	–	–	0.07	–
Bajaj Allianz General Insurance Co.	Premium Paid	2.89	3.23	0.02	(0.01)
	Commission on premium	0.75	0.75	–	–
Bajaj Allianz Life Insurance Co.	Premium Paid	0.26	0.70	0.26	(0.03)
Hind Musafir Agency	Services received	0.75	–	0.43	–
Bajaj Auto Employees Superannuation Fund	Superannuation contribution	0.30	–	–	–
Yulu Bikes Pvt Ltd	Purchases (including services received)	–	–	7.59	–
	Sales (including capital assets)	–	–	65.50	–
	Services rendered	–	–	0.04	–
Bajaj FinServ Direct Limited	Support charges and Commission on leads	0.37	–	–	–
Bajaj Auto Senior Staff Group Gratuity Fund	Gratuity contribution	2.50	–	–	–
Bajaj Financial Securities Ltd.	Reimbursement of NPS Payment	–	–	0.01	–
Pierer Bajaj AG	Loan advanced to Pierer Bajaj AG	455.59	460.45	71.90	71.90
	Loan repayment from Pierer Bajaj AG	(36.37)	36.84	–	–
	Interest on Loan	7.92	5.10	1.39	1.39
	Convertible Bond *	460.45	460.45	–	–

* The Group has invested in convertible notes in bearer form (the 'Bonds') issued by Pierer Bajaj AG (associate of the Company) to finance the funding requirements of KTM AG, Austria (as explained in Note 45(g)). The investment has been/will be utilised by the associate for its intended purpose. Each bond has a par value of EUR 100,000 and is convertible, at the option of the holder, into equity shares of Pierer Bajaj AG starting from 01 June 2025. The bonds will bear interest at a floating rate based on the 12-month EURIBOR plus spread on the principal amount payable annually.

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

42 Investment in an associate

a. The Group held 47.99% interest in KTM AG, Austria which was swapped for 49.90% stake in Pierer Bajaj AG on 29 September 2021.

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):

(Euro in Million)

	Pierer Bajaj AG	
Particulars	**31 Dec 2024**	**31 Dec 2023**
Current assets	1,242.67	1,625.81
Non-current assets	947.51	1,333.83
Assets held for sale and disposal groups	206.66	3.70
Current liabilities	2,328.16	929.77
Non-current liabilities	196.08	1,130.00
Liabilities in connection with assets held for sale and disposal groups	67.23	–
Equity	**(194.63)**	**903.57**
Revenue	1,879.02	2,661.21
Cost of sales	(1,929.98)	(1,977.12)
Gross profit	**(50.96)**	**684.09**
Selling and racing expenses	(299.37)	(289.84)
Research and development expenses	(80.44)	(53.76)
Administration expenses	(197.35)	(185.98)
Other operating expenses	(57.03)	(0.80)
Expenses for impairments	(507.98)	-
Other operating income	17.71	3.74
Share of profit of associates	(9.02)	2.34
Result from operating activities	**(1,184.44)**	**159.79**
Interest income	26.41	11.06
Interest expenses	(124.49)	(74.03)
Other financial result	5.42	(4.62)
Profit before tax	**(1,277.10)**	**92.20**
Tax expense	196.69	(15.72)
Profit for the year (continuing operations)	**(1,080.41)**	**76.48**
Total comprehensive income for the year (continuing operations)	**(1,082.08)**	**63.35**

b. During the year ended 31 March 2025, the Group has recognized a net loss of ₹ 915.48 crore in the consolidated financial statements related to its investment in associate entity, Pierer Bajaj AG (PBAG). This comprises share of loss of ₹ 314.55 crore, accounted for under the equity method, and an impairment loss of ₹ 600.93 crore on the carrying value of net investment in the associate.

The share of loss of ₹ 314.55 crore includes a proportionate share of gain of ₹ 3,075.11 crore recognised by KTM AG pertaining to write back of liabilities, consequent to the creditors meeting dated 25 February 2025, which was part of the financial restructuring process of KTM AG under court approved self-administration proceedings.

The impairment loss of ₹ 600.93 crore has been recognized on the Group's carrying value of net investment in associate forming part of automotive segment based on a computation of value in use pursuant to restructuring of KTM AG which included comprehensive review of the underlying valuation and long-term cash flow projections of operating entity KTM AG. The impairment assessment considered multiple scenarios and incorporated potential downside risks to future performance, including sensitivity to macroeconomic conditions, market demand, and execution of the restructured business plan.

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 2025

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 business, the performance of which is reviewed by the committee on a periodic basis and hence considered as individual operative segments.

(a) Business segment

(₹ In Crore)

Particulars	Automotive	Investments	Financing	Consolidated
Revenue				
External sales and other income*	49,982.13	1,445.98	1,040.85	52,468.96
Inter segment sales and other income	–	–	–	–
Total revenue	**49,982.13**	**1,445.98**	**1,040.85**	**52,468.96**
* includes Revenue from contracts with customers: ₹ 49,266.95 crore				
Segment result**	8,769.75	1,443.72	78.15	10,291.62
Finance costs	68.09	–	–	68.09
Tax expense	–	–	–	2,898.80
Non-controlling interest	–	–	–	–
Profit for the year	**8,701.66**	**1,443.72**	**78.15**	**7,324.73**
** Components of Statement of profit and loss account like employee benefit expense, depreciation and amortisation expense and other expenses are not separately disclosed, as these are all majorly related to the automative segment of the Company.				
Segment assets	12,061.70	26,135.15	10,972.90	49,169.75
Investments in associate of subsidiary	3,688.27	–	–	3,688.27
Unallocated corporate assets	–	–	–	1,340.59
Total assets	**15,749.97**	**26,135.15**	**10,972.90**	**54,198.61**
Segment liabilities	8,856.16	–	8,636.57	17,492.73
Unallocated corporate liabilities	–	–	–	235.77
Total liabilities	**8,856.16**	**–**	**8,636.57**	**17,728.50**
Capital employed (excluding unallocable)	6,893.81	26,135.15	2,336.33	35,365.29
Capital employed (unallocable)				1,104.82
Total capital employed	**6,893.81**	**26,135.15**	**2,336.33**	**36,470.11**
Reconciliation of segment liabilities				
Total segment liabilities as above				17,728.50
Add: Considered as part of capital employed				
Sales tax deferral				127.64
Deferred tax liabilities				1,123.03
Government grant (current and non-current)				30.69
Total liabilities as per Balance Sheet				**19,009.86**
Capital expenditure	851.12	–	27.82	878.94
Depreciation and write downs	409.30	–	4.93	414.23

(b) Geographic Segment

(₹ In Crore)

Particulars	India	Rest of the world	Consolidated
Segment revenue: External sales and other income	36,185.65	16,283.31	52,468.96
Segment assets	47,770.76	6,427.85	54,198.61
Capital expenditure	825.63	53.31	878.94

Notes to consolidated financial statements for the year ended 31 March 2025 (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 2024

The Company's Core Management Committee (CMC), examines the Groups performance both from a product and geographical perspective and has identified two reportable operative business segments. The group's significant source of risk and rewards are derived from Automotive business and Investments, the performance of which is reviewed by the committee on a periodic basis and hence considered as individual operative segments.

(a) Business segment

(₹ In Crore)

Particulars	Automotive	Investments	Financing	Consolidated
Revenue				
External sales and other income*	44,870.14	1,419.66	16.65	46,306.45
Inter segment sales and other income	–	–	–	–
Total revenue	**44,870.14**	**1,419.66**	**16.65**	**46,306.45**
* 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	–	–	–	–
Profit for the year	**8,654.42**	**1,417.60**	**(31.98)**	**7,708.24**
Segment assets	8,841.46	23,520.93	1,259.06	33,621.45
Investments in associate of subsidiary	4,820.40	–	–	4,820.40
Unallocated corporate assets	–	–	–	923.83
Total assets	**13,661.86**	**23,520.93**	**1,259.06**	**39,365.68**
Segment liabilities	8,707.68	–	1,009.38	9,717.06
Unallocated corporate liabilities	–	–	–	20.08
Total liabilities	**8,707.68**	**–**	**1,009.38**	**9,737.14**
Capital employed (excluding unallocable)	4,954.18	23,520.93	249.68	28,724.79
Capital employed (unallocable)				903.75
Total capital employed	**4,954.18**	**23,520.93**	**249.68**	**29,628.54**
Reconciliation of segment liabilities				
Total segment liabilities as above				9,737.14
Add: Considered as part of capital employed				
Sales tax deferral				125.84
Deferred tax liabilities				506.94
Government grant (current and non-current)				33.34
Total liabilities as per Balance Sheet				**10,403.26**
Capital expenditure	882.41	–	14.47	896.88
Depreciation and write downs	364.28	–	0.49	364.77

(b) Geographic Segment

(₹ In Crore)

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	32,938.95	6,426.73	39,365.68
Capital expenditure	894.59	2.29	896.88

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)
1. Parent:								
Bajaj Auto Ltd.	91.37%	32,146.94	111.29%	8,151.42	93.03%	1,223.24	108.51%	9,374.66
2. Subsidiaries (Indian):								
Bajaj Auto Technology Limited (earlier known as Chetak Technology Limited)	1.09%	383.63	0.23%	16.73	(0.14%)	(1.85)	0.17%	14.88
Bajaj Auto Credit Limited (earlier known as Bajaj Auto Consumer Finance Limited)	6.81%	2,397.21	0.80%	58.30	(1.85%)	(24.32)	0.39%	33.98
3. Subsidiaries (Foreign):								
PT Bajaj Auto Indonesia	–	0.89	–	(0.03)	0.01%	0.14	–	0.11
Bajaj Auto International Holdings BV	12.48%	4,392.03	(12.24%)	(896.21)	6.21%	81.69	(9.43%)	(814.52)
Bajaj Auto (Thailand) Ltd.	0.03%	10.69	0.01%	0.86	(0.02%)	(0.27)	0.01%	0.59
Bajaj Auto Spain S.L.U.	0.02%	7.11	0.01%	0.83	(0.01%)	(0.11)	0.01%	0.72
Bajaj Do Brasil Comercio De Motocicletas LTDA	0.19%	68.35	(0.09%)	(6.29)	0.10%	1.34	(0.06%)	(4.95)
Add/(Less): Non-controlling interest in all subsidiaries	–	(0.01)	–	–	–	–	–	–
Add/(Less): Inter-company eliminations	(11.99%)	(4,218.10)	(0.01%)	(0.88)	2.67%	35.13	0.40%	34.25
Total	**100.00%**	**35,188.74**	**100.00%**	**7,324.73**	**100.00%**	**1,314.99**	**100.00%**	**8,639.72**

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 Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

d. Companies incorporated in India forming part of the Group has performed the assessment to identify transactions with struck off companies as at 31 March 2025 and 31 March 2024 and identified no company with any transactions.

e. The Group has not traded or invested in crypto currency or virtual currency during the financial year.

f. 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 other than disclosed in note 6.

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 except, the Company on 24 February 2025 has advanced loan of ₹ 1,043 crore (Euro 115 million) to Bajaj Auto International Holding B.V. (Netherlands) ('BAIHBV'), a wholly owned subsidiary. Of this, BAIHBV further granted a loan amounting of ₹ 456 crore (Euro 50 million) on 24 February 2025 and invested in convertible bonds amounting to ₹ 460 crore (Euro 50 million) on 31 March 2025 ultimately into KTM AG, Austria (subsidiary of Pierer Mobility AG, Austria) through its associate Pierer Bajaj AG – to Pierer Mobility AG, Austria (subsidiary of Pierer Bajaj AG, Austria) to facilitate the funding needs of KTM AG, Austria towards the phased resumption of production at KTM AG and its operating costs. The said transactions has been executed within the framework defined by the Administrator in Austria. The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 for the said transactions, and these transactions are not violative of the Prevention of Money-Laundering Act, 2002.

Notes to consolidated financial statements for the year ended 31 March 2025 (Contd.)

45 Miscellaneous (Contd.)

h. 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.

i. The Group has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.

j. 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.

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. **31 March 2025**

The holding company and its subsidiaries incorporated in India has used accounting software SAP-S4 HANA for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, audit trail feature has not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the holding company and its subsidiaries has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013. Further, in respect of the FY 2023-24, the holding company and its subsidiaries has preserved the requirements of recording audit trail to the extent it was enabled and recorded in respect of those years.

For one of its subsidiary, in respect of non-integrated LMS accounting software, where the audit log is maintained for access made to database by the DB users, audit trail has been enabled at the database level via Privileged Access Management tool for effective governance and oversight of access activities that was active for a part of the year and continued to be effective as on 31 March 2025. These DB users are not allowed to carry out any authorized direct changes/edits to financial transactions in the LMS-DB, which if carried out is ill-legal. The Company has established and maintained an adequate internal control framework and based on its assessment, believes that this was effective as of 31 March 2025.

31 March 2024

Bajaj Auto Ltd (BAL) and one of its subsidiary Bajaj Auto Technology Ltd (BATL) has used SAP-S4 HANA as the accounting software in previous year. 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 and BATL.

At BALand BATL, 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 and BATL 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 holding company holds investment in Bajaj Holdings & Investment Limited (listed entity) and Yulu Bikes Private Limited. Changes in fair value in respect of these investments is accounted for in other comprehensive income. In compliance with Ind AS 12, the holding company was making accounting provisions for Deferred Tax as per applicable law on changes in fair value on this investment.

45 Miscellaneous (Contd.)

For the listed entity, the Finance (No. 2) Act, 2024 changed the tax rate with respect to long-term capital gains from 10% plus surcharge and cess to 12.5% plus surcharge and cess.

Further, for the unlisted entity, the said Act withdrew the indexation benefit on long-term capital gains and the tax rate was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation).

Due to the aforesaid changes, the accounting provision for Deferred Tax created on changes in fair value has been consequently increased by ₹ 75.80 crore while computing the other comprehensive income for the reporting period.

It is to be noted that only a provision is being made in the books of accounts at this point of time to record the Deferred Tax, in line with the applicable accounting standards and the recently enacted tax change. The actual payment of tax would be made at the time of sale/transfer of these investments. The cash outflow towards tax could be different at the time of sale/transfer depending on the actual gain and prevailing tax regulations.

n. The management is continuously evaluating the developments and likely impact of imposition of Unites States tariff/reciprocal tariffs between countries and currently believes that there is no material impact on the financial statements/operations of the group.

o. Companies incorporated in India forming part of the Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

p. 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 Paul Alvares
Partner
Membership Number: 105754
Pune: 29 May 2025

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)

Salient features of the financial statements of subsidiaries for the year ended 31 March 2025

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:

(₹ In Crore)

Particulars	PT. Bajaj Auto Indonesia	Bajaj Auto International Holdings BV. (Consolidated)	Bajaj Auto (Thailand) Ltd.	Bajaj Auto Technology Ltd. (earlier known as Chetak Technology Ltd.)	Bajaj Auto Credit 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 2024 to 31 March 2025	1 April 2024 to 31 March 2025	1 January 2024 to 31 December 2024	1 April 2024 to 31 March 2025	1 April 2024 to 31 March 2025	1 January 2024 to 31 December 2024	1 January 2024 to 31 December 2024
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 16588 1 USD = ₹ 85.475	1 Euro = ₹ 92.09	1 USD = THB 33.7313 1 USD = ₹ 85.475	NA	NA	1 Euro = ₹ 92.09	1 USD = BRL 5.7419 1 USD = ₹ 85.475
e Share capital	6.00	1,823.38	11.40	470.00	2,400.00	5.53	85.60
f Reserves and surplus	(5.11)	2,568.65	(0.71)	(86.37)	(2.79)	1.58	(17.25)
g Total assets	0.92	5,463.90	11.69	442.52	11,033.78	8.31	424.25
h Total liabilities	0.92	5,463.90	11.69	442.52	11,033.78	8.31	424.25
i Investments	–	4,148.72	–	258.19	78.30	–	60.38
j Turnover	0.03	34.51	13.21	111.93	1,040.85	17.14	307.28
k Profit before tax	(0.03)	(889.43)	0.86	(8.47)	78.15	1.12	(9.68)
l Provision for tax	–	6.78	-	(25.20)	19.85	0.29	(3.39)
m Profit after tax	(0.03)	(896.21)	0.86	16.73	58.30	0.83	(6.29)
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)

Dinesh Thapar
Chief Financial Officer

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Pune: 29 May 2025

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

www.indidesign.in

Bajaj Auto Limited
Akurdi, Pune - 411 035, India

www.bajajauto.com