

Independent Auditors' Report on the Standalone Financial Statements

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

Opinion

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

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 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, the changes in equity and its cash flows 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 specified under section 143(10) of the Act ('SA's). Our responsibilities under those standards are further described in the Auditors' responsibility 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 ('ICAI') 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us 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 judgement, were of most significance in our audit of the standalone financial statements of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. N.	Key audit matter	Auditors' response
1.	<p>Allowances for expected credit losses ('ECL'):</p> <p>As at 31 March 2024, the carrying value of loan assets carried at amortised cost, aggregated ₹ 243,334.43 crore (net of allowance for expected credit loss ₹ 4,518.10 crore) constituting approximately 82% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets carried at amortised cost is a critical estimate involving greater level of Management judgement. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the standalone financial statements. The elements of estimating ECL which involved increased level of audit focus are the following:</p>	<p>We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures carried at amortised cost. Additionally, we have confirmed that adjustments to the output of the ECL Model are consistent with the documented rationale and basis for such adjustments and that the amount of adjustments have been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others:</p>

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S. N.	Key audit matter	Auditors' response
	<ul style="list-style-type: none"> • Qualitative and quantitative factors used in staging the loan assets carried at amortised cost; • Basis used for estimating probabilities of default ('PD'), loss given default ('LGD') and exposure at default ('EAD') at product level with past trends; • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends. <p>(Refer note no. 3.3, 9 and 47(c) to the standalone financial statements).</p>	<p>Testing the design and operating effectiveness of the following:</p> <ul style="list-style-type: none"> • Completeness and accuracy of the EAD and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied; • Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; • Accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL model; and • Validity of the changes made to the structured query language ('SQL') queries used for the ECL calculations to ensure that the changes made to them are reviewed, documented and duly approved by the designated officials. <p>Test of details on a sample basis in respect of the following:</p> <ul style="list-style-type: none"> • Accuracy and completeness of the input data such as period of default and other related information used in estimating the PD; • The mathematical accuracy of the ECL computation by using the same input data as used by the Company. • Use of the appropriate SQL queries for calibration of ECL rates and its application to the corresponding loan asset portfolio of the Company or part thereof. • Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed. • Evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL model to ensure that the adjustment was in conformity with the overlay amount approved by the Audit Committee of the Company.
2.	<p>Information technology and general controls: The Company is dependent on its information technology ('IT') systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environment. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a key audit matter.</p>	<p>With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular:</p> <ul style="list-style-type: none"> • We tested the design, implementation, and operating effectiveness of the Company's general IT controls over the IT systems relevant to financial reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned/modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit. • We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to standalone financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the standalone financial statements.

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Information other than the financial statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report (including annexures thereto), Business Responsibility and Sustainability Report ('BRSR') and Management Discussion and Analysis ('MD&A') (collectively referred to as 'other information') but does not include the consolidated financial statements, standalone financial statements, and our Auditors' Report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and those charged with governance 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, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' responsibility for the audit of the standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal financial 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 standalone 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 the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial 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 of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by Section 143(3) of the Act, based on our audit on the separate financial statements, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

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- e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2024 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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 no. 41(a) to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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. Refer note no. 49 to the standalone financial statements;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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. Refer note no. 49 to the standalone financial statements; and
(c) Based on the audit procedures that has been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note no. 44(iii) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the year ended 31 March 2024 which have 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 systems. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

2. As required by the Companies (Auditors' Report) Order, 2020 (the 'Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 302009E)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
(UDIN: 24039826BKCODZ1069)

Date: 25 April 2024
Place: Pune

For G.M. Kapadia & Co.
Chartered Accountants
(Firm's Registration. No. 104767W)

Rajen Ashar
Partner
(Membership No. 048243)
(UDIN: 24048243BKFFSI8927)

Date: 25 April 2024
Place: Pune

Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our report of even date)

Report on the internal financial controls with reference to standalone financial statements 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 Finance Ltd. (the 'Company') as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 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 standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Meaning of internal financial controls with reference to 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 'A' to the 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 controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2024, based on the criteria for internal financial controls with reference to standalone financial statements established by the respective 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.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 302009E)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
(UDIN: 24039826BKCODZ1069)

Date: 25 April 2024
Place: Pune

For G.M. Kapadia & Co.
Chartered Accountants
(Firm's Registration. No. 104767W)

Rajen Ashar
Partner
(Membership No. 048243)
(UDIN: 24048243BKFFSI8927)

Date: 25 April 2024
Place: Pune

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Bajaj Finance Ltd. on the standalone financial statements as at and for the year ended 31 March 2024)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, 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 and relevant details of right of use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment, were physically verified during the year by the Management, in accordance with a regular programme of verification which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment are held in the name of the Company as at the Balance Sheet date.
- (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.
(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of loans (assets) during the year. In our opinion, the quarterly statements filed with banks are in agreement with the books of account.
- (iii) As explained in note no. 1 to the standalone financial statements, the Company is a Deposit-Taking Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee/security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees/security and loans and advances:

- (a) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;
- (b) In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;

Annexure 'B' to the Independent Auditors' Report (Contd.)

- (c) In respect of loans and advances in the nature of loans (together referred to as 'loan assets'), the schedule of repayment of principal and payment of interest has been stipulated. Note no. 3.3 to the standalone financial statements explains the Company's accounting policy relating to impairment of financial assets which include loan assets. In accordance with that policy, loan assets with balance as at 31 March 2024, aggregating ₹ 2,600.38 crore were categorised as credit impaired ('Stage 3') and ₹ 3,720.93 crore were categorised as those where the credit risk has increased significantly since initial recognition ('Stage 2'). Disclosures in respect of such loans have been provided in note no. 9 to the standalone financial statements. Additionally, out of loans and advances in the nature of loans with balances as at the year end aggregating ₹ 241,531.22 crore, where credit risk has not significantly increased since initial recognition (categorised as 'Stage 1'), delinquencies in the repayment of principal and payment of interest aggregating ₹ 19.41 crore were also identified, albeit of less than 2 days. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.
- (d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year end is ₹ 657.06 crore. Reasonable steps are being taken by the Company for recovery of the principal and interest.
- (e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- (f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has not advanced loans or made investments in or provided guaranty or security to parties covered by section 185 of the Act and the provisions of section 186 of the Act is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company being Non-Banking Finance Company registered with RBI, provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under paragraph 3 (vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues applicable to it, to the appropriate authorities. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

There were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues in arrears as of 31 March 2024, for a period of more than six months from the date they became payable.

Annexure 'B' to the Independent Auditors' Report (Contd.)

- (b) The details of statutory dues referred to in sub-paragraph (a) above which have not been deposited with the concerned authorities as on 31 March 2024, on account of dispute are given below:

(₹ in crore)					
Name of the statute	Nature of dues	Amount involved	Amount unpaid	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	15.49	15.49	FY 1995-96 to FY 2002-03 & FY 2006-07 to FY 2008-09	Mumbai High Court
Income Tax Act, 1961	Income Tax	0.04	0.04	FY 1995-96, FY 1996-97, FY 1998-99	Income Tax Appellate Tribunal (Pune)
Income Tax Act, 1961	Income Tax	46.87	46.87	FY 2013-14, FY 2015-16, FY 2016-17 and FY 2018-19	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	2,293.64*	2,273.64	FY 2010-11 to June 2017	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	88.10*	85.08	April 2016 to June 2017	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	602.06*	592.06	October 2014 to June 2017	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	10.53*	10.35	FY 2007-08 to September 2015	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	4.06*	3.96	July 2012 to June 2016	Customs, Excise and Service Tax Appellate Tribunal
West Bengal Value Added Tax Act, 2003	Value Added Tax	0.86	0.86	FY 2005-06 to FY 2008-09	Additional Commissioner, Sales Tax
Rajasthan Value Added Tax Act, 2003	Value Added Tax	3.30*	2.00	FY 2008-09 to July 2014	Supreme Court of India
Rajasthan Value Added Tax Act, 2003	Value Added Tax	0.15	0.09	July 2014 to March 2017	VAT Appellate Tribunal
Employees State Insurance Act, 1948	ESIC contribution	4.46	4.46	FY 1999-2000 to FY 2006-07	Employees State Insurance Court
Employees State Insurance Act, 1948	ESIC contribution	0.68	0.68	FY 1991-92 to FY 2002-03	Deputy Director Employee State Insurance Corporation
Goods and Services Tax Act 2017	Goods and Service Tax	0.30*	0.30	July 2017	Goods and Services Tax Appellate Tribunal Maharashtra
Goods and Services Tax Act 2017	Goods and Service Tax	12.90*	11.76	July 2017 to March 2020	Goods and Service Tax Appellate Tribunal, West Bengal
Goods and Services Tax Act 2017	Goods and Service Tax	6.57*	6.11	May 2022 and June 2022	Office of Joint Commissioner, GST, Tamil Nadu
Goods and Services Tax Act 2017	Goods and Service Tax	19.45*	18.29	April 2020 to March 2021	Office of Joint Commissioner, GST, Tamil Nadu
Goods and Services Tax Act 2017	Goods and Service Tax	1.67*	1.59	April 2018 to March 2019	Office of Joint Commissioner, GST, Bihar
Goods and Services Tax Act 2017	Goods and Service Tax	0.33*	0.32	July 2017 to March 2018	Office of Joint Commissioner, GST, Delhi
Goods and Services Tax Act 2017	Goods and Service Tax	0.53*	0.53	April 2018 to March 2021	Office of Joint Commissioner, GST, Rajasthan

*includes interest and penalty

Annexure 'B' to the Independent Auditors' Report (Contd.)

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
- (d) On the basis of the maturity profile of financial assets and financial liabilities provided in note no. 47(a) to the standalone financial statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31 March 2024) are less than expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone 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.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
- (b) The Company has made preferential allotment or private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, report under sub-section (12) of section 143 of the Companies Act 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 during the year.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements, etc., as required by the applicable accounting standards.

Annexure 'B' to the Independent Auditors' Report (Contd.)

- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ('RBI Act') and it has obtained the registration.
- (b) During the year, the Company has not conducted any non-banking financial activities or housing financial activities without a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act, 1934.
- (c) The Company is not a Core Investment Company ('CIC') and hence reporting under paragraph 3(xvi) (c) of the Order is not applicable to the Company.
- (d) The Group (as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) has more than one CIC as part of the group. There are 17 CICs forming part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, 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 supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
- (xx) (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.
- In respect of ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a special account till the date of our report. However, the time period for such transfer i.e. 30 days from the end of the financial year as permitted under section 135(6) of the Act, has not elapsed till the date of our report.

Annexure 'B' to the Independent Auditors' Report (Contd.)

(xxi) Based on the review of the audit reports issued by the respective statutory auditors of the subsidiaries and associate, which are companies incorporated in India and to which CARO is applicable, included in the consolidated financial statements, we report that none of these auditors have reported any qualifications or adverse remarks in their CARO report of the respective companies.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 302009E)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
(UDIN: 24039826BKC0DZ1069)

Date: 25 April 2024
Place: Pune

For G.M. Kapadia & Co.
Chartered Accountants
(Firm's Registration. No. 104767W)

Rajen Ashar
Partner
(Membership No. 048243)
(UDIN: 24048243BKFFS18927)

Date: 25 April 2024
Place: Pune

Standalone Balance Sheet

(₹ in crore)

As at 31 March

Particulars	Note No.	As at 31 March	
		2024	2023
ASSETS			
Financial assets			
Cash and cash equivalents	5	3,865.15	1,191.35
Bank balances other than cash and cash equivalents	6	5,567.11	2,128.11
Derivative financial instruments	7	15.69	146.98
Trade receivables	8	1,244.89	1,070.21
Loans	9	243,334.43	179,097.12
Investments	10	37,153.36	28,737.85
Other financial assets	11	1,012.08	715.21
		292,192.71	213,086.83
Non-financial assets			
Current tax assets (net)		254.68	175.85
Deferred tax assets (net)	12	926.71	919.00
Property, plant and equipment	13	2,212.46	1,551.96
Capital work-in-progress	13	25.35	14.60
Intangible assets under development	13	17.24	64.93
Intangible assets	13	847.47	594.95
Other non-financial assets	14	137.83	116.63
		4,421.74	3,437.92
Total assets		296,614.45	216,524.75
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Derivative financial instruments	7	0.85	-
Payables	15		
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		0.42	1.77
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,000.97	951.41
Other payables			
Total outstanding dues of micro enterprises and small enterprises		-	0.65
Total outstanding dues of creditors other than micro enterprises and small enterprises		670.56	558.45
Debt securities	16	87,596.09	65,669.85
Borrowings (other than debt securities)	17	69,238.00	47,894.70
Deposits	18	59,966.66	44,489.79
Subordinated liabilities	19	3,577.90	3,630.29
Other financial liabilities	20	1,621.61	1,121.52
		223,673.06	164,318.43

Standalone Balance Sheet (Contd.)

(₹ in crore)

Particulars	Note No.	As at 31 March	
		2024	2023
Non-financial liabilities			
Current tax liabilities (net)		82.71	122.76
Provisions	21	385.23	254.46
Other non-financial liabilities	22	462.92	335.97
		930.86	713.19
Equity			
Equity share capital	23	123.60	120.89
Other equity	24	71,886.93	51,372.24
		72,010.53	51,493.13
Total liabilities and equity		296,614.45	216,524.75
Summary of material accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

On behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 302009E

For G.M. Kapadia & Co.
Chartered Accountants
Firm's registration number: 104767W

Rajeev Jain
Managing Director
DIN - 01550158

Sanjiv Bajaj
Chairman
DIN - 00014615

Sanjiv V. Pilgaonkar
Partner
Membership number: 039826

Rajen Ashar
Partner
Membership number: 048243

Sandeep Jain
Chief Financial Officer

Anami N Roy
Chairman - Audit
Committee
DIN - 01361110

Pune: 25 April 2024

R Vijay
Company Secretary

Standalone Statement of Profit and Loss

(₹ in crore)

For the year ended 31 March

Particulars	Note No.	2024	2023
Revenue from operations			
Interest income	25	40,782.76	30,141.84
Fees and commission income	26	5,007.41	4,207.20
Net gain on fair value changes	27	138.85	207.85
Sale of services	28	24.05	29.17
Other operating income	29	985.73	1,098.38
Total revenue from operations		46,938.80	35,684.44
Other income	30	7.18	5.37
Total income		46,945.98	35,689.81
Expenses			
Finance costs	31	13,843.44	9,285.23
Fees and commission expense	32	1,959.08	1,934.38
Impairment on financial instruments	33	4,572.19	3,066.46
Employee benefits expense	34	5,849.47	4,614.35
Depreciation and amortisation expenses	13	629.13	443.77
Other expenses	35	3,039.59	2,464.11
Total expenses		29,892.90	21,808.30
Profit before tax		17,053.08	13,881.51
Tax expense			
Current tax		4,436.00	3,593.00
Deferred tax (credit)/charge		(27.03)	(1.23)
Total tax expense	12	4,408.97	3,591.77
Profit after tax		12,644.11	10,289.74
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		(59.64)	(33.32)
Tax impact on above		15.01	8.38
Changes in fair value of fair value through OCI (FVOCI) equity instruments		151.62	(13.99)
Tax impact on above		(29.82)	3.73
Items that will be reclassified to profit or loss:			
Changes in fair value of FVOCI debt securities		38.74	(11.27)
Tax impact on above		(9.75)	2.84
Cash flow hedge reserve		(20.79)	22.16
Tax impact on above		5.24	(5.58)
Total other comprehensive income for the year (net of tax)		90.61	(27.05)
Total comprehensive income for the year		12,734.72	10,262.69

Standalone Statement of Profit and Loss (Contd.)

(₹ in crore)

Particulars	Note No.	For the year ended 31 March	
		2024	2023
Earnings per equity share:	36		
(Nominal value per share ₹ 2)			
Basic (₹)		207.27	170.37
Diluted (₹)		206.47	169.51
Summary of material accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

On behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 302009E

For G.M. Kapadia & Co.
Chartered Accountants
Firm's registration number: 104767W

Rajeev Jain
Managing Director
DIN - 01550158

Sanjiv Bajaj
Chairman
DIN - 00014615

Sanjiv V. Pilgaonkar
Partner
Membership number: 039826

Rajen Ashar
Partner
Membership number: 048243

Sandeep Jain
Chief Financial Officer

Anami N Roy
Chairman - Audit
Committee
DIN - 01361110

Pune: 25 April 2024

R Vijay
Company Secretary

Standalone Statement of Changes in Equity

Equity share capital

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Balance at the beginning of the year	120.89	120.66
Changes in equity share capital during the year	2.71	0.23
Balance at the end of the year	123.60	120.89

Other equity

For the year ended 31 March 2024

(₹ in crore)

Particulars	Note No.	Reserves and surplus						Other comprehensive income on				Money received against share warrants	Total other equity
		Securities premium	Retained earnings	Reserve fund as per RBI Act	General reserve	Infrastructure reserve	Share options outstanding account	Remeasurement of defined benefit plans	Debt instruments through OCI	Equity instruments through OCI	Cash flow hedge reserve		
Balance as at 31 March 2023	24	17,441.11	25,060.48	7,702.75	788.93	9.25	555.46	(101.88)	(18.92)	(71.62)	6.68	-	51,372.24
Profit after tax		-	12,644.11	-	-	-	-	-	-	-	-	-	12,644.11
Other comprehensive income for the year (net of tax)		-	-	-	-	-	-	(44.63)	28.99	121.80	(15.55)	-	90.61
		17,441.11	37,704.59	7,702.75	788.93	9.25	555.46	(146.51)	10.07	50.18	(8.87)	-	64,106.96
Issue of equity share capital		8,797.58	-	-	-	-	-	-	-	-	-	-	8,797.58
Share issue expenses		(34.54)	-	-	-	-	-	-	-	-	-	-	(34.54)
Transfer to reserve fund in terms of section 45-IC(f) of the Reserve Bank of India Act, 1934		-	(2,530.00)	2,530.00	-	-	-	-	-	-	-	-	-
Money received against share warrants		-	-	-	-	-	-	-	-	-	-	297.21	297.21
Dividend paid		-	(1,815.40)	-	-	-	-	-	-	-	-	-	(1,815.40)
Share based payment to employees		-	-	-	-	-	268.24	-	-	-	-	-	268.24
Allotment of shares to ESOP Trust		448.00	-	-	-	-	-	-	-	-	-	-	448.00
Transfer on exercise of stock options by employees		111.11	-	-	-	-	(111.11)	-	-	-	-	-	-
Transfer on cancellation/ expiry of stock options		-	-	-	1.09	-	(1.09)	-	-	-	-	-	-
		26,763.26	33,359.19	10,232.75	790.02	9.25	711.50	(146.51)	10.07	50.18	(8.87)	297.21	72,068.05
Add: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2023		125.94	-	-	-	-	-	-	-	-	-	-	125.94
Less: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2024		307.06	-	-	-	-	-	-	-	-	-	-	307.06
Balance as at 31 March 2024	24	26,582.14	33,359.19	10,232.75	790.02	9.25	711.50	(146.51)	10.07	50.18	(8.87)	297.21	71,886.93

Standalone Statement of Changes in Equity (Contd.)

For the year ended 31 March 2023

(₹ in crore)

Particulars	Note No.	Reserves and surplus						Other comprehensive income on				Money received against share warrants	Total other equity
		Securities premium	Retained earnings	Reserve fund as per RBI Act	General reserve	Infrastructure reserve	Share options outstanding account	Remeasurement of defined benefit plans	Debt instruments through OCI	Equity instruments through OCI	Cash flow hedge reserve		
Balance as at 31 March 2022	24	17,217.78	18,038.06	5,642.75	788.51	9.25	397.56	(76.94)	(10.49)	(61.36)	(9.90)	-	41,935.22
Profit after tax		-	10,289.74	-	-	-	-	-	-	-	-	-	10,289.74
Other comprehensive income for the year (net of tax)		-	-	-	-	-	-	(24.94)	(8.43)	(10.26)	16.58	-	(27.05)
		17,217.78	28,327.80	5,642.75	788.51	9.25	397.56	(101.88)	(18.92)	(71.62)	6.68	-	52,197.91
Transfer to reserve fund in terms of section 45-1C(1) of the Reserve Bank of India Act, 1934		-	(2,060.00)	2,060.00	-	-	-	-	-	-	-	-	-
Dividends paid		-	(1,207.32)	-	-	-	-	-	-	-	-	-	(1,207.32)
Share based payment to employees		-	-	-	-	-	223.76	-	-	-	-	-	223.76
Transfer on exercise of stock options by employees		65.44	-	-	-	-	(65.44)	-	-	-	-	-	-
Transfer on cancellation/expiry of stock options		-	-	-	0.42	-	(0.42)	-	-	-	-	-	-
		17,283.22	25,060.48	7,702.75	788.93	9.25	555.46	(101.88)	(18.92)	(71.62)	6.68	-	51,214.35
Add: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2022		283.83	-	-	-	-	-	-	-	-	-	-	283.83
Less: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2023		125.94	-	-	-	-	-	-	-	-	-	-	125.94
Balance as at 31 March 2023	24	17,441.11	25,060.48	7,702.75	788.93	9.25	555.46	(101.88)	(18.92)	(71.62)	6.68	-	51,372.24

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

On behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 302009E

For G.M. Kapadia & Co.
Chartered Accountants
Firm's registration number: 104767W

Rajeev Jain
Managing Director
DIN - 01550158

Sanjiv Bajaj
Chairman
DIN - 00014615

Sanjiv V. Pilgaonkar
Partner
Membership number: 039826

Rajen Ashar
Partner
Membership number: 048243

Sandeep Jain
Chief Financial Officer

Anami N Roy
Chairman - Audit
Committee
DIN - 01361110

Pune: 25 April 2024

R Vijay
Company Secretary

Standalone Statement of Cash Flows

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
(I) Operating activities		
Profit before tax	17,053.08	13,881.51
Adjustments for:		
Interest income	(40,782.76)	(30,141.84)
Depreciation and amortisation expenses	629.13	443.77
Impairment on financial instruments	4,572.19	3,066.46
Net loss on disposal of property, plant and equipment and intangible assets	11.76	12.65
Finance costs	13,843.44	9,285.23
Share based payment expenses	237.66	197.08
Net gain on fair value changes	(138.85)	(207.85)
Service fees for management of assigned portfolio of loans	(24.05)	(29.17)
Dividend income (₹ 30,225, Previous year ₹ 31,125)		
	(4,598.40)	(3,492.16)
Cash inflow from interest on loans	38,732.89	29,884.69
Cash inflow from service asset	49.58	61.28
Cash outflow towards finance cost	(12,424.79)	(9,948.25)
Cash generated from operation before working capital changes	21,759.28	16,505.56
Working capital changes		
(Increase)/decrease in bank balances other than cash and cash equivalents	(3,210.56)	(2,071.67)
(Increase)/decrease in trade receivables	(193.89)	(80.41)
(Increase)/decrease in loans	(68,567.63)	(38,436.92)
(Increase)/decrease in other financial assets	6.08	(69.54)
(Increase)/decrease in other non-financial assets	(33.39)	45.18
Increase/(decrease) in trade payables	48.21	202.46
Increase/(decrease) in other payables	111.46	245.90
Increase/(decrease) in other financial liabilities	99.55	40.35
Increase/(decrease) in provisions	71.13	58.90
Increase/(decrease) in other non-financial liabilities	126.95	(175.76)
	(71,542.09)	(40,241.51)
Income tax paid (net of refunds)	(4,554.88)	(3,566.46)
Net cash used in operating activities (I)	(54,337.69)	(27,302.41)
(II) Investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(568.25)	(449.23)
Purchase of intangible assets and intangible assets under development	(414.13)	(375.97)
Sale of property, plant and equipment and intangible assets	35.51	15.63
Purchase of investments measured at amortised cost	(289.76)	(148.72)
Proceeds from liquidation of investments measured at amortised cost	61.95	5,107.14
Purchase of investments classified as FVOCI	(23,310.68)	(21,272.49)
Proceeds from liquidation of investments classified as FVOCI	15,231.80	10,900.36
Purchase of investments classified as FVTPL	(72,737.52)	(252,102.38)
Proceeds from liquidation of investments classified as FVTPL	73,887.55	247,971.31
Dividend received (₹ 30,225, Previous year ₹ 31,125)		
Interest received on investments	808.13	546.88
Investment in associates	(267.47)	(92.74)
Investment in subsidiaries	(200.00)	(2,500.00)
Net cash used in investing activities (II)	(7,762.87)	(12,400.21)

Standalone Statement of Cash Flows (Contd.)

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
(III) Financing activities		
Issue of equity share capital (including securities premium)	9,067.17	158.12
Issue of share warrants	297.21	-
Share based payment recovered from subsidiaries	30.57	26.67
Share issue expenses	(34.54)	-
Dividends paid	(1,814.58)	(1,206.86)
Payment of lease liability	(155.44)	(126.91)
Deposits received (net)	14,751.88	13,897.60
Short term borrowing availed (net)	16,355.94	10,855.49
Long term borrowing availed	48,834.19	40,153.15
Long term borrowing repaid	(22,558.04)	(25,736.22)
Net cash generated from financing activities (III)	64,774.36	38,021.04
Net increase/(decrease) in cash and cash equivalents (I+II+III)	2,673.80	(1,681.58)
Cash and cash equivalents at the beginning of the year	1,191.35	2,872.93
Cash and cash equivalents at the end of the year	3,865.15	1,191.35

- The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

- Cash receipt and payment for borrowings in which the turnover is quick, the amounts are large, and the maturities are short are defined as short term borrowings and shown on net basis. Such items include commercial papers, cash credit, overdraft facility, working capital demand loan and triparty repo dealing and settlement. All other borrowings are considered as long term borrowings.

Components of cash and cash equivalents

(₹ in crore)

As at 31 March

Particulars	2024	2023
Cash and cash equivalents comprises of		
Cash on hand	58.84	59.07
Balance with banks in current accounts	3,806.31	1,132.28
	3,865.15	1,191.35

As per our report of even date

On behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 302009E

For G.M. Kapadia & Co.
Chartered Accountants
Firm's registration number: 104767W

Rajeev Jain
Managing Director
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Membership number: 048243

Sandeep Jain
Chief Financial Officer

Anami N Roy
Chairman - Audit
Committee
DIN - 01361110

Pune: 25 April 2024

R Vijay
Company Secretary

Notes to standalone financial statements for the year ended 31 March 2024

1 Corporate information

Bajaj Finance Ltd. ('the Company', 'BFL') (Corporate ID No.: L65910MH1987PLC042961), a subsidiary of Bajaj Finserv Ltd., is a company limited by shares, incorporated on 25 March 1987 and domiciled in India. The shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE), India. The Company is mainly engaged in the business of lending. BFL has a diversified lending portfolio across retail, SME and commercial customers with a significant presence in urban and rural India. It also accepts public and corporate deposits and offers a variety of financial services products to its customers. The Company has its registered office at Akurdi, Pune, Maharashtra, India and its principal place of business at 4th floor, Bajaj Finserv Corporate Office, Pune, Maharashtra (India).

The Company is a Deposit taking Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI) since 5 March 1998, with Registration No. A-13.00243 and classified as NBFC-Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22 February 2019. Since 30 September 2022, the Company has been classified as NBFC-UL (upper layer) by the RBI as part of its 'Scale Based Regulation'.

Financial statements were subject to review and recommendation of the Audit Committee and approval of the Board of Directors. On 25 April 2024, the Board of Directors of the Company approved and recommended the financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the updated Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time and other applicable RBI circulars/notifications. The Company uses accrual basis of accounting in preparation of financial statements (other than Statement of Cash Flows) except in case of significant uncertainties [Refer note no. 3.1(i) and 3.1(iii)].

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.2 Functional and presentation currency

The financial statements are presented in Indian Rupee (INR), which is also the functional currency of the Company, in denomination of crore with rounding off to two decimals as permitted by Schedule III to the Act except where otherwise indicated.

2.3 Presentation of financial statements

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

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

2 Basis of preparation (Contd.)

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

2.4 Material accounting estimates, judgements and assumptions

The preparation of the Company's financial statements requires Management to make use of estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as at the reporting date and the reported amount of revenues and expenses during the year. Accounting estimates could change from period to period. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from the Management's estimates and judgements. Revision to accounting estimates are recognised prospectively.

Material accounting estimates and judgements are used in various line items in the financial statements are as below:

- Business model assessment [Refer note no. 3.3(i) and 9]
- Impairment of financial assets [Refer note no. 3.3(i), 9 and 47]
- Provisions and contingent liabilities [Refer note no. 3.8 and 41]
- Fair value of financial instruments [Refer note no. 3.10 and 46]

3 Summary of 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.

3.1 Income**(i) Interest income**

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

The Company recognises delayed payment interest (penal interest and the like) for delay in repayments or non-payment of contractual cashflows on realisation.

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

(ii) Revenue from operations other than interest income

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

(a) Fees and commission income

The Company recognises:

- Service and administration charges on completion of contracted service;
- Bounce charges on realisation;
- Fees on value added services and products on delivery of services and products to the customer;
- Distribution income on completion of distribution of third-party products and services; and
- Income on loan foreclosure and prepayment on realisation.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (Contd.)

(b) Other operating income

The Company recognises recoveries against written off financial assets on realisation.

Any other operating income is recognised on completion of service.

3.2 Expenditures

(i) Finance costs

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

(ii) Fees and commission expense

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges, guarantee fees under guarantee scheme and fees for management of portfolio etc., are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Employee benefit expenses- Share based payments

The Company operates an equity settled share-based payment arrangement for its own employees as well as employees of its subsidiaries. The Company determines the fair value of the employee stock options on the grant date using the Black Scholes model. The total cost of the share option is accounted for on a straight-line basis over the vesting period of the grant. The cost attributable to the services rendered by the employees of the Company is recognised as employee benefits expenses in the Statement of Profit and Loss and that pertaining to employees of subsidiaries is recovered from subsidiaries.

(iv) Other expenses

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

3.3 Financial instruments

Recognition of Financial Instruments

All financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradeable securities, the Company recognises the financial instruments on settlement date.

(i) Financial assets

Initial measurement

All financial assets are recognised initially at fair value adjusted for transaction costs and income that are directly attributable to the acquisition of the financial asset except for following:

- Investment in subsidiaries and associates which are recorded at cost as permissible under Ind AS 27 'Separate Financial Statements';
- Financial assets measured at FVTPL wherein transaction cost is charged to Statement of Profit and Loss; and
- Trade receivables that do not contain a significant financing component (as defined in Ind AS 115) which are recorded at transaction price.

Subsequent measurement

For subsequent measurement, financial assets are classified into four categories as per the Company's Board approved policy:

- (a) Debt instruments at amortised cost
- (b) Debt instruments at FVOCI

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (Contd.)

- (c) Debt instruments at FVTPL
- (d) Equity instruments designated under FVOCI

The classification depends on the contractual terms of the cash flows of the financial assets, the Company's business model for managing financial assets and, in case of equity instruments and the intention of the Company whether strategic or non-strategic. The said classification methodology is detailed below-

Business Model assessment

The Company has put in place its Board approved policies for determination of the business model. These policies consider whether the objective of the business model, at initial recognition, is to hold the financial asset to collect its contractual cash flows or, dually, to sell the financial asset and collect the contractual cash flows. The Company determines its business model that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

Solely payments of principal and interest (SPPI) Assessment

The Company assesses the contractual terms of the financial assets to identify whether they meet the SPPI test.

In making this assessment, the Company considers whether the contractual cash flows represent sole payments of principal and interest which means that whether the cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Principal for the purpose of this test refers to the fair value of the financial asset at initial recognition.

(a) Debt instruments at amortised cost

The Company measures its debt instruments at amortised cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and
- 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.

The Company may enter into following transactions without affecting the business model of the Company:

- Considering the economic viability of carrying the delinquent portfolios on the books of the Company, it may enter into immaterial/infrequent transactions to sell these portfolios to third parties.
- Assignment and sale of non-NPA financial assets which are infrequent and below the threshold provided by Management.

(b) Debt instruments at FVOCI

The Company subsequently measures its debt instruments as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- 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.

The Company measures debt instruments included within the FVOCI category at each reporting date at fair value with such changes being recognised in Other Comprehensive Income (OCI).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (Contd.)

The Company recognises interest income on these assets in Statement of Profit and Loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

On derecognition of the asset, the Company reclassifies cumulative gain or loss previously recognised in OCI to the Statement of Profit and Loss.

(c) Debt instruments at FVTPL

The Company operates a trading portfolio as a part of its treasury strategy and classifies its debt instruments which are held for trading under FVTPL category. As a part of its hedging strategy, the Company enters into derivative contracts and classifies such contracts under FVTPL.

Interest and dividend incomes are recorded in Statement of Profit and Loss. Gains and losses on changes in fair value of debt instruments are recognised on net basis through the Statement of Profit and Loss.

(d) Equity instruments designated under FVOCI

Investments in equity instruments other than in subsidiaries and associates are measured at fair value.

The Company has strategic investments in equity for which it has elected to present subsequent changes in fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the aforesaid equity instruments are recognised in OCI and are not reclassified to the Statement of Profit and Loss subsequently, even on sale of those investments.

Derecognition of financial assets

The Company derecognises a financial asset (or, where applicable, a part of a financial asset) when:

- The right to receive cash flows from the asset has expired such as repayments in the financial asset, sale of the financial asset etc.; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Company does not have any continuing involvement in the same. A write-off of a financial asset constitutes a derecognition event.

The Company transfers its financial assets through the partial assignment route and accordingly derecognises the transferred portion as it neither has any continuing involvement in the same nor does it retain any control. If the Company retains the right to service the financial asset, it recognises either a service asset or a service liability for that servicing contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the Company adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Profit and Loss.

Financial assets subsequently measured at amortised cost are generally held for collection of contractual cashflow. The Company on looking at economic viability of certain portfolios measured at amortised cost may enter into immaterial and infrequent transaction for sale of portfolios which doesn't affect the business model of the Company.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (Contd.)Write-off

Financial assets are written off when the Company has no reasonable expectation of recovery or expected recovery is not significant basis experience. Where the amount to be written off is greater than the accumulated loss allowance, the difference is recorded as an expense in the period of write-off.

Impairment of financial assets - General approach

Expected credit losses ('ECL') are recognised for all financial assets except those classified as FVTPL and equity instruments as per the Board approved policy.

The Company follows a staging methodology for ECL computation. Financial assets where no significant increase in credit risk has been observed since inception are classified in 'stage 1' for which a 12 month ECL is recognised. Financial assets which 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.

Stage 1 (12-month ECL) is provided basis the default events that are likely to occur in the next 12 months from the reporting date. Stage 2 and stage 3 (lifetime ECL) is provided for basis all possible default events likely to occur during the life of the financial instrument.

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 loan accounts of that customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared.

Restructured loans where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower are classified as credit impaired. Such loans are upgraded to stage 1 if-

- The loan which was restructured is not in default for a period till repayment of 10% of principal outstanding or 12 months, whichever is later; and
- Other loans of such customer are not in default during this period.

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

The Company considers loan accounts which are overdue for more than 1 day but up to 90 days as on the reporting date as an indication of significant increase in credit risk. Additionally, for mortgage loans, the Company recognises stage 2 based on other indicators such as frequent delays in payments beyond due dates.

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (Contd.)

(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 behavioral trends witnessed for each homogenous portfolio using behavioral analysis and other performance indicators, determined statistically.

(d) Measurement of ECL

The Company calculates ECL based on discounted present value of probability weighted scenarios to measure the expected cash shortfall. Cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of forward economic guidance (FEG) model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a high correlation to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors. In addition, the estimation of ECL takes into account the time value of money.

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

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

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

A more detailed description of the methodology used for ECL is covered in the 'credit risk' section of note no. 47.

(ii) **Financial liabilities**

Initial measurement

The Company recognises all financial liabilities initially at fair value adjusted for transaction costs that are directly attributable to the issue of financial liabilities except in the case of financial liabilities recorded at FVTPL where the transaction costs are charged to Statement of Profit and Loss. Generally, the transaction price is treated as fair value unless there are circumstances which prove to the contrary in which case, the difference, if material, is charged to Statement of Profit and Loss.

Subsequent measurement

The Company subsequently measures all financial liabilities at amortised cost using the EIR method, except for derivative contracts which are measured at FVTPL and accounted for by applying the hedge accounting requirements under Ind AS 109.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (Contd.)**Derecognition**

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired through repayments or waivers.

3.4 Investment in subsidiaries and associates

The Company recognises investments in subsidiaries and associates at cost and are not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate Financial Statement'.

3.5 Taxes

Income tax comprises of current tax and deferred tax.

Income tax is recognised based on tax rates and tax laws enacted, or substantively enacted, at the reporting date and on any adjustment to tax payable in respect of previous years. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is recognised in the same statement as the related item appears.

Deferred tax is recognised for temporary differences between the accounting base of assets and liabilities in the Balance Sheet, and their tax bases. Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled.

The carrying amount of deferred tax assets is reviewed at each reporting date by the Company and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and deferred tax liabilities are offset basis the criteria given under Ind AS 12 'Income Taxes'.

3.6 Property, plant and equipment and depreciation thereof

The Company measures property, plant and equipment initially at cost and subsequently at cost less accumulated depreciation and impairment losses, if any.

The Company provides for depreciation on a pro-rata basis, with reference to the month in which such asset is added or sold, for all tangible assets on straight-line method over the useful life of assets assuming no residual value at the end of useful life of the asset. Details of useful life is given in note no. 13.

3.7 Intangible assets and amortisation thereof

The Company measures intangible assets, representing softwares, licenses etc. initially at cost and subsequently at cost less accumulated amortisation and accumulated impairment, if any.

The Company recognises internally generated intangible assets when the Company is certain that intangible asset would support/result in furtherance of Company's existing and/or new business and cost of such intangible asset identifiable and reliably measurable. The cost of an internally generated intangible asset comprises of all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Company.

All the intangible assets including those internally generated are amortised using the straight-line method over a period of five years, which is the Management's estimate of its useful life.

3.8 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources 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. The Company also discloses present obligations for which a reliable estimate cannot be made as a contingent liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (Contd.)

3.9 Leases

The Company as a lessee follows Ind AS 116 'Leases' for accounting of various office premises and servers taken on lease.

Measurement of lease liability

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

Measurement of Right-of-use assets

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

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

3.10 Fair value measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is 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 into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 46.

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

3.11 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). 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 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 standalone financial statements for the year ended 31 March 2024 (Contd.)

3 Summary of material accounting policies (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). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss.

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 Recent Accounting Pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

5 Cash and cash equivalents

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Cash on hand	58.84	59.07
Balance with banks in current accounts	3,806.31	1,132.28
	3,865.15	1,191.35

Cash and cash equivalents include cash on hand and other short term highly liquid investments with original maturities of upto three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

6 Bank balances other than cash and cash equivalents

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Fixed deposits (with original maturity more than 3 months)		
Encumbered*	2,319.19	1,003.58
Unencumbered	3,165.51	1,030.20
Earmarked balance with banks		
Against unclaimed dividend	3.07	2.25
Against unspent CSR	-	14.46
Escrow account balance	79.34	77.62
	5,567.11	2,128.11

*Include ₹ 2,200 crore (Previous year ₹ 1,000 crore) pledged towards floating charge in favour of trustees representing the public deposit holders of the Company towards maintenance of liquid assets as prescribed by RBI Act, 1934.

7 Derivative financial instruments (at FVTPL)

Particulars	(₹ in crore)		
	As at 31 March 2024		
	Notional amounts	Fair value asset	Fair value liability
Cash flow hedge			
Cross currency interest rate swaps	6,015.79	15.69	0.85
	6,015.79	15.69	0.85

Particulars	(₹ in crore)		
	As at 31 March 2023		
	Notional Amounts	Fair Value asset	Fair Value liability
Cash flow hedge			
Cross currency interest rate swaps	1,299.50	146.98	-
	1,299.50	146.98	-

The Company has a Board approved policy for entering into derivative transactions. Derivative transactions comprise of currency and interest rate swaps. The Company undertakes such transactions for hedging of foreign currency borrowings. The Asset Liability Management Committee periodically monitors and reviews the risk involved. Refer note no. 47(b)(iii) for foreign currency risk.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

8 Trade receivables

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Considered good - unsecured		
Interest subsidy	750.01	671.45
Fees, commission and others	439.37	324.04
Service asset	60.51	79.03
	1,249.89	1,074.52
Less : Impairment loss allowance	5.00	4.31
	1,244.89	1,070.21

-No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

-No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

-The Company follows simplified approach under Ind AS 109 'Financial Instruments' for measurement of impairment loss allowance on trade receivables that do not contain significant financing component.

Trade receivables (Gross) aging

Particulars	(₹ in crore)							Total
	Not due	Unbilled	Outstanding from due date of payment				More than 3 years	
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years		
As at 31 March 2024								
(i) Undisputed Trade receivables - considered good	661.93	111.55	476.41	-	-	-	-	1,249.89
As at 31 March 2023								
(i) Undisputed Trade receivables - considered good	714.40	44.85	315.27	-	-	-	-	1,074.52

Reconciliation of impairment loss allowance on trade receivables

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Impairment loss allowance as at beginning of the year	4.31	-
Net increase/(decrease) during the year	0.69	4.31
Impairment loss allowance as at the end of the year	5.00	4.31

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

9 Loans

(₹ in crore)

Particulars	At amortised Cost	
	As at 31 March 2024	As at 31 March 2023
(A) Loans		
Term loans*	247,376.20	182,684.66
Credit substitutes#	476.33	253.30
	247,852.53	182,937.96
Less: Impairment loss allowance	4,518.10	3,840.84
Total - Net (A)	243,334.43	179,097.12
(B) Out of above		
(I) Secured by tangible assets		
Against hypothecation of automobiles, equipments, durables, plant and machinery, equitable mortgage of immovable property and pledge of securities etc.	120,111.11	81,237.65
Less: Impairment loss allowance	1,247.83	1,217.82
Total (I)	118,863.28	80,019.83
(II) Unsecured	127,741.42	101,700.31
Less: Impairment loss allowance	3,270.27	2,623.02
Total (II)	124,471.15	99,077.29
Total (B) = (I+II)	243,334.43	179,097.12
(C) Out of above		
(I) Loans in India		
(i) Public sector	-	-
Less: Impairment loss allowance	-	-
Sub-total (i)	-	-
(ii) Others	247,852.53	182,937.96
Less: Impairment loss allowance	4,518.10	3,840.84
Sub-total (ii)	243,334.43	179,097.12
Total (I) = (i+ii)	243,334.43	179,097.12
(II) Loans outside India	-	-
Total (C) = (I+II)	243,334.43	179,097.12

*Includes receivables from related parties ₹ 155 crore (Previous year ₹ Nil)

#Subscription to debentures which, in substance, are made with the intent of giving loan have been classified as credit substitutes. This classification results in a better presentation of the substance of such transactions.

-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 that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

9 Loans (Contd.)

Summary of EIR impact on loans

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Total gross loan	250,161.73	185,020.39
Less: EIR impact	2,309.20	2,082.43
Total for gross term loan net of EIR impact	247,852.53	182,937.96

Summary of loans by stage distribution

Term loans

(₹ in crore)

Particulars	As at 31 March 2024				As at 31 March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	241,531.22	3,720.93	2,600.38	247,852.53	178,089.48	2,672.99	2,175.49	182,937.96
Less: Impairment loss allowance	1,927.56	1,122.25	1,468.29	4,518.10	1,597.05	854.92	1,388.87	3,840.84
Net carrying amount	239,603.66	2,598.68	1,132.09	243,334.43	176,492.43	1,818.07	786.62	179,097.12

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

(₹ in crore)

Particulars	For the year ended 31 March 2024							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
As at 31 March 2023	178,089.48	1,597.05	2,672.99	854.92	2,175.49	1,388.87	182,937.96	3,840.84
Transfers during the year								
transfers to stage 1	344.56	107.19	(211.50)	(37.19)	(133.06)	(70.00)	-	-
transfers to stage 2	(2,887.76)	(47.66)	2,911.46	58.91	(23.70)	(11.25)	-	-
transfers to stage 3	(4,371.91)	(81.08)	(1,489.11)	(554.23)	5,861.02	635.31	-	-
	(6,915.11)	(21.55)	1,210.85	(532.51)	5,704.26	554.06	-	-
Impact of changes in credit risk on account of stage movements	-	(101.83)	-	847.60	-	4,924.42	-	5,670.19
Changes in opening credit exposures (repayments net of additional disbursements)	(79,779.88)	(434.97)	(1,247.60)	(386.75)	(2,185.81)	(1,979.38)	(83,213.29)	(2,801.10)
New credit exposures during the year, net of repayments	150,136.73	888.86	1,084.69	338.99	1,042.19	716.07	152,263.61	1,943.92
Amounts written off during the year	-	-	-	-	(4,135.75)	(4,135.75)	(4,135.75)	(4,135.75)
As at 31 March 2024	241,531.22	1,927.56	3,720.93	1,122.25	2,600.38	1,468.29	247,852.53	4,518.10

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

9 Loans (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2023							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
As at 31 March 2022	141,969.01	1,246.44	3,256.94	951.24	2,987.14	1,739.16	148,213.09	3,936.84
Transfers during the year								
transfers to stage 1	544.38	109.38	(409.93)	(59.97)	(134.45)	(49.41)	-	-
transfers to stage 2	(1,772.24)	(31.12)	1,821.53	50.35	(49.29)	(19.23)	-	-
transfers to stage 3	(2,706.55)	(43.82)	(1,401.97)	(401.09)	4,108.52	444.91	-	-
	(3,934.41)	34.44	9.63	(410.71)	3,924.78	376.27	-	-
Impact of changes in credit risk on account of stage movements	-	(99.27)	-	518.48	-	3,736.11	-	4,155.32
Changes in opening credit exposures (repayments net of additional disbursements)	(69,036.62)	(129.54)	(1,173.38)	(408.15)	(2,044.01)	(1,600.83)	(72,254.01)	(2,138.52)
New credit exposures during the year, net of repayments	109,091.50	544.98	579.80	204.06	634.17	464.75	110,305.47	1,213.79
Amounts written off during the year	-	-	-	-	(3,326.59)	(3,326.59)	(3,326.59)	(3,326.59)
As at 31 March 2023	178,089.48	1,597.05	2,672.99	854.92	2,175.49	1,388.87	182,937.96	3,840.84

Details of impairment of financial instruments disclosed in the Statement of Profit and Loss

(₹ in crore)

Particulars	For the year ended 31 March	
	2024	2023
(i) Net impairment loss allowance charge/(release) for the year	677.26	(96.00)
(ii) Amounts written off during the year	4,135.75	3,326.59
Impairment on loans	4,813.01	3,230.59
Less : Claimable/credit cover amount under Government guarantee schemes and other arrangements	307.15	200.74
Add: Impairment on other assets	66.33	36.61
Impairment on financial instruments	4,572.19	3,066.46

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

10 Investments

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
(A) At amortised cost		
In pass through certificates (PTC) representing securitisation of loan receivables	356.89	129.11
	356.89	129.11
Less: Impairment loss allowance	1.43	0.52
Total (A)	355.46	128.59
(B) At fair value through other comprehensive income		
(i) In Government securities	21,939.26	14,166.57
Add: Fair value gain/(losses)	11.28	(27.49)
Sub-total (i)	21,950.54	14,139.08
Includes ₹ 4,554.99 crore (Previous year ₹ 4,201.15 crore) pledged towards floating charge in favour of trustees representing the public deposit holders of the Company towards maintenance of liquid assets as prescribed by RBI Act, 1934 and ₹ 16,786.58 crore (Previous year ₹ 9,348.47 crore) pledged in favour of Credit Corporation of India Ltd. for triparty repo dealing and settlement (TREPs).		
(ii) In equity instruments		
Equity shares (Quoted)	150.00	150.00
Add: Fair value gain/(losses)	(47.11)	(89.60)
	102.89	60.40
Equity shares (Unquoted)	299.58	299.58
Add: Fair value gain/(losses)	76.96	0.10
	376.54	299.68
Compulsorily convertible term loan	280.47	280.47
Add: Fair value gain/(losses)	42.21	9.94
	322.68	290.41
Sub-total (ii)	802.11	650.49
(iii) In certificate of deposits	1,450.71	565.10
Add: Fair value gain/(losses)	2.53	1.16
Sub-total (iii)	1,453.24	566.26
(iv) In commercial papers	247.13	596.19
Add: Fair value gain/(losses)	0.13	1.04
Sub-total (iv)	247.26	597.23
(v) In non-convertible debentures	212.88	-
Add: Fair value gain/(losses)	(0.49)	-
Sub-total (v)	212.39	-
Total (B) = (i+ii+iii+iv+v)	24,665.54	15,953.06
(C) At fair value through profit or loss		
(i) In mutual funds**	2,514.31	4,356.00
Add: Fair value gains/(losses)	6.38	9.08
Sub-total (i)	2,520.69	4,365.08
**Mutual funds include ₹ 5.19 crore (Previous year ₹ Nil) pledged in favour of National Securities Depository Limited (NDSL) as money margin.		
(ii) In Government securities	851.82	-
Add: Fair value gains/(losses)	1.26	-
Sub-total (ii)	853.08	-
Total (C) = (i+ii)	3,373.77	4,365.08
(D) At cost		
Investment in subsidiaries*		
Bajaj Housing Finance Ltd.	7,528.00	7,528.00
Bajaj Financial Securities Ltd.	870.38	670.38
Investment in associate*		
Snapwork Technologies Pvt. Ltd.	92.74	92.74
Pennant Technologies Pvt. Ltd.	267.47	-
Total (D)	8,758.59	8,291.12
Total (A+B+C+D)	37,153.36	28,737.85

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

10 Investments (Contd.)

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Out of above		
In India	37,153.36	28,737.85
Outside India	-	-
	37,153.36	28,737.85

- Impairment loss allowance recognised on investments is ₹ Nil (previous year ₹ Nil) except where specified.

*Details of Investment in subsidiaries and associates is as below:

Name of the entity	Relationship	Principal place of business	Principal activities	Proportion of the ownership interest	
				As at 31 March	
				2024	2023
Bajaj Housing Finance Ltd.	Subsidiary	Pune	Mortgage lending	100.00%	100.00%
Bajaj Financial Securities Ltd.	Subsidiary	Pune	Broking and depository	100.00%	100.00%
Snapwork Technologies Pvt. Ltd.	Associate	Mumbai	Software development and allied products	41.50%	41.50%
Pennant Technologies Pvt. Ltd.	Associate	Hyderabad	Software development and allied products	26.53%	-

Reconciliation of impairment loss allowance on investments

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Impairment loss allowance as at beginning of the year	0.52	-
Net increase/(decrease) during the year	0.91	0.52
Impairment loss allowance as at the end of the year	1.43	0.52

11 Other financial assets

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Security deposits	115.34	84.97
Advances to dealers	275.43	252.42
Credit cover under Government guarantee schemes	321.93	190.69
Receivable from debt management agencies	160.32	94.77
Receivable from online payment aggregators and gateways	43.39	6.67
Receivable from assignment servicing partners	51.19	48.22
Others	47.25	39.58
	1,014.85	717.32
Less : Impairment loss allowance	2.77	2.11
	1,012.08	715.21

Reconciliation of impairment loss allowance on other financial assets

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Impairment loss allowance as at beginning of the year	2.11	-
Net increase/(decrease) during the year	0.66	2.11
Impairment loss allowance as at the end of the year	2.77	2.11

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

12 Income taxes**(A) Current tax****Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate**

(₹ in crore)

Particulars	For the year ended 31 March	
	2024	2023
Profit before tax	17,053.08	13,881.51
At corporate tax rate of 25.17% (Previous year 25.17%)	4,292.26	3,493.98
Tax on expenditure not considered for tax provision (net of allowance)	121.80	102.61
Reversal of deferred tax on opening special reserve u/s 36(1)(viii)	(2.33)	-
Tax benefit on additional deductions	(2.76)	(4.82)
Tax expense (effective tax rate of 25.854%, Previous year 25.874%)	4,408.97	3,591.77

(B) Deferred tax assets (net)**Movement in Deferred tax asset/(liability)****For the financial year 2023-24**

(₹ in crore)

Particulars	Balance as at 31 March 2023	Recognised in profit and loss	Recognised in OCI	Balance as at 31 March 2024
(a) Deferred tax asset				
Remeasurements of employee benefits	65.04	20.05	15.01	100.10
Expected credit loss	869.86	-	-	869.86
EIR impact on financial instruments measured at amortised cost	1.45	(0.74)	-	0.71
Cash flow hedge reserve	-	-	3.00	3.00
Fair value on equity instruments designated under FVOCI	7.96	-	(7.96)	-
Right of use assets and lease liability (net)	12.56	5.62	-	18.18
Fair value on debt instruments designated under FVOCI	6.37	-	(6.37)	-
Other temporary differences	1.74	5.24	-	6.98
Gross deferred tax assets (a)	964.98	30.17	3.68	998.83
(b) Deferred tax liabilities				
Property, plant and equipment and intangible assets	(12.81)	(17.00)	-	(29.81)
Service asset	(19.89)	4.66	-	(15.23)
Fair value on debt instruments at FVTPL	(2.21)	0.37	-	(1.84)
Fair value on equity instruments designated under FVOCI	-	-	(21.86)	(21.86)
Fair value on debt instruments designated under FVOCI	-	-	(3.38)	(3.38)
Cash flow hedge reserve	(2.24)	-	2.24	-
Other temporary differences	(8.83)	8.83	-	-
Gross deferred tax liabilities (b)	(45.98)	(3.14)	(23.00)	(72.12)
Deferred tax assets/(liabilities), net (a+b)	919.00	27.03	(19.32)	926.71

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

12 Income taxes (Contd.)

Movement in Deferred tax asset/(liability)

For the financial year 2022-23

Particulars	(₹ in crore)			
	Balance as at 31 March 2022	Recognised in profit and loss	Recognised in OCI	Balance as at 31 March 2023
(a) Deferred tax asset				
Property, plant and equipment and intangible assets	3.29	(3.29)	-	-
Remeasurements of employee benefits	41.83	14.83	8.38	65.04
Expected credit loss	869.21	0.65	-	869.86
EIR impact on financial instruments measured at amortised cost	2.45	(1.00)	-	1.45
Cash flow hedge reserve	3.34	-	(3.34)	-
Fair value on equity instruments designated under FVOCI	4.23	-	3.73	7.96
Right of use assets and lease liability (net)	9.44	3.12	-	12.56
Fair value on debt instruments designated under FVOCI	3.53	-	2.84	6.37
Other temporary differences	1.74	-	-	1.74
Gross deferred tax assets (a)	939.06	14.31	11.61	964.98
(b) Deferred tax liabilities				
Property, plant and equipment and intangible assets	-	(12.81)	-	(12.81)
Service asset	(25.68)	5.79	-	(19.89)
Fair value on debt instruments at FVTPL	-	(2.21)	-	(2.21)
Cash flow hedge reserve	-	-	(2.24)	(2.24)
Other temporary differences	(4.98)	(3.85)	-	(8.83)
Gross deferred tax liabilities (b)	(30.66)	(13.08)	(2.24)	(45.98)
Deferred tax assets/(liabilities), net (a+b)	908.40	1.23	9.37	919.00

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

13 (A) Property, plant and equipment and intangible assets**For the financial year 2023-24**

(₹ in crore)

Particulars	Gross block				Depreciation and amortisation			Net block	
	As at 1 April 2023	Additions	Deductions/ Adjustments	As at 31 March 2024	As at 1 April 2023	Deductions/ Adjustments	For the year	As at 31 March 2024	As at 31 March 2024
Property, plant and equipment (a)									
Freehold land (b) (e)	271.91	5.42	4.02	273.31	-	-	-	-	273.31
Buildings (c) (e)	259.22	2.16	-	261.38	69.09	-	3.67	72.76	188.62
Computers and data processing units	394.14	184.11	60.51	517.74	179.66	43.77	91.53	227.42	290.32
Office equipment	248.44	83.58	11.59	320.43	166.06	11.36	43.15	197.85	122.58
Furniture and fixtures	215.02	79.69	9.71	285.00	93.60	8.08	37.72	123.24	161.76
Vehicles	218.11	150.76	29.91	338.96	49.51	13.92	52.89	88.48	250.48
Leasehold improvements	230.76	63.97	3.00	291.73	196.30	2.99	21.73	215.04	76.69
Sub-total (i)	1,837.60	569.69	118.74	2,288.55	754.22	80.12	250.69	924.79	1,363.76
Right-of-use (f)									
Right-of-use - Premises (e)	711.30	568.95	82.81	1,197.44	263.89	72.12	174.98	366.75	830.69
Right-of-use - Server	35.51	1.97	-	37.48	14.34	-	5.13	19.47	18.01
Sub-total (ii)	746.81	570.92	82.81	1,234.92	278.23	72.12	180.11	386.22	848.70
Sub-total (iii=i+ii)	2,584.41	1,140.61	201.55	3,523.47	1,032.45	152.24	430.80	1,311.01	2,212.46
Intangible assets (d)									
Computer softwares	649.16	230.28	38.32	841.12	298.97	28.99	125.77	395.75	445.37
Internally generated software	288.41	231.54	2.06	517.89	43.65	0.42	72.56	115.79	402.10
Sub-total (iv)	937.57	461.82	40.38	1,359.01	342.62	29.41	198.33	511.54	847.47
Total (v=iii+iv)	3,521.98	1,602.43	241.93	4,882.48	1,375.07	181.65	629.13	1,822.55	3,059.93

For the financial year 2022-23

(₹ in crore)

Particulars	Gross block				Depreciation and amortisation			Net block	
	As at 1 April 2022	Additions	Deductions/ Adjustments	As at 31 March 2023	As at 1 April 2022	Deductions/ Adjustments	For the year	As at 31 March 2023	As at 31 March 2023
Property, plant and equipment (a)									
Freehold land (b) (e)	196.59	75.32	-	271.91	-	-	-	-	271.91
Buildings (c) (e)	245.81	13.41	-	259.22	65.54	-	3.55	69.09	190.13
Computers and data processing units	290.59	151.81	48.26	394.14	153.40	37.43	63.69	179.66	214.48
Office equipment	206.00	47.03	4.59	248.44	136.56	4.52	34.02	166.06	82.38
Furniture and fixtures	187.29	36.27	8.54	215.02	81.31	6.11	18.40	93.60	121.42
Vehicles	126.96	105.16	14.01	218.11	35.41	7.62	21.72	49.51	168.60
Leasehold improvements	212.75	22.44	4.43	230.76	173.25	4.37	27.42	196.30	34.46
Sub-total (i)	1,465.99	451.44	79.83	1,837.60	645.47	60.05	168.80	754.22	1,083.38
Right-of-use (f)									
Right-of-use - Premises (e)	530.24	240.76	59.70	711.30	181.53	53.22	135.58	263.89	447.41
Right-of-use - Server	30.15	5.54	0.18	35.51	9.61	0.18	4.91	14.34	21.17
Sub-total (ii)	560.39	246.30	59.88	746.81	191.14	53.40	140.49	278.23	468.58
Sub-total (iii=i+ii)	2,026.38	697.74	139.71	2,584.41	836.61	113.45	309.29	1,032.45	1,551.96
Intangible assets (d)									
Computer softwares	498.22	186.25	35.31	649.16	225.00	25.62	99.59	298.97	350.19
Internally generated software	144.21	144.20	-	288.41	8.76	-	34.89	43.65	244.76
Sub-total (iv)	642.43	330.45	35.31	937.57	233.76	25.62	134.48	342.62	594.95
Total (v=iii+iv)	2,668.81	1,028.19	175.02	3,521.98	1,070.37	139.07	443.77	1,375.07	2,146.91

- (a) See note no. 3.6
(b) Represents share in undivided portion of land on purchase/construction of office premises.
(c) Includes cost of shares in co-operative society of ₹ 500 (Previous year ₹ 500).
(d) See note no. 3.7
(e) Title deeds of all immovable properties and lease agreements for all the leased premises are held in the name of the Company.
(f) See note no. 3.9

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

13 (A) Property, plant and equipment and intangible assets (Contd.)

Depreciation and amortisation

Depreciation and amortisation is provided using straight-line method over the useful life of assets assuming no residual value at the end of useful life of the asset. Depreciation and amortisation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.

Nature of assets	Useful life adopted by the Company
Building	60 years
Computers and data processing units	
End user machines	4 years*
Servers and networks	6 years
Office equipment	
Soundbox device	2 years*
Point of sale machine	4 years*
Other office equipment's	5 years
Furniture and fixtures	
Chairs and glow sign board	4 years*
All other furniture and fixtures	10 years
Vehicles	6 years*
Leasehold improvements	Lease tenure or 5 years, whichever is less
Intangible assets including those internally generated	5 years

* Evaluated useful lives is different from Schedule II of Companies Act, 2013.

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.

13 (B) Capital work-in-progress and intangible assets under development

The Company discloses property, plant and equipment that are not ready for use as Capital work-in-progress. These are carried at cost, comprising direct cost and related incidental expenses. Intangible assets not ready for their intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

Capital work-in-progress

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Opening balance	14.60	13.27
Additions	22.35	1.33
Deductions/Adjustments	11.60	-
Closing balance	25.35	14.60

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

13 (B) Capital work-in-progress and intangible assets under development (Contd.)

Aging for capital work-in-progress

(₹ in crore)

Particulars	As at	Amount for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	31 March 2024	10.75	1.33	6.20	7.07	25.35
Projects in progress	31 March 2023	1.33	6.20	7.07	-	14.60

Intangible assets under development

(₹ in crore)

Particulars	For the year ended 31 March	
	2024	2023
Opening balance	64.93	19.41
Additions	414.13	395.39
Deductions/Adjustments	461.82	349.87
Closing balance	17.24	64.93

Aging for Intangible assets under development

(₹ in crore)

Particulars	As at	Amount for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	31 March 2024	17.24	-	-	-	17.24
Projects in progress	31 March 2023	64.93	-	-	-	64.93

-The Company does not have any project temporary suspended or any CWIP and intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence CWIP and intangible asset under development completion schedule is not applicable.

14 Other non-financial assets

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Capital advances	23.82	36.01
Deposits against appeals	38.95	40.11
Advances to suppliers and others	75.06	40.51
	137.83	116.63

-Impairment loss allowance recognised on other non-financial assets is ₹ Nil (Previous year ₹ Nil).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

15 Payables

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
(I) Trade payables		
Total outstanding dues of micro enterprises and small enterprises (MSME)#	0.42	1.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,000.97	951.41
	1,001.39	953.18
(II) Other payables		
Total outstanding dues of micro enterprises and small enterprises#	-	0.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	670.56	558.45
	670.56	559.10

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

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	0.42	2.42
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	46.01	43.90
Interest paid to suppliers under MSMED Act (Section 16)	0.57	0.75
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act (since paid)	-	-

Trade payables aging

Particulars	(₹ in crore)						Total
	Not due	Unbilled	Outstanding from due date of payment				
			Less than 1 year	1-2 years	2-3 years		
As at 31 March 2024							
(i) MSME	0.42	-	-	-	-	-	0.42
(ii) Others	97.24	722.99	180.73	0.01	-	-	1,000.97
	97.66	722.99	180.73	0.01	-	-	1,001.39
As at 31 March 2023							
(i) MSME	1.17	-	0.60	-	-	-	1.77
(ii) Others	38.03	853.85	59.02	0.39	0.12	-	951.41
	39.20	853.85	59.62	0.39	0.12	-	953.18

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

16 Debt securities

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
(A) At amortised cost		
Redeemable non-convertible debenture		
Secured and fully paid*	62,170.34	48,811.87
Unsecured and fully paid	6,258.92	6,262.16
Unsecured and partly paid	745.72	372.79
	69,174.98	55,446.82
Commercial papers - unsecured	18,421.11	10,223.03
	87,596.09	65,669.85
(B) Out of above		
In India	87,596.09	65,669.85
Outside India	-	-
	87,596.09	65,669.85

*All the secured non-convertible debentures (NCD) of the Company including those issued during the year ended 31 March 2024 are fully secured by hypothecation of book debts/loan receivables to the extent as stated in the respective information memorandum. Additionally, the Company had mortgaged one of its offices in Chennai on pari passu charge against specific secured NCDs issued till November 2020. The Company has, at all times, for the secured NCDs, maintained sufficient asset cover as stated in the respective information memorandum towards the principal amount, interest accrued thereon, and such other sums as mentioned therein.

(C) Terms of repayment of non-convertible debentures (NCDs) as at 31 March 2024

(₹ in crore)

Original maturity of loan	Residual maturity of loan				Total
	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in more than 3 years	
Redeemable at par					
Up to 2 years	750.00	300.00	-	-	1,050.00
Over 2 to 3 years	4,350.00	4,997.00	1,200.00	-	10,547.00
Over 3 to 4 years	2,350.00	5,100.00	425.00	395.00	8,270.00
Over 4 years	4,225.00	2,302.00	57.50	39,370.90	45,955.40
Redeemable at premium					
Over 3 to 4 years	-	906.00	-	-	906.00
Interest accrued	2,338.19	134.59	-	-	2,472.78
Impact of EIR (including premium and discount on NCD)					(26.20)
					69,174.98

-Interest rate ranges from 5.49% to 9.36% p.a as at 31 March 2024

-Amount to be called and paid is ₹ 350 crore each in May 2024, May 2025 and June 2026

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

16 Debt securities (Contd.)

Terms of repayment of non-convertible debentures (NCDs) as at 31 March 2023

(₹ in crore)

Original maturity of loan	Residual maturity of loan				Total
	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in more than 3 years	
Redeemable at par					
Up to 2 years	6,165.00	750.00	-	-	6,915.00
Over 2 to 3 years	2,325.00	4,350.00	1,510.00	-	8,185.00
Over 3 to 4 years	270.00	2,350.00	5,100.00	-	7,720.00
Over 4 years	1,981.00	4,225.00	2,302.00	20,262.50	28,770.50
Redeemable at premium					
Over 2 to 3 years	950.00	-	-	-	950.00
Over 3 to 4 years	75.00	-	906.00	-	981.00
Interest accrued	1799.02	-	65.02	-	1,864.04
Impact of EIR (including premium and discount on NCD)					61.28
					55,446.82

-Interest rate ranges from 4.90% to 9.36% p.a as at 31 March 2023

-Amount to be called and paid is ₹ 350 crore each in June 2023, May 2024, May 2025 and June 2026

(D) Terms of repayment of commercial papers

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Redeemable at par with original maturity up to 1 year		
- Due within 1 year	18,425.24	10,225.22
Impact of EIR	(4.13)	(2.19)
	18,421.11	10,223.03

-Interest rate ranges from 7.58% to 8.40% p.a as at 31 March 2024 (Previous year 5.30% to 8.00% p.a)

-As at 31 March 2024, face value of commercial paper is ₹ 18,790 crore (Previous year ₹ 10,445 crore)

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

17 Borrowings (other than debt securities)

(₹ in crore)

As at 31 March

Particulars	2024	2023
(A) In India		
At amortised cost:		
Term loans from banks	44,715.52	36,230.84
Cash credit/Overdraft facility	544.62	304.57
Working capital demand loans	2,200.45	1,752.48
Triparty repo dealing and settlement (TREPs) against Government securities	15,758.96	8,145.36
	63,219.55	46,433.25
Outside India		
External commercial borrowing*	6,018.45	1,461.45
	6,018.45	1,461.45
(B) Out of above		
Secured (Against hypothecation of loans, book debts and other receivables)	68,737.89	47,394.65
Unsecured	500.11	500.05
	69,238.00	47,894.70

*External commercial borrowing is denominated in foreign currency and secured against book debts.

- The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(C) Terms of repayment of term loans from bank as at 31 March 2024

Original maturity of loan	Residual maturity of loan								Total	
	Due within 1 year		Due in 1 to 2 years		Due in 2 to 3 years		Due in more than 3 years			
	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore
Quarterly										
Up to 3 years	-	-	2	225.00	2	225.00	-	-	4	450.00
Over 3 to 4 years	40	1,815.00	28	1,125.00	20	846.88	6	281.25	94	4,068.13
Over 4 years	16	470.00	9	185.00	7	109.38	-	-	32	764.38
Half yearly										
Up to 3 years	2	200.00	1	100.00	4	500.00	-	-	7	800.00
Over 3 to 4 years	13	1,008.32	14	1,133.32	14	1,133.36	3	212.50	44	3,487.50
Over 4 years	53	3,800.32	66	5,655.67	71	7,163.97	69	8,402.57	259	25,022.53
Yearly										
Over 3 to 4 years	3	425.00	-	-	-	-	-	-	3	425.00
Over 4 years	8	829.58	6	808.33	6	808.33	7	1,124.90	27	3,571.14
On maturity (Bullet)										
Up to 3 years	4	870.00	4	2,300.00	2	550.00	-	-	10	3,720.00
Over 3 to 4 years	2	1,900.00	1	499.74	-	-	-	-	3	2,399.74
Interest accrued	-	7.96	-	-	-	-	-	-	-	7.96
Impact of EIR										(0.86)
										44,715.52

-Interest rate ranges from 6.00% to 9.20% p.a as at 31 March 2024.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

17 Borrowings (other than debt securities) (Contd.)

Terms of repayment of term loans from bank as at 31 March 2023

Original maturity of loan	Residual maturity of loan								Total	
	Due within 1 year		Due in 1 to 2 years		Due in 2 to 3 years		Due in more than 3 years		Total no. of instalments	₹ in crore
	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore		
Quarterly										
Up to 3 years	10	1,090.91	-	-	-	-	-	-	10	1,090.91
Over 3 to 4 years	25	940.00	28	1,240.00	16	550.00	8	271.88	77	3,001.88
Over 4 years	29	1,640.17	16	470.00	9	185.00	7	109.38	61	2,404.55
Half yearly										
Up to 3 years	2	200.00	2	200.00	1	100.00	-	-	5	500.00
Over 3 to 4 years	6	375.00	8	708.32	8	708.32	8	708.36	30	2,500.00
Over 4 years	31	2,088.56	37	2,730.10	42	3,855.10	63	7,137.33	173	15,811.09
Yearly										
Over 3 to 4 years	4	486.25	3	425.00	-	-	-	-	7	911.25
Over 4 years	9	921.25	7	704.58	5	683.33	11	1,683.34	32	3,992.50
On maturity (Bullet)										
Up to 3 years	3	1,250.00	4	870.00	2	1,500.00	-	-	9	3,620.00
Over 3 to 4 years	-	-	2	1,900.00	1	499.74	-	-	3	2,399.74
Interest accrued	-	2.97	-	-	-	-	-	-	-	2.97
Impact of EIR	-	-	-	-	-	-	-	-	-	(4.05)
										36,230.84

-Interest rate ranges from 5.65% to 8.96% p.a as at 31 March 2023.

(D) Terms of repayment of working capital demand loans from bank

Particulars	As at 31 March 2024		As at 31 March 2023	
	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore
On maturity (Bullet)				
Up to 1 year	6	2,200.00	6	1,752.34
Interest accrued		0.45		0.14
	6	2,200.45	6	1,752.48

-Interest rate ranges from 7.10% to 8.75% p.a as at 31 March 2024 (Previous year 7.00% to 8.35% p.a).

(E) Terms of repayment of TREPs

Particulars	As at 31 March 2024		As at 31 March 2023	
	Total no. of instalments	₹ in crore	Total no. of instalments	₹ in crore
On maturity (Bullet)				
Up to 1 year	35	15,758.96	20	8,145.36
	35	15,758.96	20	8,145.36

-Interest rate ranges from 6.26% to 7.25% p.a as at 31 March 2024 (Previous year 6.76% to 6.99% p.a).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

17 Borrowings (other than debt securities) (Contd.)**(F) Terms of repayment of external commercial borrowing**

	As at 31 March 2024		As at 31 March 2023	
	Total no. of installments	₹ in crore	Total no. of installments	₹ in crore
Original maturity of loan				
Due within 1 year				
Original maturity over 2 to 3 years	-	-	1	822.17
Original maturity over 3 years	-	-	1	616.63
Due in 2 to 3 year				
Original maturity over 2 to 3 years	5	3,543.39	-	-
Original maturity over 3 years	4	2,501.22	-	-
Interest accrued		10.01		24.14
Impact of EIR		(36.17)		(1.49)
	9	6,018.45	2	1,461.45

-Contracted interest rate ranges from 5.96% to 6.61% p.a as at 31 March 2024 (Previous year 5.33% to 5.76% p.a).

-Interest rate ranges from 7.40% to 8.11% p.a under Cross currency interest rate swap (CCIRS) as at 31 March 2024 (Previous year 5.85% to 6.70% p.a).

18 Deposits (Unsecured)**(A) At amortised cost**

Particulars	As at 31 March	
	2024	2023
Public deposits*	38,012.62	28,303.10
From others	21,954.04	16,186.69
	59,966.66	44,489.79

*As defined in chapter II, para 3 (xiii) of Master directions - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 as issued by RBI.

(B) Terms of repayment of deposits as at 31 March 2024

Original maturity of deposits	Residual maturity of deposits				Total
	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in more than 3 years	
Up to 1 year	11,634.35	-	-	-	11,634.35
Over 1 to 2 years	8,847.05	3,409.77	-	-	12,256.82
Over 2 to 3 years	4,578.31	4,635.63	2,548.35	-	11,762.29
Over 3 years	1,350.99	2,781.44	9,265.73	8,865.68	22,263.84
Interest accrued	1,262.24	451.67	378.50	141.75	2,234.16
Impact of EIR					(184.80)
					59,966.66

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

18 Deposits (Unsecured) (Contd.)

Terms of repayment of deposits as at 31 March 2023

(₹ in crore)

Original maturity of deposits	Residual maturity of deposits				Total
	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in more than 3 years	
Up to 1 year	11,137.16	-	-	-	11,137.16
Over 1 to 2 years	5,453.75	3,237.35	-	-	8,691.10
Over 2 to 3 years	2,886.33	4,872.30	4,513.03	-	12,271.66
Over 3 years	846.82	1,381.17	2,982.35	5,855.16	11,065.50
Interest accrued	833.50	382.66	171.95	82.59	1,470.70
Impact of EIR					(146.33)
					44,489.79

19 Subordinated liabilities (Unsecured)

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
(A) In India		
At amortised cost		
Privately placed subordinated (Tier II) redeemable non-convertible debentures	3,577.90	3,630.29
	3,577.90	3,630.29
(B) Outside India	-	-

(C) Terms of repayment of subordinated liabilities as at 31 March 2024

(₹ in crore)

Original maturity of loan	Residual maturity of loan				Total
	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in more than 3 years	
Redeemable at par					
Over 5 years	452.50	290.00	2,060.00	600.00	3,402.50
Interest accrued	183.48	-	-	-	183.48
Impact of EIR					(8.08)
					3,577.90

-Interest rate ranges from 8.05% to 10.15% p.a as at 31 March 2024.

Terms of repayment of subordinated liabilities as at 31 March 2023

(₹ in crore)

Original maturity of loan	Residual maturity of loan				Total
	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in more than 3 years	
Redeemable at par					
Over 5 years	50.00	452.50	290.00	2,660.00	3,452.50
Interest accrued	188.08	-	-	-	188.08
Impact of EIR					(10.29)
					3,630.29

-Interest rate ranges from 8.05% to 10.15% p.a as at 31 March 2023.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

20 Other financial liabilities

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Unclaimed dividends*	3.07	2.25
Book overdraft	98.00	-
Security deposits	175.13	168.07
Unclaimed matured deposits*	0.44	0.84
Lease liability [†]	920.93	518.48
Payable to assignment partners	15.46	11.54
Outstanding liability for prepaid instrument	59.38	49.43
Unspent CSR liability	6.19	35.27
Others	343.01	335.64
	1,621.61	1,121.52

*There are no undisputed amounts which were due and unpaid to Investor Education and Protection Fund as at the close of the year.

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

The Company as a lessee follows Ind AS 116 'Leases' for accounting of various office premises and servers taken on lease. The leases considered for application of Ind AS 116 have lease period ranging from 24 to 180 months. The discount rate ranges from 5.5% to 9.15% p.a.

(A) Lease liability movement

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Opening balance	518.48	406.76
Add : Addition during the year	570.91	246.30
Interest on lease liability	59.00	38.53
Less : Deletion during the year	13.01	7.67
Lease rental payments	214.45	165.44
Balance at the end of the year	920.93	518.48

(B) Future lease cash outflow for all leased assets

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Not later than one year	239.42	159.58
Later than one year but not later than five years	685.52	395.21
Later than five years	224.91	62.09
	1,149.85	616.88

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

20 Other financial liabilities (Contd.)

(C) Maturity analysis of carrying value of lease liability

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Within 12 months	175.30	125.78
After 12 months	745.63	392.70

(D) Amount recognised in Statement of Profit and Loss

(₹ in crore)

Particulars	For the year ended 31 March	
	2024	2023
Interest on lease liabilities	59.00	38.53
Depreciation charge for the year	180.11	140.49
Expense related to short term leases	5.82	2.26
(Gain)/loss on pre-mature lease closure	(2.32)	(1.19)
	242.61	180.09

21 Provisions

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Provision for employee benefits		
Gratuity	284.06	183.14
Compensated absences*	29.34	27.24
Other long term service benefits	71.83	44.08
	385.23	254.46

*Includes amount payable for encashable leaves not permitted to be carried forward of ₹ 17.94 crore (Previous year ₹ 13.52 crore).

22 Other non-financial liabilities

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Statutory dues	439.23	299.40
Others	23.69	36.57
	462.92	335.97

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

23 Equity share capital

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Authorised		
750,000,000 (750,000,000) equity shares of ₹ 2 each	150.00	150.00
Issued		
618,996,320 (605,429,233) equity shares of ₹ 2 each	123.80	121.09
Subscribed and paid up		
618,996,320 (605,429,233) equity shares of ₹ 2 each fully called up and paid up	123.80	121.09
Less: 988,329 (1,008,401) equity shares of ₹ 2 each held in a Trust for employees under ESOP Scheme [See footnote (f) below]	0.20	0.20
	123.60	120.89

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	Nos.	₹ in crore
As at 1 April 2022	605,429,233	121.09
Add: Issued during the year to Trust for employees pursuant to ESOP scheme	-	-
	605,429,233	121.09
Less: Equity shares held in Trust for employees under ESOP scheme	1,008,401	0.20
As at 31 March 2023	604,420,832	120.89
As at 1 April 2023	605,429,233	121.09
Add: Issued during the year to Trust for employees pursuant to ESOP scheme*	1,462,548	0.29
Add: Issued during the year to eligible Qualified Institutional Buyers#	12,104,539	2.42
	618,996,320	123.80
Less: Equity shares held in Trust for employees under ESOP scheme	988,329	0.20
As at 31 March 2024	618,007,991	123.60

*The Allotment Committee allotted 489,305 equity shares and 973,243 equity shares on 2 June 2023 and 1 March 2024, respectively, having face value of ₹ 2 each at applicable grant price to the BFL Employee Welfare Trust under Employee Stock Option Scheme, 2009.

#On 9 November 2023, the Company through Qualified Institutions Placement (QIP) allotted 12,104,539 equity shares to eligible Qualified Institutional Buyers (QIBs) at a price of ₹ 7,270 per equity share of ₹ 2 face value (inclusive of premium of ₹ 7,268 per share) aggregating to approximately ₹ 8,800 crore. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Funds raised by way of QIP have been utilised for the purpose mentioned in the objects of the issue in the offer document.

(b) Terms/rights/restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The dividend recommended 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) Shares held by Holding Company (Face value ₹ 2 per share)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	₹ in crore	Nos.	₹ in crore
Bajaj Finserv Ltd.*	317,816,130	63.56	317,816,130	63.56

* An associate of Bajaj Holdings and Investments Ltd.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

23 Equity share capital (Contd.)

(d) Details of shareholders holding more than 5% shares in the Company (Face value ₹ 2 per share)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Nos.	% Holding	Nos.	% Holding
Bajaj Finserv Ltd. *	317,816,130	51.34%	317,816,130	52.49%

* An associate of Bajaj Holdings and Investments Ltd.

(e) Shareholding pattern of Promoters (Face value ₹ 2 per share)

Particulars	As at 31 March 2024		As at 31 March 2023		% Changes during the year	% Changes during the previous year
	Nos.	% Holding	Nos.	% Holding		
Names of Promoter and Promoter group						
Promoter:						
Bajaj Finserv Ltd.	317,816,130	51.34%	317,816,130	52.49%	0.00%	0.00%
Promoter Group :						
Aryaman Kejriwal*	2,000	0.00%	-	0.00%	Nil	Nil
Bachhraj Factories Private Limited	72,000	0.01%	72,000	0.01%	0.00%	0.00%
Bajaj Allianz Life Insurance Company Ltd.	247,000	0.04%	247,000	0.04%	0.00%	0.00%
Bajaj Sevashram Private Ltd.	308,500	0.05%	308,500	0.05%	0.00%	8.25%
Baroda Industries Private Ltd.	117,600	0.02%	117,600	0.02%	0.00%	0.00%
Estate of Rahulkumar Bajaj	-	0.00%	10,000	0.00%	(100.00%)	0.00%
Jamnalal Sons Private Ltd.	127,640	0.02%	127,640	0.02%	0.00%	0.00%
Kumud Bajaj	2,000	0.00%	2,000	0.00%	0.00%	0.00%
Kumud Bajaj (A/c Madhur Neelima Family Trust)	15,000	0.00%	15,000	0.00%	0.00%	0.00%
Kumud Bajaj (A/c Madhur Nimisha Family Trust)	15,000	0.00%	15,000	0.00%	0.00%	0.00%
Madhur Bajaj	2,000	0.00%	2,000	0.00%	0.00%	0.00%
Madhur Bajaj (A/c Kumud Neelima Family Trust)	15,000	0.00%	15,000	0.00%	0.00%	0.00%
Madhur Bajaj (A/c Kumud Nimisha Family Trust)	15,000	0.00%	15,000	0.00%	0.00%	0.00%
Maharashtra Scooters Ltd.	18,974,660	3.07%	18,974,660	3.13%	0.00%	0.00%
Neelima Bajaj Family Trust (Kumud Bajaj)	61,000	0.01%	61,000	0.01%	0.00%	0.00%
Nimisha Bajaj Family Trust (Madhur Bajaj)	61,000	0.01%	61,000	0.01%	0.00%	0.00%
Nirvaan Kejriwal*	2,000	0.00%	-	0.00%	Nil	Nil
Rajivnayan Bajaj	1,000	0.00%	1,000	0.00%	0.00%	0.00%
Rishabnayan Bajaj*	2,000	0.00%	-	0.00%	Nil	Nil
Sanjali Bajaj	65,104	0.01%	63,104	0.01%	3.17%	0.00%
Sanjivnayan Bajaj	467,688	0.08%	467,688	0.08%	0.00%	0.00%
Shefali Bajaj	63,104	0.01%	63,104	0.01%	0.00%	0.00%
Siddhantnayan Bajaj	65,104	0.01%	63,104	0.01%	3.17%	0.00%
Suman Jain	7,015	0.00%	7,093	0.00%	(1.10%)	(0.37%)

*Where shares have been issued for the first time during the reporting period, such percentage change have been computed from date of such issuance

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

23 Equity share capital (Contd.)**(f) Shares reserved for issue under employee stock option plan**

Particulars	No. of Stock options/Equity shares as at	
	31 March 2024	31 March 2023
a. Number of equity shares approved/reserved for issue under Employee Stock Option Plan, 2009 to employees of the Company drawn in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (SEBI Guidelines) (i.e. 5% of the then subscribed and paid up share capital)	35,071,160	35,071,160
b. Options granted under the scheme	31,503,611	29,940,214
c. Options cancelled and added back to pool for future grants	4,083,318	4,012,171
d. Options granted net of cancellation under the scheme (d = b-c)	27,420,293	25,928,043
e. Balance available under the scheme for future grants (e=a-d)	7,650,867	9,143,117
f. Equity shares allotted to BFL Employee Welfare Trust	22,917,522	21,454,974
g. Stock options exercised	21,929,193	20,446,573
h. Balance stock options available with BFL Employee Welfare Trust (h = f-g)	988,329	1,008,401

Consequent to the opinion expressed by the 'Expert Advisory Committee' of the Institute of Chartered Accountants of India on the applicability of clause 22A.1 of the SEBI Guidelines, the balance unexercised equity shares held by the Trust at the close of the year have been reduced against the share capital as if the Trust is administered by the Company itself. The securities premium related to the unexercised equity shares held by the Trust at the close of the year aggregating to ₹ 307.06 crore (As at 31 March 2023 ₹ 125.94 crore) has also been reduced from securities premium account and adjusted against the loan outstanding from the Trust.

Dividends declared by the Company do not accrete to the shares held by the ESOP Trust towards unexercised options. Accordingly, any dividend received by the ESOP Trust is remitted back to the Company and adjusted against the source from which dividend has been paid.

24 Other equity

Particulars	Nature and purpose	(₹ in crore)	
		2024	2023
(i) Securities premium	Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.	26,582.14	17,441.11
(ii) Retained earnings	Retained earnings represents the surplus in Profit and Loss Account after appropriations made to/from retained earnings.	33,359.19	25,060.48
(iii) Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	Every year the Company transfers sum of not less than twenty percent of net profit of that year to this statutory reserve fund created pursuant to Section 45 IC(1) of the Reserve Bank of India Act, 1934. No appropriation of any sum from the reserve fund is permitted except for the purpose as may be specified by the Reserve Bank of India from time to time.	10,232.75	7,702.75
(iv) General reserve	Amount set aside from retained profits as a reserve to be utilised for permissible general purpose as per Law.	790.02	788.93
(v) Infrastructure reserve in terms of section 36 (1) (viii) of the Income Tax Act, 1961	Infrastructure reserve is created to avail the deduction as per the provisions of Section 36 (1) (viii) the Income Tax Act 1961 on profits derived from the business of providing long term finance for development of infrastructure facility in India.	9.25	9.25

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

24 Other equity (Contd.)

		(₹ in crore)	
		As at 31 March	
Particulars	Nature and purpose	2024	2023
(vi) Share options outstanding account	Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Group.	711.50	555.46
(vii) Remeasurement of defined benefit plans	The Company recognises change on account of remeasurement of the net defined benefit liability (asset), which comprises of (a) actuarial gains and losses; (b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).	(146.51)	(101.88)
(viii) Other comprehensive income			
(a) On equity investments	The Company has opted to recognise changes in the fair value of certain investments in equity in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity investments are derecognised.	50.18	(71.62)
(b) On debt investments	The Company recognises changes in the fair value of debt instruments held with a dual business objective of collect and sell in other comprehensive income. These changes are accumulated in the FVOCI debt investments reserve. The Company transfers amounts from this reserve to profit or loss when the debt instruments are derecognised. Any impairment loss on such instruments is reclassified immediately to the Statement of Profit and Loss.	10.07	(18.92)
(c) On cash flow hedge reserve	It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.	(8.87)	6.68
(ix) Money received against share warrants*	It represents application money received from subscriber of warrants, against which shares are yet to be allotted.	297.21	-
		71,886.93	51,372.24

*On 2 November 2023, Preferential Issue Allotment Committee duly constituted by the Board of Directors of the Company has approved the allotment of 1,550,000 warrants to the Bajaj Finserv Ltd., the promoter and holding company, at the issue price of ₹ 7,670 per warrant, of which an amount equivalent to 25% of the consideration was received at the time of subscription and allotment of warrants aggregating to ₹ 297.21 crore pursuant to the issue, in accordance with the relevant provisions of the SEBI ICDR Regulations. The remaining 75% of the consideration will be received at the time of conversion of warrants into equity shares, anytime within eighteen months from the date of allotment.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

25 Interest income

(₹ in crore)

Particulars	For the year ended 31 March 2024				For the year ended 31 March 2023			
	On financial assets measured at				On financial assets measured at			
	FVOCI	Amortised cost	FVTPL	Total	FVOCI	Amortised cost	FVTPL	Total
On loans	-	39,280.04	-	39,280.04	-	29,471.18	-	29,471.18
On investments	1,202.97	14.78	22.24	1,239.99	512.07	70.15	39.51	621.73
On deposits with bank	-	259.65	-	259.65	-	46.17	-	46.17
On others	-	3.08	-	3.08	-	2.76	-	2.76
	1,202.97	39,557.55	22.24	40,782.76	512.07	29,590.26	39.51	30,141.84

26 Fees and commission income

(₹ in crore)

Particulars	For the year ended 31 March	
	2024	2023
Service and administration charges	1,735.18	1,449.90
Fees on value added services and products	632.62	595.84
Foreclosure income	417.42	307.59
Distribution income	2,222.19	1,853.87
	5,007.41	4,207.20

27 Net gain on fair value changes

(₹ in crore)

Particulars	For the year ended 31 March	
	2024	2023
(A) Net gain/(loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
Realised gain/(loss) on investments at FVTPL	140.95	221.92
Unrealised gain/(loss) on investments at FVTPL	(1.48)	8.78
(B) Others		
Realised gain/(loss) on sale of FVOCI debt instruments	(0.62)	(22.85)
	138.85	207.85

28 Sale of services

(₹ in crore)

Particulars	For the year ended 31 March	
	2024	2023
Service fees for management of assigned portfolio of loans	24.05	29.17
	24.05	29.17

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

29 Other operating income

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Recoveries against written off financial assets	838.32	1,094.58
Net realisation on sale of written off loans	0.59	-
Marketing, branding and allied services	100.30	-
Grant towards QR deployment operating expenditure*	7.14	-
Others	39.38	3.80
	985.73	1,098.38

*The Company has received Government grant relating to Payment Infrastructure Development Fund (PIDF) scheme of ₹ 7.14 crore in current year (Previous year ₹ Nil). The same is an income grant and is presented on a gross basis (i.e. without netting it from the related expenses) as permitted under Ind AS 20 'Accounting for Government grants and disclosure of Government assistance'. The Company does not have any unfulfilled conditions relating to the grant recognised.

30 Other income

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Dividend income (₹ 30,225, Previous year ₹ 31,125)		
Miscellaneous income	7.18	5.37
	7.18	5.37

31 Finance costs

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
On financial liabilities measured at amortised cost:		
On debt securities	5,722.74	4,002.15
On borrowings other than debt securities	3,707.36	2,284.47
On subordinated liabilities	302.60	316.83
On deposits	4,027.88	2,625.81
On lease liability	59.00	38.53
On others	8.90	10.01
Other interest expenses*	14.96	7.43
	13,843.44	9,285.23

*Includes net interest on net defined benefit liability of gratuity of ₹ 12.46 crore (Previous year ₹ 7.43 crore)

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

32 Fees and commission expense

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Commission and incentives	91.39	72.50
Recovery costs	1,624.54	1,686.82
Credit guarantee fees	189.06	104.72
Loan portfolio management service charges	54.09	70.34
	1,959.08	1,934.38

33 Impairment on financial instruments

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
On loans	4,505.86	3,029.85
On others	66.33	36.61
	4,572.19	3,066.46

34 Employee benefits expenses

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Employees emoluments	5,213.66	4,103.10
Contribution to provident fund and other funds	179.83	137.55
Gratuity expense	60.33	56.79
Share based payment to employees	240.94	199.42
Staff welfare expenses	154.71	117.49
	5,849.47	4,614.35

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

35 Other expenses

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Communication expenses	152.66	151.51
Outsourcing/back office expenses	515.18	327.60
Travelling expenses	417.87	344.38
Information technology expenses	660.30	527.02
Bank charges	159.23	138.63
Net loss on disposal of property, plant and equipment and intangible assets	11.76	12.65
Auditor's fees and expenses*	1.54	1.59
Insurance charges	7.89	5.96
Rent, taxes and energy cost	66.56	50.08
Director's fees, commission and expenses	10.14	3.74
Advertisement, branding and promotion expenses	336.34	345.97
Expenditure towards Corporate Social Responsibility activities**	185.70	138.33
Repairs, maintenance and office expenses	143.82	132.11
Employee training, recruitment and management expenses	81.36	58.74
Printing and stationery expenses	9.06	12.29
Legal and professional charges	45.45	22.39
Customer experience cost	142.30	124.30
Miscellaneous expenses	92.43	66.82
	3,039.59	2,464.11

* Payment to auditor (net of GST credit availed)#

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Audit fee	0.92	0.93
Tax audit fee	0.16	0.16
Limited review fees	0.30	0.31
In other capacity:		
Other services	0.09	0.14
Reimbursement of expenses	0.07	0.05
	1.54	1.59

Excludes fees of ₹ 1.65 crore (Previous year ₹ Nil) incurred during the year in respect of fund raised through qualified institutional placement, adjusted against securities premium.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

35 Other expenses (Contd.)**** Corporate Social Responsibility expenditure**

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
(a) Gross amount required to be spent by the Company during the year	185.70	138.33
(b) Excess amount spent in previous financial year carried forward	-	-
(c) Net amount required to be spent by the Company during the year (a-b)	185.70	138.33
(d) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	179.52	117.46
(e) Excess/(Shortfall) at the end of the year (d-c)	(6.18)	(20.87)
(f) Total of previous years excess/(shortfall)	-	(14.41)
(g) Reason for shortfall	Refer Note (i) below	Refer Note (i) below
(h) Nature of CSR activities (activities as per Schedule VII)	Activities mentioned in i, ii, iii, iv, vi, xii	Activities mentioned in i, ii, iii, iv, vi
(i) Details of related party transactions (Refer Note (ii) below)	1.36	0.30
(j) Where a provision is made with respect to a liability incurred by entering into a contractual obligation		
Opening provision balance	35.28	60.88
Provision created during the year	6.18	20.87
Amount spent during the year	(35.28)	(46.47)
Closing provision balance	6.18	35.28
(k) In case of section 135(6) details of ongoing projects		

For the year ended 31 March 2024

(₹ in crore)

Particulars	Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing balance	
	With Company	In separate CSR unspent a/c		From Company's bank a/c	From separate CSR unspent a/c	With Company	In separate CSR unspent a/c
For the year 2022	-	14.41	-	-	14.41	-	-
For the year 2023	-	20.87	-	-	20.87	-	-
For the year 2024	-	-	185.70	179.52	-	-	6.18

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

35 Other expenses (Contd.)

For the year ended 31 March 2023

(₹ in crore)

Particulars	Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing balance	
	With Company	In separate CSR unspent a/c		From Company's bank a/c	From separate CSR unspent a/c	With Company	In separate CSR unspent a/c
For the year 2022	-	60.88	-	-	46.47	-	14.41
For the year 2023	-	-	138.33	117.46	-	-	20.87

Note:

(i) Current year:

Due to delay in commencement of projects as compared to approved timelines, some part of the mandatory obligations for few ongoing projects remained unspent as on 31 March 2024. The unspent amount of ₹ 6.18 crore would be transferred to a designated Unspent Corporate Social Responsibility Account with scheduled commercial bank in line with the requirement prescribed in the Act.

Previous year:

Due to delay in commencement of projects as compared to approved timelines, some part of the mandatory obligations for few ongoing projects remained unspent as on 31 March 2023. The unspent amount of ₹ 20.87 crore would be transferred to a designated Unspent Corporate Social Responsibility Account with scheduled commercial bank in line with the requirement prescribed in the Act.

- (ii)** For the year ended 31 March 2024, the Company has entered into a transaction with Pratham Education Foundation for ₹ 1.36 crore (previous year ₹ 0.30 crore) for implementation of its Corporate Social Responsibility activities.

36 Earnings per equity share (EPS)

Basic EPS is calculated in accordance with Ind AS 33 'Earnings Per Share' by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity holders 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 of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March	
	2024	2023
(A) Net profit attributable to equity shareholders (₹ in crore)	12,644.11	10,289.74
(B) Weighted average number of equity shares for basic earnings per share	610,032,743	603,976,750
Effect of dilution:		
Employee stock options	2,350,306	3,067,977
(C) Weighted average number of equity shares for diluted earnings per share	612,383,049	607,044,727
Earning per share (basic) (₹) (A/B)	207.27	170.37
Earning per share (diluted) (₹) (A/C)	206.47	169.51

37 Segment information

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

38 Transfer of financial assets that are derecognised in their entirety where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

39 (A) Revenue from contracts with customers

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Type of services		
Service and administration charges	1,735.18	1,449.90
Fees on value added services and products	632.62	595.84
Foreclosure charges	417.42	307.59
Distribution income	2,222.19	1,853.87
Marketing, branding and allied services	100.30	-
	5,107.71	4,207.20
Geographical markets		
India	5,107.71	4,207.20
Outside India	-	-
	5,107.71	4,207.20
Timing of revenue recognition		
Services transferred at a point in time	5,107.71	4,207.20
Services transferred over time	-	-
	5,107.71	4,207.20

Contract balances

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Fees, commission and other receivables	439.37	324.04
	439.37	324.04

- Impairment loss allowance recognised on contract balances is ₹ 1.76 crore (Previous year ₹ 1.30 crore).

- Contract asset as on 31 March 2024 is ₹ Nil (Previous year ₹ Nil).

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

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
(i) Income from insurance intermediation		
Commission income - Life insurance	355.45	35.47
Commission income - General insurance	349.75	104.18
	705.2	139.65
(ii) Other income/reimbursement of cost		
Marketing, branding and allied services	100.30	-
Reimbursement of outsourced manpower cost*	77.46	-
	177.76	-
	882.96	139.65

* Accounted under interest income being part of EIR.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

40 Employee benefit plans

(I) Defined benefit plans

(A) Gratuity

The Company has a gratuity plan for its employees which is governed by the Payment of Gratuity Act, 1972. 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 level of benefits provided depends on the employee's length of service, managerial grade and salary at retirement age.

Gratuity plan is funded by the Company. Payment for present liability of future payment of gratuity is made to the approved gratuity fund under cash accumulation policy and debt fund. Any deficits in plan assets as compared to actuarial liability determined by an actuary are recognised as a liability.

Actuarial liability is computed using the projected unit credit method. The calculation includes assumptions with regard to discount rate, salary escalation rate, attrition rate and mortality rate. Management determines these assumptions in consultation with an actuary and past trend. Gains and losses through remeasurements of the net defined benefit liability/assets 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. The effect of any planned amendments is recognised in Statement of Profit and Loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

Risk associated with defined benefit plan

S. No	Type of Risk	Description of risk
(i)	Changes in discount rate	The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to Government bonds' yields at the end of the reporting period. A decrease/(increase) in discount rate will increase/(decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plan asset.
(ii)	Salary escalation risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants calculated by applying estimated salary escalation rate. Any deviation in actual salary escalation can have impact on plan liability.
(iii)	Attrition rate risk	If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.
(iv)	Mortality rate risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase/decrease in the life expectancy of the plan participants can have impact on plan liability.

Movement in defined benefit obligations

Particulars	For the year ended 31 March	
	2024	2023
Defined benefit obligation as at the beginning of the year	342.88	257.92
Current service cost	60.33	46.50
Past service cost	-	9.00
Interest on defined benefit obligation	24.59	18.10
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	12.47	(6.97)
Actuarial loss/(gain) arising from change in demographic assumptions	13.08	4.66
Actuarial loss/(gain) arising on account of experience changes	33.57	30.89
Benefits paid	(12.46)	(9.44)
Liabilities assumed/(settled)*	(6.20)	(7.78)
Defined benefit obligation as at the end of the year	468.26	342.88

* Towards continuity of service offered to employees on movement

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

40 Employee benefit plans (Contd.)**Movement in plan assets**

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Fair value of plan asset as at the beginning of the year	159.74	140.63
Employer contributions	31.50	30.41
Interest on plan assets	12.13	10.66
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.51)	(4.74)
Benefits paid	(12.46)	(9.44)
Assets acquired/(settled)*	(6.20)	(7.78)
Fair value of plan asset as at the end of the year	184.20	159.74

* Towards continuity of service offered to employees on movement

Reconciliation of net liability/asset

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Net defined benefit liability/(asset) as at the beginning of the year	183.14	117.29
Expense charged to Statement of Profit and Loss	72.79	62.94
Amount recognised in other comprehensive income	59.63	33.32
Employers contribution	(31.50)	(30.41)
Net defined benefit liability/(asset) as at the end of the year	284.06	183.14

Expenses charged to the Statement of Profit and Loss

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Current service cost	60.33	46.51
Past service cost	-	9.00
Interest cost	12.46	7.43
	72.79	62.94

Remeasurement gains/(losses) in other comprehensive income

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Opening amount recognised in other comprehensive income	134.69	101.37
Changes in financial assumptions	12.47	(6.97)
Changes in demographic assumptions	13.08	4.66
Experience adjustments	33.57	30.89
Actual return on plan assets less interest on plan assets	0.51	4.74
Closing amount recognised outside profit or loss in other comprehensive income	194.32	134.69

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

40 Employee benefit plans (Contd.)

Amount recognised in Balance Sheet

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Present value of funded defined benefit obligation	468.26	342.88
Fair value of plan assets	184.20	159.74
Net funded defined benefit obligation	284.06	183.14
Net defined benefit liability recognised in Balance Sheet	284.06	183.14

Key actuarial assumptions

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Discount rate (p.a.)	7.20%	7.45%
Salary escalation rate (p.a.)	11.00%	11.00%
Category of plan assets		
Insurer managed funds	100%	100%

Sensitivity analysis for significant assumptions

Particulars	As at 31 March 2024		As at 31 March 2023	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 50 bps on defined benefit obligation	(5.22%)	5.44%	(4.82%)	5.01%
Impact of decrease in 50 bps on defined benefit obligation	5.67%	(5.07%)	5.20%	(4.69%)

Projected plan cash flow

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Maturity profile		
Expected benefits for year 1	26.75	23.06
Expected benefits for year 2	26.71	24.61
Expected benefits for year 3	28.92	24.49
Expected benefits for year 4	30.47	26.82
Expected benefits for year 5	33.51	26.30
Expected benefits for year 6	40.41	27.44
Expected benefits for year 7	34.83	34.00
Expected benefits for year 8	32.90	28.08
Expected benefits for year 9	37.85	26.56
Expected benefits for year 10 and above	924.21	621.88

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

40 Employee benefit plans (Contd.)**Expected contribution to fund in the next year**

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Expected contribution to fund in the next year	27.50	30.50

(B) Compensated absences

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Maturity profile		
Present value of unfunded obligations	11.40	13.72
Expense recognised in the Statement of Profit and Loss	4.02	4.94
Discount rate (p.a.)	7.20%	7.45%
Salary escalation rate (p.a.)	11.00%	11.00%

(C) Long term service benefit liability

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Present value of unfunded obligations	71.83	44.08
Expense recognised in the Statement of Profit and Loss	32.99	25.19
Discount rate (p.a.)	7.20%	7.45%

(II) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions if the fund does not hold sufficient asset to pay all employee benefits relating to employee services in current and prior period. Amount recognised during the year in the Statement of Profit and Loss account is as below:

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Provident fund and pension scheme of Employees' Provident Fund Organisation	153.13	115.73
National pension scheme	7.90	5.28
Superannuation fund	0.39	0.59

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

41 Contingent liabilities and commitments

(A) Contingent liabilities not provided for in respect of

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Disputed claims against the Company not acknowledged as debts	122.16	63.45
VAT matters under appeal	4.31	4.31
ESI matters under appeal	5.14	5.14
Gurantees provided	2.50	2.50
Service tax/Goods and Service Tax matters under appeal		
On interest subsidy [Refer footnote (ii) below]	2,293.64	2,164.00
On additional reversal of credit on investment activity [Refer footnote (iii) below]	602.06	573.73
On penal interest/charges [Refer footnote (iv) below]	-	265.49
On reversal of input tax credit on credit note by the customer [Refer footnote (v) below]	12.90	30.41
On difference in ITC claimed in GSTR 3B Vs 2B & difference in GSTR-1 Vs GSTR 3B	26.02	-
On others	17.44	14.30
Income tax matters:		
Appeals by the Company	1.61	16.09
Appeals by the Income tax department	0.28	0.28

- (i) The Company is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defense.
- (ii) The Commissioner, Service Tax Commissionerate Pune, through an order dated 31 March 2017, has confirmed the demand of service tax of ₹ 644.65 crore and penalties of ₹ 198.95 crore from the Company in relation to the interest subsidy the Company received from manufacturers and dealers during the period 1 April 2010 to 30 September 2016. The Commissioner has also demanded payment of interest on the service tax amount confirmed until the date the Company pays the service tax demanded, which as at 31 March 2024 amounted to ₹ 980.92 crore. In accordance with legal advice, the Company filed an appeal on 6 July 2017 with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai disputing the demands. The Company, in line with the opinion obtained from a senior legal counsel, is of view that the said demands are not tenable.

In addition, the Principal Commissioner, Central GST and Central Excise, Commissionerate Pune -I, through order dated 3 February 2021, has confirmed the demand of service tax of ₹ 217.22 crore and penalty thereon of ₹ 21.72 crore from the Company in relation to the interest subsidy received from manufacturers and dealers during the period 1 October 2016 to 30 June 2017. The Principal Commissioner has also demanded payment of interest on the service tax amount confirmed until the date the Company pays the service tax demanded, which as at 31 March 2024 amounted to ₹ 230.18 crore. In accordance with legal advice, the Company filed an appeal on 14 June 2021 with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai against the said demand. The Company, in line with the opinion obtained from a senior legal counsel, is of view that the said demands are not tenable.

- (iii) The Commissioner, Central Excise and CGST, Pune -I, Commissionerate, through an order dated 15 November 2021, has confirmed the demand of service tax of ₹ 188.37 crore and penalty of ₹ 188.37 crore from the Company alleging short reversal of Cenvat credit with respect to investment activity in accordance with Rule 6(3)(i) Cenvat Credit Rules, 2004 during the period 1 October 2014 to 30 June 2017.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

41 Contingent liabilities and commitments (Contd.)

In addition, the Commissioner has demanded payment of interest on the service tax amount confirmed until the date the Company pays the service tax demanded, which as at 31 March 2024 amounted to ₹ 225.32 crore. In accordance with legal advice, the Company filed an appeal on 17 February 2022 with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) Mumbai disputing the demands. The Company, in line with the opinion obtained from a legal counsel, is of view that the said demands are not tenable.

- (iv) Vide order dated 7 August 2023, the Customs, Excise and Service Tax Appellant Tribunal, Mumbai set aside an order issued by the Commissioner, Central Excise and CGST, Pune -I, Commissionerate dated 7 September 2018 demanding service tax of ₹ 53.87 crore and penalties of ₹ 53.87 crore in relation to the penal interest/charges received by the Company from its customers during the period 1 July 2012 to 31 March 2016. Accordingly, the Company has not considered demand of service tax on penal interest/charges as a part of contingent liability for period from 1 July 2012 to June 2017.
- (v) The Assistant Commissioner, West Bengal, through an order dated 06 February 2023, has confirmed the demand of GST of ₹ 11.46 crore and penalty of ₹ 11.46 crore from the Company alleging that input tax credit to the extent of credit notes issued by Company was not reversed by customers for the period 1 July 2017 to 31 March 2020. In accordance with legal advice, the Company has filed an appeal on 4 May 2023 before the Additional Commissioner, West Bengal disputing the demands. The Additional Commissioner, West Bengal vide orders dated 27 March 2024 and 28 March 2024, has reduced the demand under appeal to ₹ 6.82 crore and imposed penalty of ₹ 0.68 crore from the Company basis the verification of reversal of credit by the customers. The Additional Commissioner has also demanded payment of interest on the GST liability confirmed until the date the Company pays the GST demanded, which as at 31 March 2024 amounted to ₹ 5.40 crore. In accordance with legal advice, the Company is in the process of filing an appeal before GST Appellate Tribunal against the demand order.
- (vi) It is not practicable for the Company to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings.

(B) Capital and other commitments

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
(i) Capital commitments (Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances))		
Tangible	61.74	48.03
Intangible	3.78	5.93
(ii) Other commitments		
Towards partially disbursed/un-encashed loans	3,416.36	3,280.44
Towards investment	2,035.00	-
Towards future corporate social responsibility spend	218.85	165.83
	5,735.73	3,500.23

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

42 Changes in liability arising from financing activities

(A) Changes in capital and asset structure arising from financing activities and investing activities (Ind AS 7 'Statement of Cash Flows')

The Company does not have any financing activities and investing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

(B) Changes in liability arising from financing activities (Ind AS 7 'Statement of Cash Flows')

(₹ in crore)

Particulars	As at 1 April 2023	Cash flows	Change in fair value	Other	As at 31 March 2024
Debt securities	65,669.85	21,162.97	-	763.27	87,596.09
Borrowings (other than debt securities)	47,894.70	21,485.93	(110.49)	(32.14)	69,238.00
Deposits	44,489.79	14,751.88	-	724.99	59,966.66
Subordinated liabilities	3,630.29	(49.99)	-	(2.40)	3,577.90
	161,684.63	57,350.79	(110.49)	1,453.72	220,378.65

(₹ in crore)

Particulars	As at 1 April 2022	Cash flows	Change in fair value	Other	As at 31 March 2023
Debt securities	59,034.58	7,484.60	-	(849.33)	65,669.85
Borrowings (other than debt securities)	29,870.38	17,994.90	9.59	19.83	47,894.70
Deposits	30,289.13	13,897.60	-	303.06	44,489.79
Subordinated liabilities	3,845.77	(207.12)	-	(8.36)	3,630.29
	123,039.86	39,169.98	9.59	(534.80)	161,684.63

43 (A) Disclosure of transactions with related parties as required by Ind AS 24

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
(A) Parent					
1. Bajaj Finserv Ltd.	Contribution to equity (317,816,130 shares of ₹ 2 each)	-	(63.56)	-	(63.56)
	Preferential warrants application money received	297.21	(297.21)	-	-
	Secured non-convertible debentures issued	-	(695.00)	-	(770.00)
	Secured non-convertible debentures redemption	75.00	-	415.00	-
	Interest paid on non-convertible debentures	52.10	-	50.50	-
	Inter-corporate deposits accepted	550.00	(550.00)	-	-
	Interest accrued on inter-corporate deposits	31.72	(28.54)	-	-
	Dividend paid	953.45	-	635.63	-
	Asset purchases	-	-	0.08	(0.09)
	Asset sales	0.07	-	0.15	-
	Business support charges received	1.42	-	1.55	-
	Business support charges paid	17.23	-	41.45	-
	Fair value of ESOP charged	2.89	-	2.34	(2.52)

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (A) Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
(B) Subsidiaries					
1. Bajaj Housing Finance Ltd.	Investment in equity shares	-	7,528.00	2,500.00	7,528.00
	Fair value of ESOP received	29.93	-	26.17	-
	Loan portfolio - Assigned in	6,758.15	-	1,789.90	-
	Asset purchases	0.53	-	0.48	(0.35)
	Asset sales	0.55	-	0.79	0.10
	Security deposit for leased premises	-	0.08	-	0.08
	Business support charges received	5.15	-	4.21	2.61
	Servicing fee received	9.70	-	12.62	-
	Business support charges paid	1.01	-	0.81	-
	Rent and maintenance expenses	0.22	-	0.20	-
	Servicing fee paid	49.62	-	64.53	-
	Sourcing commission paid	1.15	-	1.76	(0.02)
2. Bajaj Financial Securities Ltd.	Investment in equity shares	200.00	870.38	-	670.38
	Fair value of ESOP received	0.64	-	0.50	-
	Short term loan given	14,310.00	155.00	7,478.00	-
	Short term loan repayment received	14,155.00	-	7,528.00	-
	Margin money given	10.50	-	10.00	-
	Margin money repayment received	5.00	-	10.00	-
	Interest received on short term loan given	17.33	-	5.23	-
	Asset sales	0.36	-	0.01	-
	Sourcing commission received	0.39	0.26	-	-
	Business support charges received	0.12	-	0.12	-
	Business support charges paid	1.15	-	0.87	-
	Sourcing commission paid	0.02	-	0.22	-
	Depository service charges paid	1.21	(0.18)	0.72	(0.09)
(C) Fellow subsidiaries					
1. Bajaj Allianz Life Insurance Company Ltd.	Contribution to equity (247,000 shares of ₹ 2 each)	-	(0.05)	-	(0.05)
	Secured non-convertible debentures issued	-	(50.00)	-	(200.00)
	Unsecured non-convertible debentures issued	70.00	(2,335.00)	425.00	(2,265.00)
	Secured non-convertible debentures redemption	200.00	-	-	-
	Unsecured non-convertible debentures redemption	-	-	0.70	-
	Interest paid on non-convertible debentures	223.65	-	179.07	-
	Dividend paid	0.74	-	0.49	-
	Security deposit for leased premises	-	1.82	0.29	1.82
	Advance towards insurance	-	4.32	-	1.99
	Commission income	99.82	23.66	25.81	0.47
	Marketing, branding and allied services	8.50	3.00	-	-
	Insurance expenses	99.43	-	76.18	-
	Rent and maintenance expenses	2.55	-	2.70	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (A) Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
2. Bajaj Allianz General Insurance Company Ltd.	Secured non-convertible debentures issued	-	(143.50)	-	(243.50)
	Unsecured non-convertible debentures issued	-	(40.00)	-	(40.00)
	Secured non-convertible debentures redemption	100.00	-	660.00	-
	Interest paid on non-convertible debentures	20.29	-	67.19	-
	Asset purchases	0.06	-	-	-
	Asset sales	0.13	0.13	0.07	-
	Advance towards insurance	-	0.32	-	0.74
	Commission income	61.48	11.05	19.08	2.02
	Interest subsidy received (transaction value ₹ 35,162 reversal)	-	-	3.08	-
Insurance expenses	65.80	-	49.90	-	
3. Bajaj Finserv Direct Ltd.	Investment in equity shares	-	2.69	-	2.69
	Compulsorily convertible term loan (Deemed equity) at cost	-	280.47	-	280.47
	Platform development and customisation charges	69.94	-	67.22	(8.17)
	Asset purchases	0.82	(0.29)	1.20	-
	Asset sales	0.22	0.06	0.18	-
	Business support charges received	10.17	-	6.94	-
	Business support charges paid	62.82	(4.96)	49.35	(0.43)
	Sourcing commission paid	133.02	(16.60)	122.32	(14.07)
	Platform usage charges	41.85	(5.35)	37.47	(4.42)
	Annual maintenance charges on loan	6.74	-	7.44	(0.79)
	Guarantee/service fees paid for FLDG	2.28	-	-	-
	Deposit received towards First Loss Default Guarantee (FLDG) arrangement	22.66	(22.40)	-	-
	Invocation of deposit towards FLDG	0.26	-	-	-
Interest accrued on deposit received towards FLDG	0.25	(0.21)	-	-	
4. Bajaj Finserv Health Ltd.	Asset purchases	-	-	3.18	-
	Asset sales	0.25	-	0.02	-
	Commission income	83.92	13.10	79.35	10.11
	Interest subsidy received	0.13	-	0.83	-
	Business support charges received	0.06	0.07	-	-
	Product distribution fee	0.58	-	2.36	(0.39)
	Business support charges paid	0.50	-	-	-
5. Bajaj Finserv Asset Management Ltd.	Business support charges received	0.02	-	0.01	-
	Asset sales	0.04	-	-	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (A) Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
6. Bajaj Finserv Ventures Ltd.	Asset sales (outstanding ₹ 263)	5.62		-	-
	Business support charges received	18.46	21.78	-	-
	Manpower support service charges	59.81	-	-	-
	Reimbursements of employee cost	1.41	-	-	-
(D) Associates					
1. Snapwork Technologies Pvt. Ltd. (Associate w.e.f. 25 Nov 2022)	Investment in equity shares	-	28.49	28.49	28.49
	Investment in compulsorily convertible preference shares (Deemed equity)	-	64.25	64.25	64.25
	Information technology design and development charges	19.27	(0.83)	4.98	-
2. Pennant Technologies Pvt. Ltd. (Associate w.e.f. 19 Jan 2024)	Investment in equity shares	-	113.75	-	-
	Investment in compulsorily convertible preference shares (Deemed equity)	153.72	153.72	-	-
	Information technology design and development charges	5.56	(12.33)	-	-
	Annual maintenance charges paid	0.40	(0.43)	-	-
(E) Key management personnel (KMP) of the entity or its parent					
1. Sanjiv Bajaj (Chairman and Promoter group)	Short-term employee benefits:				
	Sitting fees	0.26	-	0.23	-
	Commission	4.04	(3.94)	0.58	(0.52)
2. Rajeev Jain (Managing Director)	Short-term employee benefits:				
	Remuneration	20.02	(2.87)	17.91	-
	Share-based payment	29.18	-	26.25	-
	Equity shares issued pursuant to stock option scheme	52.22	-	5.09	-
3. Rakesh Bhatt (Executive Director from 1 Apr 2023 to 31 Jan 2024)	Short-term employee benefits:				
	Remuneration	9.20	(0.19)	-	-
	Share-based payment	6.92	-	-	-
4. Anup Saha (Executive Director w.e.f. 1 Apr 2023)	Equity shares issued pursuant to stock option scheme	25.27	-	-	-
	Short-term employee benefits:				
	Remuneration	14.36	(7.38)	-	-
	Share-based payment	9.40	-	-	-
	Loan repayment received (transaction value ₹ 14,468)		-	-	-
	Fixed deposit accepted (transaction value ₹ 25,000)		(0.01)	-	-
Interest accrued on fixed deposit (transaction value ₹ 5,966, outstanding ₹ 6,499)			-	-	

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (A) Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
5. Madhur Bajaj (Promoter group) (Director till 31 Jul 2022)	Short-term employee benefits:				
	Sitting fees	-	-	0.02	-
	Commission	-	-	0.05	(0.05)
6. Rajiv Bajaj (Director and Promoter group)	Short-term employee benefits:				
	Sitting fees	0.07	-	0.06	-
	Commission	0.28	(0.25)	0.15	(0.14)
7. Ranjan Sanghi (Director till 30 Apr 2022)	Short-term employee benefits:				
	Sitting fees	-	-	0.02	-
	Commission	-	-	0.05	(0.05)
8. D J Balaji Rao (Director till 28 Nov 2023)	Short-term employee benefits:				
	Sitting fees	0.06	-	0.07	-
	Commission	0.28	(0.25)	0.18	(0.16)
9. Anami N Roy (Director)	Short-term employee benefits:				
	Sitting fees	0.24	-	0.18	-
	Commission	0.96	(0.86)	0.45	(0.41)
10. Dr. Naushad Forbes (Director)	Short-term employee benefits:				
	Sitting fees	0.17	-	0.15	-
	Commission	0.68	(0.61)	0.38	(0.34)
11. Pramit Jhaveri (Director)	Short-term employee benefits:				
	Sitting fees	0.23	-	0.17	-
	Commission	0.92	(0.83)	0.43	(0.38)
12. Radhika Haribhakti (Director)	Short-term employee benefits:				
	Sitting fees	0.16	-	0.08	-
	Commission	0.64	(0.58)	0.20	(0.18)
	Fixed deposit repaid	-	-	0.30	-
13. Dr. Arindam Bhattacharya (Director w.e.f. 1 Apr 2023)	Short-term employee benefits:				
	Sitting fees	0.12	-	-	-
	Commission	0.44	(0.40)	-	-
	Interest accrued on fixed deposit	-	-	0.01	-
14. Manish Kejriwal (Director of Parent Company)	Secured non-convertible debentures issued	-	-	15.00	-
	Interest paid on non-convertible debentures	-	-	1.07	-
(F) Close members of the families of key management personnel of the entity or its parent					
1. Sanjali Bajaj (Daughter of Sanjiv Bajaj, Chairman of the Company)	Short-term employee benefits:				
	Remuneration	0.13	-	0.13	-
2. Bharti Bhatt (Mother of Rakesh Bhatt, Executive Director of the Company w.e.f. 1 Apr 2023 to 31 Jan 2024)	Fixed deposit accepted	0.24	(1.59)	-	-
	Fixed deposit repaid	0.04	-	-	-
	Interest accrued on fixed deposit	0.10	-	-	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (A) Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
3. Hina Bhatt (Spouse of Rakesh Bhatt, Executive Director of the Company w.e.f. 1 Apr 2023 to 31 Jan 2024)	Fixed deposit accepted	0.60	(3.80)	-	-
	Interest accrued on fixed deposit				
4. Tapati Saha (Spouse of Anup Saha, Executive Director of the Company w.e.f. 1 Apr 2023)	Fixed deposit accepted	0.23	(0.19)	-	-
	Interest accrued on fixed deposit	0.45	(1.66)	-	-
		0.11	(0.19)	-	-
(G) Other entities/persons					
1. Bajaj Auto Ltd.	Investment in equity shares (outstanding ₹ 7,685, previous year ₹ 7,685)	-	-	-	-
	Secured non-convertible debentures issued	-	-	-	(500.00)
	Secured non-convertible debentures redemption	500.00	-	-	-
	Interest paid on non-convertible debentures	25.25	-	25.25	-
	Inter-corporate deposits accepted	500.00	(500.00)	500.00	(500.00)
	Inter-corporate deposits repaid	500.00	-	-	-
	Interest accrued on inter-corporate deposits	37.82	(17.91)	9.52	(8.57)
	Security deposit for leased premises	-	0.21	-	0.21
	Dividend received (transaction value ₹ 21,000, previous year ₹ 21,000)	-	-	-	-
	Business support charges received	3.07	-	0.18	-
	Interest subsidy received	1.35	-	8.05	8.94
	Business support charges paid	36.83	-	30.22	(1.39)
	Rent and maintenance expenses	1.59	-	1.49	-
	Advance given (outstanding ₹ 7,615)	-	-	-	-
2. Bajaj Auto Credit Ltd.	Asset sales (outstanding ₹ 6,059)	0.94	-	-	-
3. Bajaj Holdings & Investments Ltd.	Investment in equity shares (outstanding ₹ 19,646, previous year ₹ 19,646)	-	-	-	-
	Secured non-convertible debentures redemption	-	-	150.00	-
	Interest paid on non-convertible debentures	-	-	12.98	-
	Security deposit for leased premises	0.70	0.70	-	-
	Dividend received (transaction value ₹ 9,225, previous year ₹ 10,125)	-	-	-	-
	Business support charges received	0.58	-	0.97	-
	Business support charges paid	21.55	-	16.71	-
Rent and maintenance expenses	1.17	-	-	-	

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (A) Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
4. Hind Musafir Agency Ltd.	Services received	42.50	(0.98)	27.62	-
	Advance given	-	-	-	0.01
5. Bajaj Electricals Ltd.	Inter-corporate deposits accepted	95.00	(60.00)	70.00	(70.00)
	Inter-corporate deposits repaid	105.00	-	-	-
	Interest accrued on inter-corporate deposits	4.19	(1.46)	0.54	(0.48)
	Interest subsidy received	0.54	0.06	0.15	0.07
	Asset purchases (previous year outstanding ₹ 17,400)	0.23	(0.19)	0.16	-
6. Jamnalal Sons Pvt. Ltd.	Contribution to equity (127,640 shares of ₹ 2 each)	-	(0.03)	-	(0.03)
	Dividend paid	0.38	-	0.26	-
	Security deposit for leased premises	-	-	0.03	0.13
	Security deposit repayment received	0.13	-	0.12	-
	Rent and maintenance expenses	0.10	-	0.35	-
7. Maharashtra Scooters Ltd.	Contribution to equity (18,974,660 shares of ₹ 2 each)	-	(3.79)	-	(3.79)
	Secured non-convertible debentures issued	-	(200.00)	-	(125.00)
	Secured non-convertible debentures redemption	75.00	-	85.00	-
	Interest paid on non-convertible debentures	7.06	-	14.22	-
	Dividend paid	56.92	-	37.95	-
	Business support charges received	0.18	-	0.15	-
8. Hercules Hoists Ltd.	Fixed deposit repaid	-	-	6.50	-
	Interest accrued on fixed deposit	-	-	0.51	-
9. Bachhraj Factories Pvt. Ltd.	Contribution to equity (72,000 shares of ₹ 2 each)	-	(0.01)	-	(0.01)
	Dividend paid	0.22	-	0.14	-
10. Baroda Industries Pvt. Ltd.	Contribution to equity (117,600 shares of ₹ 2 each)	-	(0.02)	-	(0.02)
	Dividend paid	0.35	-	0.24	-
11. Bajaj Sevashram Pvt. Ltd.	Contribution to equity (308,500 shares of ₹ 2 each)	-	(0.06)	-	(0.06)
	Dividend paid	0.93	-	-	-
12. Shekhar Bajaj (Promoter group)	Nil	-	-	-	-
13. Niraj Bajaj (Promoter group)	Nil	-	-	-	-
(H) Post employment benefit plans					
1. Bajaj Auto Ltd. Provident Fund	Unsecured non-convertible debentures issued	-	(36.00)	-	(36.00)
	Unsecured non-convertible debentures redemption	-	-	10.00	-
	Interest paid on non-convertible debentures	3.35	-	4.34	-
2. Bajaj Auto Employees Superannuation Fund	Superannuation contribution	0.27	-	0.40	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (A) Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of transaction	FY2023-24		FY2022-23	
		Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
3. Bajaj Auto Employees Group Gratuity Fund	Premium paid for life cover of employees	1.69	-	-	-
	Gratuity contribution	11.50	-	11.19	-
4. Bajaj Auto Senior Staff Group Gratuity Fund	Premium paid for life cover of employees	0.02	-	-	-
	Gratuity contribution	20.00	-	20.50	-

Notes :

- Transaction values are excluding taxes and duties.
- Amount in bracket denotes credit balance.
- 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.
- Insurance claims received by the Company on insurance cover taken by it on its assets are not in nature of related party transaction, hence 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 Ind AS 24 'Related Party Disclosures' have been identified based on representations made by key management 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 to be settled in cash (except deemed equity and preferential warrants) and are unsecured (except secured non-convertible debentures issued to related parties which are disclosed appropriately).
- Provisions for gratuity, compensated absences and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above.
- During the year, Bajaj Financial Securities Ltd. (Bfinsec) has charged brokerage and other transaction charges amounting to ₹ 6.11 crore (Previous year ₹ 3.51 crore) related to sale of securities on behalf of the Company's loan against securities customers. The Company receives net sale value i.e. after deduction of these charges which are ultimately borne by its customers. The Company does not recognise these customer related charges in its Statement of Profit and Loss. Amount receivable from BFinsec as on 31 March 2024 is ₹ 38.12 crore (Previous year ₹ 53.01 crore) towards such sale transaction on behalf of loan against shares customers has been shown as payable to customers.
- Bajaj Finance Ltd. approved ₹ 2,500 crore Flexi term loan facility to Bajaj Housing Finance Ltd., having a tenor of upto 84 months from the date of each drawal, and interest rate at SBI 1 month MCLR.
- Bajaj Finance Ltd. approved ₹ 1,000 crore flexi term loan facility to Bajaj Financial Securities Ltd. Tenor of the facility is 24 months from the date of disbursement, and interest at the rate arm's length pricing. Out of this ₹ 155 crore has been availed as of 31 March 2024.
- During the year, the Company's Board of Directors has approved to invest upto ₹ 2,000 crore of additional equity in Bajaj Housing Finance Ltd., a wholly owned subsidiary of the Company.
- As on 31 March 2024, the Company has issued purchase order amounting to ₹ 0.06 crore to Bajaj Finserv Direct Ltd. towards purchase of assets on transfer of employees.
- During the year, Bajaj Finance Ltd. has allotted 1,550,000 warrants to its parent, Bajaj Finserv Ltd. convertible into equivalent number of equity shares of face value of ₹ 2 each, allotted at issue price of ₹ 7,670 per warrant. An amount equivalent to 25% of the consideration has been received for subscription and allotment of warrants aggregating to ₹ 297.21 crore. The remaining 75% of the consideration shall be receivable on the exercise of options against each such warrant within a period of eighteen months from the date of allotment.
- Bajaj Finance Ltd. has entered into a default loss guarantee arrangement with Bajaj Finserv Direct Ltd. for a portfolio comprising of personal loans, salaried loans, business loans and professional loans. As of 31 March 2024, total guarantee received is ₹ 34.70 crore, against which ₹ 22.66 crore is received in the form of cash deposit.
- During the year, Bajaj Finance Ltd. had given ₹ 10.50 crore to Bajaj Financial Securities Ltd. for margin requirements out of which ₹ 5.50 crore was invested in exchange traded fund by Bajaj Financial Securities Ltd. in the name of Bajaj Finance Ltd and redeemed by Bajaj Finance Ltd during the period.
- As on 31 March 2024, 25 non-corporate related parties held Company's equity shares amounting to ₹ 0.23 crore (1,159,182 shares of ₹ 2 each) (Previous year 20 parties amounting to ₹ 0.20 crore, 1,017,905 shares of ₹ 2 each). During the year, dividend paid to such related parties amounts to ₹ 3.35 crore (Previous year ₹ 2.04 crore).
- During the year, Bajaj Finance Ltd. has given cashback to two related party amounting to ₹ 841 (Previous year ₹ Nil)
- Non-convertible debentures (NCDs) transactions include only issuance from primary market, and outstanding balance is balances of NCDs held by related parties as on reporting date.
- The above disclosures have been made for related parties identified as such only to be in conformity with the Ind As 24 'Related Party Disclosures'.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

43 (B) Summary of total compensation to key management personnel

(₹ in crore)

For the year ended 31 March

S No	Categories	For the year ended 31 March	
		2024	2023
1	Short-term employee benefits	53.13	21.34
2	Share-based payment	45.51	26.25
3	Equity shares issued pursuant to stock option scheme	77.49	5.09
		176.13	52.68

43 (C) Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosures relating Loans and advances/investments

(₹ in crore)

S No	Loans and advances in the nature of Loans	FY2023-24		FY2022-23	
		Outstanding at year end	Maximum outstanding during the year	Outstanding at year end	Maximum outstanding during the year
1	To subsidiaries Bajaj Financial Securities Ltd.	155.00	875.00	-	655.00
2	To associates	-	-	-	-
3	To firms/companies in which Directors are interested (other than (A) and (B) above)	-	-	-	-
4	To investments by the loanee in the shares of parent company and subsidiary company	-	-	-	-

44 Capital

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.

(i) Capital management

Objective

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

Planning

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

The Company monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its Assets Liability Management Committee (ALCO).

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

44 Capital (Contd.)

The Company's dividend distribution policy states that subject to profits and other financial parameters as per applicable legal provisions, the Board shall endeavour to maintain a dividend payout in the range of 15% to 25% of profits after tax on standalone financials, to the extent possible.

Further, the Company supports funding needs of its wholly owned subsidiaries, associates and other investee companies by way of capital infusion and loans. Similarly, the Company also makes investment in other companies for operating and strategic reasons. These investments are funded by the Company through its equity share capital and other equity which inter alia includes retained profits.

(ii) Regulatory capital

(₹ in crore)

As at 31 March

Particulars	2024	2023
Tier I capital	67,796.11	46,152.01
Tier II capital	3,166.61	3,513.81
Total capital (Tier I + Tier II)	70,962.72	49,665.82
Risk weighted assets	315,149.85	198,890.13
Tier I CRAR	21.51%	23.20%
Tier II CRAR	1.01%	1.77%
CRAR (Tier I + Tier II)	22.52%	24.97%

(iii) Dividend distributions made and proposed

The Company recognises a liability for payment of dividend to equity holders when the distribution is authorised and it is no longer at the discretion of the Company. A corresponding amount is recognised directly in other equity.

Dividend on equity shares declared and paid during the year

(₹ in crore)

Particulars	FY2024	FY2023
Dividend paid out of profits of previous year*	1,817.76	1,210.86
Profit for the relevant year	10,289.74	6,350.49
Dividend as a percentage of profit for the relevant year	17.67%	19.07%

* includes amount paid ₹ 2.36 crore (Previous year ₹ 3.54 crore) to Trust on unexercised options which do not accrete to it.

Proposed for approval at the annual general meeting (not recognised as a liability as at 31 March 2024)

(₹ in crore)

Particulars	FY2024
Dividend on equity share at ₹ 36 per share (a)	2,228.39
Profit after tax for the year ended 31 March 2024 (b)	12,644.11
Dividend proposed as a percentage of profit after tax (a/b)	17.62%

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

45 Events after reporting date

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

46 Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair value hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1 - valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2 - valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 - valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

This note describes the fair value measurement of both financial and non-financial instruments.

Valuation framework

The Company has an internal fair value assessment team which assesses the fair values of assets qualifying for fair valuation.

The Company's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.
- Use of fair values as determined by the derivative counter parties.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are reviewed and validated by various units of the Company including risk, treasury and finance. The Company has an established procedure governing valuation which ensures fair values are in compliance with accounting standards.

Valuation methodologies adopted

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

- Fair values of investments held under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;
- Fair values of investments in unquoted equity instruments designated under FVOCI have been measured under level 3 at fair value based on a discounted cash flow model.
- Fair values of investment in quoted equity and other instruments designated under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

46 Fair values (Contd.)

- Derivative financial instrument i.e. cross currency interest rate swap (CCIRS) held for the purpose of hedging foreign currency denominated external commercial borrowings are accounted as a cash flow hedge. Fair value of CCIRS has been determined under Level 2 using discounted cash flow method by deriving future forward rates from published zero coupon yield curve. All future cashflows for both the paying and receiving legs in the swap contract are discounted to present value using these forward rates to arrive at the fair value as at reporting date.

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value on a recurring basis as at 31 March 2024

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held under FVTPL	31-Mar-24	3,373.77	-	-	3,373.77
Equity instrument designated under FVOCI (Unquoted)	31-Mar-24	-	-	699.22	699.22
Equity instrument designated under FVOCI (Quoted)	31-Mar-24	102.89	-	-	102.89
Debt instrument designated under FVOCI	31-Mar-24	21,950.54	1,912.89	-	23,863.43
Derivative financial instrument (net)	31-Mar-24	-	14.84	-	14.84
		25,427.20	1,927.73	699.22	28,054.15

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value on a recurring basis as at 31 March 2023

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held under FVTPL	31-Mar-23	4,365.08	-	-	4,365.08
Equity instrument designated under FVOCI (Unquoted)	31-Mar-23	-	-	590.09	590.09
Equity instrument designated under FVOCI (Quoted)	31-Mar-23	60.40	-	-	60.40
Debt instrument designated under FVOCI	31-Mar-23	14,139.08	1,163.49	-	15,302.57
Derivative financial instrument (net)	31-Mar-23	-	146.98	-	146.98
		18,564.56	1,310.47	590.09	20,465.12

- The Company does not carry any financial asset and liability which is fair valued on a non recurring basis
- During the year there were no transfers across fair value hierarchy (Level 1, 2 and 3).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

46 Fair values (Contd.)

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 financial assets:

Particulars	(₹ in crore)	
	For the year ended 31 March	
	2024	2023
Opening balance	590.09	608.73
Acquisitions during the year	-	0.00
Disposals during the year	-	-
Fair value gains/losses recognised in profit or loss	-	-
Gains/(losses) recognised in other comprehensive income	109.13	(18.64)
Closing balance	699.22	590.09

Sensitivity analysis of significant unobservable input on the fair value of equity instrument designated under FVOCI

	(₹ in crore)			
	Sensitivity to fair value as at 31 March 2024		Sensitivity to fair value as at 31 March 2023	
	1 % increase	1 % decrease	1 % increase	1 % decrease
Discounting rate	(49.87)	57.87	(21.52)	25.18
Cash flows	35.85	(31.03)	14.86	(12.89)

Fair value of financial instruments measured at amortised cost as at 31 March 2024

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)*	Significant unobservable inputs (Level 3)*	
Financial assets					
Loans	243,334.43	-	-	242,484.22	242,484.22
Investments	355.46	-	-	357.55	357.55
	243,689.89	-	-	242,841.77	242,841.77
Financial liabilities					
Debt Securities	87,596.09	-	88,000.26	-	88,000.26
Borrowings (other than debt securities)	69,238.00	-	-	69,238.00	69,238.00
Deposits	59,966.66	-	-	60,015.68	60,015.68
Subordinated liabilities	3,577.90	-	3,621.87	-	3,621.87
	220,378.65	-	91,622.13	129,253.68	220,875.81

*Fair value computed using discounted cash flow method

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

46 Fair values (Contd.)**Fair value of financial instruments measured at amortised cost as at 31 March 2023**

(₹ in crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)*	Significant unobservable inputs (Level 3)*	
Financial assets					
Loans	179,097.12	-	-	178,683.20	178,683.20
Investments	128.59	-	-	129.45	129.45
	179,225.71	-	-	178,812.65	178,812.65
Financial liabilities					
Debt Securities	65,669.85	-	66,063.93	-	66,063.93
Borrowings (other than debt securities)	47,894.70	-	-	47,894.70	47,894.70
Deposits	44,489.79	-	-	44,395.63	44,395.63
Subordinated liabilities	3,630.29	-	3,725.52	-	3,725.52
	161,684.63	-	69,789.45	92,290.33	162,079.78

*Fair value computed using discounted cash flow method

47 Financial risk management

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

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Liquidity risk	<p>Liquidity risk arises from mismatches in the timing of cash flows.</p> <p>Funding risk arises from:</p> <ul style="list-style-type: none"> inability to raise incremental borrowings and deposits to fund business requirement or repayment obligations when long term assets cannot be funded at the expected term resulting in cashflow mismatches; amidst volatile market conditions impacting sourcing of funds from banks and money markets 	Board constituted Risk Management Committee (RMC) and Asset Liability Committee (ALCO)	<p>Liquidity and funding risk is:</p> <ul style="list-style-type: none"> measured by <ul style="list-style-type: none"> identification of gaps in the structural and dynamic liquidity. assessment of incremental borrowings required for servicing repayment obligation, the Company's business plan and prevailing market conditions. liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework. monitored by <ul style="list-style-type: none"> assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory framework for NBFCs. a constant calibration of sources of funds in line with current and emerging market conditions in banking and money markets. periodic reviews by ALCO of liquidity position, LCR and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company. managed by the Company's treasury team under liquidity risk management framework through various means like HQLA, liquidity buffers, sourcing of long-term funds, positive asset liability mismatch, keeping strong pipeline of sanctions from banks, assignment of loans and Contingency Funding Plan (CFP) to counter extreme liquidity situation under the guidance of ALCO and Board.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Market risk	Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the market variables such as interest rates, foreign exchange rates and equity prices.	Board constituted RMC and ALCO	<p>Market risk for the Company encompasses exposures to equity investments, changes in exchange rates, interest rate risks on investment portfolios as well as the floating rate assets and liabilities with differing maturity profiles.</p> <ul style="list-style-type: none"> measured by using changes in prices, and parameters like Value at Risk ('VaR'), PV01 (price value of a basis point), modified duration and other measures to determine movements in the portfolios and impact on net interest income. monitored by assessment of key parameters like fluctuation in the equity and bond price, interest rate sensitivities and Market Value of Equity (MVE) analysis for probable interest rate movements on both fixed and floating rate assets and liabilities. The Company has a market risk management module which is integrated with its treasury system; and managed by the Company's treasury team under the guidance of ALCO and Investment Committee and in accordance with Board approved Investment and Market Risk policy.
Credit risk	Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company.	Board constituted RMC and Chief Risk Officer (CRO)	<p>Credit risk is:</p> <ul style="list-style-type: none"> measured as the amount at risk due to repayment default by customers or counterparties to the Company. Various metrics such as instalment default rate, overdue position, restructuring, resolution plans, debt management efficiency, credit bureau information, contribution of stage 2 and stage 3 assets etc. are used as leading indicators to assess credit risk. monitored by RMC and CRO through review of level of credit exposure, portfolio monitoring, contribution of repeat customers, bureau data, concentration risk of geography, customer and portfolio; and assessment of any major change in the business environment including economic, political as well as natural calamity/pandemic. ICAAP Committee reviews the outcome of scenario based stress testing exercise based on a 'Credit Risk Scenario Model' encompassing the macroeconomic scenario-based stress testing. managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and review of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, debt management and risk containment along with business. The same is periodically reviewed by the Board constituted RMC.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)**(a) Liquidity risk**

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

The Company maintains a judicious mix of borrowings from banks, money markets, foreign market, public and other deposits and continues to diversify its sources of borrowings with an emphasis on longer tenor borrowings. This strategy of balancing varied sources of funds and long tenor borrowings along with liquidity buffer framework has helped the Company maintain a healthy asset liability position and interest rate during the financial year 2023-24 (FY2024). The overall borrowings including debt securities, deposits and subordinated liabilities stood at ₹ 220,378.82 crore as of 31 March 2024 (previous year ₹ 161,684.63 crore). The weighted average cost of borrowing was 7.74% for FY2024 (previous year 7.11%).

The Company continuously monitors liquidity in the market; and as a part of its liquidity risk framework maintains a liquidity buffer through an active investment desk to reduce this risk. The Company endeavours to maintain liquidity buffer of 5% to 7% of its overall net borrowings in normal market scenario.

RBI vide Circular No. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 has issued guidelines on liquidity risk framework for NBFCs. It covers various aspects of Liquidity risk management such as granular level classification of buckets in structural liquidity statement, tolerance limits thereupon, and liquidity risk management tools and principles. The Company has a Board approved Liquidity Risk Management Framework which covers liquidity risk management policy, strategies and practices, liquidity coverage ratio (LCR), stress testing, contingency funding plan, maturity profiling, liquidity risk measurement – stock approach, currency risk, interest rate risk and liquidity risk monitoring framework.

The Company exceeds the regulatory requirement of LCR which mandates maintaining prescribed coverage of expected net cash outflows for a stressed scenario in the form of high quality liquid assets (HQLA). As of 31 March 2024, the Company maintained a LCR of 168.91%, well in excess of the RBI's stipulated norm of 85%. LCR requirement will move to 100% by December 2024.

The Company has a Board approved Contingency Funding Plan (CFP) to respond quickly to any anticipated or actual stressed market conditions. The primary goal of the CFP is to provide a framework of action plan for contingency funding when the Company experiences a reduction to its liquidity position, either from causes unique to the Company or systemic events limiting its ability to maintain normal operations and service to customers. The CFP defines the framework to assess, measure, monitor, and respond to potential contingency funding needs. CFP also clearly lays down the specific contingency funding sources, conditions related to the use of these sources and when they would be used. Roles and responsibilities of the Crisis Management Group constituted under the CFP have been identified to facilitate the effective execution of CFP in a contingency event.

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

(₹ in crore)

Particulars	As at 31 March 2024			As at 31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Debt securities	35,511.85	78,423.56	113,935.41	26,182.39	57,212.18	83,394.57
Borrowings (other than debt securities)	33,079.25	44,644.15	77,723.40	22,907.95	31,203.78	54,111.73
Deposits	29,619.05	38,276.93	67,895.98	22,909.91	26,835.58	49,745.49
Subordinated liabilities	752.05	3,479.89	4,231.94	354.87	4,232.06	4,586.93
Trade payables	1,001.39	-	1,001.39	953.18	-	953.18
Other payables	670.56	-	670.56	559.10	-	559.10
Other financial liabilities	940.10	910.43	1,850.53	762.62	457.30	1,219.92
	101,574.25	165,734.96	267,309.21	74,630.02	119,940.90	194,570.92

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

The table below shows contractual maturity profile of carrying value of assets and liabilities :

(₹ in crore)

Particulars	As at 31 March 2024			As at 31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	3,865.15	-	3,865.15	1,191.35	-	1,191.35
Bank balances other than cash and cash equivalent	3,298.12	2,268.99	5,567.11	1,124.31	1,003.80	2,128.11
Derivative financial instruments	15.69	-	15.69	146.98	-	146.98
Trade receivables	1,244.89	-	1,244.89	1,070.21	-	1,070.21
Loans	94,650.65	148,683.78	243,334.43	73,055.71	106,041.41	179,097.12
Investments	22,807.52	14,345.84	37,153.36	15,978.86	12,758.99	28,737.85
Other financial assets	909.85	102.23	1,012.08	638.80	76.41	715.21
Non-financial assets						
Current tax assets (net)	-	254.68	254.68	-	175.85	175.85
Deferred tax assets (net)	-	926.71	926.71	-	919.00	919.00
Property, plant and equipment	-	2,212.46	2,212.46	-	1,551.96	1,551.96
Capital work-in-progress	-	25.35	25.35	-	14.60	14.60
Intangible assets under development	-	17.24	17.24	-	64.93	64.93
Other intangible assets	-	847.47	847.47	-	594.95	594.95
Other non-financial assets	98.88	38.95	137.83	76.52	40.11	116.63
	126,890.75	169,723.70	296,614.45	93,282.74	123,242.01	216,524.75
LIABILITIES						
Financial liabilities						
Derivative financial instrument	0.85	-	0.85	-	-	-
Trade payables	1,001.39	-	1,001.39	953.18	-	953.18
Other payables	670.56	-	670.56	559.10	-	559.10
Debt securities	32,424.02	55,172.07	87,596.09	23,857.37	41,812.48	65,669.85
Borrowings (other than debt securities)	29,839.52	39,398.48	69,238.00	20,656.41	27,238.29	47,894.70
Deposits	27,648.67	32,317.99	59,966.66	21,128.67	23,361.12	44,489.79
Subordinated liabilities	635.10	2,942.80	3,577.90	238.05	3,392.24	3,630.29
Other financial liabilities	875.98	745.63	1,621.61	728.82	392.70	1,121.52
Non-financial liabilities						
Current tax liabilities (net)	82.71	-	82.71	122.76	-	122.76
Provisions	24.55	360.68	385.23	20.77	233.69	254.46
Other non-financial liabilities	439.23	23.69	462.92	299.40	36.57	335.97
	93,642.58	130,961.34	224,603.92	68,564.53	96,467.09	165,031.62

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)**(b) Market risk**

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

(i) Interest rate risk**On investment book other than equity**

The Company manages the duration of its investment portfolio with an objective to optimise the return with minimal possible fair value change impact. The interest rate risk on the investment portfolio and corresponding fair value change impact is monitored using VaR, PV01 and Modified Duration and other parameters as defined in its Board approved investment and market risk policy.

Sensitivity analysis as at 31 March 2024

(₹ in crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			1 % interest increase	1 % interest decrease
Investment at amortised cost	355.46	357.55	(5.77)	5.94
Investment at FVTPL	3,373.77	3,373.77	(43.73)	43.73
Investment at FVOCI (other than equity)	23,863.43	23,863.43	(449.69)	449.69

Sensitivity analysis as at 31 March 2023

(₹ in crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			1 % interest increase	1 % interest decrease
Investment at amortised cost	128.59	129.45	(3.09)	3.20
Investment at FVTPL	4,365.08	4,365.08	(6.56)	6.56
Investment at FVOCI (other than equity)	15,302.57	15,302.57	(152.85)	152.85

On assets and liabilities

Interest rate sensitivity on fixed and floating rate assets and liabilities with differing maturity profiles is measured by using the duration gap analysis and market value of equity (MVE) and net interest income analysis. The same is monitored monthly by ALCO. Sensitivity of the market value of unquoted equity investments other than those in subsidiaries and associates assuming varied changes in interest rates is presented in note no. 46.

Sensitivity analysis as at 31 March 2024

(₹ in crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			1% interest increase	1% interest decrease
Loans	243,334.43	242,484.22	(2,689.52)	2,773.92
Debt securities	87,596.09	88,000.26	2,368.82	(2,541.84)
Borrowings (other than debt securities)	69,238.00	69,238.00	-	-
Deposits	59,966.66	60,015.68	816.84	(841.34)
Subordinated liabilities	3,577.90	3,621.87	65.98	(68.08)

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

Sensitivity analysis as at 31 March 2023

(₹ in crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			1% interest increase	1% interest decrease
Loans	179,097.12	178,683.20	(1,968.35)	2,027.46
Debt securities	65,669.85	66,063.93	1,626.83	(1,741.61)
Borrowings (other than debt securities)	47,894.70	47,894.70	-	-
Deposits	44,489.79	44,395.63	587.91	(605.24)
Subordinated liabilities	3,630.29	3,725.52	93.47	(97.22)

(ii) Price risk

The Company's quoted equity investments carry a risk of change in prices. To manage its price risk arising from investments in equity securities, the Company periodically monitors the sectors it has invested in, performance of the investee companies and measures mark-to-market gains/(losses).

Sensitivity analysis as at 31 March 2024

(₹ in crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			10% increase	10% decrease
Investment in equity shares (quoted)	102.89	102.89	10.29	(10.29)

Sensitivity analysis as at 31 March 2023

(₹ in crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			10% interest increase	10% interest decrease
Investment in equity shares (quoted)	60.40	60.40	6.04	(6.04)

(iii) Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its external commercial borrowing (ECB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26 March 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of its ECB exposure (Principal & Coupon). As a matter of prudence, the Company has hedged the entire ECB exposure for the full tenure as per Board approved Interest rate risk, Currency risk and Hedging policy.

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

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

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

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
	USD	USD
Hedged		
ECB	(6,015.79)	(1,299.50)
Derivative financial instrument*	6,015.79	1,299.50
Unhedged	-	-

*Represents the notional amount of the derivative financial instrument

Hedging policy

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

Impact of hedge on the Balance Sheet :

As at 31 March 2024

Particulars	Notional amount	(₹ in crore)	
		Carrying amount of hedging instrument asset	Carrying amount of hedging instrument liability
INR USD CCIRS	6,015.79	15.69	0.85

As at 31 March 2023

Particulars	Notional amount	(₹ in crore)	
		Carrying amount of hedging instrument asset	Carrying amount of hedging instrument liability
INR USD CCIRS	1,299.50	146.98	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

(c) Credit risk

Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company. The Company has a diversified lending model spread across secured and unsecured products. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

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

Treatment and classification methodology of different stages of financial assets is detailed in note no. 3.3 (i)

Computation of impairment on financial instruments

The Company calculates impairment on financial instruments as per ECL approach prescribed under Ind AS 109 'Financial Instruments'. ECL uses three main components: PD (probability of default), LGD (loss given default) and EAD (exposure at default) along with an adjustment considering forward macro economic conditions. For further details of computation of ECL please refer to material accounting policies note no 3.3 (i).

The Company recalibrates components of its ECL model periodically by; (1) using the available incremental and recent information, except where such information do not represent the future outcome, and (2) assessing changes to its statistical techniques for a granular estimation of ECL. Accordingly, during the year, the Company has redeveloped its ECL model and implemented the same with the approval of Audit Committee and the Board.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

The table below summarises the approach adopted by the Company for various components of ECL viz. PD, EAD and LGD across major product lines using empirical data where relevant:

Lending verticals	Nature of businesses	PD			EAD	LGD
		Stage 1	Stage 2	Stage 3		
Urban sales finance	Financing for products such as consumer electronics, furniture, digital products, e-commerce purchases and retail spends	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers and empirical default rates.	empirical performance across different DPD (Days Past Due) ranges	100%	Ascertained based on past trends of proportion of outstanding at time of default to the opening outstanding of the analysis period, except Stage 3 where EAD is 100%.	LGD is ascertained using past trends of recoveries for each set of portfolios and discounted using a reasonable approximation of the original effective rates of interest.
Two and three wheeler finance	Two and three wheeler financing					
Urban B2C	Personal loans to salaried and self employed individuals					
SME lending (excluding car loans)	Unsecured and secured loans to SME's, self employed customers and professionals					
Rural sales finance	Financing for products such as consumer electronics, furniture, digital products, e-commerce purchases and retail spends					
Rural B2C (excluding gold loan)	Personal loans to salaried, self employed customers, professionals and gold loans					
Mortgages	Home loans, loans against property, developer finance and lease rental discounting	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers, and also basis DPD bucket approach for retail loans and management evaluation/ judgement for wholesale loans.				
Gold loans	Loans with underlying security as gold	Determined basis empirical risk performance			Determined basis empirical risk performance	Assumption based
Car loans	New and used car financing	Determined basis empirical risk performance for User Car Financing and proxy PDs for new Cars owing to low vintage of the portfolio.			Determined basis empirical risk performance	Proxy from Two wheeler finance portfolio
Loan against securities	Loans against shares, mutual funds, deposits and insurance policies	Determined basis empirical risk performance			Determined basis empirical risk performance	Based on associated risk of the underlying securities
Commercial lending	Lending to auto component manufacturers, light engineering industry, financial institutions, specialty chemical, pharma, packaging and other mid-market companies.	Internal evaluation/judgement applied at customer or industry segment.			100%	Based on estimates of cash flows

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio:

As at 31 March 2024

(₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross carrying value	117,305.69	1,625.57	1,179.85	124,225.53	2,095.36	1,420.53
Allowance for ECL	345.73	271.62	630.48	1,581.83	850.63	837.81
ECL coverage ratio	0.29%	16.71%	53.44%	1.27%	40.60%	58.98%

As at 31 March 2023

(₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross carrying value	78,849.04	1,280.08	1,108.53	99,240.44	1,392.91	1,066.96
Allowance for ECL	348.84	282.41	586.57	1,248.21	572.51	802.30
ECL coverage ratio	0.44%	22.06%	52.91%	1.26%	41.10%	75.19%

Collateral valuation

The Company offers loans to customers across various lending verticals as articulated above. These loans includes both unsecured loans and loans secured by collateral. Although collateral is an important risk mitigant of credit risk, the Company's practice is to lend on the basis of assessment of the customer's ability to repay than placing primary reliance on collateral. Based on the nature of product and the Company's assessment of the customer's credit risk, a loan may be offered with suitable collateral. Depending on its form, collateral can have a significant effect in mitigating the Company's credit risk.

The main types of collateral across various products obtained are as follows:

Product group	Nature of securities
Urban sales finance	Hypothecation of underlying product financed e.g. consumer durable, furniture, digital products etc.
Two and three wheeler finance	Hypothecation of underlying two and three wheeler
Car loans	Hypothecation of underlying cars
Rural sales finance	Hypothecation of underlying product financed e.g. consumer durable, furniture and digital products etc.
Gold loans	Pledge of gold jewellery
SME lending (Secured)	Hypothecation of underlying product e.g. used car and medical equipment etc.
Mortgages	Equitable mortgage of residential and commercial properties.
Loan against securities	Pledge of equity shares and mutual funds and lien on deposits and insurance policies.
Commercial lending	Plant and machinery, book debts etc.

The Company periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. The Company exercises its right of repossession across all secured products and primarily in its two wheeler and three wheeler financing business. It also resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business. The repossessed assets are either sold through auction or released to delinquent customers in case they come forward to settle their dues. For its loan against securities business, the Company recoups shortfall in value of securities through part recall of loans or additional securities from the customer, or sale of underlying securities. The Company does not record repossessed assets on its Balance Sheet as non-current assets held for sale.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)**Guarantee cover taken on loans**

To secure its eligible pool, the Company takes guarantee cover for its portfolios across B2C, MSME and three-wheeler financing business under Credit Guarantee Fund Scheme for NBFCs (CGS-II) from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) governed by the SIDBI. As on 31 March 2024, the Company has covered ₹ 14,094 crore of its loan assets under this scheme. This has helped the Company to offset ₹ 307 crore worth of credit losses during the current year.

Further, the Company has also granted loans under RBI's Emergency Credit Line Guarantee Scheme (ECLGS) to its qualifying customers, as of 31 March 2024 ₹ 210 crore of loans are outstanding under ECLGS.

Additionally in FY2024, BFL has also registered itself with Credit Guarantee Fund for Micro Units (CGMFU) governed by National Credit Guarantee Trustee Company Limited (NCGTC) for seeking guarantee cover for its self employed customers with exposure upto specified amount. As on 31 March 2024, the Company covered ₹ 244 crore of its loan assets under this scheme.

Analysis of concentration risk

The Company focuses on granulation of loans portfolios by expanding its geographic reach to reduce geographic concentrations while continually calibrating its product mix across all categories of lending portfolio.

ECL sensitivity analysis to forward economic conditions and management overlay

Allowance for impairment on financial instruments recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability-weighted basis, based on the economic scenarios described below. The recognition and measurement of expected credit losses ('ECL') involves the use of estimation. It is necessary to formulate multiple forward-looking economic forecasts and its impact as an integral part of ECL model.

The ECL model and its input variables are recalibrated periodically using available incremental and recent information. It is possible that internal estimates of PD and LGD rates used in the ECL model may not always capture all the characteristics of the market and the external environment as at the reporting date. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Methodology

The Company has adopted the use of three scenarios, representative of its view of forecast economic conditions, required to calculate unbiased estimation of forward looking economic adjustment to its ECL. They represent a most likely outcome i.e. central scenario and two less likely outer scenarios referred to as the Upside and Downside scenarios. The Company has assigned a 10% probability to the two outer scenarios, while the Central scenario has been assigned an 80% probability. These weights are deemed appropriate for the unbiased estimation of impact of macro factors on ECL. The key scenario assumptions are used keeping in mind external forecasts and Management estimates which ensure that the scenarios are unbiased.

The Company uses multiple economic factors and test their correlations with past observed default rates witnessed for building its forward economic guidance (FEG) model. During the current year, the Company evaluated various macro factors such as GDP growth rates, growth of bank credit, wholesale price index (WPI), consumer price index (CPI), unemployment rate, crude oil prices and policy interest rates etc. Based on correlation results Real GDP and unemployment rate reflected acceptable correlation with past

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)

observed default rates and basis their linkage with Company's business were considered appropriate by the Management. Unemployment has a direct relation with the income levels and thus the growth of the economy from the expenditure side. GDP has a direct relation with the overall income levels and thus the growth of the economy from both income and output side. Accordingly, both these macro-variables directly and indirectly impact the economy. These factors were assigned appropriate weights to measure ECL in forecast economic conditions.

For unemployment, the Company has considered data published by a leading business information (BI) company engaged in monitoring of Indian economic indicators.

In FY2024, Unemployment rate over the quarters has been oscillating around 8.1% versus pre-COVID levels of around 7%, indicating normalisation towards its pre-COVID levels.

- While formulating the Central Scenario for the year end, the Company has considered current unemployment rate as a quarterly average of 7.2% which may move towards an average of 7.5% over the next few years.
- For the downside scenario, the Company believes that the downside risks might have passed, but the downside peak unemployment rate might reach 11.8%. However, as per mean reversion approach, the downside scenario assumes it to fall from the peak and normalise to around 7.5% within next three years.
- For the upside scenario, the Company acknowledges various surveys and studies indicating improving employment situation as also industrial recovery. Therefore, while forecasting, a positive stance has been adopted with the expectation that the unemployment levels may not drop significantly. The unemployment rate may improve to a best case of 3.1% by the end of June 2025 but may come back to an historical average of 7.5%.

For real GDP growth, the Company has chosen to follow the RBI predictions. The real GDP growth for Q3 2024 is at 8.4% y-o-y. This was not only defying consensus expectations of 6.6% y-o-y, but also stood at a six-quarter high.

- Considering the overall movements in GDP and the upcoming general elections, the Company has chosen to stick to the RBI projected real GDP forecast of 7% y-o-y in the central scenario. The expectation for real GDP is to moderate to 6.06% over a 3 year period.
- For the downside scenario, the Company considers that the risk may continue due to various uncertainties (geopolitical conflict, elections etc.), and therefore assumes the GDP growth to reduce to 3.26% in Q2 FY2025, which is aligned to the lowest pre-COVID GDP growth levels. Real GDP growth is subsequently expected to normalise to around 6.06% within next three years.
- For the upside scenario, an optimistic GDP estimate of 10% has been considered for Q1FY25, which is aligned to the highest pre-COVID GDP growth levels, before averaging back to 6.06% over three years.

Additionally, the ECL model and its input variables are recalibrated periodically using available incremental and recent information. It is possible that internal estimates of PD and LGD rates used in the ECL model may not always capture all the characteristics of the market/external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

47 Financial risk management (Contd.)**ECL sensitivity to future economic conditions**

ECL coverage of financial instruments under forecast economic conditions

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Gross carrying amount of loans	247,852.53	182,937.96
Reported ECL on loans	4,518.10	3,840.84
Reported ECL coverage	1.82%	2.10%
Base ECL without macro overlay	4,312.10	3,117.84
Add : Management overlay	84.00	592.00
ECL before adjustment for macro economic factors	4,396.10	3,709.84
ECL amounts for alternate scenario		
Central scenario (80%)	4,517.35	3,833.79
Downside scenario (10%)	4,968.22	4,723.67
Upside scenario (10%)	4,074.01	3,014.43
Reported ECL	4,518.10	3,840.84
Management and macro economic overlay	206.00	723.00
-Management overlay	84.00	592.00
-Overlay for macro economic factors	122.00	131.00
ECL Coverage ratios by scenario		
Central scenario (80%)	1.82%	2.10%
Downside scenario (10%)	2.00%	2.58%
Upside scenario (10%)	1.64%	1.65%

48 Employee stock option plan**(A) Employee stock option plan of Bajaj Finance Ltd.**

The Board of Directors at its meeting held on 14 October 2009, approved an issue of stock options up to a maximum of 5% of the then issued equity capital of the Company aggregating to 1,829,803 equity shares of the face value of ₹ 10 each in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 subject to the approval of the shareholders under Section 81(1A) of the Companies Act, 1956. The shareholders of the Company vide their special resolution passed through postal ballot on 15 December 2009 approved the issue of equity shares of the Company under one or more Employee Stock Option Scheme(s). The shareholders, at the Annual General Meeting held on 16 July 2014, approved an additional issue of 677,313 stock options i.e. from 1,829,803 to 2,507,116 options of the face value of ₹ 10 each under the stock options scheme of the Company i.e. Employee Stock Option Plan 2009.

Pursuant to the sub-division of each equity share of face value of ₹ 10 into five equity shares of face value of ₹ 2 on 10 September 2016 and allotment of bonus equity share in the proportion of one equity share of face value of ₹ 2 for every one equity share on 14 September 2016, the aggregate number of equity shares which would be available for future grants under the Employee Stock Option Plan, 2009 were adjusted from 2,507,116 equity shares of face value of ₹ 10 to 25,071,160 equity shares of face value of ₹ 2 each.

Further, vide the Special Resolution passed by the members of the Company through postal ballot on 19 April 2021, the aforesaid limit of options was enhanced by 10,000,000 options. The maximum limit under the scheme now stand revised from 25,071,160 options to 35,071,160 options.

The options issued under the ESOP Scheme vest over a period of not less than 1 year and not later than 5 years from the date of grant with the vesting condition of continuous employment with the Company or the Group except in case of death and retirement where the vesting would happen immediately.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

48 Employee stock option plan (Contd.)

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company and its subsidiaries in accordance with the Stock Option Scheme. Details of grants given upto the reporting date under the scheme, duly adjusted for sub-division of shares and issue of bonus shares thereon, are given as under:

As on 31 March 2024

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options expired	Options outstanding
12-Jan-10	35.87	1,320,000	-	-	1,282,500	37,500	-	-
21-Jul-10	54.20	3,267,500	-	-	2,948,130	319,370	-	-
28-Jul-11	70.52	3,762,000	-	-	3,335,000	427,000	-	-
16-May-12	87.61	3,595,000	-	-	3,015,750	579,250	-	-
15-May-13	138.04	3,949,300	-	-	3,096,300	853,000	-	-
01-Nov-13	135.31	197,000	-	-	49,250	147,750	-	-
16-Jul-14	219.66	2,816,000	-	-	2,475,250	340,750	-	-
20-May-15	448.16	1,935,000	25,750	-	1,539,750	369,500	-	25,750
24-May-16	765.37	1,430,000	59,375	-	1,145,250	225,375	-	59,375
17-May-17	1,347.75	1,120,750	135,999	-	842,077	141,363	1,311	135,999
16-Oct-17	1,953.05	16,350	-	-	16,350	-	-	-
01-Feb-18	1,677.85	120,000	8,888	-	62,148	48,964	-	8,888
17-May-18	1,919.95	1,273,416	296,430	-	770,772	206,214	-	296,430
16-May-19	3,002.75	1,123,900	512,160	-	525,647	86,093	-	512,160
19-May-20	1,938.60	2,054,250	762,611	441,791	668,503	181,345	-	1,204,402
27-Apr-21	4,736.55	936,643	306,997	426,758	141,013	61,875	-	733,755
26-Apr-22	7,005.50	1,003,756	212,901	737,028	14,912	38,915	-	949,929
25-Jul-22	6,258.25	19,349	13,691	5,658	-	-	-	19,349
26-Apr-23	6,075.25	1,563,397	-	1,543,752	591	19,054	-	1,543,752
		31,503,611	2,334,802	3,154,987	21,929,193	4,083,318	1,311	5,489,789

As on 31 March 2023

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options expired	Options outstanding
12-Jan-10	35.87	1,320,000	-	-	1,282,500	37,500	-	-
21-Jul-10	54.20	3,267,500	-	-	2,948,130	319,370	-	-
28-Jul-11	70.52	3,762,000	-	-	3,335,000	427,000	-	-
16-May-12	87.61	3,595,000	-	-	3,015,750	579,250	-	-
15-May-13	138.04	3,949,300	-	-	3,096,300	853,000	-	-
01-Nov-13	135.31	197,000	-	-	49,250	147,750	-	-
16-Jul-14	219.66	2,816,000	81,500	-	2,393,750	340,750	-	81,500
20-May-15	448.16	1,935,000	158,800	-	1,406,700	369,500	-	158,800
24-May-16	765.37	1,430,000	302,800	-	901,825	225,375	-	302,800
17-May-17	1,347.75	1,120,750	355,494	-	623,893	141,363	-	355,494
16-Oct-17	1,953.05	16,350	-	-	16,350	-	-	-
01-Feb-18	1,677.85	120,000	21,702	-	49,334	48,964	-	21,702
17-May-18	1,919.95	1,273,416	511,235	-	555,967	206,214	-	511,235
16-May-19	3,002.75	1,123,900	477,036	244,897	316,936	85,031	-	721,933
19-May-20	1,938.60	2,054,250	569,830	912,853	405,973	165,594	-	1,482,683
27-Apr-21	4,736.55	936,643	180,681	659,013	48,915	48,034	-	839,694
26-Apr-22	7,005.50	1,003,756	-	986,280	-	17,476	-	986,280
25-Jul-22	6,258.25	19,349	-	19,349	-	-	-	19,349
		29,940,214	2,659,078	2,822,392	20,446,573	4,012,171	-	5,481,470

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

48 Employee stock option plan (Contd.)

Weighted average fair value of stock options granted during the year is as follows:

Particulars	(₹ in crore)		
	FY2024	FY2023	
Grant date	26-Apr-23	25-Jul-22	26-Apr-22
No. of options granted	1,563,397	19,349	1,003,756
Weighted average fair value (₹)	2,756.16	2,683.83	3,212.49

Following table depicts range of exercise prices and weighted average remaining contractual life:

As on 31 March 2024

For all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	5,481,470	219.66-7,005.50	3,259.66	4.42
Granted during the year	1,563,397	6,075.25	6,075.25	
Cancelled during the year	71,147	1,938.60-7,005.50	5,133.47	
Lapsed during the year	1,311	1,347.75	1,347.75	
Exercised during the year	1,482,620	219.66-7,005.50	1,802.04	
Outstanding at the end of the year	5,489,789	448.16-7,005.50	4,431.32	4.80
Exercisable at the end of the year	2,334,802	448.16-7,005.50	2,943.24	2.98

As on 31 March 2023

Total for all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	5,671,450	138.04-4,736.55	2,219.04	4.49
Granted during the year	1,023,105	6,258.25-7,005.5	6,691.37	
Cancelled during the year	72,094	1,919.95-7,005.5	4,010.24	
Exercised during the year	1,140,991	138.04-4,736.55	1,385.83	
Outstanding at the end of the year	5,481,470	219.66-7,005.5	3,259.66	4.42
Exercisable at the end of the year	2,659,078	219.66-4,736.55	1,959.63	2.66

The weighted average market price of equity shares for options exercised during the year is ₹ 6,920.42 (Previous year ₹ 6,564.81).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

48 Employee stock option plan (Contd.)

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 respective 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 (₹)*	Options granted	Vesting period
27-Apr-21	5.65%	3.5 – 6.5 years	42.51%	0.21%	4,736.55	936,643	4 years on SLM basis
26-Apr-22	6.52%	3.5 – 6.5 years	42.12%	0.29%	7,005.50	946,983	4 years on SLM basis
26-Apr-22	6.95%	7.5 years	39.54%	0.29%	7,005.50	56,773	5 year bullet
25-Jul-22	7.09%	3.5 – 6.5 years	42.20%	0.32%	6,258.25	7,544	4 years on SLM basis
25-Jul-22	6.91%	3.5 years	44.71%	0.32%	6,258.25	8,202	1 year bullet
25-Jul-22	6.99%	4 years	44.15%	0.32%	6,258.25	3,603	18 month bullet
26-Apr-23	6.94%	5 years	41.44%	0.33%	6,075.25	1,563,397	4 years on SLM basis

*Adjusted for sub-division of shares and issue of bonus shares thereon

For the year ended 31 March 2024, the Company has accounted expense of ₹ 239.80 crore as employee benefit expenses (note no.34) on the aforesaid employee stock option plan (Previous year ₹ 197.08 crore). The balance in employee stock option outstanding account is ₹ 713.65 crore as of 31 March 2024 (Previous year ₹ 555.46 crore).

(B) Employee stock option plan of Bajaj Finserv Ltd.

The Nomination and Remuneration Committee of the holding Company has approved grant of 183,050 stock options at an exercise price of ₹ 1,482.64, adjusted for split and bonus, having a bullet vesting of 5 years to select employees of the Company in accordance with the Stock Option Scheme of the Holding Company. Of the options granted, no option has vested, cancelled or exercised during the year. The weighted average fair value of the option granted is ₹ 689.20.

The Holding 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 respective 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 (₹)
28-Apr-22	6.75%	6 years	34.19%	0.02%	1,482.64

For the year ended 31 March 2024, the Company has accounted expense of ₹ 2.55 crore as employee benefit expenses (note no. 34) on the aforesaid employee stock option plan (Previous year ₹ 2.34 crore)

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

49 Ultimate beneficiary

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

50 Relationship with struck off companies

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended 31 March 2024 and 31 March 2023 are given below:

(₹ in crore)

S. No	Name of struck off company	Nature of transactions with struck off company	Relationship with the struck off company	Balance outstanding as on 31 March	
				2024	2023
1	Abhilash Global Corporation Pvt. Ltd.	Loan receivables	No	0.05	0.09
2	Aditya Infocom Pvt. Ltd.	Loan receivables	No	-	-
3	AKK Agencies Pvt. Ltd.	Loan receivables	No	-	-
4	Alpic Formulations Pvt. Ltd.	Loan receivables	No	0.04	0.06
5	Anand IT Solutions Pvt. Ltd.	Loan receivables	No	-	-
6	Asquare Events And Production Pvt. Ltd.	Loan receivables	No	0.13	0.13
7	Astor Metal Industries Pvt. Ltd.	Loan receivables	No	0.18	0.17
8	Attract Force Management Service Pvt. Ltd.	Loan receivables	No	0.03	0.05
9	Ayuh Meditech Solutions Pvt. Ltd.	Loan receivables	No	-	-
10	Balsam Publishing House Pvt. Ltd.	Loan receivables	No	-	-
11	Bhandari Hotels Pvt. Ltd.	Loan receivables	No	0.08	0.09
12	CP Hydro Projects India Pvt. Ltd.	Loan receivables	No	-	-
13	CSE Computer Solutions East Pvt. Ltd.	Loan receivables	No	0.10	0.14
14	Daffodils Daily OPC Pvt. Ltd.	Loan receivables	No	0.11	0.12
15	Dheer Software Solutions Pvt. Ltd.	Loan receivables	No	-	-
16	Economic Gateway Consultants Pvt. Ltd.	Loan receivables	No	-	-
17	Enkaway Motors Pvt. Ltd.	Loan receivables	No	-	-
18	Explore India Events Pvt. Ltd.	Loan receivables	No	-	-
19	First Office Solutions India Pvt. Ltd.	Loan receivables	No	0.04	0.07
20	First Paper Idea India Pvt. Ltd.	Loan receivables	No	0.11	0.11
21	Fortuner Con Serve Pvt. Ltd.	Loan receivables	No	-	-
22	Gintara Pvt. Ltd.	Loan receivables	No	-	-
23	Grabstance Technologies Pvt. Ltd.	Loan receivables	No	0.01	0.03
24	Green Way Super Market Pvt. Ltd.	Loan receivables	No	0.11	0.11
25	Hyper Collective Creative Technologies Pvt. Ltd.	Loan receivables	No	0.00	0.00
26	Indira Smart Systems Pvt. Ltd.	Loan receivables	No	0.08	0.09

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

50 Relationship with Struck off Companies (Contd.)

(₹ in crore)

S. No	Name of struck off company	Nature of transactions with struck off company	Relationship with the struck off company	Balance outstanding as on 31 March	
				2024	2023
27	Indochin Electrotech Pvt. Ltd.	Loan receivables	No	0.13	0.13
28	Invision Entertainment Pvt. Ltd.	Loan receivables	No	0.13	2.06
29	Jamson Pharmaceutical Pvt. Ltd.	Loan receivables	No	-	-
30	Janhavi Exim Pvt. Ltd.	Loan receivables	No	-	-
31	Jay Gurudev Agrotech Pvt. Ltd.	Loan receivables	No	-	-
32	Jey Pee Nets Pvt. Ltd.	Loan receivables	No	-	-
33	K Cube Communications Pvt. Ltd.	Loan receivables	No	-	-
34	Kk Diabetes Men&Women Care Centre Pvt. Ltd.	Loan receivables	No	-	-
35	Kool Gourmet Pvt. Ltd.	Loan receivables	No	0.10	0.10
36	Koolair Systems Pvt. Ltd.	Loan receivables	No	-	-
37	Mazda Agencies Pvt. Ltd.	Loan receivables	No	-	0.11
38	Mechwing Engineering & Services Pvt. Ltd.	Loan receivables	No	0.08	0.10
39	Multi Tech System Industrial Automation Pvt. Ltd.	Loan receivables	No	0.00	0.00
40	Multiton Equipments Pvt. Ltd.	Loan receivables	No	-	-
41	Niche Events And Promotions Pvt. Ltd.	Loan receivables	No	-	-
42	Nur Automation Pvt. Ltd.	Loan receivables	No	0.06	0.07
43	Pallavi Shelters Pvt. Ltd.	Loan receivables	No	-	-
44	PC Print Control Pvt. Ltd.	Loan receivables	No	-	-
45	Prematix Software Solution Pvt. Ltd.	Loan receivables	No	-	-
46	Priyanka Management Solutions India Pvt. Ltd.	Loan receivables	No	-	-
47	R R Movers And Logistics Pvt. Ltd.	Loan receivables	No	0.13	0.13
48	Reliance Beverages Pvt. Ltd.	Loan receivables	No	-	-
49	Relied Staffing Solution Pvt. Ltd.	Loan receivables	No	0.12	0.12
50	Riddhi Siddhi Emporium Pvt. Ltd.	Loan receivables	No	-	-
51	Seven Oaks Engineering Pvt. Ltd.	Loan receivables	No	-	-
52	Shrine Infrastructure Pvt. Ltd.	Loan receivables	No	0.52	0.56
53	Singh Hindustan Marine Pvt. Ltd.	Loan receivables	No	0.00	0.00
54	Solaris People Solutions Pvt. Ltd.	Loan receivables	No	-	0.10
55	Spice Flora India Pvt. Ltd.	Loan receivables	No	-	-
56	Sri Beera Barji Trading Co. Pvt. Ltd.	Loan receivables	No	0.05	0.06
57	Tei Marketing Pvt. Ltd.	Loan receivables	No	-	-
58	Tejas India Buildtech Pvt. Ltd.	Loan receivables	No	0.14	0.14
59	Times Partner Pvt. Ltd.	Loan receivables	No	(0.00)	(0.00)
60	Tulsians Kharidiye Pvt. Ltd.	Loan receivables	No	-	-
61	Underground Pipeline And Non-Destructive Testing Services Pvt. Ltd.	Loan receivables	No	-	-
62	Vijayasree Rearing And Processing Pvt. Ltd.	Loan receivables	No	-	-
63	Wave Aquatic Pvt. Ltd.	Loan receivables	No	-	-

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

50 Relationship with Struck off Companies (Contd.)

(₹ in crore)

S. No	Name of struck off company	Nature of transactions with struck off company	Relationship with the struck off company	Balance outstanding as on 31 March	
				2024	2023
64	Indo Sale Pvt. Ltd.	Deposit taken	No	(0.05)	(0.05)
65	Akshda Well Wisher Advisory (OPC) Pvt. Ltd.	Payables	No	-	-
66	Aleem Autos Pvt. Ltd.	Payables	No	(0.00)	(0.00)
67	Visakam Motors Pvt. Ltd.	Payables	No	(0.00)	(0.00)
68	Daytoday Technologies (OPC) Pvt. Ltd.	Payables	No	(0.00)	(0.00)
69	Fuehrer Fintech Pvt. Ltd.	Payables	No	-	-
70	Keen Financial Services Pvt. Ltd.	Payables	No	(0.00)	(0.00)
71	Keynote Management Accountancy And Consulting Pvt. Ltd.	Payables	No	-	(0.00)
72	Progency Consultancy Pvt. Ltd.	Payables	No	-	(0.00)

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis.

51 Disclosure pertaining to stock statement filed with banks or financial institutions

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

For the financial year ended 31 March 2024 and previous year ended 31 March 2023, the quarterly statements or returns of current assets filed by the Company with banks are in agreement with books of accounts.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time

(A) Capital

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
(i) CRAR (%)	22.52%	24.97%
(ii) CRAR -Tier I Capital (%)	21.51%	23.20%
(iii) CRAR -Tier II Capital (%)	1.01%	1.77%
(iv) Amount of subordinated liabilities raised as Tier II capital (Raised during the year Nil, previous year Nil)	3,577.90	3,630.29
(v) Amount raised by issue of Perpetual Debt Instruments	-	-
(vi) Discounted value of tier II bonds considered for the purpose of Tier II capital	1,239.05	1,916.76

Capital Adequacy Ratio (CRAR) as at 31 March 2024 is computed basis increased Risk Weights on consumer credit exposure from 100% to 125% vide RBI Notification for 'Regulatory measures towards consumer credit and bank credit to NBFCs' no. RBI/2023-24/85 DOR.STR.REC.57/21.06.001/2023-24 dated 16 November 2023.

(B) Investments

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
(I) Value of investments		
(i) Gross value of investments		
- In India	37,061.64	28,834.14
- Outside India	-	-
(ii) Provisions for depreciation/amortisations/(appreciation)		
- In India	(91.72)	96.29
- Outside India	-	-
(iii) Net value of investments		
- In India	37,153.36	28,737.85
- Outside India	-	-
(II) Movement of provisions held towards depreciation/appreciation/ amortisation on investments		
(i) Opening balance	96.29	79.59
(ii) Add: Provisions made during the year (net of appreciation)	(186.13)	21.54
(iii) Less: Write-off/write-back of excess provisions during the year	1.88	4.84
(iv) Closing balance	(91.72)	96.29

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(C) Derivatives

(I) Forward rate agreement/interest rate swap

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
(i) The notional principal of swap agreements*	6,015.79	1,299.50
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	15.69	146.98
(iii) Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps [#]	-	-
(v) The fair value of the swap book, net	14.84	146.98

*The Company has hedged its foreign currency borrowings through CCIRS (cross currency interest rate swaps). For Accounting Policy & Risk Management Policy. (Refer note no. 3.11 & 47)

[#]Concentration of credit risk arising from swaps with banks.

-Forward rate agreement (FRAs) entered into during the year ₹ Nil (Previous year ₹ Nil). The Company did not have Outstanding position as on 31 March 2024 and 31 March 2023.

(II) Exchange traded interest rate derivatives

The Company has not traded in exchange traded interest rate derivative during the current and previous year.

(III) Disclosures on risk exposure in derivatives

Qualitative disclosure

Details for qualitative disclosure are part of accounting policy as per financial statements. (Refer note no. 3.11 & 47)

Quantitative disclosure

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
(i) Derivatives (notional principal amount) for hedging*	6,015.79	1,299.50
(ii) Marked to market positions		
(a) Asset	15.69	146.98
(b) Liability	0.85	-
(iii) Credit exposure	-	-
(iv) Unhedged exposures	-	-

*The Company has hedged its foreign currency borrowings through CCIRS (cross currency interest rate swaps).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(D) Asset Liability Management - maturity pattern of certain items of assets and liabilities*

As at 31 March 2024

Particulars	Over 1 day to 7 days	Over 8 days to 14 days	Over 15 days to 30 days	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total	(₹ in crore)
												Total
Public deposits	225.74	250.12	661.86	1,062.10	795.39	2,939.70	5,923.01	18,766.29	7,388.41	-	38,012.62	
Advances (loans)	9,340.34	3,028.87	5,834.62	11,897.52	11,999.85	27,348.95	43,465.69	90,950.17	23,684.31	15,784.11	243,334.43	
Investments	19,622.09	3.35	2,988.48	21.42	47.80	45.11	79.27	1,074.73	1,864.77	11,406.34	37,153.36	
Borrowings (other than public deposits)	17,552.01	2,290.12	6,805.87	10,065.20	10,645.15	11,267.44	21,893.64	47,619.61	22,949.26	25,259.28	176,347.58	
Foreign currency liabilities	-	-	-	-	8.11	1.90	-	6,008.44	-	-	6,018.45	

As at 31 March 2023

Particulars	Over 1 day to 7 days	Over 8 days to 14 days	Over 15 days to 30 days	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total	(₹ in crore)
												Total
Public deposits	90.69	105.10	238.90	453.16	564.29	2,080.89	5,031.45	14,726.63	5,011.99	-	28,303.10	
Advances (loans)	6,001.56	1,957.63	4,444.49	8,202.98	7,590.53	19,038.10	28,584.70	66,427.95	23,623.62	13,225.56	179,097.12	
Investments	5,378.13	8,854.01	1,169.13	5.35	39.93	228.44	303.87	2,275.12	1,253.39	9,230.48	28,737.85	
Borrowings (other than public deposits)	10,110.36	1,397.38	1,610.15	6,325.58	7,883.88	9,345.65	20,424.38	41,848.44	16,013.67	16,960.59	131,920.08	
Foreign currency liabilities	-	632.22	8.43	-	-	-	820.80	-	-	-	1,461.45	

*Amounts disclosed as per the behaviouralised pattern

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)**(E) Exposures****(I) Exposure to real estate sector**

(₹ in crore)

As at 31 March

Category	2024	2023
(i) Direct exposure		
(a) Residential mortgages lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	8,161.25	5,741.34
(b) Commercial real estate lending secured by mortgages on commercial real estates	8,989.26	4,138.16
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures:		
- Residential	192.61	128.59
- Commercial Real Estate	-	-
(ii) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank and Housing Finance Companies	3,810.89	3,064.90
Investment in Housing Finance Companies*	9,528.00	7,528.00

-In addition to above, the Company has loan exposures amounting ₹ 6,678.76 crore as on 31 March 2024 (Previous year ₹ 3,606.18 crore) pertaining to commercial properties not required to be classified as commercial real estate exposure and on properties used for dual purpose of commercial and residential usage.

*Includes an amount of ₹ 2,000 crore, approved by Board of Directors of the Company on 20 March 2024, to be invested in its wholly owned subsidiary Bajaj Housing Finance Ltd.

(II) Exposure to capital market

(₹ in crore)

As at 31 March

Particulars	2024	2023
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (Refer note (a) to (d) below)	2,000.89	743.23
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; (Refer note (e) below)	4,571.04	83.13
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security; (Refer note (f) below)	27,885.32	22,466.29
(iv) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	1,258.73	1,064.76
(v) All exposures to Alternative Investment Funds: (i) Category III	225.00	-
Total Exposure to Capital Market	35,940.98	24,357.41

Note:

- (a) Excludes investments in its wholly owned subsidiaries amounting to ₹ 8,398.38 crore (Previous year ₹ 8,198.38 crore). Additionally, it excludes proposed investment of ₹ 2,000 crore in its wholly owned subsidiary Bajaj Housing Finance Ltd. approved by Board of Directors of the Company on 20 March 2024.
- (b) Includes investment in listed equity shares of RBL Bank having actual cost of ₹ 150 crore considered at net carrying value of ₹ 102.69 crore in current year (Previous year ₹ 60.30 crore)
- (c) Includes loan amounting to ₹ 322.68 crore given to group company as of 31 March 2024 (Previous year ₹ 290.41 crore) fully convertible into equity shares.
- (d) On 2 February 2024, the Company has entered into a Securities Subscription Agreement with RMBS Development Company Ltd. for acquisition of up to 7% equity stake on a fully diluted basis for an amount of ₹ 35 crore. Hence, the same is considered under point (i) above.
- (e) Includes loan against pledge of shares by promoter of other companies amounting to ₹ 50.32 crore in current year (Previous year ₹ Nil)
- (f) Includes loan against pledge of shares by promoters of other companies amounting to ₹ 6,597.72 crore in current year (Previous year ₹ 5,792.28 crore).

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(III) Intra-group exposures

Particulars	(₹ in crore)	
	As at 31 March	
	2024	2023
Total amount of intra-group exposures	3,500.00	3,250.00
Total amount of top 20 intra-group exposures	3,500.00	3,250.00
Percentage of intra-group exposures to total exposure of the borrowers/customers	1.19%	1.49%

(IV) Unhedged foreign currency exposure

The Company's exposure of unhedged foreign currency risk at the end of the reporting period is ₹ Nil (Previous year ₹ Nil)

(V) Details of financing of Parent Company products

The Company does not have any financing of Parent Company products during the current and previous year.

(VI) Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded

The Company has not exceeded the prudential exposure limits during the current and previous year.

(VII) Unsecured advances

Gross loans and advances includes unsecured advances ₹ 127,741.42 crore (Previous year ₹ 101,700.31 crore). There are no advances secured against intangible assets.

(F) Registration obtained from other financial sector regulators

Regulator	Registration no.	Valid Up to
Insurance Regulatory and Development Authority - Corporate agent	CA0101	Valid till 31-Mar-25
AMFI Registered Mutual Fund Advisor (ARMFA)	ARN - 90319	Valid till 26-June-25

(G) Details of penalties and strictures imposed by RBI and other regulators

Current year:

- 1) Reserve Bank of India (RBI) vide order dated 28 September 2023 had imposed a monetary penalty of ₹ 8.50 lakh (rupees eight lakh fifty thousand only) on the Company for non-compliance with the 'Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016' issued by RBI. The Company has since taken necessary corrective actions in this respect.
- 2) RBI vide order dated 15 November 2023, under Section 45L(1)(b) of RBI Act, 1934, directed the Company to stop sanction and disbursal of loans under its two lending products namely, 'eCOM' and 'Insta EMI Card', with immediate effect on account of certain deficiencies observed in implementation of the extant provisions of Digital lending guidelines of Reserve Bank of India, particularly non issuance of Key Fact Statements to the borrowers under these two lending products and the deficiencies in the Key Fact Statements issued in respect of other digital loans sanctioned by the Company. Further, RBI advised that these supervisory restrictions will be reviewed upon the rectification of the said deficiencies to the satisfaction of RBI.

The Company has made required changes in response to the regulatory restriction imposed by RBI on the Company, on sanction and disbursal of loans under 'eCOM' and 'Insta EMI Card'. The Company has formally requested RBI for review and removal of these restrictions.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

Previous year:

- 1) Regional Director (MCA) vide its order dated 20 May 2022, imposed a fine of ₹ 3.39 lakh on the Company for violation of provisions of section 297 of the erstwhile Companies Act, 1956 ('Previous Act'), for entering into transactions with PN Writer and Siliguri Autoworks without seeking approval of the Board or prior approval of the Central Government. A Compounding application was made by the Company in 2012 and resubmitted in 2020 in this regards. The Compounding hearing was held on 27 April 2022 with Regional Director and a compounding fee was charged to Company which was duly paid.
- 2) BSE vide its notice through email dated 22 February 2023, imposed a fine of ₹ 50,000 (excluding GST) for delayed intimation of payment of interest/principal to stock exchanges in relation to Non-Convertible Debentures (4 ISINs). There had been no delay in payment of interest/principal and the said delay had not affected any investor adversely and the Company had remitted the requisite amount to the stock exchange.

(H) Details of ratings assigned by credit rating agencies and migration of ratings during the year

Rating agency	Programme	Ratings assigned	Migration in ratings during the year
India Ratings	Non-convertible debenture	IND AAA/Stable	Nil
	Subordinate debt	IND AAA/Stable	Nil
	Long term bank rating	IND AAA/Stable	Nil
	Short term bank rating	IND A1+	Nil
CRISIL	Non-convertible debenture	CRISIL AAA/Stable	Nil
	Lower tier II bond	CRISIL AAA/Stable	Nil
	Fixed deposit	CRISIL AAA/Stable	Nil
	Long term bank rating	CRISIL AAA/Stable	Nil
	Short term bank rating	CRISIL A1+	Nil
	Subordinate debt	CRISIL AAA/Stable	Nil
	Short term debt	CRISIL A1+	Nil
ICRA	Non-convertible debenture	ICRA AAA/Stable	Nil
	Fixed deposit	ICRA AAA/Stable	Nil
	Subordinate debt	ICRA AAA/Stable	Nil
	Short term debt	ICRA A1+	Nil
CARE	Non-convertible debenture	CARE AAA/Stable	Nil
	Subordinate debt	CARE AAA/Stable	Nil
	Long term bank rating	CARE AAA/Stable	Nil
S&P	Entity level	Long term issuer rating of 'BBB-' with stable outlook	Upgraded from 'long term issuer rating of 'BB+' with positive outlook
		Short term rating of 'A-3'	Upgraded from 'Short term rating of 'B''

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(I) Remuneration of non-executive Directors

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Sanjiv Bajaj	4.30	0.80
Madhur Bajaj ('up to 31 July 2022')	-	0.07
Rajiv Bajaj	0.35	0.21
Ranjan Sanghi ('up to 30 April 2022')	-	0.07
D J Balaji Rao ('up to 28 November 2023')	0.34	0.24
Dr. Naushad Forbes	0.85	0.53
Anami N Roy	1.20	0.63
Radhika Haribhakti	0.80	0.28
Pramit Jhaveri	1.15	0.60
Dr. Arindam Bhattacharya ('appointed w.e.f. 1 April 2023')	0.56	-

-Excluding GST

(J) Provisions and contingencies

(₹ in crore)

For the year ended 31 March

Break up of 'Provisions and contingencies' shown in the Statement of Profit and Loss	2024	2023
Provision for non performing assets*	79.42	(350.29)
Provision for income tax	4,436.00	3,593.00
Provision for standard assets**	597.84	254.29
Provision for employee benefits	130.77	92.22

* Represents impairment loss allowance on stage 3 assets

** Represents impairment loss allowance on stage 1 and stage 2 assets

(K) Draw Down from Reserves

During the year, the Company has not drawn down any amount from reserves.

(L) Concentration of deposits, advances, exposures and NPAs

(I) Concentration of deposits

(₹ in crore)

As at 31 March

Particulars	2024	2023
Total deposits of twenty largest depositors	8,993.65	7,367.76
Percentage of deposits to twenty largest depositors to total deposits	15.00%	16.56%

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(II) Concentration of advances

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Total advances to twenty largest borrowers	9,005.13	6,370.70
Percentage of advances to twenty largest borrowers to total advances	3.63%	3.48%

- The above exposures denotes gross carrying amount

(III) Concentration of exposures (including off-Balance Sheet exposure)

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Total exposure to twenty largest borrowers/customers	12,696.64	9,663.37
Percentage of exposures to twenty largest borrowers/customers to total exposure on borrowers/customers	4.31%	4.44%

- The above exposures denotes gross carrying amount

(IV) Concentration of NPAs

(₹ in crore)

Particulars	As at 31 March	
	2024	2023
Total exposure to top four NPA accounts	47.83	80.18

- The above exposures denotes gross carrying amount

(V) Sector-wise NPAs

(₹ in crore)

Sector	As at 31 March 2024			As at 31 March 2023		
	Total Advances in the sector	NPA	%	Total Advances in the sector	NPA	%
(i) Agriculture & allied activities	240.13	16.16	6.73%	111.04	0.65	0.59%
(ii) MSME	19,586.71	130.09	0.66%	8,130.92	14.12	0.17%
(iii) Corporate borrowers#	-	-	0.00%	-	-	0.00%
(iv) Services	59,090.38	648.89	1.10%	51,466.53	944.02	1.83%
(v) Unsecured personal loans	88,748.70	999.90	1.13%	67,065.70	639.18	0.95%
(vi) Auto loans	18,931.99	358.96	1.90%	11,014.36	243.63	2.21%
(vii) Other personal loans	46,019.31	359.13	0.78%	31,675.07	199.05	0.63%
(viii) Industries	15,235.31	87.25	0.57%	13,474.34	134.84	1.00%
	247,852.53	2,600.38	1.05%	182,937.96	2,175.49	1.19%

#Covered under specific sectors.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(VI) Sectoral exposure

Sector	As at 31 March 2024			As at 31 March 2023		
	Total Exposure (includes on Balance Sheet and off- Balance Sheet exposure) (₹ in crore)	Gross NPAs (₹ in crore)	Percentage of Gross NPAs to total exposure in that sector*	Total Exposure (includes on Balance Sheet and off- Balance Sheet exposure) (₹ in crore)	Gross NPAs (₹ in crore)	Percentage of Gross NPAs to total exposure in that sector*
1. Agriculture and allied activities	325.50	16.16	4.96%	194.19	0.65	0.33%
2. Industry	21,687.57	108.93	0.50%	18,294.22	136.93	0.75%
i. Other industries	10,881.62	108.93	1.00%	18,294.22	136.93	0.75%
ii. Industry - Large	10,805.95	-	0.00%	-	-	0.00%
3. Services	95,076.07	757.30	0.80%	74,555.13	956.05	1.28%
i. Transport operators	7,835.35	300.37	3.83%	5,376.98	422.72	7.86%
ii. Professional services	17,016.92	76.34	0.45%	21,459.76	192.16	0.90%
iii. Retail trade	25,029.47	282.87	1.13%	19,277.70	182.02	0.94%
iv. Commercial real estate	8,989.25	-	0.00%	4,138.16	26.53	0.64%
v. NBFCs	16,527.29	4.48	0.03%	12,276.19	-	0.00%
vi. Other services	19,677.79	93.24	0.47%	12,026.34	132.62	1.10%
of 3. services:						
(a) Micro and small enterprises	17,727.62	107.17	0.60%	6,564.47	11.95	0.18%
(b) Others	77,348.45	650.13	0.84%	67,990.66	944.10	1.39%
4. Personal Loans	177,633.23	1,717.99	0.97%	124,690.09	1,081.86	0.87%
i. Consumer durables	29,002.79	164.31	0.57%	21,489.78	84.17	0.39%
ii. Vehicle/Auto loans	18,941.32	358.96	1.90%	11,021.09	243.63	2.21%
iii. Advances to individuals against shares, bonds	12,594.27	0.13	0.00%	7,018.55	1.15	0.02%
iii. Other retail loans	117,094.85	1,194.59	1.02%	85,160.67	752.91	0.88%
	294,722.37	2,600.38	0.88%	217,733.63	2,175.49	1.00%

*As per the disclosure requirement for the purpose of above disclosure GNPA ratio is computed on total exposure (includes on Balance Sheet and off-Balance Sheet exposure) i.e. Percentage of Gross NPAs to total exposure to respective sectors. Actual GNPA ratio of the Company is computed on the basis of on Balance Sheet exposure and accordingly are not comparable.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(M) Movement of NPAs

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
(i) Net NPAs to net advances (%)	0.46%	0.43%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	2,175.49	2,987.14
(b) Additions during the year	6,903.21	4,742.69
(c) Reductions during the year (including loans written off)	6,478.32	5,554.34
(d) Closing balance	2,600.38	2,175.49
(iii) Movement of net NPAs		
(a) Opening balance	786.62	1,247.98
(b) Additions during the year	627.41	96.92
(c) Reductions during the year	281.94	558.28
(d) Closing balance	1,132.09	786.62
(iv) Movement of provisions for NPAs		
(a) Opening balance	1,388.87	1,739.16
(b) Provisions made during the year	6,275.80	4,645.77
(c) Write-off/write-back of excess provisions	6,196.38	4,996.06
(d) Closing balance	1,468.29	1,388.87

(N) Disclosure of complaints

Customer complaints

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Number of complaints pending at the beginning of the year	7	-
Number of complaints received during the year	6,530	7,426
Number of complaints disposed during the year	6,527	7,419
Of which, number of complaints rejected during the year	166	64
Number of complaints pending at the end of the year	10	7

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

Complaints from Office of Ombudsman

Particulars	For the year ended 31 March	
	2024	2023
Number of maintainable complaints received from Office of Ombudsman	1,932	2,635
Number of complaints resolved in favour by Office of Ombudsman	846	1,002
Number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	939	1,158
Number of complaints resolved after passing of awards by Office of Ombudsman against the NBFC	-	-
Others [#]	147	475
Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

[#] Others includes RBI escalations for which closure details are not available, cases received over email, and which have been subsequently rejected etc.

Top five grounds of complaints received from customers

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Number of complaints pending beyond 30 days
FY 2023-24					
Co-branded Credit Card [#]	7	1,605	(61%)	10	-
Debt Management Services	-	1,406	35%	-	-
Customer Profile Related	-	623	(28%)	-	-
Communication Related	-	715	49%	-	-
Payments (Wallet) Related	-	1,087	351%	-	-
Others	-	1,094	68%	-	-
	7	6,530		10	-
FY 2022-23					
Co-branded Credit Card [#]	-	4,100	(29%)	7	-
Debt Management Services	-	1,044	113%	-	-
Customer Profile Related	-	870	71%	-	-
Communication Related	-	479	444%	-	-
EMI Banking Related	-	280	(16%)	-	-
Others	-	653	90%	-	-
	-	7,426		7	-

[#]Complaints related to co-brand credit received at the co-brand credit card partner i.e. partner's end have been included.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(O) Disclosure of gold loan portfolio

(₹ in crore)

As at 31 March

Particulars	2024	2023
Total gold loan portfolio	4,608.46	2,806.47
Total assets (Loans)	247,852.53	182,937.96
Gold loan portfolio as % of total assets	1.86%	1.53%

- The above exposure denotes gross carrying amount

(P) Disclosure of gold auction

(₹ in crore)

For the year ended 31 March

Particulars	2024	2023
Number of loan accounts	9,763	11,102
Outstanding amount	66.01	73.35
Value fetched on auctions	69.16	74.88

- None of the sister concerns of the Company participated in the auction.

(Q) The disclosures as required by the Master Direction -Monitoring of frauds in NBFCs issued by RBI dated 29 September 2016

(₹ in crore)

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	No. of cases	₹ in crore	No. of cases	₹ in crore
Amount involved is greater than or equal to 1 lakh	342	27.87	114	11.16
Amount involved is less than 1 lakh	1,028	3.71	717	1.03
Wallet related fraud	1,934	2.74	1,356	2.39

(R) Disclosures as required for liquidity risk

(I) Funding concentration based on significant counterparty (both deposits and borrowings)

(₹ in crore)

As at 31 March

Particulars	2024	2023
Borrowings		
Number of significant counter parties	14	18
Amount (₹ in crore)	79,019.69	68,708.19
Percentage of funding concentration to total deposits	NA	NA
Percentage of funding concentration to total liabilities	35.18%	41.63%

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(II) Top 20 large deposits

(₹ in crore)

As at 31 March

Particulars	2024	2023
Total amount of top 20 deposits	8,993.65	7,367.76
Percentage of amount of top 20 deposits to total deposits	15.00%	16.56%

(III) Top 10 borrowings

(₹ in crore)

As at 31 March

Particulars	2024	2023
Total amount of top 10 borrowings	68,925.18	53,221.41
Percentage of amount of top 10 borrowings to total borrowings	31.28%	32.92%

(IV) Funding concentration based on significant instrument/product

(₹ in crore)

Particulars	As at 31 March 2024	Percentage of total liabilities	As at 31 March 2023	Percentage of total liabilities
Non-convertible debentures	69,174.98	30.80%	55,446.82	33.60%
Deposits	59,966.66	26.70%	44,489.79	26.96%
Loans from bank	47,460.59	21.13%	38,287.89	23.20%
Commercial paper	18,421.11	8.20%	10,223.03	6.19%
External commercial borrowings	6,018.45	2.68%	1,461.45	0.89%
Subordinated liabilities	3,577.90	1.59%	3,630.29	2.20%
TREPs	15,758.96	7.02%	8,145.36	4.94%

(V) Stock ratios

(₹ in crore)

As at 31 March

Particulars	2024	2023
(i) Commercial paper as a percentage of total public funds*	8.36%	6.32%
(ii) Commercial paper as a percentage of total liabilities	8.20%	6.19%
(iii) Commercial paper as a percentage of total assets	6.21%	4.72%
(iv) Other short term liabilities as a percentage of total public funds	34.13%	36.08%
(v) Other short term liabilities as a percentage of total liabilities	33.49%	35.35%
(vi) Other short term liabilities as a percentage of total assets	25.36%	26.94%
(vii) Non-convertible debentures** as a percentage of total public funds	NA	NA
(viii) Non-convertible debentures** as a percentage of total liabilities	NA	NA
(ix) Non-convertible debentures** as a percentage of total assets	NA	NA

*Public funds includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of commercial papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue

** Non-convertible debentures with original maturity of less than one year

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(VI) Institutional set-up for liquidity risk management

For qualitative disclosure on liquidity risk management, refer note no. 47.

Quarter on quarter Liquidity Coverage Ratio for the financial year ended 31 March 2024 :

(₹ in crore)

	Q1 FY24		Q2 FY24		Q3 FY24		Q4 FY24	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	12,619.29	11,558.60	12,731.42	11,561.48	11,745.65	10,569.10	13,135.36	11,975.77
Cash Outflows								
2 Deposits (for deposit taking companies)	1,568.84	1,804.16	2,022.50	2,325.87	2,288.92	2,632.26	2,561.65	2,945.89
3 Unsecured wholesale funding	3,277.48	3,769.10	4,013.73	4,615.79	4,996.40	5,745.85	4,161.07	4,785.23
4 Secured wholesale funding	1,865.93	2,145.82	2,490.53	2,864.11	2,308.34	2,654.59	4,255.64	4,893.98
5 Additional requirements, of which	1,991.59	2,290.33	1,907.65	2,193.80	2,041.93	2,348.22	2,623.94	3,017.53
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	1,991.59	2,290.33	1,907.65	2,193.80	2,041.93	2,348.22	2,623.94	3,017.53
6 Other contractual funding obligations	2,072.69	2,383.59	2,703.26	3,108.75	2,463.93	2,833.52	2,418.02	2,780.72
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 Total Cash outflows	10,776.53	12,393.00	13,137.67	15,108.32	14,099.52	16,214.44	16,020.32	18,423.35
Cash Inflows								
9 Secured lending	159.75	119.81	250.45	187.84	112.72	84.54	90.73	68.05
10 Inflows from fully performing exposures	10,837.26	8,127.95	11,782.40	8,836.80	12,373.71	9,280.28	13,232.62	9,924.47
11 Other cash inflows	9,762.88	7,322.16	11,842.06	8,881.55	14,401.94	10,801.45	12,967.09	9,725.32
12 Total cash inflows	20,759.89	15,569.92	23,874.91	17,906.19	26,888.37	20,166.27	26,290.44	19,717.84
	Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13 Total HQLA		11,558.60		11,561.48		10,569.10		11,975.77
14 Total net cash outflow		3,098.25		3,777.08		4,053.61		4,605.84
15 Liquidity coverage ratio (%)		373.07%		306.10%		260.73%		260.01%
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets (HQLA)								
1 Assets to be included as HQLA without any haircut	7,315.81	7,315.81	6,881.73	6,881.73	5,862.90	5,862.90	7,337.43	7,337.43
(a) T-Bills	6,809.67	6,809.67	6,308.18	6,308.18	5,295.36	5,295.36	6,608.23	6,608.23
(b) Bank balance	506.14	506.14	573.55	573.55	567.54	567.54	729.20	729.20
2 Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3 Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4 Approved securities held as per the provisions of section 45 IB of RBI Act - Government Securities	5,303.48	4,242.79	5,849.69	4,679.75	5,882.75	4,706.20	5,797.93	4,638.34
Total HQLA	12,619.29	11,558.60	12,731.42	11,561.48	11,745.65	10,569.10	13,135.36	11,975.77

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

Quarter on quarter Liquidity Coverage Ratio for the financial year ended 31 March 2023 :

(₹ in crore)

	Q1 FY23		Q2 FY23		Q3 FY23		Q4 FY23	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	7,847.64	7,052.44	8,400.49	7,555.49	9,346.35	8,421.70	10,818.75	9,733.59
Cash Outflows								
2 Deposits (for deposit taking companies)	1,225.56	1,409.39	1,461.82	1,681.09	1,638.62	1,884.41	1,710.43	1,967.00
3 Unsecured wholesale funding	1,902.81	2,188.23	2,137.79	2,458.46	3,255.95	3,744.34	2,742.95	3,154.39
4 Secured wholesale funding	2,991.63	3,440.38	3,008.66	3,459.96	4,060.09	4,669.11	5,282.68	6,075.08
5 Additional requirements, of which	1,981.96	2,279.25	1,827.68	2,101.83	1,911.70	2,198.46	2,051.45	2,359.17
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	1,981.96	2,279.25	1,827.68	2,101.83	1,911.70	2,198.46	2,051.45	2,359.17
6 Other contractual funding obligations	2,799.85	3,219.83	2,599.35	2,989.25	2,059.86	2,368.83	2,134.06	2,454.17
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 Total Cash outflows	10,901.81	12,537.08	11,035.30	12,690.59	12,926.22	14,865.15	13,921.57	16,009.81
Cash Inflows								
9 Secured lending	966.42	724.82	657.56	493.97	1,269.80	952.35	114.51	85.88
10 Inflows from fully performing exposures	8,821.64	6,616.23	9,615.02	7,211.27	10,101.99	7,576.49	10,443.91	7,832.93
11 Other cash inflows	8,884.47	6,663.35	14,474.83	10,856.12	13,009.21	9,756.90	10,899.13	8,174.34
12 Total cash inflows	18,672.53	14,004.40	24,747.41	18,560.56	24,381.00	18,285.74	21,457.55	16,093.15
	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value	Total Adjusted Value
13 Total HQLA		7,052.44		7,555.49		8,421.7		9,733.59
14 Total net cash outflow		3,134.27		3,172.65		3,716.29		4,002.45
15 Liquidity coverage ratio (%)		225.01%		238.14%		226.62%		243.19%
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets (HQLA)								
1 Assets to be included as HQLA without any haircut	3,871.67	3,871.67	4,175.46	4,175.46	4,723.12	4,723.12	5,392.98	5,392.98
(a) T-Bills	3,489.86	3,489.86	3,837.50	3,837.50	4,391.17	4,391.17	5,115.66	5,115.66
(b) Bank balance	381.81	381.81	337.96	337.96	331.95	331.95	277.32	277.32
2 Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3 Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4 Approved securities held as per the provisions of section 45 IB of RBI Act - Government Securities	3,975.97	3,180.77	4,225.03	3,380.03	4,623.23	3,698.58	5,425.77	4,340.61
Total HQLA	7,847.64	7,052.44	8,400.49	7,555.49	9,346.35	8,421.70	10,818.75	9,733.59

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

The Liquidity Coverage Ratio (LCR) is one of the key parameters closely monitored by RBI to enable a more resilient financial sector. The objective of the LCR is to promote an environment wherein Balance Sheet carries a strong liquidity for short term cash flow requirements. To ensure strong liquidity NBFCs are required to maintain adequate pool of unencumbered high-quality liquid assets (HQLA) which can be easily converted into cash to meet their stressed liquidity needs for 30 calendar days. The LCR is expected to improve the ability of financial sector to absorb the shocks arising from financial and/or economic stress, thus reducing the risk of spill over from financial sector to real economy.

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The LCR levels for the Balance Sheet date is derived by arriving the stressed expected cash inflow and outflow for the next calendar month. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%.

The Company for purpose of computing outflows, has considered: (1) all the contractual debt repayments, (2) committed credit facilities contracted with the subsidiaries and customers, and (3) other expected or contracted cash outflows. Inflows comprises of: (1) expected receipt from all performing loans, and (2) liquid investment which are unencumbered and have not been considered as part of HQLA.

For the purpose of HQLA the Company considers: (1) Unencumbered Government securities, (2) Cash and Bank balances and (3) Pledged Government Securities for purpose of Statutory Liquid Ratio (SLR) with a haircut of 20%.

The LCR is computed by dividing the stock of HQLA by its total net cash outflows over one-month stress period. LCR guidelines have become effective from 1 December 2020, requiring NBFCs to maintain minimum LCR of 50%, LCR is gradually required to be increased to 100% by 1 December 2024. NBFCs are required to maintain LCR of 85% as on 31 March 2024.

(S) Loans to Directors, Senior Officers and relatives of Directors

(₹ in crore)

Particulars	Aggregate amount of such sanctioned loans and advances	
	For the year ended 31 March	
	2024	2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	Flexi term loan facility up to ₹ 1,000 crore	-
Senior Officers and their relatives (Previous year ₹ 32,308)	1.17	

*The circular on Loans and Advances – Regulatory Restrictions – NBFCs is effective from 1 October 2022. The above disclosure is provided for loans entered on or after 1 October 2022.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(T) Disclosure of transactions with related parties as required by RBI circular dated 19 Apr 2022

(₹ in crore)

S. No.	Item/Related Party	1. Parent (as per ownership or control)		2. Subsidiaries		3. Associate		4. Director	
		31 March		31 March		31 March		31 March	
		2024	2023	2024	2023	2024	2023	2024	2023
(A)	Details of Related party transactions during the year ended								
1	Borrowings	-	-	-	-	-	-	-	-
2	Deposits	550.00	-	-	-	-	-	0.00	-
3	Placement of deposits	-	-	10.50	10.00	-	-	-	-
4	Advances	-	-	14,310.00	7,478.00	-	-	-	-
5	Investments	-	-	200.00	2,500.00	153.72	92.74	-	-
6	Purchase of fixed/other assets	-	0.08	0.53	0.48	24.83	4.98	-	-
7	Sale of fixed/other assets	0.07	0.15	0.91	0.80	-	-	-	-
8	Interest paid	83.81	50.50	-	-	-	-	0.00	0.01
9	Interest received	-	-	17.33	5.23	-	-	-	-
10	Others - Loan portfolio Assigned in	-	-	6,758.15	1,789.90	-	-	-	-
11	Others - Dividend Paid	953.45	635.63	-	-	-	-	1.67	0.94
12	Others - Preferential warrants application money received	297.21	-	-	-	-	-	-	-
13	Others	21.54	45.34	100.33	112.74	0.40	-	74.71	3.36
		1,906.08	731.70	21,397.75	11,897.15	178.95	97.72	76.38	4.31
(B)	Outstanding Balances as at								
1	Borrowings	(695.00)	(770.00)	-	-	-	-	-	-
2	Deposits	(550.00)	-	-	-	-	-	(0.01)	-
3	Placement of deposits	-	-	0.08	0.08	-	-	-	-
4	Advances	-	-	155.00	-	-	-	-	-
5	Investments	-	-	8,398.38	8,198.38	360.20	92.74	-	-
6	Purchase of fixed/other assets	-	(0.09)	-	(0.35)	(13.16)	-	-	-
7	Sale of fixed/other assets	-	-	-	0.10	-	-	-	-
8	Interest paid	(28.54)	-	-	-	-	-	(0.00)	-
9	Interest received	-	-	-	-	-	-	-	-
10	Others - Loan portfolio Assigned in	-	-	-	-	-	-	-	-
11	Others - Dividend Paid	-	-	-	-	-	-	-	-
12	Others - Preferential warrants application money received	(297.21)	-	-	-	-	-	-	-
13	Others	(63.56)	(66.09)	0.08	2.50	(0.43)	-	(15.41)	(2.25)
		(1,634.31)	(836.18)	8,553.54	8,200.71	346.61	92.74	(15.42)	(2.25)
(C)	Maximum Outstanding balances for the year ended								
1	Borrowings	(770.00)	(845.00)	-	-	-	-	-	-
2	Deposits	(550.00)	-	-	-	-	-	(0.01)	(0.30)
3	Placement of deposits	-	-	5.58	5.08	-	-	-	-
4	Advances	-	-	875.00	655.00	-	-	0.00	-
5	Investments	-	-	8,398.38	8,198.38	360.20	92.74	-	-
		(1,320.00)	(845.00)	9,278.96	8,858.46	360.20	92.74	(0.01)	(0.30)

'0.00' represents the amount below the rounding off norm adopted by the Company

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(₹ in crore)

5. Relative of Director 31 March		6. Other KMP 31 March		7. Relatives of Other KMP 31 March		8. Other 31 March		Total 31 March	
2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
-	-	-	-	-	-	70.00	425.00	70.00	425.00
1.29	-	-	-	0.05	0.05	618.66	570.02	1,170.00	570.07
-	-	-	-	-	-	0.70	0.32	11.20	10.32
-	-	-	-	-	-	-	-	14,310.00	7,478.00
-	-	-	-	-	-	-	-	353.72	2,592.74
-	-	-	-	-	-	71.06	71.77	96.42	77.31
-	-	-	-	-	-	7.20	0.28	8.18	1.23
0.43	-	-	-	0.01	0.00	321.92	314.69	406.17	365.20
-	-	-	-	-	-	2.03	4.94	19.36	10.17
-	-	-	-	-	-	-	-	6,758.15	1,789.90
0.59	0.38	0.75	0.47	0.08	0.05	60.13	39.46	1,016.67	676.93
-	-	-	-	-	-	-	-	297.21	-
0.13	0.13	116.85	61.93	-	-	901.93	596.25	1,215.89	819.75
2.44	0.51	117.60	62.40	0.14	0.10	2,053.63	2,022.73	25,732.97	14,816.62
-	-	-	-	-	-	(2,804.50)	(3,409.50)	(3,499.50)	(4,179.50)
(7.05)	-	-	-	(0.10)	(0.05)	(583.03)	(570.07)	(1,140.19)	(570.12)
-	-	-	-	-	-	2.73	2.16	2.81	2.24
-	-	-	-	-	-	0.01	0.03	155.01	0.03
-	-	-	-	-	-	283.16	283.16	9,041.74	8,574.28
-	-	-	-	-	-	(0.48)	(8.17)	(13.64)	(8.61)
-	-	-	-	-	-	0.19	-	0.19	0.10
(0.38)	-	-	-	(0.01)	(0.00)	(19.61)	(9.05)	(48.54)	(9.05)
-	-	-	-	-	-	0.06	0.53	0.06	0.53
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	(297.21)	-
(0.04)	(0.04)	(5.40)	(0.68)	(0.01)	(0.01)	45.41	(1.71)	(39.36)	(68.28)
(7.47)	(0.04)	(5.40)	(0.68)	(0.12)	(0.06)	(3,076.06)	(3,712.62)	4,161.37	3,741.62
-	-	-	-	-	-	(3,409.50)	(3,768.20)	(4,179.50)	(4,613.20)
(7.10)	-	-	-	(0.10)	(0.05)	(726.07)	(570.07)	(1,283.28)	(570.42)
-	-	-	-	-	-	2.86	2.26	8.44	7.34
-	-	-	-	-	-	0.03	0.05	875.03	655.05
-	-	-	-	-	-	283.16	283.16	9,041.74	8,574.28
(7.10)	-	-	-	(0.10)	(0.05)	(3,849.52)	(4,052.80)	4,462.43	4,053.05

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

52 The disclosures as required by Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 as amended from time to time (Contd.)

(U) Overseas Assets

The Company does not have any joint ventures and subsidiaries abroad.

(V) Off-Balance Sheet SPVs sponsored

The Company does not have any off-Balance Sheet SPVs sponsored.

(W) Participation in Currency futures & currency options

The Company has not undertaken any transaction during the current year and previous year for currency futures and currency options.

(X) Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items which are impacting Company's current year Profit and Loss.

(Y) Revenue recognition

There are no such circumstances in which revenue has been postponed pending the resolution of significant uncertainties.

(Z) Consolidated financial statement (CFS)

The Company has consolidated financial statement of its all the underlying subsidiaries.

(AA) Divergence in asset classification and provisioning

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory inspection for the year ended 31 March 2023 and for the year ended 31 March 2022 as per the requirement of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Direction, 2023 as amended from time to time.

53 Disclosure of restructured accounts

(₹ in crore)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amount Outstanding	Impairment loss allowance	Amount Outstanding	Impairment loss allowance
Standard	87.84	3.26	5.28	0.04
Substandard	274.46	93.16	536.94	323.02
Doubtful	320.34	138.35	5.16	5.00
	682.64	234.77	547.38	328.06

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

54 The disclosures for comparison between provisions required under IRACP and impairment loss allowance made under Ind AS 109

As at 31 March 2024

(₹ in crore)

Asset Classification as per RBI Norms (1)	Asset Classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS (3)	Loss Allowance (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5) = (3) - (4)	Provision required as per IRACP norms* (6)	Difference between Ind AS 109 provision and IRACP norms (7) = (4) - (6)
(a) Performing Assets						
Standard	Stage 1	241,531.22	1,927.56	239,603.66	1,017.12	910.44
	Stage 2	3,720.93	1,122.25	2,598.68	24.29	1,097.96
Subtotal (a)		245,252.15	3,049.81	242,202.34	1,041.41	2,008.40
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	2,057.15	1,205.28	851.87	206.73	998.55
(ii) Doubtful upto :						
1 year	Stage 3	272.21	136.60	135.61	196.02	(59.42)
1 to 3 years	Stage 3	271.02	126.41	144.61	146.46	(20.05)
More than 3 years	Stage 3	-	-	-	-	-
		543.23	263.01	280.22	342.48	(79.47)
(iii) Loss						
	Stage 3	-	-	-	-	-
Subtotal (b)		2,600.38	1,468.29	1,132.09	549.21	919.08
(c) Other Items (Derivative financial assets)						
	Stage 1	15.69	-	-	0.06	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal (c)		15.69	-	-	0.06	-
		241,546.91	1,927.56	239,603.66	1,017.18	910.44
		3,720.93	1,122.25	2,598.68	24.29	1,097.96
		2,600.38	1,468.29	1,132.09	549.21	919.08
Total (a+b+c)		247,868.22	4,518.10	243,334.43	1,590.68	2,927.48

As at 31 March 2023

(₹ in crore)

Asset Classification as per RBI Norms (1)	Asset Classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS (3)	Loss Allowance (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5) = (3) - (4)	Provision required as per IRACP norms* (6)	Difference between Ind AS 109 provision and IRACP norms (7) = (4) - (6)
(a) Performing Assets						
Standard	Stage 1	178,089.48	1,597.05	176,492.43	752.10	844.95
	Stage 2	2,672.99	854.92	1,818.07	28.75	826.17
Subtotal (a)		180,762.47	2,451.97	178,310.50	780.85	1,671.12
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	2,072.11	1,325.00	747.11	207.34	1,117.66
(ii) Doubtful upto :						
1 year	Stage 3	72.50	49.15	23.35	21.91	27.24
1 to 3 years	Stage 3	30.87	14.72	16.15	9.27	5.45
More than 3 years	Stage 3	0.01	-	0.01	-	0.00
Subtotal (b)		103.38	63.87	39.51	31.18	32.69
(iii) Loss						
	Stage 3	-	-	-	-	-
Subtotal for NPA		2,175.49	1,388.87	786.61	238.52	1,150.35
(c) Other Items (Derivative financial assets)						
	Stage 1	146.98	-	146.98	0.59	(0.59)
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal (c)		146.98	-	146.98	0.59	(0.59)
		178,236.46	1,597.05	176,639.41	752.69	844.36
		2,672.99	854.92	1,818.07	28.75	826.17
		2,175.49	1,388.87	786.62	238.52	1,150.35
Total (a+b+c)		183,084.94	3,840.84	179,244.10	1,019.96	2,820.88

*Computed on the value as per the erstwhile IRACP norms.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

55 (a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP. BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR. REC.11/21.04.048/2021-22 dated 5 May 2021

For half year ended 31 March 2024

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year i.e. 30 September 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended 31 March 2024	Of (A) amount written off during the half year ended 31 March 2024 [#]	Of (A) amount paid by the borrowers during the half year ended 31 March 2024 [^]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half year i.e. 31 March 2024
Personal Loans*	172.68	13.09	2.81	26.99	132.60
Corporate persons	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
	172.68	13.09	2.81	26.99	132.60

*Includes restructuring implemented pursuant to OTR 2.0 for personal loans, individual business loans and small business loans

[#]Represents debt that slipped into stage 3 and was subsequently written off during the half year ended 31 March 2024

[^]Represents receipts net of interest accruals and disbursements, if any

For half year ended 30 September 2023

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year i.e. 31 March 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended 30 September 2023	Of (A) amount written off during the half year ended 30 September 2023 [#]	Of (A) amount paid by the borrowers during the half year ended 30 September 2023 [^]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half year i.e. 30 September 2023
Personal Loans*	223.07	18.54	4.80	31.85	172.68
Corporate persons	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
	223.07	18.54	4.80	31.85	172.68

*Includes restructuring implemented pursuant to OTR 2.0 for personal loans, individual business loans and small business loans

[#]represents debt that slipped into stage 3 and was subsequently written off during the half-year

[^]represents receipts net of interest accruals and disbursements, if any

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

55 (a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP. BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR. REC.11/21.04.048/2021-22 dated 5 May 2021 (Contd.)

For half year ended 31 March 2023

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year i.e. 30 September 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended 31 March 2023	Of (A) amount written off during the half year ended 31 March 2023 [#]	Of (A) amount paid by the borrowers during the half year ended 31 March 2023 [^]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half year i.e. 31 March 2023
Personal Loans*	294.98	27.62	8.04	44.29	223.07
Corporate persons	6.37	6.37	-	-	-
of which, MSMEs	-	-	-	-	-
Others	6.37	6.37	-	-	-
	301.35	33.99	8.04	44.29	223.07

*Includes restructuring implemented pursuant to OTR 2.0 for personal loans, individual business loans and small business loans

[#]Represents debt that slipped into stage 3 and was subsequently written off during the half year ended 31 March 2023[^]Represents receipts net of interest accruals and disbursements, if any

For half year ended 30 September 2022

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year i.e. 31 March 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended 30 September 2022	Of (A) amount written off during the half year ended 30 September 2022 [#]	Of (A) amount paid by the borrowers during the half year ended 30 September 2022 [^]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half year i.e. 30 September 2022
Personal Loans*	405.08	55.64	21.61	54.46	294.98
Corporate persons	6.98	-	-	0.61	6.37
of which, MSMEs	-	-	-	-	-
Others	6.98	-	-	0.61	6.37
	412.06	55.64	21.61	55.07	301.35

*Includes restructuring implemented pursuant to OTR 2.0 for personal loans, individual business loans and small business loans.

[#]represents debt that slipped into stage 3 and was subsequently written off during the half-year ended 30 September 2023.[^]represents receipts net of interest accruals and disbursements, if any.

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

55 (b) Details of resolution plan implemented as per RBI circular on Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances dated 6 August 2020 as at 31 March 2024 are given below:

Type of borrower	No. of accounts restructured and outstanding as on 31 March 2024	Amount Outstanding as on 31 March 2024 (₹ in crore)	No. of accounts restructured and outstanding as on 31 March 2023	Amount Outstanding as on 31 March 2023 (₹ in crore)
MSMEs	4,484	133.77	7,030	207.64

55 (c) Details of resolution plan implemented as per RBI Circular on Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) dated 5 May 2021 as at 31 March 2024 are given below :

Type of borrower	No. of accounts restructured and outstanding as on 31 March 2024	Amount Outstanding as on 31 March 2024 (₹ in crore)	No. of accounts restructured and outstanding as on 31 March 2023	Amount Outstanding as on 31 March 2023 (₹ in crore)
MSMEs	19	12.96	23	16.89

56 Disclosure pursuant to RBI Notification - RBI/DOR/2021-22/86/DOR.STR. REC.51/21.04.048/2021-22 dated 24 September 2021 'Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021'

(a) Details of transfer through assignment in respect of loans not in default:

Particulars	For the year ended 31 March	
	2024	2023
Amount of loans transferred through assignment	Nil	Nil
Retention of beneficial economic interest	Nil	Nil
Weighted average residual maturity	Nil	Nil
Weighted average holding period	Nil	Nil
Coverage of tangible security coverage	Nil	Nil
Rating-wise distribution of rated loans	Nil	Nil

(b) Details of loans (not in default) acquired through assignment:

Particulars	For the year ended 31 March	
	2024	2023
Amount of loans acquired through assignment	₹ 6,758.15 crore	₹ 1,789.89 crore
Retention of beneficial economic interest	1%	1%
Weighted average residual maturity	170 months	127 months
Weighted average holding period	14 months	18 months
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Unrated	Unrated

Notes to standalone financial statements for the year ended 31 March 2024 (Contd.)

56 Disclosure pursuant to RBI Notification - RBI/DOR/2021-22/86/DOR.STR. REC.51/21.04.048/2021-22 dated 24 September 2021 'Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021' (Contd.)

(c) Stressed loans transferred during the financial year ended 31 March 2024

Particulars	To permitted transferees	
	NPA	SMA
Number of accounts	336.00	30.00
Aggregate principal outstanding of loans transferred (₹ in crore)	28.48	2.44
Weighted average residual tenor of the loans transferred (in years)	5.57	5.32
Net book value of loans transferred (at the time of transfer) (₹ in crore)	20.48	1.91
Aggregate consideration (₹ in crore)	11.71	0.99
Additional consideration realised in respect of accounts transferred in earlier years	0.00	0.00
Excess provision reversed to the Profit and Loss Account on account of sale	0.00	0.00

In addition to above, the Company has transferred written off loans amounting to ₹ 2.66 crore for a sale consideration of ₹ 0.59 crore.

(d) No stressed loans transferred during the financial year ended 31 March 2023

(e) The Company has not acquired any stressed loan during the financial year ended 31 March 2024 and 31 March 2023.

57 Amounts less than ₹ 50,000 have been shown at actuals against respective line items statutorily required to be disclosed.

58 Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

As per our report of even date

On behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants
Firm's registration number: 302009E

For G.M. Kapadia & Co.
Chartered Accountants
Firm's registration number: 104767W

Rajeev Jain
Managing Director
DIN - 01550158

Sanjiv Bajaj
Chairman
DIN - 00014615

Sanjiv V. Pilgaonkar
Partner
Membership number: 039826

Rajen Ashar
Partner
Membership number: 048243

Sandeep Jain
Chief Financial Officer

Anami N Roy
Chairman - Audit
Committee
DIN - 01361110

Pune: 25 April 2024

R Vijay
Company Secretary

Annexure (Forming part of the financial statements)

Schedule to Balance Sheet

As required by updated Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions')

(₹ in crore)

Particulars	Amount outstanding as on 31 March 2024	Amount overdue
Liabilities side		
(1) Loans and advances availed by the Company inclusive of interest accrued thereon but not paid		
(a) Debentures		
Secured	62,170.34	-
Unsecured	10,582.54	-
(Other than falling within the meaning of public deposit *)		
(b) Deferred credits	-	-
(c) Term loans	50,733.97	-
(d) Inter-corporate loans and borrowings	21,954.04	-
(e) Commercial paper	18,421.11	-
(f) Public deposits (as defined in chapter II, para 3 (xiii) of Master directions – Non- Banking Financial Companies Acceptance of Public Deposits (Reserve Bank Directions, 2016 as issued by RBI.)	38,012.62	-
(g) Other Loans	18,504.03	-
(TREPs, cash credit and working capital demand loan)		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
(a) In the form of unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.	-	-
(c) Other public deposits	38,012.62	-

(₹ in crore)

Particulars	Amount Outstanding as on 31 March 2024
Asset side	
(3) Break - up of loans and advances including bills receivables (other than those included in (4) below)	
(a) Secured	118,863.28
(b) Unsecured	126,865.95
(4) Break up of leased assets and assets under finance and hypothecation loans counting towards asset finance activities	
(i) Lease assets including lease rentals under sundry debtors:	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock under finance including financing charges under sundry debtors	
(a) Assets under finance, net of unmatured finance charges and advance EMI	-
(b) Repossessed assets	-

Annexure (Forming part of the financial statements)

Schedule to Balance Sheet (Contd.)

Particulars	(₹ in crore)
	Amount Outstanding as on 31 March 2024
(iii) Hypothecation loans counting towards asset financing activities*	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
*The Company has not disclosed amount outstanding under assets financing activities under note no. 4(iii) and included entire loan amount outstanding under note no. 3 as RBI has merged Asset Financing Companies, Loan Companies and Investment companies in to a new category 'NBFC - Investment and Credit Company' vide its circular no. DN BR (PD) CC. No.097/03.10.001/2018-19 dated February 22, 2019.	
(5) Break-up of investments	
Current Investments	
a. Quoted	
(i) Shares - (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	212.39
(iii) Units of mutual funds	2,520.69
(iv) Government securities	18,248.64
(v) Others - Certificate of Deposits & Commercial paper	1,700.50
b. Unquoted	
(i) Shares - (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	-
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others (Pass through certificates)	125.30
Long-Term Investments	
a. Quoted	
(i) Shares - (a) Equity	102.89
(b) Preference	-
(ii) Debentures and bonds	-
(iii) Units of mutual funds	-
(iv) Government securities	4,554.98
(v) Others	-
b. Unquoted	
(i) Shares - (a) Equity	9,457.81
(b) Preference	-
(ii) Debentures and bonds	-
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others (Pass through certificates)	230.16

Annexure (Forming part of the financial statements)

Schedule to Balance Sheet (Contd.)

(6) Borrower group-wise classification of all leased assets, stock under financing and loans and advances

(₹ in crore)

Category	Amount net of Provisions		
	Secured	Unsecured	Total
Related parties			
Subsidiaries	-	152.20	152.20
Companies in the same group	-	78.99	78.99
Other related parties	-	0.97	0.97
Other than related parties	118,863.28	126,633.79	245,497.07
	118,863.28	126,865.95	245,729.23

(7) Investor group-wise classification of all investments (current and long-term in shares and securities)

(₹ in crore)

Category	Market Value	Book Value
Related parties		
Subsidiaries	8,398.38	8,398.38
Companies in the same group	685.99	685.99
Other related parties	0.20	0.20
Other than related parties	28,068.79	28,068.99
	37,153.36	37,153.56

(8) Other information

(₹ in crore)

Particulars	Amount
(i) Gross non-performing assets	
Related parties	-
Other than related parties	2,600.38
(ii) Net non-performing assets*	
Related parties	-
Other than related parties	1,132.09
(iii) Assets acquired in satisfaction of debt	-

*Provision for ECL Stage 3 Net of interest has been considered.