BAJAJ AUTO CONSUMER FINANCE LIMITED

CIN : U65929PN2021PLC206668

BALANCE SHEET

AS AT

31 MARCH 2023

AND

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED

31 MARCH 2023

gokhale & sathe
(regd.)
chartered accountants
ashirwad bungalow, plot no.7,
tejas co-op hsg.soc., tejas nagar,
kothrud, pune - 411038.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BAJAJ AUTO CONSUMER FINANCE LIMITED

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Ind AS Financial statements of **BAJAJ AUTO CONSUMER FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 ended on that date, and a Summary of the Significant Accounting Policies and Other Explanatory Information (hereinafter referred to as "the Ind AS Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

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

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

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally

tel: 020-25392739 / 25392740 office@gokhalesathe.in

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accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

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financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid Ind AS Financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial position.
      ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      iv.
         a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the

tel: 020-25392739 / 25392740 office@gokhalesathe.in

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understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on our audit procedures that have been considered to be reasonable and appropriate in the given circumstances, nothing has come to our notice that has caused us to believe that the representations under aforesaid sub-clauses, 2(g)(iv)(a) and 2(g)(iv)b, contain any material misstatement.

v. The company has neither declared nor paid any dividend during the year under consideration and therefore the compliance required under section 123 of the Companies Act, 2013 is not applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the company and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

h) With respect to the matter to be included in Auditors' Report under section 197(16) of the Act:

i. According to information and explanation given to us and based on our examination of the records of the Company, the Company has not paid/provided for Managerial Remuneration; and

ii. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **GOKHALE & SATHE**,
CHARTERED ACCOUNTANTS
Firm Registration No.: 103264W

GOKHALE & SATHE PUNE FR No. 103264W CHARTERED ACCOUNTANTS

KAUSTUBH DESHPANDE,
PARTNER
Membership No: 121011
UDIN:23121011BGXXVQ1092
Place: PUNE
Date: April 24, 2023

tel: 020-25392739 / 25392740 office@gokhalesathe.in

GOKHALE & SATHE PUNE FR No. 103264W CHARTERED ACCOUNTANTS

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

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

i. In respect of the Company's Property Plant and Equipment:

a) According to the information and explanations given by the management and based on the verification of the books of account, the company has neither any Property, Plant and Equipment nor intangible assets. Accordingly, clause 3(i)a, 3(i)b, 3(i)c and 3(i)d are not applicable.

b) According to the information and explanations given by the management, no proceedings have been initiated or pending against the company for holding any benami property under Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016)

ii.

a) The Company's operations do not involve inventories and accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.

b) Further, during the year, the company was not sanctioned any working capital limits from banks or financial institutions based on the security of its current assets and accordingly, the requirements under paragraph 3(ii)(b) are not applicable to the company.

iii. According to the information and explanations given to us and based on the examination of the Books of Account, during the year the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any parties and accordingly, the requirements under paragraph 3(iii)(a) to 3(iii)(f) are not reported on.

iv. In our opinion and according to the information and explanation given to us and based on the examination of the Books of Account, the company has neither given any loan nor an advance or a guarantee or a security or has made investments during the year and accordingly, the requirements under paragraph 3(iv) are not reported on.

v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits and accordingly, the requirements under paragraph 3(v) of the Order are not applicable to the Company.

vi. In our opinion and according to the information and explanation given to us, the rules made by the central government for the maintenance of cost records under section 148(1) of the companies Act, 2013 are not prescribed for the company and accordingly, the requirements under paragraph 3(vi) of the Order are not applicable to the Company.

vii. According to the information and explanations given to us and based on the examination of the books of accounts, in respect of statutory dues:

a) The Company is regular in depositing with appropriate authorities undisputed statutory dues as are applicable to the Company. According to the information and explanations given to us, there were no undisputed amounts payable in respect of statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and based on the examination of books of accounts, there were no transactions which were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 as there have been no assessments under Income Tax Act, 1961 and accordingly the requirements of the clause 3(viii) are not applicable.

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ix.

a) According to the information and explanation given to us and based on the examinations of the books of account, the Company has not borrowed any loans from financial institutions or banks or debenture holders during the year and accordingly the requirements of the clause 3(ix)(a), 3(ix)(c) and 3(ix)(d) are not applicable.

b) According to the information and explanation given to us, the company has not been declared as a willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanation given to us and based on the examination of the books of accounts, the company does not have any subsidiary, associate or joint venture and accordingly, the requirements of 3(ix)(e) are not applicable.

d) According to the information and explanation given to us and based on the examination of the books of accounts, the company does not have any subsidiary, associate or joint venture and accordingly, the requirements of 3(ix)(f) are not applicable.

x.

a) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly the requirements of 3(x)(a) are not applicable.

b) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year however, the company has made issue of Equity Shares on Rights basis to its existing shareholders u/s 62(1)a of the Companies Act, 2013 during the year and the funds raised have been used for the purposes for which these were raised.

xi.

a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the course of our audit.

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the us, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Further, no reporting of fraud has been done by the Cost Auditor and Company Secretary as the provisions of Cost Audit and Secretarial Audit are not applicable in the case of the company.

c) According to the information and explanations given to us, there were no whistle-blower complaints received during the year by the company.

xii. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii)(a) to 3(xii)(c) of the Order is not applicable.

xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

tel: 020-25392739 / 25392740 office@gokhalesathe.in
GOKHALE & SATHE PUNE FRNo. 103264W CHARTERED ACCOUNTANTS

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 and accordingly paragraph 3(xiv)(a) and 3(xiv)(b) of the Order are not applicable.

xv. According to the information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi.

a. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The company has filed fresh online application on April 11, 2023 for Certificate of Registration (CoR) with the Reserve Bank of India (RBI) to commence/ carry on the business of a Non-Banking Financial Company (NBFC) under section 45-IA of the RBI Act, 1934. The company has also filed a hardcopy of fresh application on March 24, 2023. As on the date of this report, the approval is awaited from RBI.
b. In our opinion and based on our examination, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
c. The Company is not a Core Investment Company (CIC) as defined under the regulation made by the Reserve Bank of India and accordingly requirements of paragraph 3(xvi)(c) is not applicable.
d. In our opinion, and according to the information and explanation given to us, in the Group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016) there are 17 companies forming part of the Group of the Company which are CICs (These are unregistered CICs as per Para 8.1/9.1 of Notification No. RBI/2020-21/24 dated 13th August 2020 of the Reserve Bank of India).

xvii. According to the information and explanation given to us, the company has incurred cash losses of INR 7.33 Crores (PY INR 2.60 Crores) in the current financial year and in the immediately preceding financial year of INR 2.60 Crores (PY NIL).

xviii. There were no resignations of the statutory auditors during the year and accordingly the requirements of 3(xviii) is not applicable.

xix. In our opinion and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the our knowledge of the Board of Directors and management plans, 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. According to the information and explanation available to us, Section 135 of the Companies Act 2013, is not applicable to the company and accordingly the requirements of 3(xx)(a) and 3(xx)(b) are not applicable.

GOKHALE & SATHE PUNE FRNo.103264W CHARTERED ACCOUNTANTS

gokhale & sathe
(regd.)
chartered accountants
ashirwad bungalow, plot no.7,
tejas co-op hsg.soc., tejas nagar,
kothrud, pune - 411038.

xxi. According to the information and explanation given to us and based on the examination of the books of accounts, the company does not have any subsidiary, associate or joint venture and according is not required to prepare Consolidated Financial Statements under the act or the applicable accounting standards and accordingly, the requirements of 3(xxi) are not applicable.

For **GOKHALE & SATHE**,
CHARTERED ACCOUNTANTS
Firm Registration No.: 103264W

GOKHALE & SATHE
PUNE
FRNo. 103264W
CHARTERED ACCOUNTANTS

KAUSTUBH DESHPANDE,
PARTNER
Membership No: 121011
UDIN:23121011BGXXVQ1092
Place: Pune
Date: April 24, 2023

tel: 020-25392739 / 25392740 office@gokhalesathe.in

GOKHALE & SATHE
PUNE
FRNo. 103264W
CHARTERED ACCOUNTANTS

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls over Financial Reporting with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

OPINION

We have audited the Internal Financial Controls over Financial Reporting of BAJAJ AUTO CONSUMER FINANCE LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS Financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

tel: 020-25392739 / 25392740 office@gokhalesathe.in

gokhale & sathe
(regd.)
chartered accountants
ashirwad bungalow, plot no.7,
tejas co-op hsg.soc., tejas nagar,
kothrud, pune - 411038.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **GOKHALE & SATHE**,
CHARTERED ACCOUNTANTS
Firm Registration No.: 103264W

GOKHALE & SATHE PUNE FRNo.103264W CHARTERED ACCOUNTANTS

KAUSTUBH DESHPANDE,
PARTNER
Membership No: 121011
UDIN:23121011BGXXVQ1092
Place: Pune
Date: April 24, 2023

tel: 020-25392739 / 25392740 office@gokhalesathe.in

GOKHALE & SATHE PUNE FRNo.103264W CHARTERED ACCOUNTANTS

BAJAJ AUTO CONSUMER FINANCE LIMITED
BALANCE SHEET AS AT 31 MARCH 2023

₹ In lakh

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Current assets			
Financial assets			
Investments	2	2,112.29	-
Cash and cash equivalents	3	63.55	221.35
Other current assets	4	57.00	28.30
		2,232.84	**249.65**
Total Assets		**2,232.84**	**249.65**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	3,000.00	500.00
Other equity	6	(993.55)	(194.77)
		2,006.45	**305.23**
Share application money pending allotment			
Non-current liabilities			
Financial liabilities			
Provisions	7	5.72	0.11
Deferred tax liabilities (net)	8	-	(65.51)
		5.72	**(65.40)**
Current liabilities			
Financial liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	9	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	9	5.76	0.35
Other financial liabilities	10	203.67	0.80
Other current liabilities	11	11.20	8.67
Provisions	7	0.04	-
Current tax liabilities (net)			
		220.67	**9.82**
Total Equity and Liabilities		**2,232.84**	**249.65**

Summary of significant accounting policies 1

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

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants,
ICAI Firm Registration Number: 103264W

GOKHALE & SATHE * PUNE * FR No. 103264W * CHARTERED ACCOUNTANTS

CA Kaustubh Deshpande
Partner
Membership Number: 121011

Pune: 24 April 2023

On behalf of the Board of Directors

Rajiv Bajaj
Chairman (DIN : 00018262)

Rakesh Makkar
Chief Executive Officer

Dinesh Thapar
Chief Financial Officer

Dr J Sridhar
Company Secretary

BAJAJ AUTO CONSUMER FINANCE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

₹ In lakh

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations		-	-
Other income	12	12.35	-
Total income		**12.35**	**-**
Expenses			
Employee benefits expense	13	589.08	5.93
Other expenses	14	156.46	254.24
Total expenses		**745.54**	**260.17**
Loss before tax		**(733.19)**	**(260.17)**
Tax expense			
Current tax		-	-
Deferred tax	15	65.48	(65.48)
Total tax expense		65.48	(65.48)
Loss for the period		**(798.67)**	**(194.69)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) of defined benefit plans		(0.08)	(0.11)
Tax impact on above		(0.03)	0.03
Items that will be reclassified to profit or loss		-	-
Other comprehensive income for the period (net of tax)		**(0.11)**	**(0.08)**
Total comprehensive income for the period		**(798.78)**	**(194.77)**
Basic and diluted Earnings/(Loss) per share (in ₹) each (Nominal value per share ₹ 10) each	16	(5.2)	(3.9)

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants,
ICAI Firm Registration Number: 103264W

GOKHALE & SATHE * CHARTERED ACCOUNTANTS * PUNE FRN 103264W

CA Kaustubh Deshpande
Partner
Membership Number: 121011

Pune: 24 April 2023

On behalf of the Board of Directors

Rajiv Bajaj
Chairman (DIN : 00018262)

Rakesh Makkar
Chief Executive Officer

Dinesh Thapar
Chief Financial Officer

Dr. J Sridhar
Company Secretary

BAJAJ AUTO CONSUMER FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

A. Equity share capital

Particulars	Note No.	₹ In lakh
At the beginning of the period		500.00
Changes in equity share capital during the year (issue of share capital)		2,500.00
At the end of the period	4	3,000.00

B. Other equity

₹ In lakh

Particulars	Note No.	Reserves and surplus		Total other equity
		General reserve	Retained earnings	
Balance as at 31 March 2021	5	-	-	-
Profit for the year		-	(194.69)	(194.69)
Other comprehensive income (net of tax)		-	(0.08)	(0.08)
Total comprehensive income for the year ended 31 March 2022		-	(194.77)	(194.77)
Balance as at 31 March 2022	5	-	**(194.77)**	**(194.77)**
Loss for the period		-	(798.67)	(798.67)
Other comprehensive income (net of tax)		-	(0.11)	(0.11)
Total comprehensive income for the period ended 31 March 2023		-	(798.78)	(798.78)
Balance as at 31 March 2023	5	-	**(993.55)**	**(993.55)**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants,
ICAI Firm Registration Number: 103264W

GOKHALE & SATHE * PUNE FR No. 103264W CHARTERED ACCOUNTANTS *

CA Kaustubh Deshpande
Partner
Membership Number: 121011

Pune: 24 April 2023

On behalf of the Board of Directors

Rajiv Bajaj
Chairman (DIN : 00018262)

Rakesh Makkar
Chief Executive Officer

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Chief Financial Officer

Dr. J Sridhar
Company Secretary

BAJAJ AUTO CONSUMER FINANCE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

₹ in lakh

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
I. Operating activities				
Loss before tax		(733.19)		(260.17)
Adjustments of Non cash & non operating items to reconcile profit before tax to net cash flows:				
Add:				
i) Loss on exchange fluctuations	0.13			
		0.13		-
Less:				
Gain on valuation and realisation of mutual funds measured at fair value through profit or loss	12.35		-	
		(12.35)		-
		(745.41)		(260.17)
Movement in working capital				
i) (Increase)/decrease in other assets	(28.70)		(28.30)	
ii) Increase/(decrease) in trade payables	5.28		0.35	
iii) Increase/(decrease) in liabilities and provisions	210.97		9.47	
		187.55		(18.48)
Net cash flow used in operating activities before income-tax		(557.86)		(278.65)
Net cash flow used in operating activities		**(557.86)**		**(278.65)**
II. Investing activities				
i) Purchase of liquid mutual funds	(3,212.29)		-	
ii) Sale of liquid mutual funds	1,100.00		-	
iii) Gain on valuation and realisation of mutual funds measured at FVTPL	12.35		-	
	(2,099.94)		-	
Net cash flow used in investing activities		**(2,099.94)**		**-**
III. Financing activities				
i) Cash proceeds from issue of equity shares	2,500.00		500.00	
Net cash flow used in financing activities		**2,500.00**		**500.00**
Net change in cash and cash equivalents		**(157.80)**		**221.35**
Cash and cash equivalents at the beginning of the period		221.35		-
Cash and cash equivalents at the end of the period [See note 3]		63.55		221.35
		-		-

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants,
ICAI Firm Registration Number: 103264W

CA Kaustubh Deshpande
Partner
Membership Number: 121011

Pune: 24 April 2023

On behalf of the Board of Directors

Rajiv Bajaj
Chairman (DIN : 00018262)

Rakesh Makkar
Chief Executive Officer

Dinesh Thapar
Chief Financial Officer

Dr. J Sridhar
Company Secretary

Bajaj Auto Consumer Finance Ltd.

Notes to Financial Statements for the period ended 31 March 2023

Note 1: Significant Accounting Policies and Other Explanatory Information

1. Corporate information

Bajaj Auto Consumer Finance Ltd. (the "Company") is a company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of buying, selling, leasing, lease booking, letting on hire, hire-purchase or on easy payment system, factoring, bill purchase and discounting, guaranteeing, procuring loans and finance from banks and financial institution, companies, firms or individuals for vehicles and to carry on such financing activities through various payment options including by digital and electronic mode. The registered office of the Company is located at Mumbai-Pune Road, Akurdi, Pune 411035.

The company has obtained certificate of commencement under the provisions of Companies Act, 2013 on 06 December 2021. The Company has filed an application for Certificate of Registration (CoR) with the Reserve Bank of India (RBI) to commence/ carry on the business of a Non-Banking Financial Company (NBFC) under section 45-IA of the RBI Act, 1934. As on the date of Balance Sheet, the approval is awaited from RBI.

The company has filed the application for Certificate of Registration (CoR) with the Reserve Bank of India (RBI) on 24 March 2023 to commence/ carry on the business of a Non-Banking Financial Company (NBFC) under section 45-IA of the RBI Act, 1934.

2. Basis of preparation

A. Statement of compliance

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

These are the Financial Statements of the Company for the period from 01 April 2022 to 31 March 2023 and accordingly, the comparative information for the comparable year to date period of the immediately preceding financial year with respect to the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows and notes to the financial statements including other explanatory information have been reported.

These Financial Statements which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from 01 April 2022 to 31 March 2023 and a summary of the significant accounting policies and other explanatory information (together here in after referred to as "Financial Statements" have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the Act") and the relevant provisions and amendments, as applicable.

These Financial Statements for the period from 01 April 2022 to 31 March 2023 have been prepared by applying the prescribed format of Division II - Ind AS Schedule III to the Companies Act 2013 as the company has filed an online application on 11th April 2023 for Certificate of Registration (CoR) to commence/ carry on the business of a Non-Banking Financial Company (NBFC) under section 45-IA of the RBI Act, 1934 in follow up to the followed by a hardcopy of resubmission made on 24th March 2023. As the company is yet to commence its principal business operations as a NBFC (Non-Banking Financial Company) as on the balance sheet date, the prescribed format of Division III- Ind AS Schedule III as applicable to NBFC has not been applied by the management.

The significant accounting policies stated in these Financial Statements provide reference to those policies that are applicable to financial statements so prepared.

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The financial statements have been prepared on a historical cost basis.

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

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities.

B. Functional and presentation currency

The standalone financial statements are presented in Indian Rupee ('INR') which is also the Company's functional currency and all values are rounded to the nearest Lakh except when otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for financial assets and liabilities which have been measured at fair value

3. Summary of significant accounting policies followed by the Company

This note provides a list of the significant accounting policies adopted in the preparation of Financial Statements.

A. Use of estimates, judgements and assumptions

Estimates and assumptions used in the preparation of these financial statements and disclosures made therein are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

B. Employee benefits

i. Privilege leave entitlement

Privilege leave entitlements are recognised as a liability, in the calendar year of rendering of service, as per the rules of the Company. As accumulated leave can be availed and/or encashed at any time during the tenure of employment, subject to terms and conditions of the scheme, the liability is recognised based on an independent actuarial valuation.

They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

ii. Gratuity

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

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized

GOKHALE & SATHE * PUNE * CHARTERED ACCOUNTANTS * FR No. 103264W immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

iii. **Provident fund contributions** are made to Employees' Provident Fund Organization. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. There are no other obligations other than the contribution payable to the respective authorities.

iv. **Defined contribution to Employees Pension Scheme 1995** is made to Government Provident Fund Authority and recognised as expense as and when due.

C. Taxation

i. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961; and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

ii. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the un derlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

iii. Deferred tax is provided using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

v. The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

D. Provisions and contingent liabilities

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

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

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E. Investments and financial assets

Other investments and financial assets

i. Classification

The company classifies its financial assets at initial recognition in the following measurement categories:

- ✓ those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

- ✓ those to be measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as "measured at fair value", gains and losses will either be recorded in profit or loss or other comprehensive income, as elected. For assets classified as "measured at amortised cost", this will depend on the business model and contractual terms of the cash flows.

ii. Measurement

Initial Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

At initial recognition, the Company measures a financial asset at its fair value including, in the case of "a financial asset not at FVTPL", transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at "FVTPL" are expensed in the Statement of Profit and Loss, when incurred.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

For a financial asset to be classified and subsequently measured at amortised cost or FVTOCI (excluding equity instruments which are measured at FVTOCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the financial asset and the cash flow characteristics of the financial asset. There are three measurement categories into which the Company classifies its financial instruments:

Subsequently measured at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost e.g. debentures, bonds, fixed maturity plans, trade receivables etc.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest income from trade receivables is included in Other operating income in the Statement of Profit and Loss; whilst interest income from the remaining financial assets is included in Other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired.

In case of fixed maturity plans (FMP), they are measured at amortised cost, if the Company intends to hold the FMPs to maturity. Further, the Company applies amortised cost for those FMPs where the Company is able to demonstrate that the underlying instruments in the portfolio would fulfill the SPPI test and the churn in the underlying portfolio is negligible. These conditions are assessed at each balance sheet date. If these conditions are not fulfilled, then FMPs are valued at FVTPL.

The Company intends to hold its investment in open ended target maturity funds (i.e. exchange traded funds / ETF) till maturity. It may be noted that these funds have a pre-determined maturity date. These funds follow a passive buy and hold strategy; in which the existing underlying investment bonds are expected to be held till maturity unless sold for meeting redemptions or rebalancing requirements as stated in the scheme document. In our view, such strategy mitigates intermittent price volatility in open ended target maturity funds' underlying investments; and investors who remain invested until maturity are expected to mitigate the market/volatility risk to a large extent. These funds can invest only in plain vanilla INR bonds with fixed coupon and maturity; and cannot invest in floating rate bonds. Based on this, the Company believes that the investments in open ended target maturity funds meet the requirements of SPPI test as per the requirements of Ind AS 109.

Subsequently measured at FVTOCI:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading, if any, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Subsequently measured at FVTPL: Financial assets that do not meet the criteria for amortised cost and FVTOCI are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

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In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated investments in mutual funds (other than FMP) as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

F. Cash and cash equivalents

Cash & Cash equivalents in the balance sheet comprise cash at bank, cash and cash equivalents includes cash on hand, other short-term deposit, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of Cash Flows, Cash & Cash equivalents consists of Cash & Short-term deposits, as defined above as they are considered an integral part of the company's cash management.

G. Earnings per share

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

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

H. Fair value measurement

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or
ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
iii. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

GOKHALE & SATHE PUNE FR No. 103264W CHARTERED ACCOUNTANTS

The Company has set policies and procedures for both recurring and non-recurring fair value measurement of financial assets, which includes valuation techniques and inputs to use for each case.

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

This note summarizes accounting policy for fair value.

I. Other Income

i. Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

ii. Other income

The Company recognises income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

J. The previous years' figures have been reclassified / regrouped wherever required.

K. Changes in accounting policies and disclosures

Recent Accounting Pronouncement:

Ministry of Corporate Affairs vide their notification dated March 31st ,2023 has made amendments to the Ind AS which are effective from 1st April 2023. Following are the amendments which are relevant to the company:

1. Ind AS 107: Information about measurement basis (or bases) for financial instruments to be disclosed as material accounting policy.

2. Ind AS 1: Disclosure of the judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

3. Ind AS 1: Disclosure of the judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements

4. Ind AS 8: Definition of Accounting Estimate as "Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty". Further amendments to paragraphs delineating Changes to Accounting Estimates.

5. Ind AS 12: Amendments to taxable temporary difference, initial recognition of asset or liability and Deductible taxable differences.

6. Ind AS 12: Deferred tax related to assets and liabilities arising from Single Transaction

   Based on the preliminary assessment, the company does not expect these amendment to have any significant impact on its standalone financial statements.

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Note 2: Investments

(₹ In Lakh)

		Non-current Investments		Current Investments	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Mutual funds					
Quoted:					
12,722,977.94	(-) Bandhan Corporate Bond Fund - Direct Plan -Growth	-	-	2,112.29	-
	Fair Value	-	-	2,112.29	-
	Total	-	-	2,112.29	-

	Book value		Market Value as at	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Quoted	2,112.29	-	2,112.29	-
Unquoted	-	-	NA	NA
Total	2,112.29	-		

Notes to Investments

1 Investments made by the Company other than those with a maturity of less than one year, are intended to be held for long-term. On an assessment of the expected credit loss due to significant changes in risk profile, no material provisions are required to be made.

2 In absence of an active market and non availability of quotes on a recognised stock exchange, investment in fixed maturity plans and fixed term plans though listed on recognised stock exchanges are disclosed as unquoted. Other mutual funds, though unlisted, are quoted on recognised stock exchanges at their previous day NAVs which is the quote for the day.

3 Refer note 1.3 (E) for accounting policy on investments and note 20 for credit risk management related to investments.

GOKHALE & SATHE PUNE FR No. 103264W CHARTERED ACCOUNTANTS

3 Cash and cash equivalents

Current	As at 31 March 2023 ₹ In lakh	As at 31 March 2022 ₹ In lakh
Balances with banks		
Balances with banks	63.55	221.35
	63.55	**221.35**

Cash and cash equivalents are measured at Amortised cost.

4 Other assets

(Unsecured, good, unless stated otherwise)

	Non-current As at 31 March 2023 ₹ In lakh	Non-current As at 31 March 2022 ₹ In lakh	Current As at 31 March 2023 ₹ In lakh	Current As at 31 March 2022 ₹ In lakh
Advances recoverable in cash or in kind				
Other advances	-	-	2.13	-
GST credit/refund receivable	-	-	54.87	28.30
	-			
	-	-	**57.00**	**28.30**

5 Equity share capital

	As at 31 March 2023 ₹ In lakh	As at 31 March 2022 ₹ In lakh
Authorised		
100,000,000 equity shares of ₹ 10 each	10,000.00	10,000.00
Issued, subscribed and fully paid-up shares		
30,000,000 equity shares of ₹ 10 each	3,000.00	500.00
	3,000.00	**500.00**

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

Equity shares	31 March 2023 Nos.	31 March 2023 ₹ In lakh	31 March 2022 Nos.	31 March 2022 ₹ In lakh
At the beginning of the period	5,000,000	500.00	-	-
Issued during the period	25,000,000	2,500.00	5,000,000	500.00
Outstanding at the end of the period	**30,000,000**	**3,000.00**	**5,000,000**	**500.00**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The interim dividend declared by the Board of Directors; and the final dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting (if any) is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid	As at 31 March 2023 Nos.	As at 31 March 2023 % Holding	As at 31 March 2022 Nos.	As at 31 March 2022 % Holding
Bajaj Auto Limited	30,000,000	100.00%	5,000,000	100.00%

d. Shareholding of Promoters

FY 2022-23

Promoter name	No. of shares	% of total shares	% change during the
Bajaj Auto Limited	30,000,000	100.00%	0.00%

FY 2021-22

Promoter name	No. of shares	% of total shares	% change during the year
Bajaj Auto Limited	5,000,000	100.00%	0.01%

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Bajaj Auto Consumer Finance Limited

Notes to Financial Statements for the year ended 31 March 2023

6 Other equity

	As at 31 March 2023 ₹ In lakh	As at 31 March 2022 ₹ In lakh
Reserves and surplus :		
Retained earnings		
Balance as at the beginning of the year	(194.77)	-
Loss for the period	(798.67)	(194.69)
Items of other comprehensive income recognised directly in retained earnings	(0.11)	(0.08)
Less: Appropriations		
Transfer to General reserve	-	-
Total appropriations	-	-
Balance as at the end of the period	(993.55)	(194.77)
	(993.55)	**(194.77)**

Nature and purpose of reserve :

Retained earnings

Retained earnings is a free reserve. This is the accumulated loss incurred by the Company till date, less transfer to general reserve, dividend (including dividend distribution tax) and other distributions made to the shareholders.

7 Provisions

	Non-current		Current	
	As at		As at	
	31 March 2023 ₹ In lakh	31 March 2022 ₹ In lakh	31 March 2023 ₹ In lakh	31 March 2022 ₹ In lakh
Provision for employee benefits [See note 17]				
Provision for gratuity	5.68	0.11	0.04	0.00
Provision for compensated absences	0.04	0.00	0.00	0.00
	5.72	**0.11**	**0.04**	**-**

8 Deferred tax liabilities (net)

	As at 31 March 2023 ₹ In lakh	As at 31 March 2022 ₹ In lakh
Deferred tax assets		
On account of timing difference in		
Employee benefits :		
Defined benefit plans provisions - OCI	-	0.03
Other items :		
Provision for bad / doubtful debts and advances	-	-
On account of disallowance of Preliminary Expenses 4 out of 5 years	-	19.46
On account of 43B disallowance	-	-
On account of carry forward business losses	-	45.97
On account of disallowance u/s 40a(ia)	-	0.05
	-	**(65.51)**

Movement in deferred tax liabilities (net) :

	Property, plant and equipment	Employee benefits	Employee benefits	Other items	Total
At 31 March 2022	-	-	-	(65.51)	(65.51)
Charged/(credited)					
- to profit and loss	-	-	-	65.48	65.48
- to other comprehensive income	-	-	-	0.03	0.03
At 31 March 2023	-	-	-	(0.00)	(0.00)

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9 Trade payables

	As at 31 March 2023 ₹ In lakh	As at 31 March 2022 ₹ In lakh
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	5.76	0.35
	5.76	**0.35**

For 31st March 2023: Out of the above, the unbilled trade payables amounts to Rs. 5.76 Lakhs.
For 31st March 2022: Out of the above, the unbilled trade payables amounts to Rs.0.35 Lakhs.

10 Other financial liabilities

	As at 31 March 2023 ₹ In lakh	As at 31 March 2022 ₹ In lakh
Employee benefits payable	203.67	0.80
	203.67	**0.80**

11 Other current liabilities

	As at 31 March 2023 ₹ In lakh	As at 31 March 2022 ₹ In lakh
Taxes and duties payable	11.20	8.35
Other payables	-	0.32
	11.20	8.67

12 Other income

	For the year ended 31 March 2023 ₹ In lakh	For the year ended 31 March 2022 ₹ In lakh
Investment income		
Gain on valuation and realisation of mutual funds measured at FVTPL	12.35	-
	12.35	**-**

13 Employee benefits expense

	For the year ended 31 March 2023 ₹ In lakh	For the year ended 31 March 2022 ₹ In lakh
Salaries, wages and bonus to employees	557.81	5.65
Contribution to provident and other funds	29.51	0.28
Staff welfare expenses	1.76	0.00
	589.08	**5.93**

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Notes to Financial Statements for the year ended 31 March 2023

14 Other expenses

	For the year ended 31 March 2023 ₹ In lakh	31 March 2022 ₹ In lakh
Insurance	0.20	-
Payment to auditor	1.50	0.75
Travelling expenses	0.28	-
Miscellaneous expenses	3.07	81.03
Incorporation expenses	0.50	96.68
Legal and Professional Charges	2.38	0.07
MIS Expenses	39.83	-
Bank charges	0.07	-
Recruitment expenses	108.50	75.71
Loss on exchange fluctuations	0.13	-
	156.46	**254.24**

Payment to auditor

	For year ended 31 March 2023 ₹ In lakh	31 March 2022 ₹ In lakh
As auditor		
Audit fee	0.25	0.25
Limited review and Special purpose audits	0.85	0.25
Other services (certification fees)	0.33	0.25
Reimbursement of expenses	0.07	-
	1.50	**0.75**

15 Tax expense

	For the year ended 31 March 2023 ₹ In lakh	31 March 2022 ₹ In lakh
(a) Tax expense		
Current tax		
Current tax on profits for the year	-	-
Deferred tax		
Decrease/(increase) in deferred tax assets	65.48	-
(Decrease)/increase in deferred tax liabilities	-	(65.48)
Tax expenses	**65.48**	**(65.48)**

16 Earnings Per Share (EPS)

		For the year ended 31 March 2023 ₹ In lakh	31 March 2022 ₹ In lakh
a.	Loss for the period (₹)	(798.67)	(194.69)
	Weighted average number of shares outstanding during the year (Nos)	155.21	50.00
	Net weighted average number of shares outstanding during the period (Nos)	155.21	50.00
b.	Earnings/(Loss) per share (Basic and Diluted) ₹	(5.2)	(3.9)
	Face value per share ₹	10.0	10.0

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17 Employee benefits

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

Funded schemes

Gratuity :

The Company provides for gratuity payments to employees. The gratuity benefit payable to the employees of the Company is greater of the provisions of the Payment of Gratuity Act, 1972 and the Company's gratuity scheme. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The gratuity plan is a unfunded plan.

Amount recognized in Balance Sheet	As at 31 March 2023	As at 31 March 2022
Present value of funded defined benefit obligation (DBO)	5.72	0.11
Fair value of plan assets	-	-
Net funded obligation	**5.72**	**0.11**
Present value of unfunded defined benefit obligation	-	-
Net defined benefit liability / (asset) recognized in balance sheet	**5.72**	**0.11**

Expense recognized in the Statement of profit and loss	2022-23	2021-22
Current service cost	5.51	-
Interest on net defined benefit liability / (asset)	0.01	-
Total expense charged to statement of profit and loss	**5.52**	**-**

Amount recorded as Other Comprehensive Income	2022-23	2021-22
Opening amount recognized in OCI outside statement of profit and loss	0.11	-
Remeasurements during the period due to		
Changes in financial assumptions	0.08	0.11
Closing amount recognized in OCI outside statement of profit and loss	**0.20**	**0.11**

Reconciliation of net liability / (asset)	As at 31 March 2023	As at 31 March 2022
Opening net defined benefit liability / (asset)	0.11	-
Expense charged to statement of profit and loss	5.52	-
Amount recognized outside statement of profit and loss	0.08	0.11
Closing net defined benefit liability / (asset)	**5.72**	**0.11**

Movement in benefit obligation	As at 31 March 2023	As at 31 March 2022
Opening of defined benefit obligation	0.11	-
Current service cost	5.51	-
Interest on defined benefit obligation	0.01	-
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	0.08	0.11
Closing of defined benefit obligation	**5.72**	**0.11**

Sensitivity Analysis

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

	As at 31 March 2023		As at 31 March 2022	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 100 bps on DBO	6.50%	9.00%	5.60%	9.00%
Impact of decrease in 100 bps on DBO	8.50%	11.00%	7.60%	11.00%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at

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Funding arrangement and policy

The plan is unfunded as on the valuation date.

Projected plan cash flow

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

	Less than a year	Between 1 - 2 years	Between 3 -5 years	Over 5 years	Total
31 March 2023	0.04	0.09	31.95	1.61	33.69
31 March 2022	-	0.03	0.45	44.88	45.36

	As on 31 March 2023	As on 31 March 2022
Weighted average duration of defined benefit obligation (in years)	8.26	5.95

Principal Actuarial Assumptions (Expressed as Weighted Averages)	As on 31 March 2023	As on 31 March 2022
Discount rate (p.a.)	7.50%	6.60%
Salary escalation rate (p.a.)	10.00%	10.00%

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

Unfunded Schemes

Particulars	As at 31 March 2023	As at 31 March 2022
	Compensated Absences	Compensated Absences
Present value of unfunded obligations	0.04	-
Expense recognized in the Statement of profit and loss	0.04	-
Amount recorded as Other Comprehensive Income		0
Discount rate (p.a.)	7.50%	0.00%
Salary escalation rate (p.a.)	10.00%	

Compensated absences

The compensated absences cover the Company's liability for casual leave.

(Rs.)

Particulars	As on 31 March 2023	As on 31 March 2022
Compensated absences expected to be settled after 12 months	0.04	-

18 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24

₹ In lakh

	Name of related party and Nature of relationship	Nature of transaction	For the year 2022-23		From 6 December 2021 to 31 March 2022	
			Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
A	**Holding company:**					
	Bajaj Auto Limited (related party where control exists)	Issue of equity shares to BAL (30,000,000 shares of ₹ 10 each)	2,500.00	(3,000.00)	500.00	(500.00)
		Reimbursement of expenses	95.45	-	172.03	-
		Service received	-	-	81.00	-
			-	-	-	-
B	**Other entities/persons:**		-	-	-	-
	Bajaj Holdings & Investment Ltd.	Reimbursement of expenses	0.05	-	-	-
	Bajaj Financial Securities Ltd.	Reimbursement of NPS Payment	10.10	-	-	-

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

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

All above transactions are in the ordinary course of business and on arms' length basis.

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19 Fair value measurement

i) Financial instruments by category

₹ In Lakh

	31-Mar-23		31-Mar-22	
	FVTPL	FVTOCI	FVTPL	FVTOCI
Financial assets				
Investments				
- Equity	-	-	-	-
- Mutual funds	2,112.29	-	-	-
Cash and cash equivalents	63.55	-	-	221.35
Total financial assets	**2,175.84**	-	-	**221.35**

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Notes to standalone financial statements for the year ended 31 March 2023

ii) Fair value hierarchy

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

₹ In Lakh

Financial assets/liabilities measured at fair value - recurring fair value measurements At 31 March 2023					
Particulars	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial investments at FVTPL					
- Mutual funds	2	2,112.29	-	-	**2,112.29**
Financial investments at FVTOCI					
- Derivatives designated as hedges					
Option contracts		-	-	-	-
- Equity investment		-	-	-	-
Total financial assets		**2,112.29**	-	-	**2,112.29**

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

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

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

Valuation Techniques used to determine fair value

Valuation Techniques used to determine fair value include

- Open ended mutual funds at NAV's/rates declared and/or quoted
- Derivative Instruments at values determined by counter parties/Banks using market observable data.

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Notes to financial statements for the year ended 31 March 2023

Note 20: Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk (including foreign exchange risk).

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

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost & fair value through profit or loss	Credit ratings	Diversification of counterparties, diversification of investment limits, monitoring of counterparties basis credit rating
	Trade receivables	Credit Limit & Ageing analysis	No. of overdue days, monitoring of credit limits
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk-Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR	Sensitivity analysis	Since foreign exposure is not much, company does not hedge this exposure

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and investment of available funds. The Company's risk management is carried out by a treasury department as per such policies approved by the Board of Directors.

A) Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations leading to a financial loss to the Company. Credit risk primarily arises from cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and trade receivables. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk management

In regard to Trade receivables, which are typically unsecured, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom credit is extended in the normal course of business. The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Accordingly, impairment loss allowance is recognised based on lifetime expected credit losses at each reporting date, right from its initial recognition. The provision rates are based on days past due; and the calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure of the Company's trade receivables using provision matrix :

₹ In Lakh

	Total as on 31 March 2023	Total as on 31 March 2022
Estimated total gross carrying amount	-	-
ECL	-	-
Net carrying amount	-	-

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Notes to financial statements for the year ended 31 March 2023

Reconciliation of impairment allowance – Trade receivable

	₹ In Lakh
Impairment allowance as on 31 March 2021	**0.00**
Changes in loss allowance	0.00
Impairment allowance as on 31 March 2022	**0.00**
Changes in loss allowance	0.00
Impairment allowance as on 31 March 2023	**0.00**

For other financial assets, the Company has an investment policy which allows the Company to invest only with counterparties having a credit rating equal to or above AA+ and A1+. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counter party limits maybe updated as and when required, subject to approval of Board of Directors.

B) Liquidity risk

The Company's principal source of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. The Company has no outstanding term borrowings. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence the Company carries a negligible liquidity risk.

The Company had (₹ In Lakh)	As at 31 March 2023	As at 31 March 2022
• Net Working capital funds which includes	2,012.17	239.83
i) Cash and Cash equivalents	63.55	221.35
ii) Current Investments	2,112.29	-

The table below summarises the contractual maturities of financial liabilities as at 31 March 2023 and 31 March 2022:

Maturities of financial liabilities

₹ In Lakhs

	Less than and equal to 1 year	**More than 1 year**	**Total**
As on 31 March 2023			
Non-derivatives	-	-	-
Trade payables	5.76	-	5.76
Other financial liabilities	203.67	-	203.67
Total non-derivative liabilities	**209.43**	-	**209.43**
As on 31 March 2022			
Non-derivatives	-	-	-
Trade payables	0.35	-	0.35
Other financial liabilities	0.80	-	0.80
Total non-derivative liabilities	**1.15**	-	**1.15**

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C) Market risk

(i) Foreign currency risk

The Company has made payment in foreign exchange that are not material enough in order to expose the Company to the foreign exchange risk. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through sensitivity analysis. The primary objective for forex hedging against anticipated foreign currency risks will be to hedge the Company's highly probable foreign currency cash flows arising from such transactions (thus reducing volatility of cash flow and profit). Due to non-material nature of transaction, the Company doesn't need to hedge this exposure.

(ii) Other risks

The Company has deployed its surplus funds into various financial instruments including units of mutual funds, fixed maturity plans etc. The Company is exposed to price risk on such investments, which arises on account of movement in interest rates, liquidity and credit quality of underlying securities.

The Company has invested its surplus funds primarily in mutual funds and fixed maturity plans. The value of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) declared by the Asset Management Company on daily basis. The Company has not performed a sensitivity analysis on these mutual funds based on estimated fluctuations in their NAV as in management's opinion, such analysis would not display a correct picture.

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21 Capital management

For the purpose of Company's capital management, capital includes equity capital and other equity reserves attributable to the equity shareholders of the Company.

22 Contingent liabilities

There are no contingent liabilities as on 31 March 2023.

23 Ratio analysis

	Remarks	Numerator	Denominator	As at / for the period ended 31 March 2023	31 March 2022
(a) Current ratio	Money has been invested in mutual fund units.Hence the variation between current year and previous year.	Current assets	Current liabilities	10.12	25.42
(b) Debt equity ratio		Not Applicable	Not Applicable		
(c) Debt service coverage ratio		Not Applicable	Not Applicable		
(d) Return on equity ratio	The Company is still incurring fixed costs and awaiting the RBI license. Hence the variation between current year and previous year.	Loss after tax	Net worth	-40%	-64%
(e) Inventory turnover ratio		Not Applicable	Not Applicable		
(f) Trade receivables turnover ratio		Not Applicable	Not Applicable		
(g) Trade payables turnover ratio		Purchases	Trade payables	-	-
(h) Net capital turnover ratio		Not Applicable	Not Applicable		
(i) Net profit ratio		Not Applicable	Not Applicable		
(j) Return on capital employed	The Company is still incurring fixed costs and awaiting the RBI license. Hence the variation between current year and previous year.	Loss before tax	Capital employed	-37%	-85%
(k) Return on investments		Not Applicable	Not Applicable		

As the company has no Purchases, the Trade Payable turnover Ratio has not been given.

24 Other statutory information

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with companies struck-off.

c. The Company doesn't have any transactions recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

d. The Company has not traded or invested in crypto currency or virtual currency during the financial year.

e. The Company has not been declared as 'Wilful Defaulter' by any bank or financial institution or other lender.

f. The Company doesn't have any charges or satisfaction yet to be registered with Register of Companies beyond the statutory period.

g. Clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company, hence no disclosure relating to the same has been mentioned.

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Notes to Financial Statements for the year ended 31 March 2023

25 MSME disclosure

Considering the Company has been extended credit period upto 45 days by its vendors and payments being released on a timely basis, there is no liability towards interest on delayed payments

26 Miscellaneous

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

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants,
ICAI Firm Registration Number: 103264W

GOKHALE & SATHE * CHARTERED ACCOUNTANTS * PUNE FR No. 103264W

CA Kaustubh Deshpande
Partner
Membership Number: 121011

Pune: 24 April 2023

On behalf of the Board of Directors

Rajiv Bajaj
Chairman (DIN : 00018262)

Rakesh Makkar
Chief Executive Officer

Dinesh Thapar
Chief Financial Officer

Dr. J Sridhar
Company Secretary