

BAJAJ FINSERV DIRECT LIMITED

BALANCE SHEET

AS AT

31 March 2025

AND

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED

31 March 2025

Independent Auditor's Report

To

The Members of

Bajaj Finserv Direct Limited

Report on the audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of Bajaj Finserv Direct Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit And Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2025, and its Loss and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the 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 Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Other Information

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
5. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.



7. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

8. 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 Financial Statements that give a true and fair view of the State of Affairs, loss and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company 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 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 12.1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for



expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.

- 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 12.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 12.5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
14. 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

15. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, we report that:
 - 16.1 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.
 - 16.2 In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - 16.3 The balance sheet, the statement of profit and loss including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - 16.4 In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.
 - 16.5 On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.



- 16.6 With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- 16.7 In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
17. 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:
- 17.1 The Company does not have any pending litigations which would impact its financial position.
- 17.2 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- 17.3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- 17.4 The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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. Refer Note 37(c) of the Financial Statements.
- 17.5 The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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. Refer Note 37(d) of the Financial Statements.
- 17.6 Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under paragraph 17.4 and 17.5 contain any material misstatement.
- 17.7 In our opinion and according to information and explanation given to us, the Company has not declared or paid dividend during the year, accordingly compliance with section 123 of the Act by the Company is not applicable.
- 17.8 Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Singh Chandra

Soorej Kombaht

Partner

ICAI Membership No: 164366

UDIN: 25164366BMNUMK4022



Place: Pune

Date: 28 April 2025

Annexure 'A' to the Independent Auditor's Report on the Financial Statements of Bajaj Finserv Direct Limited for the year ended 31 March 2025

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company is maintaining proper records showing full particulars of intangible assets.

- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, all PPE were physically verified by the management in the current year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee). Accordingly, the provision of clause 3(i)(c) of the Order is not applicable to the Company
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company as stated in note 37(a) to the financial statement, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) In our opinion and according to the information and explanations given to us, the Company is engaged in business of distribution of financial products through digital means and does not have any physical inventory, hence physical verification of inventory and reporting under paragraph 3(ii)(a) of the Order is not applicable
- (b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) In our opinion and according to the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans or stood guarantee or provided security to any other entity. Accordingly, paragraph 3(iii)(a) of the Order is not applicable to the Company.
- (b) In our opinion, and based on the information and explanations provided to us, the investments made by the Company are, prima facie, not prejudicial to the interests of the Company. Further, the Company has neither provided any guarantees or securities, nor has it granted any loans or advances in the nature of loans. Consequently, the reporting requirements in respect of the terms and conditions of such loans and advances, as specified under paragraph 3(iii)(b) of the Order, are not applicable to that extent.
- (c) In our opinion and according to the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans. Accordingly, paragraph 3(iii)(c) of the Order is not applicable to the Company.

- (d) In our opinion and according to the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans. Accordingly, paragraph 3(iii)(d) of the Order is not applicable to the Company.
- (e) In our opinion and according to the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans. Accordingly, paragraph 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans to Promoters/ Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, paragraph 3(iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or given any guarantee or provided any securities as covered under the provisions of sections 185 of the Act. In respect of the investments made by the Company, the provisions of sections 186 of the Act have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, we confirm that following dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have not been deposited to/ with the appropriate authority on account of any dispute:

Name of the Statute	Nature of the Dues	Amount (absolute)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Goods and Service Tax Act, 2017	GST	2,72,658	FY 2019-20	Joint Commissioner, Maharashtra	-
Goods and Service Tax Act, 2017	GST	2,76,254	FY 2020-21	Joint Commissioner, Maharashtra	-

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any

transactions not 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.

- ix. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not borrowed any loans from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised any loans on short term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiaries, associates or joint venture, Accordingly, paragraph 3(ix)(e) & 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us and procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the order is not applicable.
- (b) The Company has complied with provisions of section 62 of the Act in respect of allotment of equity shares against convertible loan instrument. The funds raised from the convertible loan instrument were utilised for the purpose for which they were raised.
- xi. (a) In our opinion and according to the information and explanations given to us, during the year there has been no fraud by the Company or any material fraud on the Company that has been noticed or reported. The management has identified fraud by employees of the Company which were individually and collectively immaterial.
- (b) In our opinion and according to the information and explanations given to us, no report under subsection (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a CIC as defined in the regulations made by Reserve Bank of India.
- (d) According to the information and explanation given to us, in the group (in accordance with Core Investment Companies (CICs) (Reserve Bank) Directions, 2016) there are 18 companies forming part of the promoter/promoter group of the Company which are CICs. Further, as informed these CICs are unregistered CICs as per Para 9.1 of notification No. RBI/2020-21/24 dated 13 August 2020 of the Reserve Bank of India.
- xvii. According to the information and explanations given to us, the Company has not incurred cash loss in the current financial year. However, the amount of cash loss in the previous year was Rs.21.67 crores.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, the provision of CSR is not applicable to the Company. Accordingly, provision of clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. The Company does not have any subsidiary, associate or joint venture company and is not required to prepare consolidated financial statements. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

**Soorej Kombaht**

Partner

ICAI Membership No: 164366

UDIN: 25164366BMNUMK4022

Place: Pune

Date: 28 April 2025



Annexure 'B' to the Independent Auditors' report on the Financial Statements of Bajaj Finserv Direct Limited for the year ended 31 March 2025

(Referred to in paragraph 16.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').**Opinion**

1. We have audited the internal financial controls with reference to the Financial Statements of Bajaj Finserv Direct Limited ('the Company') as at 31 March 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls 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 ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Financial Statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

7. A company's internal financial controls with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Financial Statements include 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 the Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Sunil Kombaht

Soorej Kombaht

Partner

ICAI Membership No: 164366

UDIN: 25164366BMNUMK4022



Place: Pune

Date: 28 April 2025

BAJAJ FINSERV DIRECT LIMITED
BALANCE SHEET AS AT 31 MARCH 2025

In ₹ crore

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	51.99	62.77
Intangible assets	3	75.04	85.20
Financial Assets			
Investments	4	9.99	-
Other financial assets	5	6.02	28.20
Other non-current assets	6	6.88	5.44
		149.92	181.61
Current assets			
Financial Assets			
Investments	4	296.54	359.95
Trade receivables	7	85.61	68.86
Cash and cash equivalents	8	41.84	30.01
Other financial assets	5	26.17	6.76
Current tax assets (net)		6.01	8.65
Other current assets	6	20.72	13.85
		476.89	488.08
Total Assets		626.81	669.69
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	327.41	3.12
Instruments entirely equity in nature	10	-	803.41
Other equity	11	151.04	(278.39)
Total equity		478.45	528.14
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	15	21.21	28.13
Provisions	12	3.02	-
Deferred tax liabilities (net)	13	-	-
		24.23	28.13
Current liabilities			
Financial Liabilities			
Lease liabilities	15	13.95	14.31
Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		3.81	7.25
Total outstanding dues of creditors other than micro enterprises and small enterprises		58.62	49.47
Other financial liabilities	15	31.36	27.44
Other current liabilities	16	15.25	13.92
Provisions	12	1.14	1.03
		124.13	113.42
Total Equity and Liabilities		626.81	669.69

Summary of material accounting policies followed by the Company

2C

The accompanying notes are an integral part of the financial statements

In terms of our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration No: 105146W/ W100621

Soorej Kombaht
Partner

ICAI Membership No: 164366

Pune: 28 April 2025



Anish Amin

Anish Amin
Chairman
DIN: 00070679

Mayur Patwardhan

Mayur Patwardhan
Chairman, Audit Committee
DIN: 07539410

Ashish Panchal
Ashish Panchal
Whole Time Director & CEO
DIN: 10106286

Anshuman Mishra
Anshuman Mishra
CFO

Namrata Surana Shah
Namrata Surana Shah
Company Secretary

BAJAJ FINSERV DIRECT LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

In ₹ crore

	Particulars	Note No.	Year ended 31 March 2025	Year ended 31 March 2024
(I)	Revenue from contracts with customers	17	561.85	436.56
(II)	Other income	18	36.58	38.58
(III)	Total income (I+II)		598.43	475.14
(IV)	Expenses			
	Employee benefits expense	19	295.17	254.29
	Finance costs	20	2.75	3.30
	Depreciation, amortisation and impairment expense	21	70.55	56.73
	Other expenses	22	278.78	233.45
	Total expenses		647.25	547.77
(V)	Loss before tax (III-IV)		(48.82)	(72.63)
(VI)	Tax expense			
	Current tax		-	-
	Deferred tax		-	-
	Total tax expense	23	-	-
(VII)	Loss for the period (V-VI)		(48.82)	(72.63)
(VIII)	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Remeasurement gains/(losses) on defined benefit plans		(0.87)	(0.12)
	Tax impact on above		-	-
(IX)	Other comprehensive income for the period (net of tax) (VII+VIII)		(0.87)	(0.12)
	Total comprehensive income for the period		(49.69)	(72.75)
(X)	Basic and diluted Earnings per share (in ₹) (Nominal value per share ₹ 10)	24	(64.56)	(232.79)

Summary of material accounting policies followed by the Company

2C

The accompanying notes are an integral part of the financial statements

In terms of our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration No: 105146W/ W100621

Anish Amin

Anish Amin

Chairman

DIN: 00070679

Mayur Patwardhan

Mayur Patwardhan

Chairman, Audit Committee

DIN: 07539410

Soorej Kombaht

Soorej Kombaht

Partner

ICAI Membership No: 164366

Pune: 28 April 2025

Ashish Panchal

Ashish Panchal

Whole Time Director & CEO

DIN: 10106286

Anshuman Mishra

Anshuman Mishra

CFO

Namrata Surana Shah

Namrata Surana Shah

Company Secretary



BAJAJ FINSERV DIRECT LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

A. Equity share capital

In ₹ crore			
Particulars	Note No.	Year ended 31 March 2025	Year ended 31 March 2024
At the beginning of the year		3.12	3.12
Changes in equity share capital during the year		324.29	-
Balance as at 31 March 2025	9	327.41	3.12

B. Instruments entirely equity in nature

In ₹ crore			
Particulars	Note No.	Year ended 31 March 2025	Year ended 31 March 2024
At the beginning of the year		803.41	803.41
Addition / (movement to equity) during the year		(803.41)	-
Balance as at 31 March 2025	10	-	803.41

C. Other equity

Current year

In ₹ crore					
Particulars	Note No.	Reserves and surplus			Total other equity
		Securities premium	Retained earnings	Share based payments reserve	
Retained earnings					
At the beginning of the year		2.07	(283.47)	3.01	(278.39)
Addition during the year		479.12	-	-	479.12
Loss for the year		-	(48.82)	-	(48.82)
Recognition of share based payments to employees		-	-	-	-
Other comprehensive income (net of tax)		-	(0.87)	-	(0.87)
Balance as at 31 March 2025	11	481.19	(333.16)	3.01	151.04

Previous year

In ₹ crore					
Particulars	Note No.	Reserves and surplus			Total other equity
		Securities premium	Retained earnings	Share based payments reserve	
Retained earnings					
At the beginning of the year		2.07	(210.72)	2.99	(205.66)
Addition during the year		-	-	-	-
Loss for the year		-	(72.63)	-	(72.63)
Recognition of share based payments to employees		-	-	0.02	0.02
Other comprehensive income (net of tax)		-	(0.12)	-	(0.12)
Balance as at 31 March 2024	11	2.07	(283.47)	3.01	(278.39)

Summary of material accounting policies followed by the Company

2C

The accompanying notes are an integral part of the financial statements

On behalf of the Board of Directors

In terms of our report of even date

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration No: 105146W/ W100621

Soorej Kombhat
Partner
ICAI Membership No: 164366
Pune 28 April 2025

Anish Amin
Anish Amin
Chairman
DIN: 00070679

Mayur Patwardhan
Mayur Patwardhan
Chairman, Audit Committee
DIN: 07539410

Anshuman Mishra
Anshuman Mishra
CFO

Namrata Surana Shah
Namrata Surana Shah
Company Secretary



BAJAJ FINSERV DIRECT LIMITED

Statement of cash flows for the year ended 31 March 2025

Particulars	For the year ended	
	31 March 2025	31 March 2024
I. Operating activities		
Profit/ (loss) before tax	(48 82)	(72 63)
<u>Adjustments for:</u>		
Depreciation and amortisation	(70 55)	(56.73)
Amortisation of (premium)/discount on acquisition of debt securities on invest	7 12	14 38
Remeasurement (gain)/loss on defined benefit plans	0 87	0 12
Net gain/ (loss) on sale of assets	5 52	0 12
Net gain/ (loss) on sale of financial instruments	2 67	2 72
Interest expense from fair valuation of deposits	(0 38)	(0 36)
Interest on lease deposits	(2.75)	(3 30)
Interest income on investments	15 63	15 02
Securities premium reserve	-	-
Share based payments reserve	(10 18)	(6 27)
Net gain/ (loss) on financial instruments at fair value through profit or loss	(0 20)	0 22
	(52 25)	(34 08)
Cash from operation before working capital changes	3 43	(38 55)
Working capital changes		
(Increase)/decrease in trade receivables	(16 75)	(30 61)
(Increase)/decrease in loans and advances	(17 95)	(20 40)
Increase/(decrease) in trade payables	5 71	38 64
Increase/(decrease) in liabilities	8 27	(22 46)
Increase/(decrease) in provisions	0 11	(0 37)
	(20 61)	(35 20)
Income-tax paid, including tax deducted at source (net of refunds)	2 62	(7 28)
Net cash (used)/generated in operating activities (A)	(14.56)	(81.03)
Carried forward	(14 56)	(81 03)



BAJAJ FINSERV DIRECT LIMITED

Statement of cash flows for the year ended 31 March 2025

Particulars	For the year ended	
	31 March 2025	31 March 2024
Brought forward	(14.56)	(81.03)
II. Investing activities		
Purchases of property, plant and equipment	(10.01)	(16.62)
Sales proceeds of property, plant and equipment	10.01	1.93
Purchases/internal development to intangibles	(36.64)	(39.42)
Purchase of investments measured at amortised cost	(539.74)	(514.56)
Sale of investments measured at amortised cost	574.87	689.67
Investment in Fixed Deposits	-	-
Proceeds from redemption of fixed deposits	-	-
Interest received on investments	17.50	19.15
Sale of investments measured at FVTPL	764.86	643.87
Purchase of investments measured at FVTPL	(736.98)	(662.85)
Net cash generated from/ (used in) investing activities (B)	43.87	121.17
III. Financing activities		
Deemed equity contribution from holding company	-	-
Proceeds from issue of share capital	-	-
Payment of lease liability	(17.48)	(15.09)
Net cash generated from financing activities (C)	(17.48)	(15.09)
Net increase in cash and cash equivalents (A+B+C)	11.83	25.05
Cash and cash equivalents as at the beginning of the year	30.01	4.96
Cash and cash equivalents as at the end of the year	41.84	30.01

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration No: 105146W/ W100621

Singhania

Soorej Kombaht
Partner
ICAI Membership No: 164366
Pune: 28 April 2025

Anish Amin
Anish Amin
Chairman
DIN: 00070079

Anshuman Mishra
Anshuman Mishra
Whole Time Director & CEO
DIN: 10106286

Namrata Surana Shah
Company Secretary
Namrata Surana Shah

Mayur Patwardhan
Mayur Patwardhan
Chairman, Audit Committee
DIN: 07539410
Anshuman Mishra
Anshuman Mishra
CFO



Bajaj Finserv Direct Limited

Notes to financial statements for the year ended 31 March 2025

1 Corporate information

Bajaj Finserv Direct Limited (the "Company") is a public company limited by shares, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company was incorporated on 7 February 2014 and started commercial operation on 1 July 2018. The Company is engaged in the business of distribution of financial products through digital means. The Company is registered with Insurance Regulatory and Development Authority of India (IRDAI) as a composite Corporate Agent for distributing life insurance and general insurance products in India and also is a Registered Investment Advisor (RIA) under SEBI regulations. Further, the company also provides software services to its clients. The Company also operates its overseas branch at Dubai to provide software services.

The Company's registered office is at Bajaj Auto Limited Complex, Mumbai-Pune road, Pune, Maharashtra, India. The parent of the Company is Bajaj Finserv Ltd (hereinafter referred to as "Holding Company" or "parent").

The financial statements were approved for issue in accordance with a resolution of the directors on 28 April 2025.

2A Presentation of financial statements

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

All 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. 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 the purpose of current or non-current classification of assets and liabilities.

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

2 B Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act, on an accrual basis.

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

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

The financial statements are presented in ₹, which is also the Company's functional currency and all the values are rounded off to the nearest crore, except when otherwise indicated.



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. The following are items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates is included in the relevant notes together with information about basis of calculation for each affected line item in the financial statements:

- a) Provision for employee benefits
- b) Impairment and useful life of intangibles
- c) Fair valuation of financial instruments.

2C. Summary of material accounting policies

1) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

a) Revenue from sale of services

i) Income from distribution of financial products

Distribution income is earned by distribution of services and products of other entities under distribution arrangements such as distribution of loan products, insurance products, credit cards, fixed deposits, bundled products and services etc. The income so earned is recognised on transfer of promised services and / or products to a customer on behalf of other entities or delivery of contractual outcome to other entities, as the case may be.

ii) Income from manpower supply services

Income from manpower supply services is recognized on accrual basis as and when services are rendered, and it becomes due on contractual terms with the parties.

iii) Income from providing software services

Software services provided by the Company are primarily under variable price contracts. Revenue from software services is recognized in the accounting period in which they are rendered. Any changes in the revenue recognized basis estimates, is reflected during the period such change in estimate is known to the management. Customers are invoiced on a monthly basis and consideration is payable by customer when invoiced.

iv) Income from sale of value added services

The Company recognizes Income from sale of value added services on rendering of services.

b) Other income

Interest income

Interest income from debt instruments is recognised using the effective interest rate (EIR) method on financial assets subsequently measured under amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.



The EIR (and therefore, the amortised cost of the asset) is calculated by considering any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the instrument.

Interest on income tax refund is recognized on receipt of refund advise.

The Company recognises Other Income on accrual basis.

2) Property, plant and equipment

A. Recognition and derecognition

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, if any, consistent with the criteria specified in Ind AS 16 'Property, plant and equipment. Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

B. Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis on straight line method to allocate the cost, net of residual value over the estimated useful lives of the assets as specified in the Schedule II of the Companies Act, 2013, except for Vehicles which are depreciated over four years on the basis of management's best estimate.

Depreciation on leasehold improvements is provided on straight line method over the primary period of lease of premises or 5 years whichever is less.

3) Intangible assets and amortization thereof

Intangible assets, representing softwares are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Company. For internally developed intangibles, such as software, platforms, applications, expenditure pertaining to research is charged to the Statement of profit and loss.

Expenditure incurred on development of internally generated intangible assets, is recognised as an intangible asset, if and only if the future economic benefits attributable to the use of such know-how are probable to flow to the Company and the costs/expenditure can be measured reliably.

The intangible assets are amortised using the straight-line method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

4) Investments and financial assets

Recognition and initial measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value. Further, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, that are attributable to the acquisition of the financial asset, are added to



the fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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. The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL), and
- those to be measured subsequently 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', gain/(loss) 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.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test (Solely Payments of Principal and Interest)

As a second step of its classification process the Company assesses the contractual terms of financial instruments to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset.

Subsequently measured at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. debentures, bonds, certificate of deposits etc. A gain/(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. Interest income from these financial assets is included in investment income using the effective interest rate method.



Subsequently measured at FVTPL

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

The Company has designated investments in mutual funds as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (if any). This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery basis past trends. Where the amount to be written off is greater than the accumulated loss allowance, the difference is recorded as an expense in the period of write off. Any subsequent recoveries against such assets are credited to statement of Profit and Loss.

Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

Derecognition of financial assets

A financial asset is derecognised only when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the assets Any gain or loss on derecognition will be recognised in the Statement of Profit and Loss..

5) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities at FVTPL are measured at fair value and net gain and loss, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gain and loss are recognised in the Statement of Profit and Loss Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.



Recognition and initial measurement

All financial liabilities are recognised initially at fair value adjusted for incremental transaction costs that are directly attributable to the financial liabilities except in the case of financial liabilities recorded at fair value through profit or loss where the transaction costs are charged to profit or loss.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Any gain or loss arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

6) Impairment of non-financial assets

Assets are tested for impairment at each reporting date and also whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

7) Employee benefits

a) Compensated Absences and Leave Encashment

Privilege leave entitlements are recognised as a liability, in the calendar year of rendering of service, as per the rules of the Company. The liability for accumulated leave which can be availed and/or encashed at any time during the tenure of employment is recognized using the projected unit credit method at the actuarially determined value by an appointed actuary. The liability for accumulated leave which is eligible for encashment within the same calendar year is provided for at prevailing salary rate for the entire unavailed leave balance as at the balance sheet date.

b) Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the Life Insurance Corporation of India (LIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC). However, any deficit in plan assets managed by LIC and BALIC as compared to the liability on the basis of an independent actuarial valuation is recognised as a liability. The Calculation includes assumptions with regard to discount rate, salary escalation rate, attrition rate and mortality rate. Management determines these assumptions in consultation with the plan's actuaries and past trend.

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.



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.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

c) Employee stock option scheme

Stock options are granted to eligible employees under Employee Stock Option Scheme, 2018 as formulated by Bajaj Finserv Limited ("Holding Company"). The scheme is administered through Bajaj Finserv Employee Stock Option Trust ("The Trust"). The mode of settlement of the scheme is through equity shares of the holding company. Further, cost of such options i.e Option premium, which is reimbursed to the holding company is accounted in line with Ind AS 102 'Share based payments.

The fair value of options granted under the Bajaj Finserv Ltd. - Employee Stock Option Scheme (BFS-ESOS) is recognised as an employee benefits expenses. This amount is reimbursed to the holding company and is accounted in line with Ind AS 102 'Share based payments. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance conditions (e.g., continuance of an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related amount is recovered from the holding company.

d) Short-term employee benefits and defined contribution plans

All employee benefits payable within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, bonus and other non-monetary benefits are recognised in the period in which the employee renders the related services. All short term employee benefits are accounted for on undiscounted basis.

The Company has made contribution to superannuation fund, provident fund and pension scheme as per the scheme of the Company or to Government authority and this contribution is recognized in P&L as and when employee renders the related service.

8) Taxes

- a) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961; and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b) Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are



Bajaj Finserv Direct Limited

Notes to financial statements for the year ended 31 March 2025

recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

9) Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past events, 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.

10) Leases

The Company's lease majorly consists of office space taken on lease.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in para 6. Impairment of non-financial assets.



Bajaj Finserv Direct Limited

Notes to financial statements for the year ended 31 March 2025

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the government yield for the average lease period. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

11) Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss or other comprehensive income as permitted under the relevant Ind AS.

12) 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 in the accessible principal market or the most advantageous accessible market as applicable. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole.



3 Property, plant and equipment

Current year	Gross block				Accumulated depreciation		In ₹ crore	
	As at 1 April 2024	Additions	Deductions	As at 31 March 2025	For the Year*	Deductions	As at 31 March 2025	As at 31 March 2025
A. Own Assets :								
Leasehold improvements	8.64	-	-	8.64	1.51	-	10.15	2.28
Computers	16.26	3.55	1.35	18.43	4.65	10.01	12.70	5.73
Electric fittings/equipments	2.05	0.51	-	2.56	0.33	-	1.04	1.52
Furniture	1.93	0.30	-	2.23	0.20	-	0.82	1.41
Office equipment	3.70	0.44	0.05	4.09	0.42	0.03	2.07	1.42
Vehicles	12.35	5.23	4.61	12.97	3.28	2.06	5.70	7.21
B. Leased Assets :								
Right of Use asset [Building (Refer Note 34)]	68.45	7.60	2.74	73.31	14.81	2.50	40.80	32.42
Total	113.38	17.41	8.74	122.23	35.22	5.59	70.21	51.99
Intangible assets :								
Website	220.19	36.64	20.65	236.17	45.33	10.18	161.13	75.04
Total	220.19	36.64	20.65	236.17	45.33	10.18	161.13	75.04
Intangible assets under development								

(a) Refer Note 2c, clause 2) A, B and clause 3 of summary of material accounting policies

(b) * Pursuant to reassessment of the future economic benefit emanating from the Intangibles, the Company has recognized an impairment allowance amounting to ₹ 12.67 crore

Previous year

Previous year	Gross block				Accumulated depreciation		In ₹ crore	
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	For the Year	Deductions	As at 31 March 2024	As at 31 March 2024
A. Own Assets :								
Leasehold improvements	4.53	4.11	-	8.64	0.97	-	4.83	3.81
Computers	13.42	3.98	1.14	16.26	4.62	0.74	8.96	7.30
Electric fittings	1.25	0.80	-	2.05	0.29	-	0.71	1.34
Furniture	1.15	0.78	-	1.93	0.17	-	0.62	1.31
Office equipment	3.06	0.64	-	3.70	0.35	-	2.28	1.42
Vehicles	8.76	6.31	2.72	12.35	2.61	1.11	4.54	7.81
B. Leased Assets :								
Right of Use asset [Building (Refer Note 34)]	59.69	12.75	3.99	68.45	13.40	2.06	28.67	39.78
Total	91.86	29.37	5.85	113.38	32.47	4.11	50.81	62.77
Intangible assets :								
Website	180.77	39.42	-	220.19	34.26	-	114.99	85.20
Total	180.77	39.42	-	220.19	34.26	-	114.99	85.20
Intangible assets under development								

(a) Refer Note 2c, clause 2) A, B and clause 3 of summary of material accounting policies

(b) * Includes adjustment in Right of Use asset on account of lease modification that is not considered as a separate lease



4 Investments

I Investment carried at amortised cost

In Certificate of Deposits

Quoted

Axis Bank

Bank of Baroda

Canara Bank

HDFC Bank

SBI

Amortised Cost

In Bonds & Debentures

Quoted

Power Finance Corporation

National Bank for Agricultural & Rural Development

Rural Electrification Corporation

SBI

HDFC Bank

Axis Bank

Amortised Cost

II Investment carried at Fair Value through profit and loss

Investment in Mutual Funds

Quoted

1 09 719 705 (31 March 2024 : 359022 890) BIF AMC Mutual Fund

Fair Value

Aggregate market value of quoted investments

All investments mentioned above are within India

Non-current		Current	
As at	As at	As at	As at
31 March 2025	31 March 2024	31 March 2025	31 March 2024
In ₹ crore	In ₹ crore	In ₹ crore	In ₹ crore
-	-	24.07	24.26
-	-	48.33	24.76
-	-	23.71	24.81
-	-	49.13	24.20
-	-	-	49.49
-	-	145.24	147.52
-	-	-	-
-	-	-	-
9.99	-	14.91	24.98
-	-	49.68	74.57
-	-	49.35	49.86
-	-	24.94	-
-	-	-	25.10
9.99	-	138.88	174.60
-	-	-	-
-	-	12.42	37.83
-	-	12.42	37.83
9.99	-	296.54	359.95

5 Other financial assets

(Unsecured, good, unless stated otherwise)

Security deposits

Interest is earned on investments

Non-current		Current	
As at	As at	As at	As at
31 March 2025	31 March 2024	31 March 2025	31 March 2024
In ₹ crore	In ₹ crore	In ₹ crore	In ₹ crore
6.02	28.20	21.62	0.34
-	-	4.55	6.42
6.02	28.20	26.17	6.76

6 Other assets

(Unsecured, good, unless stated otherwise)

Advances receivable in cash or kind

Secured considered good

Advances to related parties

Unsecured considered good

Doubtful

Provision for doubtful advances

Gratuity (refer note 26)

Other receivable

Non-current		Current	
As at	As at	As at	As at
31 March 2025	31 March 2024	31 March 2025	31 March 2024
In ₹ crore	In ₹ crore	In ₹ crore	In ₹ crore
-	-	4.99	4.05
-	-	0.83	0.18
-	-	-	-
-	-	5.82	4.23
-	-	5.82	4.23
-	-	-	-
6.88	5.44	14.90	9.19
6.88	5.44	20.72	13.85

Note: Advances to related parties contribute to 85.74% of total advances as on Mar 31, 2025 (March 31, 2024: 95.74%)



7 Trade receivables

(Unsecured, considered good, unless stated otherwise)

Receivables

- towards distribution of third party products
- towards sale of software services
- towards manpower supply services
- others

Contract balances**Trade receivables**

Accounts receivable are recognised when the right to consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner or director or a member.

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment				Total
	Not due	Less than 6 months	6 months - 1 year	More than 1 year	
31 March 2025					
Undisputed trade receivables — considered good	55.20	9.47	-	-	63.67
Unbilled dues	28.94	-	-	-	28.94
31 March 2024					
Undisputed trade receivables — considered good	48.65	5.72	-	-	54.37
Unbilled dues	14.49	-	-	-	14.49

8 Cash and cash equivalents**Balances with banks**

(per cash flow statement)



Current	
As at	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
34.38	41.84
39.14	14.51
11.47	13.05
0.62	0.25
85.61	69.65
As at	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
85.61	69.65

Current	
As at	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
41.84	30.01
41.84	30.01

9 Equity share capital

	As at	
	31 March 2025 In ₹ crore	31 March 2024 In ₹ crore
Authorised 50 00 00 000 equity shares of ₹ 10 each	500.00	3.50
Issued, subscribed and fully paid-up shares 32 74 10 400 equity shares of ₹ 10 each	327.41	3.12
	327.41	3.12

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

	As at 31 March 2025		As at 31 March 2024	
	Nos.	In ₹ crore	Nos.	In ₹ crore
Equity shares				
At the beginning of the year	31 20 000	3.12	31 20 000	3.12
Equity shares issued during the year	32 42 90 400	324.29	-	-
Outstanding at the end of the year	32,74,10,400	327.41	31,20,000	3.12

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 dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As at 31 March 2025		As at 31 March 2024	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹ 10 each fully paid				
Bajaj Finserv Ltd.	26 22 55 730	80.10%	25 00 000	80.13%
Bajaj Finance Ltd.	6 51 54 670	19.90%	6 20 000	19.87%

d Details of promoter shareholding

Shares held by promoters at the end of the year

Promoter name	As at 31 March 2025			As at 31 March 2024		
	Nos.	% Holding	% Change during the year	Nos.	% Holding	% Change during the year
Bajaj Finserv Ltd.	26 22 55 730	80.10%	-0.03%	25 00 000	80.13%	-

10 Instruments entirely equity in nature

	As at	
	31 March 2025 In ₹ crore	31 March 2024 In ₹ crore
Balance as at the beginning of the year	-	-
Add: Addition / (movement) to equity during the year	803.41	803.41
Closing balance	(803.41)	-
		803.11

Represents loan amount received by the Company from Bajaj Finserv Limited ₹522.94 crore and Bajaj Finance Limited ₹280.47 crore. The loan outstanding has been converted into equity shares during the year, at the terms agreed at the time of issuance.

11 Other equity

	As at	
	31 March 2025 In ₹ crore	31 March 2024 In ₹ crore
a Reserves and surplus:		
Securities premium		
Balance as at the beginning of the year	2.07	2.07
Add: Received during the year	479.12	-
Balance in securities premium reserve	481.19	2.07
Retained earnings		
Balance as at the beginning of the year	(283.47)	(210.72)
Profit/(loss) for the year	(48.82)	(72.63)
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gains/losses of defined benefit plans	(0.87)	(0.12)
Less: Appropriations	-	-
Balance in retained earnings	(333.16)	(283.47)
Share based payments reserve		
Balance as at the beginning of the year	3.01	2.99
Recognition of share based payments to employees	-	0.02
Balance in share based payments reserve	3.01	3.01
	151.04	(278.39)

b Nature and purpose of reserve:**Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with section 52 and other provisions of the Companies Act, 2013.

Retained earnings

Retained earnings represents the surplus in profit and loss account and appropriations.

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of:

- actuarial gains and losses
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset) and
- any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Share based payments reserve

Share based payments reserve is created as required by Ind AS 102 – Share Based Payments – on the Employee Stock Option Scheme.



12 Provisions

Provision for employee benefits [See note 26]
Provision for gratuity
Provision for compensated absences

Non-current		Current	
As at		As at	
31 March 2025	31 March 2024	31 March 2025	31 March 2024
In ₹ crore	In ₹ crore	In ₹ crore	In ₹ crore
3.02	-	-	-
-	-	1.14	1.03
3.02	-	1.14	1.03

13 Deferred tax liabilities (net)

Deferred tax liabilities
On account of timing difference in
Retiral and other benefits
Defined benefit plans provisions - OCI
Financial instruments:
Fair valuation of mutual funds including FMP¹

Gross deferred tax liabilities

Deferred tax assets
On account of timing difference in
Retiral and other benefits
Defined benefit plans provisions - OCI

Recognized to the extent of Deferred tax liability
Gross deferred tax assets

As at	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
0.22	-
0.02	0.08
0.24	0.08
0.24	0.03
-	0.05
0.24	0.08
-	-

The Company offsets tax assets and 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 tax authority. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has brought forward tax losses. These losses relate to brought forward business losses and unabsorbed depreciation. The Company neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on the tax losses brought forward.

14 Trade payables

Total outstanding dues of micro enterprises and small enterprises
Total outstanding dues of creditors other than micro enterprises and small enterprises

As at	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
3.81	7.25
58.62	49.47
62.43	56.72

Trade payables ageing schedule
Particulars

31 March 2025

MSME
Others
Unbilled

31 March 2024

MSME
Others
Unbilled

There are no disputed dues

Not due	Outstanding for following periods from due date of payment			Total
	Less than 1 year	1-2 years	2-3 years	
31 March 2025				
MSME	3.81	-	-	3.81
Others	11.52	0.08	-	11.60
Unbilled	47.02	-	-	47.02
31 March 2024				
MSME	7.25	-	-	7.25
Others	9.60	0.25	-	9.85
Unbilled	39.62	-	-	39.62

15 Other financial liabilities

Lease liability [See note 34]
Employee benefits payable
Other payables*

Refer note 31 for financial liabilities measured at amortised cost

*Other payables comprises of liability for expenses, salary payable and income received in advance

Non-current		Current	
As at		As at	
31 March 2025	31 March 2024	31 March 2025	31 March 2024
In ₹ crore	In ₹ crore	In ₹ crore	In ₹ crore
21.21	28.13	13.95	14.31
-	-	29.67	26.35
-	-	1.69	1.09
21.21	28.13	45.31	41.75

16 Other current liabilities

Statutory dues payable

As at	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
15.25	13.92
15.25	13.92



17 Revenue from contract with customers

Revenue from contract with customers

Type of Services

Income from distribution of third party products*

Revenue from software services

Manpower supply services

Income from sale of value added services

Total revenue from contract with customers

* Includes insurance income ₹ 1.27 crore (31 March 2024 : ₹ 0.79 crore)

Geographical markets

India

Outside India

Total revenue from contract with customers

Timing of revenue recognition

Services transferred at a point in time

Services transferred over time

Total revenue from contract with customers

For the period ended	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
286.29	233.60
120.79	99.25
78.63	63.06
76.14	40.65
561.85	436.56
561.64	436.56
0.21	-
561.85	436.56
561.85	436.56
561.85	436.56
561.85	436.56

18 Other income

Interest income on deposits

Interest income on bonds/debentures

Amortisation of premium/discount on investment

Interest on income tax refund

Gain on valuation and gain on realisation of mutual funds measured at FVTPL

Provision no longer required

Profit on sale of intangible assets

Others

For the period ended	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
2.02	0.25
5.63	14.77
7.12	14.38
0.41	0.09
2.47	2.94
3.03	5.55
5.25	-
0.65	0.60
36.58	38.58

19 Employee benefits expense

Salaries, wages and bonus to employees

Contribution to provident and other funds (See note 26)

Share based payment to employees (See note 33)

Staff welfare expenses

For the period ended	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
269.70	234.32
11.68	9.77
10.18	6.27
3.61	3.93
295.17	254.29

20 Finance costs

Interest on lease liabilities (See note 34)

For the period ended	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
2.75	3.30
2.75	3.30

21 Depreciation and amortisation expense

Depreciation on property, plant and equipment

Amount amortised against intangible assets

Impairment recognised on intangible assets

(See note 3)

For the period ended	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
25.22	22.47
32.66	34.26
12.67	-
70.55	56.73



- Advertisement, branding and sales promotion
- Information Technology expenses
- Outsourcing / back office expenses
- Dealer incentive
- Invocation of deposit under DLO guidelines
- Business support charges
- Travelling expenses
- Training and conference
- Repairs and maintenance
- Professional and legal consultancy
- Share issue expenses
- Insurance
- Power, fuel, water and consumables
- Subscription and fees
- Payment to auditor
- Rent [See note 34]
- Miscellaneous expenses

As auditor

Audit fee

(Other services (certification fees and other matters))

For the period ended	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
84.24	84.73
47.08	39.61
58.88	49.20
44.68	22.72
13.33	0.25
1.13	12.89
10.75	7.05
1.67	3.85
3.57	2.93
5.02	3.20
2.49	
2.72	2.56
1.91	1.75
0.21	0.47
0.13	0.12
0.05	0.27
0.92	1.85
278.78	233.45

(u) Tax expense
Current tax
Current tax on profits for the year
Adjustments for current tax of prior periods
Total current tax expense

Deferred tax

Decrease (increase) in deferred tax assets
(Decrease) increase in deferred tax liabilities
Total deferred tax expenses (benefit)

Tax expenses

(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate

Tax at the Indian tax rate of 26% (Previous year - 26%)

Tax effect of amounts which are deductible (non taxable) in calculating taxable income

- Income from fair valuation of mutual funds

THIS EXPENSE

For the period ended	
31 March 2025	31 March 2024
0.12	0.11
0.01	0.01
0.13	0.12

a Profit / (loss) for the year (₹ crore)

Weighted average number of shares outstanding during the year (Nos) (Basic)

b Earnings per share

Basic and Diluted ₹
Face value per share ₹

The Company had outstanding loan which was converted into equity shares. Since the convertible equity shares were anti-dilutive in nature, they are not considered for the calculation of Diluted Earnings per share.

For the period ended	
31 March 2025	31 March 2024
(48 82)	(72 63)
75,62,334	31 20 000
32 74 10,400	32 74 10 400
(64 56)	(232 79)
10	10

- towards acquisition of intangibles
- towards acquisition of Property, plant and equipments

As at	
31 March 2025	31 March 2024
In ₹ crore	In ₹ crore
1.86	2.30
-	0.41
1.86	2.71



26 Employee benefits

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

Funded schemes

Gratuity :

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

	As at 31 Mar 2025	As at 31 Mar 2024
	Gratuity	Gratuity
Amount recognized in Balance Sheet		
Present value of funded defined benefit obligation	12.22	8.42
Fair value of plan assets	(9.20)	(8.90)
Net funded obligation	3.02	(0.48)
Present value of unfunded defined benefit obligation	-	-
Amount not recognized due to asset limit	-	0.95
Net defined benefit liability / (asset) recognized in balance sheet	3.02	(0.43)
Expense recognized in the Statement of profit and loss		
Current service cost	2.63	2.10
Interest on net defined benefit liability / (asset)	(0.05)	0.01
Total expense charged to statement of profit and loss	2.58	2.11
Amount recorded as Other Comprehensive Income		
Opening amount recognized in OCI outside statement of profit and loss	(4.21)	(4.33)
Remeasurements during the period due to:		
Changes in financial assumptions	0.34	0.14
Changes in demographic assumptions	-	-
Experience adjustments	0.53	0.59
Actual return on plan assets less interest on plan assets	0.05	0.04
Adjustment to recognize the effect of asset ceiling	(0.05)	(0.65)
Closing amount recognized in OCI outside statement of profit and loss	(3.34)	(4.21)
Reconciliation of net liability / (asset)		
Opening net defined benefit liability / (asset)	(0.43)	0.34
Expense charged to statement of profit and loss	2.58	2.10
Amount recognized outside statement of profit and loss	0.87	0.12
Employer contributions	-	(3.00)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	3.02	(0.44)
Movement in benefit obligation		
Opening of defined benefit obligation	8.42	6.74
Current service cost	2.63	2.10
Interest on defined benefit obligation	0.58	0.47
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	0.34	0.14
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	0.53	0.59
Benefits paid	(0.51)	(0.67)
Liabilities assumed / (settled)*	0.23	(0.55)
Closing of defined benefit obligation	12.22	8.42
* On account of business combination or inter group transfer		
Movement in plan assets		
Opening fair value of plan assets	8.90	7.04
Employer contributions	-	3.00
Interest on plan assets	0.63	0.52
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.05)	(0.04)
Benefits paid	(0.51)	(0.67)
Assets acquired / (settled)*	0.23	(0.55)
Closing fair value of plan assets	9.20	8.90
* On account of business combination or inter group transfer		



	As at 31 Mar 2025	As at 31 Mar 2024			
Disaggregation of assets					
Category of assets					
Quoted value					
Non quoted value					
Insurer managed funds	9.20	7.04			
Grand Total	9.20	7.04			
Sensitivity Analysis					
Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points					
	As at 31 Mar 2025	As at 31 Mar 2024			
	Discount rate	Salary escalation rate			
	Discount rate	Salary escalation rate			
Senior staff					
Impact of increase in 50 bps on DBO	-2.88%	2.86%			
Impact of decrease in 50 bps on DBO	3.02%	-2.76%			
Junior staff					
Impact of increase in 50 bps on DBO	-3.29%	3.34%			
Impact of decrease in 50 bps on DBO	3.44%	-3.16%			
These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.					
Funding arrangement and policy					
The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan. The expected contribution payable to the plan next year is ₹ 25000000.					
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 2 - 5 years	Over 5 years	Total
31 Mar 2025					
Senior staff	0.58	0.58	1.73	5.28	8.17
Junior staff	0.59	0.74	2.78	7.97	12.08
31 Mar 2024					
Senior staff	0.28	0.29	0.84	3.38	4.79
Junior staff	0.45	0.47	1.59	4.92	7.43
Weighted average duration of defined benefit obligation (in years)				As at 31 Mar 2025	As at 31 Mar 2024
Senior Staff				5.90	6.90
Junior Staff				6.76	6.51
Principal Actuarial Assumptions (Expressed as Weighted Averages)					
Discount rate (p.a.)				6.75%	7.45%
Salary escalation rate (p.a.) - senior staff				12.00%	12.00%
Salary escalation rate (p.a.) - junior staff				10.50%	10.50%
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.					
Compensated absences					
The compensated absences cover the Company's liability for casual and earned leave.					
The liability for accumulated leave which is eligible for encashment within the same calendar year is provided for at prevailing salary rate for the entire unavailed leave balance as at the balance sheet date.					
				As at 31 Mar 2025	As at 31 Mar 2024
Particulars					
Compensated absences expected to be settled				1.14	1.03
Provident fund					
				As at 31 Mar 2025	As at 31 Mar 2024
Particulars					
Provident fund paid to government authorities				5.92	5.93
Pension fund paid to government authorities				2.38	2.09



27 Segment information

Segment wise revenue, results and capital employed for the year ended 31 March 2025 and 31 March 2024

In ₹ crore

	31-Mar-25			31-Mar-24		
	Distribution Business	Software services	Total	Distribution Business	Software services	Total
Revenue						
External sales and other income	440.49	121.36	561.85	337.31	99.25	436.56
Unallocable	-	-	36.58	-	-	38.58
Total revenue	440.49	121.36	561.85	337.31	99.25	436.56
Segment result	(11.84)	(49.27)	(61.11)	(31.87)	(54.00)	(85.87)
Unallocable result	-	-	11.42	-	-	13.12
Net profit / (Loss)	(11.84)	(49.27)	(49.69)	(31.87)	(54.00)	(72.75)
Segment assets	69.40	39.18	108.58	40.58	24.52	65.10
Unallocated corporate assets	-	-	518.23	-	-	604.59
Total assets	69.40	39.18	626.81	40.58	24.52	669.69
Segment liabilities	6.27	0.53	6.80	7.22	0.01	7.23
Unallocated corporate liabilities	-	-	141.56	-	-	134.32
Total liabilities	6.27	0.53	148.36	7.22	0.01	141.55
Capital employed	63.13	38.65	478.45	33.36	24.51	528.14



Name of related party and nature of relationship	31 March 2025		31 March 2024	
	Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet
A Holding company:				
Bajaj Finserv Ltd (Holding company)	259.76	212.20	-	2.50
				522.94
	263.18	263.18	-	0.04
	14.24	0.17	10.25	
B Subsidiaries and fellow subsidiary:				
Bajaj Allianz General Insurance Co. Ltd (Fellow subsidiary)	3.57	24.07	0.82	2.31
	0.53	0.05	0.24	(0.01)
	0.10	-	0.08	-
	0.18	0.18	-	-
	-	-	0.11	-
	2.36	1.63	-	-
Bajaj Allianz Life Insurance Co. Ltd (Fellow subsidiary)	1.81	2.11	8.31	2.13
	0.60	0.07	0.45	0.10
	-	-	0.21	0.25
	3.87	1.17	1.86	1.14
Bajaj Finance Ltd (Fellow subsidiary)	64.53	65.15	-	0.62
				280.47
	215.94	218.11	-	2.07
	184.60	16.82	142.38	17.38
	77.85	5.38	61.72	6.22
	98.51	19.43	112.08	13.27
	1.03	-	0.22	0.06
	4.98	-	10.08	-
	5.60	6.61	-	-
	1.58	0.06	0.82	0.33
	12.04	21.12	22.40	22.40
	13.33	-	-	-
	3.02	0.35	0.25	0.24
	0.25	-	0.42	-
	0.10	0.10	-	-
Bajaj Housing Finance Ltd (Subsidiary of fellow subsidiary, Bajaj Finance Ltd)	1.84	0.12	1.66	-
	-	-	0.01	0.03
	0.74	0.01	0.42	0.01
	-	-	0.00	-
	-	-	0.00	-
Bajaj Lending and Investment Ltd (Associate of holding company)	-	-	0.00	0.00
Bajaj Finance Health Ltd	-	-	10.12	-
	0.08	-	-	0.06
Joint Venture Bajaj Finance Ltd (Person having control)	2.38	0.09	1.77	10.05
Bajaj Financial Securities Ltd (Fellow subsidiary)	0.77	-	0.53	-
	0.06	0.01	-	-
	0.01	-	-	-
	1.60	0.70	-	-
Bajaj Finserv Asset Management Ltd (Fellow subsidiary)	18.94	2.59	7.64	11.50
Bajaj Auto Credit Ltd (Person having control)	0.03	0.00	-	-
	0.38	0.12	-	-
Vaidal Healthcare Services Private Limited (Subsidiary of Fellow Subsidiary)	0.06	0.07	-	-
C Individuals controlling voting power / exercising significant influence and their relatives:				
Shri Suresh Sukumaran (Whistleblower Director)	0.01	-	11.58	-
Shri Ashish Panigrahi (CISO & Whistleblower Director)	5.08	-	-	-
Shri Mayur Chandra Prasad Chokshi (Director)	0.01	-	0.00	-
Shri Mayur Gauram Patwardhan (Director)	0.01	-	-	-
Ms. Iremine Chanes (Director)	0.00	-	-	-

a 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 these parties.

b Related parties as defined under para 9 of Ind AS 24 'Related Party Disclosure' have been identified based on representations made by key managerial personnel and information available with the Company.

c Provisions for gratuity, compensated absence and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above.

d The above disclosures have been made for related parties identified as such only to be in conformity with the Indian Accounting Standard (Ind AS) 24.



29 Financial risk management

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through a risk management framework, including ongoing identification, measurement and monitoring subject to risk limits and other controls. The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure Arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss	Credit ratings	Setting limits on the amount of acceptable risk, diversification of investment limits, dealing with creditworthy counterparties only
	Trade receivables	Credit Limit & Aging analysis	No. of overdue days, monitoring of credit limits
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as, credit risk, liquidity risk, and investment of available funds.

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 equivalents, financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and trade receivables.

Credit Risk Management

In regard to Trade receivables, which are typically unsecured, credit risk is managed through continuously monitoring the credit worthiness of customers in the normal course of business. Trade receivables consist of regulated entities with stringent regulation on solvency which significantly mitigates credit risk.

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 P1+. The Company reviews the creditworthiness of these counterparties on an on-going basis.

B. Liquidity Risk

The Company's principal sources of liquidity are funds infusion from shareholders, '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 following table summarises the working capital position of the Company for the current year:

	31 March 2025 In ₹ crore
Current Assets	476.89
Less: Current Liabilities	(124.13)
Working Capital	352.76

C. Other risk (Market Risk)

The Company has deployed its surplus funds in debt instruments (including through mutual funds) and money market instruments. The Company is exposed to price risk on such investments, which arises on account of movement in interest rates, liquidity and credit quality of underlying securities. The Company has invested its surplus funds primarily in debt instruments mutual funds with AAA & STABLE A1+ rating and thus the Company does not have significant risk exposure here.



30 Capital management**Risk management**

The Company is cash surplus and has no capital other than Equity. The Company is not exposed to any regulatory imposed capital requirements.

The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with the guidelines set out by the management. Safety of capital is of prime importance to ensure availability of capital for operations. Investment objective is to provide safety and adequate return on the surplus funds.

The following table summarizes the net capital position of the Company:

	31 March 2025 In ₹ crore	31 March 2024 In ₹ crore
Equity	478.45	528.14
Less: Tangible and other assets	125.69	153.48
Working capital (excluding investments)	56.22	14.71
Investments	296.54	359.95



Notes to financial statements for the year ended 31 March 2025

31 Fair value measurement**i) Financial instruments by category**

In ₹ crore

	31-Mar-25			31-Mar-24		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Investments						
- Liquid mutual funds	12.42	-	-	37.83	-	-
- Certificate of Deposits	-	-	145.24	-	-	147.52
- Bonds & Debentures	-	-	148.87	-	-	174.60
Trade receivables	-	-	85.61	-	-	68.86
Other financial assets	-	-	32.19	-	-	34.96
Cash and cash equivalents	-	-	41.84	-	-	30.01
Total financial assets	12.42	-	453.75	37.83	-	455.95
Financial liabilities						
Lease liability	-	-	35.16	-	-	42.44
Trade payables	-	-	62.43	-	-	56.72
Other financial liabilities	-	-	31.36	-	-	27.44
Total financial liabilities	-	-	128.95	-	-	126.60



Notes to financial statements for the year ended 31 March 2025

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 ₹ crore					
Financial assets measured at fair value - recurring fair value measurements at 31 March 2025					
Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
- Liquid mutual funds	4	12.42	-	-	12.42
Total financial assets		12.42	-	-	12.42

In ₹ crore					
Financial assets measured at fair value - recurring fair value measurements at 31 March 2024					
Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
- Liquid mutual funds	4	37.83	-	-	37.83
Total financial assets		37.83	-	-	37.83

There have been no transfers between Level 1 and Level 2.
The value of other financial assets is same as their fair value.

Valuation principles

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

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

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
- Close ended mutual funds at NAV's declared by AMFI



32 Maturity analysis of assets and liabilities

In ₹ crore

Particulars	As at			
	31 March 2025		31 March 2024	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Assets				
Non-current assets				
Property, plant and equipment	-	51.99	-	62.77
Intangible assets	-	75.04	-	85.20
Financial assets				
Investments	-	9.99	-	-
Other financial assets	-	6.02	-	28.20
Other non-current assets	-	6.88	-	5.44
Current assets				
Financial assets				
Investments	296.54	-	359.95	-
Trade receivables	85.61	-	68.86	-
Cash and cash equivalents	41.84	-	30.01	-
Other financial assets	26.17	-	6.76	-
Other current assets	20.72	-	13.85	-
Total	470.88	149.92	479.43	181.61
Liabilities				
Non-current liabilities				
Financial liabilities				
Other financial liabilities	13.95	21.21	14.31	28.13
Provisions	-	3.02	-	-
Deferred tax liabilities (net)	-	-	-	-
Current liabilities				
Financial liabilities				
Trade payables	62.43	-	56.72	-
Other financial liabilities	31.36	-	27.44	-
Other current liabilities	15.25	-	13.92	-
Provisions	1.14	-	1.03	-
Total	124.13	24.23	113.42	28.13
Net	346.75	125.69	366.01	153.48



33 Share-based payments (Employee option plan)

Bajaj Finserv Limited ("Holding Company") has established Employees stock options plan, 2018 (ESOP Scheme) for employees of the company. The employee stock option plan, designed to provide incentives to the employees of the company and to deliver long-term returns and is an equity settled plan. Options granted under ESOP scheme would vest in not less than one year and not more than five years from the date of grant of the options. Under the scheme, the company has granted 2,88,003 shares on various dates of ₹ 1 each to its eligible employees. Vesting of the options would be subject to continuous employment with the Company and hence the options would vest with passage of time. In addition to this, the company may also specify certain performance parameters subject to which the options would vest. Such options would vest when the performance parameters are met.

Once vested, the options remain exercisable over period of eight years from the date of vesting or such period as may be decided by the company at its sole discretion from time to time. Options granted under the plan are for no consideration and carry no dividend or voting rights. On exercise, each option is convertible into one equity share.

Set out below is a summary of options granted under the plan:

Particulars	31 March 2025	31 March 2024
	Number of options	Number of options
Opening balance	7,49,673	7,26,150
Granted during the year	2,88,003	2,03,168
Exercised during the year	2,34,296	1,26,120
Forfeited during the year	67,401	53,525
Closing balance	7,35,979	7,49,673
Vested and exercisable	2,49,802	2,86,330

No options expired during the year.

Fair value of options granted**Tranche I**

The fair value at grant date of options granted on 16 May 2019 was ₹ 177.10 per option. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Tranche II

The fair value at grant date of options granted on 21 May 2020 was ₹ 159.70 per option. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Tranche III

The fair value at grant date of options granted on 28 April 2021 was ₹ 335.00 per option. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Tranche IV

The fair value at grant date of options granted on 27 April 2022 was ₹ 509.40 per option. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Tranche V

The fair value at grant date of options granted on 27 April 2023 was ₹ 437.16 per option. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Tranche VI

The fair value at grant date of options granted on 26 April 2024 was ₹ 519.41 per option. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted are as under:

	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI
a) options are granted for no consideration and vesting period is:	4 years	4 years	4 years	4 years	4 years	4 years
b) exercise price:	₹ 761.75 per option	₹ 470.21 per option	₹ 1,009.14 per option	₹ 1,482.64 per option	₹ 1,334.7 per option	₹ 1,655.55 per option
c) grant date	16 May 2019	21 May 2020	28 April 2021	27 April 2022	27 April 2023	26 April 2024
d) expiry date	15 May 2023	20 May 2024	28 April 2025	27 April 2026	27 April 2027	26 April 2028
e) share price at grant date	₹ 761.75	₹ 470.21	₹ 1,009.14	₹ 1,482.64	₹ 1,334.70	₹ 1,655.55
f) expected price volatility of the Company's shares	30.40%	35.56%	36.77%	34.34%-37.99%	32.12%-35.3%	25.19%-37.66%
g) expected dividend yield	0.02%	0.05%	0.05%	0.02%	0.03%	0.05%
h) risk-free interest rate:	7.56%	6.35%	6.62%	5.35%-6.56%	6.78%-6.93%	7.03%-7.11%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.



Notes to financial statements for the year ended 31 March 2025

34 Leases**(A) Lease liability movement**

Particulars	For the period ended	
	31 March 2025	31 March 2024
	In ₹ crore	In ₹ crore
Opening balance	42.44	43.41
Add: Addition during the year	7.60	12.81
Interest on lease liability	2.75	3.30
Less: Deletion during the year	1.20	3.03
Lease rental payment	16.42	14.05
Balance at the end of the year	35.16	42.44

(B) Lease rentals of ₹ 0.03 crore (Previous year 0.05) pertaining to short-term leases and low value assets has been charged to Statement of Profit and Loss

(C) Future lease cash outflow for all leased assets

Particulars	As at	
	31 March 2025	31 March 2024
	In ₹ crore	In ₹ crore
Not later than one year	16.18	20.37
Later than one year but not later than 5 years	23.06	48.75
	39.24	69.12

(D) Maturity analysis of lease liability

Particulars	As at	
	31 March 2025	31 March 2024
	In ₹ crore	In ₹ crore
Within 12 months	13.95	14.31
After 12 months	21.21	28.13
	35.16	42.44

(E) Amount recognised in statement of profit and loss

Particulars	For the period ended	
	31 March 2025	31 March 2024
	In ₹ crore	In ₹ crore
Interest on lease liabilities	2.75	3.30
Depreciation charge for the year	14.81	13.46
(Gain)/loss on pre-mature lease closure	0.03	0.22
	17.59	16.98



35 Additional Regulatory Requirements

i) Ratios

Ratio	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	% Variance	Explanation
(a) Current Ratio	Current Assets	Current Liabilities	3.84 (0.10)	4.30 (0.14)	-11%	26% Decrease in loans has led to a variance in the ratio
(b) Return on Equity Ratio	Net Income	Shareholder's Equity	7.27	9.43	-23%	23% Better realisation has led to improvement in ratio
(c) Fund Accounting Turnover Ratio	Revenue	Average accounts receivable	4.64	13.27	65%	Quick payments has led to improvement in ratio
(d) Trade receivable turn-over ratio	Provision of services and other expenses	Average accounts payable	1.59	1.17	35%	Higher working capital has led to variance in the ratio
(e) Net capital turnover ratio	Revenue	Working Capital	(0.04)	(0.17)	48%	Decrease in loans has led to variance in the ratio
(f) Net profit ratio	Net profit	Net sales	(0.09)	(0.12)	28%	Decrease in loans has led to variance in the ratio
(g) Return on Capital Employed	Earnings before interest and tax	Capital employed (Total Assets - Current Liabilities)	(0.08)	(0.11)	31%	Decrease in loans has led to variance in the ratio.
(h) Return on investment	Earnings before interest and tax	Average Operating assets				

Debt Equity, Debt Service and Inventory Turnover ratios are not applicable to the Company, hence not included in the aforesaid disclosure

ii) Relationship with struck off companies

Current year	Nature of transactions with struck-off company	Relationship with the struck off company
None of struck off Company	Balance outstanding	Relationship with the struck off company
	NIL	
Previous year	Nature of transactions with struck-off company	Relationship with the struck off company
None of struck off Company	Balance outstanding	Relationship with the struck off company
	NIL	



36 Contingent liabilities

Claims against the Company not acknowledged as debts

As at	
31 March 2025	31 March 2024
In Rupees	In Rupees

37 Other Notes

a. There are no proceedings which have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

b. The Company has performed an assessment to identify transactions with struck off companies as at 31 March 2025 and no such company was identified.

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

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

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

38 Events after reporting date

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

39. Figures in financial statements have been rounded off to the nearest decimal.

40. Previous year's figures have been regrouped and rearranged wherever necessary to confirm to current year's presentation classification.

In terms of our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration No. 105146W/W100621

Sonvej Kumbhat
Partner
ICAI Membership No. 164366
Pune: 28 April 2025



Anush Amin

Anush Amin

Anush Amin
Chairman
DIN: 00070679

Aashish Patil
Whole Time Director & CEO
DIN: 10106286

Mayur Patwardhan

Mayur Patwardhan
Chairman, Audit Committee
DIN: 07539410

Aashishan Modala
CFO

Namrata Situma Shirs
Namrata Situma Shirs
Company Secretary

DIRECTORS' REPORT

Dear Shareholders,

Your directors present the Eleventh Annual Report along with the audited financial statements for FY2025.

Company Overview and Operations

Bajaj Finserv Direct Limited ('BFSD' or 'BFS-Direct') has 2 synergistic divisions viz., Bajaj Markets and Bajaj Technology Services. Bajaj Market is a financial services marketplace that offers multiple financial services products across categories including - Loans, Credit Cards, Insurances & Investments. It has over 96 onboarded partners with over 24 crore annual visitors on its digital properties. Bajaj Technology Services focuses on building digital-first solutions for BFSI businesses, and reimagining customer experiences and operations by focusing on eight practices: Digital experience, Commerce, Data engineering and analytics, AI, Cloud, CRM, Digital agency, Engineering.

BFS-Direct is registered with Insurance Regulatory and Development Authority of India as a composite Corporate Agent (CA0551) for distribution of insurance (life and general) products in India. The Company is also registered with SEBI through its Investment Advisory Department as an Investment Advisor (INA000016083) through which it offers various financial products and services to its customers. These are channelized through its partners listed on its digital platform.

Financial Summary

The highlights of the financial results of the Company for the year ended 31 March 2025 are given below:

(Rs. in crore)

Particulars	For the year ended on 31 March 2025	For the year ended on 31 March 2024
Total Income from operations	598.43	475.14
Less: Expenditure excluding depreciation	576.70	491.04
Less: Depreciation	70.55	56.73
Profit / (Loss) before Tax	(48.82)	(72.63)
Less: Provision for Tax – Current	-	-
Less: Deferred tax	-	-
Profit / (Loss) After Tax	(48.82)	(72.63)
Add: Other comprehensive income	-	-
Add: Actuarial gain/(losses)	(0.87)	(0.12)
Less: Tax on above	-	-
Other comprehensive income for the year (net of tax)	(0.87)	(0.12)
Total comprehensive income / (Loss) for the year	(49.69)	(72.75)

Dividend and transfer to reserves

Considering the operating and accumulated losses, no dividend is being recommended, nor any amount is proposed for transfer to reserves.

Share Capital

During the year under review, following changes in share capital of the Company are made:

- The shareholders vide an ordinary resolution passed at its meeting held on 7 March 2025, increased the authorized capital from Rs. 3,50,00,000 (Rupees Three Crore Fifty Lakh) divided into 35,00,000 equity shares of face value of Rs.10/- (Rupees Ten only) to Rs. 500,00,00,000 (Rupees Five Hundred Crore) divided into 50,00,00,000 equity shares of face value of Rs.10/- (Rupees Ten only).
- The Company converted its outstanding loans into equity, thereby increasing the issued, subscribed and paid-up equity share capital. The equity share capital stood at Rs. 3,27,41,04,000 (Rupees Three Hundred and Twenty-Seven Crore Forty-One Lakh and Four Thousand only) represented by 32,74,10,400 equity shares of face value Rs.10/-. As on 31 March 2025, Bajaj Finserv Limited and Bajaj Finance Limited hold 80.10% and 19.90% of the paid-up share capital respectively.

During the year under review, the Company has not issued any convertible securities, shares with differential voting rights, sweat equity shares nor has it granted any stock options.

Subsidiaries, Associates and Joint Ventures

The Company does not have any subsidiary, associate or a joint venture company. Accordingly, the requirement of attaching form AOC-1 is not applicable to the Company.

During the year, no company has ceased to be subsidiary, associate or a joint venture of the Company.

State of Affairs

The Company witnessed 29% increase in revenue from operations on the back of 24% rise in income from distribution business and 22% rise in technology services business. It remains well funded for its future plans.

Directors and Key Managerial Personnel

Change in Directorate:

1. During the year under review, the Board, appointed Anurag Chottani (DIN:09804643) as an Additional, Non-executive and Non-Independent Director, liable to retire by rotation, with effect from 1 August 2024. His appointment is subject to shareholders approval at the ensuing Annual General Meeting (AGM).
2. During the year under review, the Board, re-appointed Sujith Sukumaran (DIN:09234416) as a Whole-time Director of the Company for a term of three (3) consecutive years from 1 November 2024 to 31 October 2027 subject to approval of shareholders. The re-appointment was further approved by shareholders at their Extraordinary General Meeting held on 23 October 2024.

The Board comprises of persons with diverse experience and skills, such that it best serves the governance and strategic needs of the Company and its stakeholders. The present composition broadly meets this objective.

A brief profile of directors is available on the website at www.bajajfinservmarkets.in/aboutus.

The Board at its meeting held on 28 April 2025, redesignated Ashish Panchal (DIN:10106286), as the Managing Director (MD) and Chief Executive Officer of the Company effective 1 May 2025. His appointment as MD is subject to approval of shareholders at the ensuing AGM.

Retirement by Rotation:

Ashish Panchal, being the director liable to retire by rotation, offers himself for re-appointment at the ensuing AGM. The information as required to be disclosed in case of re-appointment of the director is provided in the Notice of the ensuing AGM.

Key Managerial Personnel (KMP):

During the year under review, the Board, appointed Anshuman Mishra (ICAI MRN: 403752) as the Chief Financial Officer and Whole-time Key Managerial Personnel of the Company effective 1 February 2025.

Declaration by Independent Directors

The Independent Directors have submitted a declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act. They have also confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of independent directors.

Annual Return

A copy of the Annual Return as provided under section 92(3) read with section 134(3)(a) of the Act in the prescribed Form MGT-7 is available on the Company's website and can be accessed at www.bajajfinservmarkets.in/legal-and-compliance/MGT-9 and <https://www.bajajtechnologyservices.com/investor-relation>

Number of meetings of the Board

During the FY2025, the Board of Directors met five times, viz., 23 April 2024, 23 July 2024, 18 October 2024, 27 January 2025 and 7 March 2025. The time gap between any two consecutive meetings has been less than one hundred and twenty days.

As on 31 March 2025, the composition of the Board was as under:

Sr. No.	Name of Director	Category
1	Anish Amin	Non – Executive Director, Chairman
2	Mayur Chokshi	Non – Executive, Independent Director
3	Mayur Patwardhan	Non – Executive, Independent Director
4	Jasmine Chaney	Non – Executive, Independent Director
5	Ashish Panchal	Whole – Time Director and CEO
6	Sujith Sukumaran	Whole – Time Director
7	Anurag Chottani**	Additional, Non-executive, Non-Independent Director

**Anurag Chottani was appointed as the Additional Director of Board effective 1 August 2024.

Directors' responsibility statement

In accordance with the provisions of section 134(3)(c) of the Companies Act, the directors, to the best of their knowledge and belief, state that:

- (i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for FY2025;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that, to the best of their knowledge, such systems were adequate and were operating effectively.

Audit Committee

In terms of section 177 of the Companies Act, 2013, the Company has constituted Audit Committee. During the year under review, the Committee met four times, viz., 23 April 2024, 23 July 2024, 18 October 2024 and 27 January 2025.

As on 31 March 2025, the composition of the Committee was as under:

Sr. No.	Name of Director	Category
1	Mayur Patwardhan	Chairman, Non – Executive, Independent Director
2	Mayur Chokshi	Non – Executive, Independent Director
3	Anish Amin	Non – Executive Director

All members of the Committee are Chartered Accountants having worked with reputed firms and have vast experience in assurance and auditing practices.

The terms of reference of the Committee, *inter alia*, cover recommendation for appointment, remuneration and terms of appointment of auditors of the company, reviewing and monitoring the auditor's independence, performance and effectiveness of audit process, examination of the financial statements and auditors report thereon, approval and subsequent modification of transactions with related parties, scrutiny of inter corporate loans and investment, evaluation of internal financial controls and risk management systems, monitoring end use of funds raised through public offers and any other function as may be prescribed by the Board from time to time.

The Board accepted all recommendations, made during the year, by the Audit Committee.

Nomination and Remuneration Committee

In terms of section 178 of the Companies Act, 2013, the Company has constituted Nomination and Remuneration Committee. During the year under review, the Committee met Three times, viz., 23 April 2024, 23 July 2024 and 18 October 2024 respectively.

As on 31 March 2025, the composition of the Committee was as under:

Sr. No.	Name of Director	Category
1.	Mayur Chokshi	Chairman, Non – Executive, Independent Director
2.	Mayur Patwardhan	Non – Executive, Independent Director
3.	Anish Amin	Non – Executive Director

The terms of reference of the Committee, *inter alia*, cover identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommendation to the Board regarding their appointment and removal, formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board policy relating to the remuneration for the directors, key managerial personnel and other employees, specification of the manner for effective evaluation of the performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance, and any other function as may be prescribed by the Board from time to time.

Policy on Directors' appointment and remuneration

On recommendation of the Nomination and Remuneration Committee (NRC), the Board has framed a remuneration policy. This policy, *inter-alia*, provides:

- (a) The criteria for determining qualifications, positive attributes and independence of directors; and
- (b) Policy on remuneration of directors, key managerial personnel and other employees.

The policy is directed towards a compensation philosophy and structure that will reward and retain talent; and provides for a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The remuneration policy is available on the Company's website and can be accessed at www.bajajfinservmarkets.in/content/dam/bajajfinserv/notices/RemunerationPolicy.pdf and Remuneration Policy V1

The Independent Directors are paid a sitting fee of Rs. 5,000/- for Board and Committee meetings attended by them.

Particulars of Loans, Guarantees and Investments

The Company has not granted any loans or provided any guarantees or securities under section 186 of the Act.

Details of investments made are a part of notes to financial statements which form part of the Annual Report.

Employee Stock Option Scheme

The Company does not have in place an Employee Stock Option Scheme. Employees of the Company are eligible to receive of stock options from Bajaj Finserv Limited, listed holding company.

Related party transactions

All contracts/arrangement/transactions entered by the Company with related parties during the year under review were in compliance with the applicable provisions of the Act including on arm's length basis and in the ordinary course of business of the Company under the Act. None of the transactions required members' prior approval under the Act.

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

Material Changes and Commitments

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year and the date of this Report.

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to the conservation of energy and technology absorption in terms of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is stated as below:

(a) Conservation of Energy and Technology Absorption

The operations of the Company are not energy-intensive in nature. Considering the nature of operations, no particulars regarding technology absorption are required to be given in this Report.

(b) Foreign Exchange earnings and outgo during the year

The total foreign exchange earnings in FY2025 in terms of actual inflows was Rs. 0.03 crore (FY2024: NIL).

The total foreign exchange outgo in FY2025 in terms of actual outflows amounted to Rs. 11.21 crore as against Rs 4.04 crore in FY2024.

Risk Management

The Company has put in place an adequate and effective risk reporting system. In the opinion of the Board, there are no residual risks, which would threaten the existence of the Company.

Significant and material orders passed by the regulators or courts

During the year under review, there were no significant or material orders passed by any regulator or court or tribunal, impacting the going concern status and Company's operations in future.

Adequacy of Internal Financial Controls

The Company has in place adequate internal financial controls commensurate with its size, scale and complexity of operations with reference to its financial statements. These have been designed to provide reasonable assurance regarding recording and providing reliable financial information, ensuring integrity in conducting business, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. The Audit Committee and Board reviewed the said controls and found them in order.

Independent directors' meeting

Pursuant to the Act, the independent directors must hold at least one meeting in a year without the presence of non-independent directors and members of the Management. Accordingly, independent directors of the Company met on 15 January 2025. All the independent directors were present at the meeting.

The independent directors, *inter alia*:

- reviewed the performance of non-independent directors and the Board as a whole;
- reviewed the performance of the Chairman of the Company for the financial year 2024-25 taking into account the views of the executive directors; and
- assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Formal annual evaluation

Pursuant to section 178 of the Act, the NRC and Board have decided that the evaluation shall be carried out by the Board only and the NRC will only review its implementation and compliance. Further, as per Schedule IV of the Act, the performance evaluation of independent directors shall be done by the entire Board excluding the director being evaluated.

On the basis of the report of the performance evaluation, it shall be determined whether to extend or continue the term of appointment of independent director.

Accordingly, the Board has carried out an annual performance evaluation of its own performance, that of its Committees and Individual directors.

The manner in which formal annual evaluation of performance was carried out by the Board for the financial year 2024-25 is given below:

- Based on the criteria for performance evaluation, a questionnaire-cum-rating sheet was deployed using an IT platform for seeking confidential feedback of the directors with regard to the performance of the Board, its Committees, Independent directors and Individual directors.
- From the individual ratings received from the directors, a report on summary of ratings in respect of performance evaluation for the year 2024-25 and a consolidated report thereof were arrived at. The aforesaid report was then discussed and noted by the Board at its meeting held on 28 April 2025.
- The NRC reviewed the implementation and compliance of the performance evaluation at its meeting held on 28 April 2025 and opined these to be compliant with applicable provisions and found it to be satisfactory.
- Based on the aforementioned report and evaluation, the Board determined that the term of appointment of all independent directors may continue.
- Other than Chairman of the Board and Chairman of NRC, no other director had access to the individual ratings given by directors.

Whistle blower policy

The Whistle Blower Policy is created with an objective to provide a safe and secured framework wherein the employee can report those actions, occurrences, events, observations or any concerns about unethical behaviour, any actual or suspected fraud, violations of legal or regulatory requirements or Code of Conduct Policy of Company, misrepresentations or any physiologically adverse work conditions etc. without fear of victimization.

The concerns may be reported through email at bfdlwhistleblower@bajajfinserv.in and shall be kept confidential. Pursuant to the Whistle Blower Policy, the complaints, if any, are brought to their attention of Disciplinary Action Committee. The Committee deals with the same in accordance with the Policy. All the complaints brought to their attention and the actions taken and progress status of each complaint is placed quarterly to the Audit Committee and Board.

Secretarial Standards of ICSI

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

Internal Audit

Internal audit is an integral part of corporate governance. The objective of internal audit is to identify, assess and mitigate risks as well as to evaluate and contribute to the systems of internal controls and governance processes followed by the Company. Key elements of internal audit are assurance on controls, governance and compliance, business risk assessment and its mitigation and process optimization.

The Audit Committee approves the Internal Audit plan for each quarter at the commencement of the financial year. Significant audit observations, corrective and preventive actions thereon are presented to the Audit Committee on a quarterly basis. The Committee reviews the internal audit observations and the adequacy and effectiveness of internal controls and systems.

During FY2025, Jayesh Kulkarni stepped down as the internal auditor of the Company with effect from 31 January 2025 and Ms. Vedvati Kulkarni, Principal – Internal Audit, was appointed as Internal Auditor of the Company w.e.f. 1 February 2025.

Auditors

Statutory Auditors

Shareholders at the AGM held on 25 July 2022, appointed KKC & Associates LLP, Chartered Accountants, as Statutory Auditor for a term of four years i.e. from the conclusion of 8th AGM till the conclusion of 12th AGM.

The statutory audit report for the FY2025, does not contain any qualification, reservation or adverse remark or disclaimer.

Secretarial Auditor

Pursuant to the provisions of section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed Sachin Bhagwat, Practicing Company Secretary (ACS No. A10189, CP No.6029), to undertake secretarial audit of the Company for FY2025.

The secretarial audit report for the FY2025, does not contain any qualification, reservation or adverse remark or disclaimer. The same is annexed to this Report.

Dematerialisation of Shares

In terms of Rule 9A of Companies (Prospectus of Securities) Rules, 2014, the Company has entered into tripartite agreement with National Securities Depository Ltd (NSDL) and KFin Technologies Ltd. for admission of its equity shares with NSDL. All equity shares of the Company are in dematerialised mode. The Company has complied with other conditions prescribed in the said rule.

As such transfer or any issue of shares of the company will be in dematerialised mode only. The issue of shares pursuant to conversion of loans was in dematerialized mode.

Disclosures pertaining to the sexual harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', the Company has a policy on Prevention of Sexual Harassment at Workplace and has constituted an Internal Complaints Committee. The disclosure as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is given below:

Particulars	Number of cases
Number of complaints filed during FY2025	3
Number of complaints disposed off / closed during FY2025	3
Number of complaints pending at the end of FY2025	0

Corporate social responsibility

The provisions of section 135 of the Act relating to Corporate Social Responsibility are not applicable to the Company.

Other Statutory Disclosures

- In this report, any reference to the statutory or regulatory guidelines, acts, circulars, regulations, notifications and directions, unless the context otherwise requires, be construed to include any amendments, modifications, updations or re-enactment thereof as the case may be.
- There was no change in the nature of the business of the Company.
- The financial statements of the Company are placed on the Company's website in the Annual Report section at www.bajajfinservmarkets.in/aboutus and [Investor Relation - Bajaj Technology Services](#)
- During FY2025, your Company has not accepted any deposits within the meaning of sections 73 and 74 of the Act read together with the Companies (Acceptance of Deposits) Rules, 2014 as amended.
- The Company being an unlisted company, details as required to be reported under section 197(12) of the Act, are not applicable to the Company.
- During the year under review, the whole-time directors were not in receipt of any remuneration or commission from Bajaj Finserv Limited, the holding company. Hence, the disclosure as required under section 197(14) of the Act is not applicable.
- Disclosure pertaining to maintenance of cost records as required under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to your Company.
- Neither any application was made, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during FY2025 against the Company.
- During the year under review, there were no frauds reported by the Secretarial Auditor or Statutory Auditors to the Audit Committee or the Board under section 143(12) of the Act.

- During FY2025, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

Acknowledgement

The Board places its gratitude and appreciation for the support and co-operation from its members, regulators and business partners. The Board also places on record its sincere appreciation for the commitment and hard work put in by the Management and the Employees.

**On behalf of the Board of Directors of
Bajaj Finserv Direct Ltd.**



Anish Amin
Chairman
DIN: 00070679
Place: Pune
Date: 28 April 2025

SECRETARIAL AUDIT REPORT

For the financial year ended 31 March, 2025

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

To,
The Members,
Bajaj Finserv Direct Limited
Bajaj Auto Limited Complex,
Mumbai-Pune Road,
Akurdi,
Pune 411035

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bajaj Finserv Direct Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Auditor's Responsibility:

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year

ended on 31 March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2025, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; *(Not applicable to the Company)*
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and external commercial borrowings did not apply to the Company during the audit period;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; *(Not applicable to the Company during the audit period)*
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(Not applicable to the Company during the audit period)*
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *(Not applicable to the Company during the Audit period)*
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(Not applicable to the Company)*
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; *(Not applicable to*

the Company during the audit period)

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not applicable to the Company)*; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not applicable to the Company)*

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has generally complied with the following law applicable specifically to the Company:

1. Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Rules, 2015;
2. Securities and Exchange Board of India (Investment Advisers) Regulations, 2013; and
3. Securities and Exchange Board of India (Intermediaries) Regulations, 2008.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India have been generally followed.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; *(Not applicable to the Company)*

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The Company had, during the period from 28 May 2018 to 5 April 2021 borrowed an amount of Rs. 1,811,000,000 (hereafter "the said loan") from Bajaj Finserv Limited, its holding company. During the said period the Company was a wholly-owned subsidiary of Bajaj Finserv Limited. It was agreed between the Company and Bajaj Finserv Limited on 11 May 2018 i.e. prior to granting of the loan that Bajaj Finserv Limited had reserved the right to convert the loan into equity shares of the Company. This option was exercised by Bajaj Finserv Limited. On 28 March 2022, an agreement between the Company and Bajaj Finserv Limited was executed by which the said loan

provided by Bajaj Finserv Limited was agreed to be converted into equity shares at par. As to whether the Company should have obtained the approval of its sole shareholder i.e. Bajaj Finserv Limited pursuant to section 62(3) of the Act prior to borrowing the said loan or whether the agreement between the Company and Bajaj Finserv Limited prior to granting of loan that the later reserves the right to convert the loan into equity shares followed by an agreement of 28 March 2022 tantamount to substantial compliance of Section 62(3) of the Act, the Company has obtained a legal opinion which states that what is material is the compliance and not the form of compliance based on Duomatic principle. The legal opinion gives reference to judgements of the courts holding that strict adherence to a statutory requirement may be dispensed with if it is demonstrated on facts that the substance of such requirement has been accomplished or fulfilled indirectly and hence the agreement between the Company and Bajaj Finserv Limited prior to granting of loan that the later reserves the right to convert the loan into equity shares followed by an agreement dated 28 March 2022 would tantamount to substantial compliance with Section 62(3) of the Act.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, woman director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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

I further report that during the audit period the following events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:

I further report that during the audit period, the Company allotted pursuant to Section 62(3) of the Companies Act, 2013, 18,11,00,000 equity shares of Rs. 10 each at par, 7,86,55,730 equity shares of Rs. 10 each at a premium of Rs. 33.46 each to its holding company Bajaj Finserv Limited and 6,45,34,670 equity shares of Rs. 10 each at a premium of Rs. 33.46 each to Bajaj Finance Limited upon conversion of loans.

CS Sachin Bhagwat
ACS: 10189, CP: 6029
UDIN: A010189G000212116
PR No.: 6175/2024

Pune, 28 April, 2025

To,
The Members,
Bajaj Finserv Direct Limited
Bajaj Auto Limited Complex,
Mumbai-Pune Road,
Akurdi,
Pune 411035

My report of even date is to be read along with this letter.

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

CS Sachin Bhagwat
ACS: 10189, CP: 6029
UDIN: A010189G000212116
PR No.: 6175/2024

Pune, 28 April, 2025