Issuer Disclaimer Clause: This private placement offer cum application letter cum General Information Document (Placement Memorandum/ Offer Document) is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be an invitation to the public for subscription to any securities under any law for the time being in force, nor a solicitation or recommendation in this regard. Multiple copies given to the same entity shall be deemed to be given to the same person and shall be treated as such. No invitation is made to any persons other than those to whom this General Information Document along with the Application Form has been sent. Any application by a person to whom the General Information Document and Application Form has not been sent may be rejected without assigning reason. This General Information Document does not constitute, nor may it be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

The person who is in receipt of this General Information Document shall maintain utmost confidentiality regarding the contents of this General Information Document and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Company. The recipient of this document agrees to hold harmless and indemnify the Company from any loss, liability, expenses, damages etc., arising out of or in connection with breach of the aforesaid restriction(s).

General Information Document as per Regulation 50A read with Schedule I of SEBI (Issue and Listing of Non- Convertible Securities) Regulations 2021 (as amended from time to time), for Private Placement Memorandum of Secured Redeemable, Non- Convertible Debenture (NCD) for cash, aggregating to Rs. 15,000 crore (Rupees Fifteen Thousand Crore Only) to be issued in various tranches including green shoe option to retain over subscription issued. The face value of each NCD shall be Rs. 1,00,000/- (Rupees One Lakh) and in case of re-issuance at the original face value as applicable, subject to any amendment(s) or modification(s) specified by SEBI in this regard from time to time.

This General Information Document shall be valid for a period not exceeding one year as the period of validity which shall commence from the date of opening of the first offer of Debentures under this memorandum.

This General Information Document read together with each Key Information Document shall be referred to collectively as the "Disclosure Document/Issue Document".

The covenants appended to this General Information Document under Annexure F and G are in accordance with the debenture trust deed executed/to be executed by the Issuer and the Debenture Trustee.

BAJAJ HOUSING FINANCE LIMITED

(Bajaj Housing Finance Limited ("**Issuer**" / "**Company**") is a public company incorporated under the Companies Act, 1956 and a Company within the meaning of Section 2(20) Companies Act 2013 identified with CIN: U65910PN2008PLC132228)

3.2 Issuer Information

a	**Name of Issuer**	Bajaj Housing Finance Limited
	Logo	BAJAJ FINSERV
	CIN	U65910PN2008PLC132228
	PAN	AADCB6018P
	Date and Place of Incorporation	13 June 2008, Pune - Maharashtra
	Latest Registration / Identification No.	09.0127.15 dated 24 September 2015 issued by NHB under section 29A of the National Housing Bank Act, 1987.
	Registered Office	Bajaj Auto Limited Complex Mumbai-Pune Road, Akurdi Pune 411035.
	Corporate Office	B2, 5th Floor, Cerebrum IT Park, Kumar City, Kalyani Nagar, Pune 411014.
	Tel. No.	+91 20 7187 8060
	Website	https://www.bajajhousingfinance.in
	E-mail address	bhflinvestor.service@bajajfinserv.in
b	**Compliance Officer & Company Secretary**	**Atul Patni** 5th Floor, B2, Cerebrum IT Park, Kumar City, Kalyani Nagar, Pune 411014. Contact No. +91 20 7187 8060 Email ID: atul.patni@bajajfinserv.in
	Chief Financial Officer	**Gaurav Kalani** Contact No. 020-7187 8008 Email ID: gaurav.kalani@bajajfinserv.in
	Promoter	**Bajaj Finance Limited** Contact No. 020-71576072 Email ID: investor.service@bajajfinserv.in
c	**Debenture Trustee** CATALYST Believe In Yourself... Trust Us! CIN: U74999PN1997PLC110262	**Catalyst Trusteeship Limited** Mr. Umesh Salvi, MD GDA House, S No.94/95, Plot No.85, Bhusari Colony (Right), Paud Road, Pune – 411 038 Tel No.:(020) 266807200/7233/7244 www.catalysttrustee.com ComplianceCTL-Mumbai@ctltrustee.com
	Statutory Auditors G.D.Apte & Co. Chartered Accountants	**KHANDELWAL JAIN & CO.** **CHARTERED ACCOUNTANTS** Shailesh Shah, Partner 12-B, Baldata Bhavana, 5th floor, 117, M. Karve Road, Churchgate Mumbai- 400 020. Contact: +91 22 43116000 Email ID: kjco@kjco.net **G. D. APTE & CO.** **CHARTERED ACCOUNTANTS** Umesh S. Abhyankar, Partner GDA House, Plot No.85, Right Bhusari Colony, Paud Road, Pune – 411 038. Contact: +91 20 2528 0081 Email ID: audit@gdaca.com

	Credit Rating Agency for this issue	**CRISIL Ratings Limited (A subsidiary of CRISIL Limited)** Krishnan Sitaraman CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400 076 Tel: +91 22 3342 3000 Fax: +91 22 4040 5800 www.crisilratings.com crisilratingdesk@crisil.com
d	**A disclosure that a copy of the issue document has been delivered for filing to the Registrar of Companies as required under sub-section (4) of Section 26 of Companies Act, 2013 (18 of 2013).**	Not applicable, since issue is made through private placement basis.
e	**Date of issue document and Type of Issue document**	14 September 2023 General Information Document for Secured Redeemable Non-Convertible Debentures
f	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	Kindly refer relevant Key Information Document
g	**The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus under section 31 of the Companies Act, 2013 (18 of 2013)**	Not applicable, since issue is made through private placement basis.
h	**Registrar for the Issue**	**KFin Technologies Limited** Mr. Srinivas Sudheer Venkatapuram, VP – Corporate Registry Selenium Tower B, Plot No.31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Tel: 040- 67162222; Fax: 040- 44655024 Website: https://www.kfintech.com/ Email: srinivassudheer.venkatapuram@kfintech.com
I	**The Issue schedule** **(i) Date of opening of the issue;** **(ii) Date of closing of the issue;** **(iii) Date of earliest closing of the issue, if any**	Kindly refer relevant Key Information Document
j	**The Credit rating for the issue (cross reference of press release be provided);**	Link provided on page no.5 under point 3.3.3.
	All the ratings obtained for the private placement;	Crisil Limited — CRISIL AAA/Stable
k	**The name(s) of the stock exchanges where the securities are proposed to be listed**	Non-Convertible Debentures to be issued under this Document are intended to be listed on the wholesale debt market segment of BSE Limited ("**BSE**").
l	**The details of eligible investors**	• Companies and Bodies Corporate including Public Sector Undertakings • Commercial Bank, • Regional Rural Banks, • Financial Institutions, • Insurance Companies, • Non-banking finance companies (NBFCs) and Residuary NBFCs • Mutual funds

		• Foreign institutional investors • Foreign portfolio investors as permitted under the SEBI (Foreign Portfolio Investors) Regulations, 2014 • Venture Capital Funds • National Investment Funds • Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their investment guidelines • Any other investor authorized to invest in these Debentures as per Companies Act, 2013 or SEBI Regulation
m	**Coupon /~~dividend~~ rate, Coupon/~~dividend~~ payment frequency, redemption date, redemption amount and details of debenture trustee**	Kindly refer relevant Key Information Document and for details of Debenture Trustee refer point 3.2.c
n	**Details about underwriting of the issue including the amount undertaken to be underwritten by underwriters**	Not applicable
o	**Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the Issue Document on the Electronic Book Provider Platform**	The Issue shall be open for bidding and subscribed to in accordance with the guidelines issued by SEBI and the Stock Exchanges pertaining to the procedure of Electronic Book Mechanism set out in the terms specified by the Operational Circular, and the related operational guidelines issued by the concerned Electronic Book Provider, as may be amended, clarified or updated from time to time.
	Annexure to General Information Document	1. Summary of the financial position of the Company and Audited Cash Flow Statement for the three financial years: - **Annexure A** 2. Board and Shareholders Resolution Authorized: - **Annexure B** 3. Consent letter from Debenture Trustee: **Annexure C** 4. Credit Rating Letter: - **Annexure D** 5. Events of Defaults:- **Annexure E** 6. Covenants of DTD and DOH:- **Annexure F** 7. Terms and condition of Debenture Trustee Agreement: - **Annexure G** 8. Due Diligence Certificate from Trustee:- **Annexure H** 9. Last three year's Audited Financial Statement: - **Annexure I** 10. ALM statement:- **Annexure J** 11. Auditors certificate under para 63.2 of RBI Master Direction -NBFC-HFC Directions, 2021:- **Annexure K** 12. Summary of Term Sheet: **Annexure L**

3.3.1 Issuer's Absolute Responsibility:

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this issue document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the issue document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading."

3.3.2 Details of Promoters of the Issuer:

(a) Profile of promoter

Name	Date Incorporation	Registered Address	PAN	Financial Activities
Bajaj Finance Limited	25 March 1987	Akurdi, Pune – 411 035	AABCB1518L	NBFC

(b) A declaration confirming that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non- convertible securities are proposed to be listed, at the time of filing the draft offer document: -

We confirm that the requisite details for promoters, to the extent applicable and directors have been submitted to stock exchange at the time of seeking in-principal approval.

3.3.3. Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue:

Name	**Rating**	**Outlook**	**Date**
Crisil Limited	AAA	Stable	5 September 2023

The Company will ensure that the above rating would remain valid as on the date of issuance and listing of Debentures issued under this General Information Document.

Link of press release to be given:
https://www.crisil.com/en/home/our-businesses/ratings/company-factsheet.BAHOFL.html

3.3.4. Name (s) of the stock exchange(s) where the non-convertible securities (NCDs) are proposed to be listed and the details of their in-principal approval for listing obtained from these stock exchange(s).:

The NCDs are proposed to be listed on BSE Limited. The General Information Document has been submitted on BSE portal for in-principal approval.

3.3.5. If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being or has been created, as specified by the Board.

The NCDs are proposed to be listed on BSE Limited.

Details of recovery expense fund:

Name of Designated Stock Exchange	**Recovery Expenses Fund**	**Date**
BSE Ltd.	Rs. 25 lakh	Bank Guarantee dated 12 January 2022.

3.3.6. The following details regarding the issue under the "Issue Schedule", have been mentioned below:

Particulars	**Date**
Issue Opening Date	As per relevant Key Information Document
Issue Closing Date	
Pay in Date	
Deemed Date of Allotment	

3.3.7. Name, logo, addresses, website URL, email address, telephone number and contact person of

a) Legal counsel, (if any): Nil
b) Merchant banker and Co-managers to the issues, (Not applicable for private placement. However, if appointed, to be disclosed): Nil
c) Legal advisor, (applicable in case of public issue): Nil, as it's private placement
d) Bankers to the issue, (applicable in case of public issue): Nil, as it's private placement
e) Sponsor bank, (applicable in case of public issue): Nil, as it's private placement
f) Guarantor, if any: Nil
g) Arrangers, if any: Nil

3.3.8. About the Issuer

a) Overview and a brief summary of the business activities of the Company;

Bajaj Housing Finance Ltd. ('BHFL' or 'the Company') is registered with National Housing Bank ('NHB') as a Housing Finance Company ('HFC') engaged in the business of mortgage lending since 2017-18. The Company received a Certificate of Registration (not valid for acceptance of public deposits) from the National Housing Bank ("NHB") dated 24 September 2015 to carry on the business of a housing finance institution. It is a wholly-owned subsidiary of Bajaj Finance Limited ('BFL'). The Company offers finance to individuals as well as corporate entities for the purchase and renovation of homes or commercial spaces. It also provides loans against property for business or personal needs. The Company also offers finance to developers engaged in the construction of residential and commercial properties as well as lease rental discounting to developers and high net-worth individuals.

b) Structure of the group;

The Company is wholly owned subsidiary of Bajaj Finance Ltd. ('BFL'). The Company is managed by the Board of Directors who has appointed **Shri Atul Jain** as **Managing Director** of the Company.

c) A brief summary of the business activities of the subsidiaries of the Company;

Not Applicable as the Company does not have subsidiary.

d) Details of branches or units where the issuer carries on its business activities as on 30 June 2023:

Branches / Units: 206

e) Project cost and means of financing, in case of funding of new projects: Not Applicable

3.3.9. Expenses of the Issue:

Expenses of the Issue: Expenses of the issue along with a break-up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:

Sr No.	**Expenses**	**Amount (Rs.) #**	**% of total issue expense**	**% of total issue size**
1	Lead manager(s) fees*	-	-	-
2	Underwriting commission*	-	-	-
3	Brokerage, selling commission and upload fees	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs		
4	Fees payable to Registrar to the issue			
5	Fees payable to the legal Advisors*	-	-	-
6	Advertising and marketing expenses*	-	-	-
7	Fees payable to regulators including stock exchanges	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs		
8	Expenses incurred on printing and distribution of issue stationary	-	-	-
9	Any other fees, commission or payment under whatever nomenclature	37,50,000.00	100.00%	0.0025%
Total		**37,50,000.00**		

*Not Applicable, since the issue is made on private placement basis under section 42 of the Companies Act, 2013.

3.3.10. Financial Information:

a) The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) standalone basis for a period of three completed years. Such financial statements are audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").

Audited Financial Statements are attached as **Annexure I**.

Peer Review Certificate No. of Statutory Auditors:

Khandelwal Jain & Co. – 014497 (For FY 2021-22 and FY 2022-23 as Joint Statutory Auditor)
G D Apte & Co. – 012341 (For FY 2021-22 and FY 2022-23 as Joint Statutory Auditor)
S R B C & CO LLP – 012054 (For FY 2020-21)

b) Financial Results for the period ended 30 June 2023 with Limited Review Report is attached in **Annexure I.**

c) Not Applicable

d) financial statements shall be accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.: attached as **Annexure I**.

For Financial Sector Entities:

e) Key Operational and Financial Parameters for the last three audited years

Balance Sheet	**FY2023**	**FY2022**	**FY 2021**
Assets			
Property, plant and equipment	84.92	78.09	64.32
Financial Assets	64,528.93	48,393.32	37,746.37
Non-financial assets Excl. Property, plant and equipment	40.29	55.67	47.69
Total assets	**64,654.14**	**48,527.08**	**37,858.38**
Liabilities			
Financial liabilities			
-Derivative financial instruments	-	-	-
-Trade payables	118.97	74.58	42.18
-Debt securities	19,914.92	16,489.15	11,332.08
-Borrowings (other than debt securities)	33,654.70	24,493.17	20,268.52
-Deposits	175.77	510.00	-
-Other financial liabilities	211.62	174.42	151.14
Total financial liabilities	**54,075.98**	**41,741.32**	**31,793.92**
Non-financial liabilities			
-Current tax liabilities (net)	16.17	20.06	7.39
-Provisions	15.63	4.05	2.29
-Deferred tax Liabilities (net)	28.27	-	-
-Other non-financial liabilities	14.90	20.29	22.56
Total non-financial liabilities	**74.97**	**44.40**	**32.24**
Equity (equity and other equity)	**10,503.19**	**6,741.36**	**6,032.22**
Total equity and liabilities	**64,654.14**	**48,527.08**	**37,858.38**
Profit and Loss			
Revenue from operations	5,664.73	3,766.66	3,154.70
Other income	0.71	0.47	0.58

Total income	5,665.44	3,767.13	3,155.28
Total Expenses	**3,965.38**	**2,807.27**	**2,542.10**
Profit / loss after tax	**1,257.80**	**709.62**	**453.19**
Other Comprehensive income	4.15	-0.48	0.95
Total Comprehensive Income	**4.15**	**-0.48**	**0.95**
Earnings per equity share:			
Basic (₹)	1.88	1.45	0.93
Diluted (₹)	1.88	1.45	0.93
Cash Flow			
Net cash (used in) / generated from operating activities	-14,331.77	-12,480.53	-5,075.77
Net cash (used in) / generated from investing activities	-611.44	2,197.32	-797.04
Net cash (used in) / generated from financing activities	14,630.06	10,228.46	5,675.87
Net Increase/Decrease in Cash and cash equivalents	93.88	407.03	461.78
Cash and cash equivalents as per cash flow statement	93.88	407.03	461.78
Additional information			
Net worth	10,503.19	6,741.36	6,032.22
Cash and Cash Equivalents	93.88	407.03	461.78
Loans	62,113.89	46,482.07	33,418.90
Loans (Principal Amount)			
Total Debts to Total assets	0.83	0.86	0.83
Interest Income	5,269.24	3,481.75	2,877.43
Interest Expense	3,211.32	2,155.31	1,965.87
Impairment on financial instruments	123.50	181.07	247.21
Bad Debt to Loans	NA	NA	NA
% Stage 3 Loans on Loans (Principal loan)	0.22%	0.31%	0.35%
% Net Stage 3 Loans on Loans (Principal Amount)	0.08%	0.14%	0.22%
Tier I Capital Adequacy Ratio (%)	22.19%	18.95%	20.70%
Tier II Capital Adequacy Ratio (%)	0.78%	0.76%	0.63%

f) Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability - refer annual report FY2023 Note No. 41 page no. 127.

g) The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued- **Nil**

- Dividend declared by the company in respect of the said three financial years: **Nil**
- Interest coverage ratio for last three years (Cash profit after tax plus interest paid / interest paid): Not Applicable
- Abridged version of Audited Financial Information (P&L, BS and CF) for last three years and auditor qualifications, if any: **Annexure - A**
- Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer document: **Annexure – A**

- Audited Cash Flow Statement for the three years immediately preceding the date of circulation of Prospectus: **Annexure - A**

- Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company:

  The Company had adopted Ind AS from 1 April 2018 with an effective date of 1 April 2017 for such transition. For periods up to and including the year ended 31 March 2018, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). In the last three financial years, no material change in the accounting policy has been done which materially impacts the financial statements. Investors can also refer to the summary of accounting policy section of the Annual report.

- Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.,) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities:

  Refer notes to accounts (note-41 for Contingent liabilities of the FY23 annual report) of Bajaj Finance Limited, Promoter.

3.3.11. A brief history of the Issuer since its incorporation giving details of its following activities:-

Brief history of the Company:

Bajaj Housing Finance Limited was incorporated, as a wholly owned subsidiary of Bajaj Finserv Limited; on 13 June 2008 with the main object of undertaking, inter alia, distribution of financial products and to act as corporate agent under the provisions of IRDA Act, 1999. In 2014, consequent to the transfer of shares from Bajaj Finserv Limited to Bajaj Finance Limited (BFL), the Company became wholly owned subsidiary of Bajaj Finance Limited. The Company, on 10 November 2014, has amended its Memorandum of Association and Articles of Association to enable it to carry on housing finance business and allied activities. The name of the Company was changed from Bajaj Financial Solutions Limited to Bajaj Housing Finance Limited w.e.f. 14 November 2014. The Company is registered with National Housing Bank as a housing finance institution without accepting public deposits with effect from 24 September 2015.

a. Details of Share Capital as at last quarter end: 30 June 2023

Capital structure of the Company

As on 30 June 2023, the authorized share capital of the Company was Rs. 8,000 Crore and the issued, subscribed and paid-up share capital was Rs. 6,712.156 Crore.

The capital structure and share premium account of the Company as on last quarter ended 30 June 2023 is provided below:

Share Capital	**Amount (Rs.)**
Authorised share capital 8,00,00,00,000 Equity shares of face value Rs.10	80,00,00,00,000.00
Issued & Subscribed capital 67,121,55,564 Equity shares of face value Rs.10	67,121,555,640.00
Paid-up 67,121,55,564 Equity shares of face value Rs.10 (Since the present issue is of Non- Convertible Debentures, there will be no change in the Paid-up Share Capital after the present issue)	67,121,555,640.00
Share Premium Account	8,37,71,94,263.70

b. Changes in its capital structure as at last quarter end, for the preceding three financial years and current financial year: -

Date of Change (AGM/EGM)	Particulars
18 January 2022 (EGM)	Increase in authorised capital from Rs. 60,00,00,00,000 to Rs. 80,00,00,00,000 consisting of 8,00,00,00,000 equity shares of Rs. 10.

c. Equity Share Capital History of the Company, for the preceding three financial years and current financial year: -

Date of allotment of the Equity Shares	No. of Equity Shares	Total Nominal Amount	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than Cash, etc.)	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (Rs.)	Cumulative Share Premium before adjustment (Rs.)	Adjusted Cumulative Share Premium (Rs.)
7 May 2008	20,00,000	200,00,000	10	10	Cash	Subscriber to the MOA	20,00,000	200,00,000	Nil	Nil
27 March 2010	1,90,00,000	1,900,00,000	10	10	Cash	Preferential issue	2,10,00,000	2,100,00,000	Nil	Nil
19 April 2011	90,00,000	900,00,000	10	10	Cash	Preferential issue	3,00,00,000	30,00,00,000	Nil	Nil
07 March 2012	90,00,000	900,00,000	10	10	Cash	Preferential issue	3,90,00,000	39,00,00,000	Nil	Nil
12 December 14	110,00,000	11,00,00,000	10	10	Cash	Rights issue	5,00,00,000	50,00,00,000	Nil	Nil
21 June 2016	30,00,00,000	300,00,00,000	10	10	Cash	Rights issue	35,00,00,000	350,00,00,000	Nil	Nil
6 February 2018	1,20,00,00,000	12,00,00,00,000	10	10	Cash	Rights issue	1,55,00,00,000	15,50,00,00,000	Nil	Nil
19 September 2018	1,00,00,00,000	10,00,00,00,000	10	10	Cash	Rights issue	2,55,00,00,000	25,50,00,00,000	Nil	Nil
25 March 2019	1,00,00,00,000	10,00,00,00,000	10	10	Cash	Rights issue	3,55,00,00,000	35,50,00,00,000	Nil	Nil
5 February 2020	1,333,333,329	13,333,333,290	10	11.25	Cash	Rights issue	4,88,33,33,329	48,833,333,290	Nil	1,666,666,710
7 April 2022	1,828,822,235	18,288,222,350	10	13.67	Cash	Rights issue	6,71,21,55,564	67,121,555,640	8,37,84,44,263.7	**8,37,71,94,263.7

** Since the present issue is of Non- Convertible Debentures, there will be no change in the share premium account after the present issue

d. Details of any Acquisition of or Amalgamation with any entity in the last 1 year: - **Nil**

e. Details of any Reorganization or Reconstruction in the last 1 year: - **Nil**

f. Details of the shareholding of the Company as at the latest quarter end, as per the format specified under the listing regulations as on 30 June 2023: -

Sr. No.	Name of Share Holders	Total No. of Equity Shares (of face value Rs. 10)	% of Holding
1.	Bajaj Finance Limited	6,71,21,54,964	100.00
2.	Bajaj Finance Limited jointly with Shri Sanjiv Bajaj	100	0.00
3.	Bajaj Finance Limited jointly with Shri Madhur Bajaj	100	0.00

Sr. No.	Name of Share Holders	Total No. of Equity Shares (of face value Rs. 10)	% of Holding
4.	Bajaj Finance Limited jointly with Shri Rajiv Bajaj	100	0.00
5.	Bajaj Finance Limited jointly with Shri Rajeev Jain	100	0.00
6.	Bajaj Finance Limited jointly with Shri V Rajagopalan	100	0.00
7.	Bajaj Finance Limited jointly with Shri Atul Jain	100	0.00
	Total	**6,71,21,55,564**	**100.00**

Shares pledged or encumbered by the promoter (if any): **Nil**

Pre-issue and post-issue shareholding pattern of the Company: Not Applicable

g. List of top 10 holders of equity shares of the Company as at the latest quarter end: - as on 30 June 2023

S. No.	Name of the shareholders	Total no of Equity Shares	No of shares in demat form	Total shareholding as % of total no of equity shares
1	Bajaj Finance Ltd	6,71,21,55,564*	6,71,21,54,964	100%

Note: *Out of the total number of equity shares held, 600 shares are held jointly (100 shares each, held by Bajaj Finance Limited jointly with six individuals)

3.3.12 Following details regarding the directors of the Company: -

The Board of the Company comprises of 1 Executive Director, 5 Non-executive Directors out of which 3 are Independent Directors

a. Details of the current directors of the Company:

Sr. No.	Name, Designation and DIN	Age (years)	Address	Director of the Company since	Details of other Directorship
1	Sanjivnayan Rahulkumar Bajaj Designation: Non-Executive Director - Chairman Occupation: Industrialist DIN: 00014615 Nationality: Indian	53	Bungalow No. 4, Bajaj Vihar Colony, Bajaj Auto Ltd. Complex, Mumbai Pune Road, Akurdi, Pune-411035	22 January 2018	Listed Companies: 1. Bajaj Auto Ltd. 2. Bajaj Holdings & Investment Ltd. 3. Bajaj Finserv Limited 4. Maharashtra Scooters Ltd. 5. Bajaj Finance Limited Unlisted Companies 1. Bajaj Allianz General Insurance Co. Ltd. 2. Bajaj Allianz Life Insurance Co. Ltd., 3. Bajaj Auto Holdings Ltd. 4. Bachhraj & Co Pvt. Ltd. 5. Bachhraj Factories Pvt. Ltd. 6. Bajaj Sevashram Pvt. Ltd. 7. Kamalnayan Investment & Trading Pvt. Ltd. 8. Rupa Equities Pvt Ltd. 9. Sanraj Nayan Investments Pvt Ltd. 10. Jamnalal Sons Pvt. Ltd. 11. Mahakalp Arogya Pratisthan. 12. Indian School of Business 13. Bhoopati Shikshan Pratisthar 14. Rahul Securities Pvt. Ltd. 15.Bajaj Finserv Asse Management Ltd.
2	Rajeev Jain Designation:	53	D-2, Ivy Glen, Marigold Premises,	10 November 2014	Listed Companies: 1. Bajaj Finance Limited

Sr. No.	Name, Designation and DIN	Age (years)	Address	Director of the Company since	Details of other Directorship
	Non-Executive Director - Vice Chairman Occupation: Service DIN:01550158 Nationality: Indian		Kalyani Nagar, Pune – 411 014		
3	Anami N Roy Designation: Independent Director Occupation: Social Entrepreneur, Former Civil Servant DIN: 01361110 Nationality: Indian	73	62 Sagar Tarang, Worli Sea Face, Mumbai – 400 030	19 May 2020	Listed Companies: 1. GlaxoSmithKline Pharmaceuticals Ltd. 2. Bajaj Auto Limited. 3. Bajaj Finserv Limited. 4. Bajaj Holdings & Investment Ltd 5. Finolex Industries Limited 6. Bajaj Finance Limited 7. Siemens Limited Unlisted Companies: 1. Good Host Spaces Pvt. Ltd. 2. Vandana Foundation 3. Bajaj Allianz General Insurance Co Ltd 4. Bajaj Allianz Life Insurance Co Ltd
4	Atul Jain Designation: Managing Director Occupation: Service DIN: 09561712 Nationality: Indian	51	Flat No. 1402, 212 Riverwalk S.No-2/2/18 Plot No. 59C Pune 411006	1 May 2022	-
5	Dr. Arindam Bhattacharya Designation: Independent Director Occupation: Consultant DIN: 01570746 Nationality: Indian	61	L1/4, Second floor, Haus khaz, new Delhi-110016	1 May 2022	Listed Companies: 1. Lemon Tree Hotels Limited 2. Bajaj Holdings & Investment Limited 3. Info Edge (INDIA) Limited 4. Bajaj Finance Limited Unlisted Companies: 1. Fleur Hotels Pvt. Ltd.
6	Jasmine Chaney Designation: Independent Director Occupation: Consultant DIN: 07082359 Nationality: Indian	53	FL-08, Waters Apartment, S. No. 65, Ghorpadi, Sopan Baug, Pune – 411 001	1 April 2023	Unlisted Companies: 1. L F Retail Pvt Ltd 2. Bajaj Finserv Direct Limited

None of the directors of the company are appearing in the RBI defaulters list/ECPC defaulters list.

b. Details of change in directors since last three financial years including change, if any, and in the current year:

Sr. No	Name, Designation and DIN	Date of Appointment	Date of cessation	Date of resignation	Remarks
1.	Jasmine Chaney Designation:	1 April 2023	-	-	Appointed as an Independent Director

	Independent Director DIN: 07082359				
2.	Lila Firoz Poonawalla Designation: Independent Director DIN: 00074392	-	21 January 2023	-	Ceased to be Independent Director on account of completion of term.
3.	Atul Jain Designation: Managing Director DIN: 09561712	1 May 2022	-	-	Appointed as Managing Director
4.	Rajeev Jain Designation: Vice-Chairman DIN: 01550158	1 May 2022	-	-	Recategorization from Managing Director to non- executive Director
5.	Dr.Arindam Bhattacharya Designation: Independent Director DIN: 01570746	1 May 2022	-	-	Appointed as an Independent Director
6.	Omkar Goswami Designation: Independent Director DIN: 00004258	-	09 July 2021	09 July 2021	Ceased to be Independent Director on account of resignation
7.	Omkar Goswami Designation: Independent Director DIN: 00004258	19 May 2020	-	-	Appointed as an Independent Director
8.	Anami N Roy Designation- Independent Director DIN-01361110	19 May 2020	-	-	Appointed as an Independent Director

Details of relationship with other directors: None of the directors of the Company are related to each other.

c. Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years):

(i) Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis-

FY 2022-23	For details, please refer note 53.3.6 to the Notes to financial statements for the year ended 31 March 2023 appearing on page number 155 of the Annual report of the Company for FY 2022-23
FY 2021-22	For details, please refer note 41 to the Notes to financial statements for the year ended 31 March 2022 appearing on page number 125 of the Annual report of the Company for FY 2021-22
FY 2020-21	For details, please refer note 40 to the Notes to financial statements for the year ended 31 March 2021 appearing on page number 93 of the Annual report of the Company for FY 2020-21

Notes:

1. Directors are entitled for sitting fees of Rs. 1,00,000 and Commission of Rs. 75,000.
2. Commission is released after adoption of financial statements for the financial year in the AGM
3. The Company does not have any subsidiary or associate Company

Shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis – The Company is wholly owned subsidiary of Bajaj Finance Limited. Further, the Company does not have any subsidiary or associate Company

(ii) Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company- Nil, there is no appointment of any relatives to office or place of profit in terms of section 188 of the Companies Act, 2013.

(iii) Full particulars of the nature and extent of interest, if any, of every director:

A. in the promotion of the issuer company**- Nil**

B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it- **Nil**

C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed- **Nil**

d. Contribution being made by the directors as part of the offer or separately in furtherance of such objects- Nil

3.3.13. Any financial or other material interest of the directors, promoters or key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons: **Nil**

3.3.14 Following details regarding the auditors of the Issuer: -

a. Details of the auditor of the Issuer: -

Name of the Auditor	**Address**	**Date of Appointment**
M/s. Khandelwal Jain & Co.	12-B, Baldata Bhavana, 5th floor, 117, M. Karve Road, Churchgate	16 November 2021
M/s. G. D. Apte & Co., Chartered Accountants	Windsor, 6th Floor, OfficeNo-604, C.S.T. Road, Kalina, Santacruz (East) Mumbai, Maharashtra, 400098	16 November 2021

b. Details of change in auditor for preceding three financial years and current financial year: -

Name of the Auditor	**Address**	**Date of Appointment**	**Date of cessation, if applicable**	**Date of Resignation, if applicable**
M/s. Khandelwal Jain & Co.	12-B, Baldata Bhavana, 5th floor, 117, M. Karve Road, Churchgate Mumbai, Maharashtra 400 020	16 November 2021	-	
M/s. G. D. Apte & Co., Chartered Accountants	Windsor, 6th Floor, OfficeNo-604, C.S.T. Road, Kalina, Santacruz (East) Mumbai, Maharashtra, 400098	16 November 2021	-	
S R B C & CO LLP	C-401, Ground Floor, Panchshil Tech Park, Near Don Bosco School, Yerwada, Pune – 411001	-	13 November 2021	13 November 2021

3.3.15 Details of the following liabilities of the issuer, as at the end of the preceding quarter, or if available, a later date: -

a. Details of Outstanding Secured Loan Facilities:-

Details of borrowings of the Company, as on the latest quarter end i.e., 30 June 2023:

Name of bank/Institution	**Type of facility**	**Sanction Amt (Rs. crores)**	**Present O/s (Rs. crores)**	**Repayment terms**	**Credit Rating**
ICICI Bank	CC/OD/WCDL/LOC	50.00	-	For OD - Flexible repayment. For WCDL - Maximum tenor of each tranche:180 days but within validity period of facility.	IND AAA Stable

				Minimum tenor of each tranche: 7 days.	
Kotak Mahindra Bank	CC/OD/WCDL/LOC	50.00	-	Flexible repayment tenure.	IND AAA Stable
Canara Bank	CC/OD/WCDL/LOC	50.00	50.00	In case of WCDL minimum period of 7 days and maximum of 365 days	CRISIL AAA Stable
Axis Bank	CC/OD/WCDL/LOC	50.00	-	On demand	CRISIL AAA Stable
HSBC LTD	CC/OD/WCDL/LOC	75.00	-	On demand	IND AAA Stable
Central Bank of India	CC/OD/WCDL/LOC	100.00	-	Flexible repayment tenure.	CRISIL AAA Stable
Yes Bank	CC/OD/WCDL/LOC	100.00	-	On demand	IND AAA Stable
Bank of India	CC/OD/WCDL/LOC	150.00	100.00	On demand	CRISIL AAA Stable
IndusInd Bank	CC/OD/WCDL/LOC	250.00	-	CC/WCDL - Flexible repayment tenure (WCDL loan will be for minimum duration of 2 days and maximum duration of 12 months). OD - (Tenor max. 3 days, subsequent disbursement within period of sanction will be after a cooling period of 1 day after repayment of previous tranche.	IND AAA Stable
HDFC Bank	CC/OD/WCDL/LOC	300.00	20.22	Flexible repayment tenure.	CRISIL AAA Stable
State Bank of India	CC/OD/WCDL/LOC	300.00	-	Flexible repayment tenure.	IND AAA Stable
HDFC Bank	Non Fund Base	20.00	17.90	BG Limits	NA
Bank of Baroda	Term Loan	250.00	50.00	Bullet payment at the end of 60th month from the date of disbursement of each tranche subject to total door to door tenor of the loan not to exceed 5 years 3 months.	IND AAA Stable
Canara Bank	Term Loan	300.00	200.00	Loan shall be repaid in 4 equal semi-annual instalments after moratorium period of 4 years.	IND AAA Stable
HSBC LTD	Term Loan	200.00	25.00	3 Years - Principal repayment moratorium, 8 equal quarterly instalments post moratorium.	IND AAA Stable
State Bank of India	Term Loan	2,000.00	614.00	6 months moratorium (from date of first disbursal). 12 half yearly equated instalments of Rs.154 CR each and last instalment of Rs.152 CR in case of 100% disbursement and pro-rata in case of part disbursement	CRISIL AAA Stable

Bank of Baroda	Term Loan	500.00	100.00	Repayable in 5 equal annual instalments at the end of 12th, 24th, 36th, 48th & 60th month from the date of disbursement	CRISIL AAA Stable
Union Bank of India	Term Loan	250.00	50.00	Total Door-to-door tenor of the term loan shall be 5 years and the term loan to be repaid in five equal annual instalments of Rs.50.00 Crore each.	IND AAA Stable
Union Bank of India	Term Loan	500.00	125.00	Repayable in 4 half yearly instalments after an initial moratorium period of 3 years from the drawdown of each tranche and drawdown shall be in maximum of 8 tranches within a period of 9 months from the date of sanction.	IND AAA Stable
HDFC Bank	Term Loan	150.00	28.13	Repayment in equated quarterly instalment after the moratorium period of 1 year	IND AAA Stable
Canara Bank	Term Loan	1,000.00	203.13	Loan shall be repaid in 16 equal quarterly instalments after moratorium period of 1 year	IND AAA Stable
Punjab National Bank	Term Loan	100.00	20.00	To be repaid in 5 equal annual instalments of Rs.20 cr each. 1st Instalments shall fall due on 12 months from the date of 1st disbursement.	IND AAA Stable
Union Bank of India	Term Loan	250.00	50.00	Total Door-to-door tenor of the term loan shall be 5 years and the term loan to be repaid in five equal annual instalments of Rs.50.00 Crore each.	IND AAA Stable
Kotak Mahindra Bank	Term Loan	100.00	33.33	For each tranche repayment shall be in 12 quarterly instalments with first instalment beginning at end of 27th month from date of disbursement of each tranche	IND AAA Stable
Indian Bank	Term Loan	400.00	112.50	Repayable in 16 equal quarterly instalments (payable at end) [of Rs. 25 crore each in case of single drawdown] after moratorium period of 12 months from each drawdown	IND AAA Stable
Punjab National Bank	Term Loan	150.00	50.00	Repayable in three equal yearly instalments commencing from the end of 36th month from the date of disbursement.	CRISIL AAA Stable
HSBC LTD	Term Loan	200.00	125.00	3 Years - Principal repayment moratorium, 8 equal quarterly instalments post moratorium.	IND AAA Stable
Punjab National Bank	Term Loan	150.00	75.00	Repayment shall be made by way of six half yearly instalments after moratorium of two years.	IND AAA Stable
Union Bank of India	Term Loan	500.00	208.33	Repayable in 12 quarterly instalments after initial moratorium of 2 years from the date of disbursement.	IND AAA Stable
Indian Bank	Term Loan	500.00	156.25	Repayable in 16 equal quarterly instalments after moratorium period of 12 months from each drawdown	IND AAA Stable

State Bank of India	Term Loan	2,500.00	1,615.38	18 months moratorium from date of each disbursal, Semi-annual instalments thereafter	CRISIL AAA Stable
Bank of Maharashtra	Term Loan	500.00	250.00	Four equal annual instalments falling due at the end of 2nd, 3rd, 4th & 5th year after completion of initial moratorium period of 24 months from the date of availment of each tranche	IND AAA Stable
Union Bank of India	Term Loan	200.00	80.00	Total Door-to-door tenor of 60 months from the drawdown from each tranche, TL will be repaid in 5 yearly equal instalment from the date of disbursement without any moratorium	IND AAA Stable
Kotak Mahindra Bank	Term Loan	200.00	80.00	For each tranche, loan shall be repaid in 5 equal instalments at the end of 1st,2nd,3rd,4th,5th year of drawdown of respective tranche	IND AAA Stable
IndusInd Bank	Term Loan	300.00	300.00	After moratorium period of 5 Years i.e 63rd,66th,69th etc	IND AAA Stable
Central Bank of India	Term Loan	500.00	412.50	Repayable in 4 quarterly instalments at the end of 51st, 54th, 57th and 60th month from date of first draw down. Moratorium period of 4 years (from date of first disbursement)	IND AAA Stable
Punjab National Bank	Term Loan	500.00	300.00	3 yearly instalments after 36 months of moratorium	IND AAA Stable
Canara Bank	Term Loan	1,050.00	634.18	Loan shall be repaid in 24 equal quarterly instalment after moratorium of 1 year	CRISIL AAA Stable
HDFC Bank	Term Loan	500.00	218.75	Repayment in equated quarterly instalment after the moratorium period of 5 year	IND AAA Stable
Karur Vyaysa Bank	Term Loan	125.00	15.63	Repayable in 8 quarterly instalment after moratorium of 1 year	IND AAA Stable
HDFC Bank	Term Loan	300.00	135.00	Repayment in equated quarterly instalment after the moratorium period of 5 year	IND AAA Stable
HDFC Bank	Term Loan	900.00	450.00	Repayment in equated quarterly instalment after the moratorium period of 5 year	IND AAA Stable
Federal Bank	Term Loan	750.00	600.00	End of 24th month-150 crs, End of 36th month-225 crs, End of 48th month-375 crs	IND AAA Stable
HSBC LTD	Term Loan	200.00	200.00	Door to Door tenor of 3.5 years with 3 years moratorium	IND AAA Stable
Bank of India	Term Loan	1,000.00	1,000.00	Repayable in 8 quarterly instalment commencing 63rd month after a moratorium period of 5 years from date of availing each tranche	CRISIL AAA Stable
Central Bank of India	Term Loan	500.00	375.00	Quarterly instalment will start on end of 15th month till the end of 72th month from the date of each drawdown	IND AAA Stable

Kotak Mahindra Bank	Term Loan	250.00	150.00	Repayment in 5 equal instalment payable at the end of 1st,2nd,3rd,4th and 5th	IND AAA Stable
DBS Bank	Term Loan	250.00	250.00	Bullet repayment at the end of 3 years from the date of drawdown	IND AAA Stable
RBL Bank	Term Loan	500.00	214.29	7 equal principle instalments to be paid after 6,12,18,24,30,36 & 39th months respectively	IND AAA Stable
State Bank of India	Term Loan	1,000.00	916.66	36 months moratorium from date of each disbursal, Semi-annual instalments thereafter	IND AAA Stable
HDFC Bank	Term Loan	500.00	325.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Yes Bank	Term Loan	300.00	300.00	36 months moratorium from disbursal, payable in 3 equal instalment of yearly each	IND AAA Stable
HDFC Bank	Term Loan	500.00	325.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Karnataka Bank	Term Loan	250.00	250.00	Each tranche is repayable in 4 equal quarterly instalments after an initial holiday period of 42 months.	IND AAA Stable
Punjab National Bank	Term Loan	1,000.00	1,000.00	Moratorium of 3.5 yrs and after that repayment in equated half yearly instalment	IND AAA Stable
Federal Bank	Term Loan	500.00	500.00	Bullet repayment after 3 yrs	IND AAA Stable
Bank of India	Term Loan	500.00	500.00	Bullet repayment after 5 yrs	IND AAA Stable
HDFC Bank	Term Loan	400.00	280.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Punjab National Bank	Term Loan	600.00	500.00	6 equal yearly instalments form the date of each draw-down.	IND AAA Stable
Jammu and Kashmir Bank	Term Loan	300.00	300.00	Bullet repayment after 24th months form the date of availment of each tranche	IND AAA Stable
Union Bank of India	Term Loan	500.00	500.00	10 half yearly instalments after moratorium period of 12 months from availment of each tranche	IND AAA Stable
Canara Bank	Term Loan	2,000.00	2,000.00	Bullet repayment at the end of 60th month from the date of availment of each tranche	IND AAA Stable
HDFC Bank	Term Loan	500.00	400.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Bank of Baroda	Term Loan	3,000.00	3,000.00	Repaid in 8 equal half yearly instalment after moratorium period of 36 months from availment of each tranche	IND AAA Stable
Canara Bank	Term Loan	1,000.00	1,000.00	Door to Door tenor of 5 years with 3 years moratorium thereafter repayment in 2 yearly instalment form each tranche	IND AAA Stable
Punjab National Bank	Term Loan	2,000.00	1,916.67	Door to Door tenor of 6 years repayment in 6 equal yearly instalment form each tranche	IND AAA Stable
Indian Bank	Term Loan	500.00	500.00	Door to Door tenor of 5 years repaid in 8 equal half yearly instalment after moratorium	IND AAA Stable

				period of 12 months from availment of each tranche	
South Indian Bank	Term Loan	200.00	200.00	Bullet repayment after 5 yrs from availment of each tranche	IND AAA Stable
State Bank of India	Term Loan	2,000.00	2,000.00	Door to Door tenor of 6.5 years repaid in equal quarterly instalment after moratorium period of 12 months from availment of last tranche	CRISIL AAA Stable
HDFC Bank	Term Loan	750.00	669.64	Door to Door tenor of 84 months repaid in equal quarterly instalment from availment of each tranche	IND AAA Stable
HDFC Bank	Term Loan	750.00	696.43	Door to Door tenor of 84 months repaid in equal quarterly instalment from availment of each tranche	IND AAA Stable
Union Bank of India	Term Loan	1,000.00	700.00	Door to Door tenor of 7 Years for each drawdown. Repayment in 12 Half-Yearly instalments after moratorium period of 12 months from availment of each tranche.	IND AAA Stable
IDBI Bank	Term Loan	500.00	500.00	60 Months with moratorium of 36 months from each tranche. 4 Half Yearly instalments after completion of 6 months post moratorium of 36 months	IND AAA Stable
UCO Bank	Term Loan	500.00	300.00	Door to Door tenor of 7 Years for each drawdown. Repayment in 5 Yearly instalments starting from each of year after end of moratorium period for each tranche.	IND AAA Stable
Axis Bank Limited	Term Loan	1,000.00	1,000.00	Door to Door tenor of 7 Years including moratorium of 6 months. 14 equal Half Yearly instalments from end of 6th month from the date of first disbursement.	IND AAA Stable
Indian Bank	Term Loan	500.00	150.00	Door to Door tenor of 5 Years for each drawdown. Repayment in 8 half yearly instalments after moratorium period of 12 months from availment of each tranche.	IND AAA Stable
Kotak Mahindra Bank	Term Loan	150.00	150.00	For each tranche repayment shall be in 5 equal instalments at the end of 1st, 2nd, 3rd, 4th and 5th year from drawdown of respective tranche.	IND AAA Stable
Bank of Baroda	Term Loan	1,500.00	400.00	Door to Door tenor of 84 months for each tranche. Repayment in 8 equal half yearly instalments commencing after moratorium period of 36 months from the date of disbursement for each tranche.	IND AAA Stable

Note:

Security- The Secured working capital facilities from banks are secured by hypothecation of assets under finance, book debts and other receivables, ranking pari-passu, excluding assets which are specifically charged to others.

Asset Classification- Standard

Name of bank/Institution	Type of facility	Sanction Amt (Rs. crores)	Present O/s (Rs. crores)	Repayment terms	Credit Rating	Security
National Housing Finance (NHB)*	NHB refinance	4,499.79	4,543.77	Refinance Facility/Assistance. Repayment: - Equal Quarterly instalments.	IND AAA Stable	exclusive charge on specific LAN's

b. Details of Outstanding Unsecured Loan Facilities:- **Nil**

c. Details of Outstanding Non-Convertible Securities - as on 30 June 2023

i. Details of Secured Redeemable Non- Convertible Debentures

Sr. No.	Series	ISIN No.	Amt Issued (Rs in Cr) (Face Value)	Coupon	Date of Allotment	Tenor	Redemption Date/Schedule	Credit Rating	Secured/ Unsecured
1	19	INE377Y07177	200.00	5.85%	25-Sep-20	1095 Days	25-Sep-23	CRISIL AAA Stable	Secured
2	21	INE377Y07193	200.00	5.00%	24-Dec-20	1093 Days	22-Dec-23		Secured
3	22	INE377Y07201	675.00	6.00%	17-Mar-21	1091 Days	12-Mar-24		Secured
4	23	INE377Y07219	135.00	Zero Coupon	05-May-21	1101 Days	10-May-24		Secured
5	24	INE377Y07227	1,450.00	5.70%	28-May-21	1109 Days	10-Jun-24		Secured
6	25	INE377Y07235	985.00	5.60%	21-Jun-21	1096 Days	21-Jun-24		Secured
7	26	INE377Y07243	225.00	5.10%	13-Aug-21	728 Days	11-Aug-23		Secured
8	27	INE377Y07250	340.00	5.69%	06-Sep-21	1187 Days	06-Dec-24		Secured
9	28	INE377Y07268	1,000.00	5.00%	15-Sep-21	730 Days	15-Sep-23		Secured
10	29 T-1	INE377Y07276	330.00	5.75%	21-Sep-21	1308 Days	21-Apr-25		Secured
11	29 T-2	INE377Y07284	221.00	7.25%	29-Oct-21	3652 Days	29-Oct-31	CRISIL AAA Stable IND AAA Stable	Secured
12	29 T-3	INE377Y07250	225.00	5.69%	12-Nov-21	1120 Days	06-Dec-24	CRISIL AAA Stable	Secured
13	29 T-4	INE377Y07284	50.00	7.25%	17-Dec-21	3603 Days	29-Oct-31	CRISIL AAA Stable IND AAA Stable	Secured
14	29 T-5	INE377Y07284	300.00	7.25%	27-Jan-22	3562 Days	29-Oct-31	CRISIL AAA Stable IND AAA Stable	Secured
15	29 T-6	INE377Y07292	2,000.00	5.84%	21-Feb-22	730 Days	21-Feb-24	CRISIL AAA Stable	Secured
16	29 T-7	INE377Y07300	255.00	7.70%	23-May-22	1824 Days	21-May-27	CRISIL AAA Stable IND AAA Stable	Secured
17	29 T-8	INE377Y07300	841.00	7.70%	01-Jul-22	1785 Days	21-May-27	CRISIL AAA Stable IND AAA Stable	Secured
18	29 T-9	INE377Y07318	1,000.00	7.42%	12-Jul-22	731 Days	12-Jul-24	CRISIL AAA Stable	Secured
19	29 T-10	INE377Y07326	1,050.00	7.65%	21-Jul-22	1096 Days	21-Jul-25		Secured
20	29 T-11	INE377Y07334	625.00	7.42%	12-Aug-22	1096 Days	12-Aug-25		Secured
21	29 T-12	INE377Y07342	250.00	7.28%	29-Aug-22	731 Days	29-Aug-24		Secured
22	29 T-13	INE377Y07359	500.00	7.89%	08-Sep-22	3653 Days	08-Sep-32	CRISIL AAA Stable IND AAA Stable	Secured
23	30 T-1	INE377Y07367	500.00	7.84%	23-Sep-22	3653 Days	23-Sep-32	CRISIL AAA Stable IND AAA Stable	Secured
24	30 T-2	INE377Y07334	475.00	7.42%	14-Oct-22	1033 Days	12-Aug-25	CRISIL AAA Stable	Secured
25	30 T-3	INE377Y07375	390.00	7.92%	09-Nov-22	1223 Days	16-Mar-26		Secured

26	30 T-4 Option II	INE377Y07334	1,000.00	7.42%	18-Nov-22	998 Days	12-Aug-25		Secured
27	30 T-4-Option I	INE377Y07383	500.00	7.98%	18-Nov-22	1826 Days	18-Nov-27	CRISIL AAA Stable IND AAA Stable	Secured
28	30 T-5	INE377Y07300	250.00	7.70%	08-Dec-22	1625 Days	21-May-27	CRISIL AAA Stable IND AAA Stable	Secured
29	30 T-6	INE377Y07391	725.00	7.83%	14-Dec-22	1094 Days	12-Dec-25	CRISIL AAA Stable	Secured
30	30 T-7	INE377Y07409	750.00	8.04%	09-Feb-23	3653 Days	09-Feb-33		Secured
31	30 T-8	INE377Y07375	475.00	7.92%	24-Mar-23	1088 Days	16-Mar-26		Secured
32	30 T-9	INE377Y07375	2,000.00	7.92%	13-Apr-23	1068 Days	16-Mar-26		Secured
33	30 T-10	INE377Y07417	500.00	7.90%	28-Apr-23	1827 Days	28-Apr-28	CRISIL AAA Stable IND AAA Stable	Secured
34	30 T-11	INE377Y07425	500.00	7.78%	26-May-23	1096 Days	26-May-26	CRISIL AAA Stable	Secured

Note: - The Secured Redeemable Non-Convertible Debentures are secured by:

(i)a first pari-passu charge by mortgage of Company's Office Unit No.804, admeasuring 2610 sq. ft. 8th Floor, Block, A of Wing Delta, bearing old Door nos. 113 to 122 and 128 to 134 and New Door No.177, Raheja Towers, Anna Salai, Mount Road, Chennai – 600 002 **and/or**

(ii) the book debts and receivables of the Company, in favour of the Trustees viz., Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Limited).

ii. Unsecured Non-Convertible Debentures as on last quarter ended i.e. 30 June 2023:

Sr. No.	BSE Series	ISIN No.	Issue Size	Amt received (Rs in Cr)	Rate of Interest on NCDs	Date of Allotment	Tenor	Date of Maturity	Credit Rating
1	15	INE377Y08076	750.00	105.00	8.00%	31-Jan-20	5486 Days	07-Feb-35	CRISIL AAA Stable
2	15	INE377Y08076		105.00	8.00%		5122 Days	07-Feb-35	
3	15	INE377Y08076		105.00	8.00%		4757 Days	07-Feb-35	
4	15	INE377Y08076		105.00	8.00%		4390 Days	07-Feb-35	
5	18	INE377Y08084	1,050.00	147.00	7.70%	13-Mar-20	5474 Days	09-Mar-35	
6	18	INE377Y08084		147.00	7.70%		5110 Days	09-Mar-35	
7	18	INE377Y08084		147.00	7.70%		4746 Days	09-Mar-35	
8	18	INE377Y08084		147.00	7.70%		4379 Days	09-Mar-35	

d. Details of outstanding Commercial Paper as at the end of the last quarter 30 June 2023 :-

Sr.No	ISIN	Tenor	Coupon	Amount Outstanding	Allotment Date	Redemption date	Rating	Secured/Unsecured	IPA
N.A.									

e. List of top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on 30 June 2023:

Sr No.	Name of holder	Category	Face Value	Holding of debt securities as a percentage of total debt securities outstanding of the issuer	Face Value
1	STATE BANK OF INDIA	BNK	10 LAC	24.11%	47,00,00,00,000.00
2	ADITYA BIRLA SUN LIFE MUTUAL FUND	MUT	10 LAC	9.47%	18,45,00,00,000.00
3	HDFC MUTUAL FUND	MUT	10 LAC	5.75%	11,20,00,00,000.00
4	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	IFI	5.60 LAC	4.45%	8,68,00,00,000.00
5	LIFE INSURANCE CORPORATION OF INDIA - P & GS FUND	IFI	10 LAC	3.85%	7,50,00,00,000.00

6	NPS TRUST	TRU	10 LAC	3.70%	7,21,00,00,000.00
7	SBI MUTUAL FUND	MUT	10 LAC	2.92%	5,70,00,00,000.00
8	BAJAJ FINSERV LIMITED	LTD	10 LAC	2.82%	5,50,00,00,000.00
9	KOTAK MAHINDRA TRUSTEE COMPANY LTD	TRU	10 LAC	2.72%	5,30,00,00,000.00
10	IDFC MUTUAL FUND	MUT	10 LAC	2.10%	4,10,00,00,000.00

f. List of top 10 holders of commercial paper in terms of value (in cumulative basis) as on 30 June 2023:-

Sr No.	Names of commercial paper holders	Category	Amt in Crs (Face Value)	% of total CP O/S.
N.A.				

g. Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) from financial institutions of financial creditors:- **Nil** apart from the above details.

3.3.16 The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.:- **Nil**

3.3.17 Where the issuer is a Non-Banking Finance Company or Housing Finance Company additional disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

Attached as **Annexure J**

3.3.18 Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letter of comfort issued by the Company, in the preceding three years and the current financial year - **NIL**

3.3.19 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/commercial paper –

Refer notes to accounts (note-41 for Contingent liabilities of the FY23 annual report) of Bajaj Finance Limited, Promoter.

3.3.20 Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company –

Refer notes to accounts (Note-41 for Contingent liabilities of the Annual Report for FY 2022-23 for Bajaj Housing Finance Limited and Bajaj Finance Limited, Promoter).

3.3.21 Details of default and non-payment of statutory dues for the preceding three financial years and current financial year– **Nil**

3.3.22 Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities:-

Refer notes to accounts (Note-41 for Contingent liabilities of the Annual Report for FY 2022-23 for Bajaj Housing Finance Limited and Bajaj Finance Limited, Promoter).

3.3.23 Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company:- **Nil**

3.3.24 Details of pending proceedings initiated against the issuer for economic offences, if any: **Nil**

3.3.25 Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided:

F.Y.2022-23	For details, please refer Note No.43 to the financial statements.
F.Y. 2021-22	For details, please refer Note no. 41 to the enclosed financial statements
F.Y. 2020-21	For details, please refer Note no. 40 to the enclosed financial statements

3.3.26 The issue document shall not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the company and has given his written consent to the issue of the issue document and has not withdrawn such consent before the delivery of a copy of the issue document to the Registrar (as applicable) for registration and a statement to that effect shall be included in the issue document-

Not Applicable

3.3.27 In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format-

Not Applicable

3.3.28 Addition disclosures:

I. A portfolio summary with regards to industries/ sectors to which borrowings have been granted - Refer **Annexure J**

II. Quantum and percentage of secured vis-à-vis unsecured borrowings granted as on 30 June 2023 - Refer **Annexure J**

III. Any change in promoter' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time -**Nil**

3.3.29 Declaration in case of public issue: Not Applicable

3.3.30 Disclaimer Clause:

a) DISCLAIMER STATEMENT PERTAINING TO FILLING OF ISSUE DOCUMENT TO THE SEBI: Not Applicable

b) Disclaimer Statement from the issuer:

THE ISSUER ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE ISSUE DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

c) Disclaimer in respect of jurisdiction:

THE DEBENTURES ARE GOVERNED BY AND WILL BE CONSTRUED IN ACCORDANCE WITH SEBI REGULATIONS, COMPANIES ACT, 2013 AND OTHER APPLICABLE INDIAN LAWS. ANY DISPUTE BETWEEN THE COMPANY AND DEBENTUREHOLDER WILL BE SUBJECT TO JURISDICTION OF THE COURTS IN PUNE AND TRIBUNALS IN TERMS OF OTHER APPLICABLE LAWS.

d) Disclaimer of Stock exchange and Credit Rating agency (ies):

Stock Exchange:

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DOCUMENT WITH THE STOCK EXCHANGE SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE STOCK EXCHANGE NOR DOES THE STOCK EXCHANGE IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS

DOCUMENT, NOR DOES THE STOCK EXCHANGE WARRANT THAT THE ISSUER'S DEBENTURES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE STOCK EXCHANGE; NOR DOES THE STOCK EXCHANGE TAKE ANY RESPONSIBILITY FOR THE SOUNDNESS OF THE FINANCIAL AND OTHER CONDITIONS OF THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER.

Credit Rating Agency:

RATING REFLECTS CURRENT OPINION OF RATING AGENCY(IES) ON THE LIKELIHOOD OF TIMELY PAYMENT OF THE OBLIGATIONS UNDER RATED INSTRUMENT, AND DOES NOT CONSTITUTE AN AUDIT OF THE RATED ENTITY. RATINGS ARE BASED ON THE INFORMATION PROVIDED BY THE ISSUER OR OBTAINED BY SOURCES CONSIDERED RELIABLE BY RATING AGENCY AND DOES NOT GUARANTEE THE COMPLETENESS OR ACCURACY OF THE INFORMATION ON WHICH RATING IS BASED. RATING IS NOT A RECOMMENDATION TO BUY/SELL OR HOLD THE RATED INSTRUMENT AND IT DOES NOT COMMENT ON THE MARKET PRICE OR SUITABILITY FOR A PARTICULAR INVESTOR. RATINGS ARE KEP UNDER SURVEILLANCE AND ARE REVISED AS AND WHEN CIRCUMSTANCES SO WARRANT. RATING AGENCY(IES) IS NOT RESPONSIBLE FOR ANY ERRORS AND ESPECIALLY STATES THAT IT HAS NO FINANCIAL LIABILITY WHATSOEVER TO THE SUBSCRIBERS /USERS/TRANSMITTERS/DISTRIBUTORS OF ITS RATING. RATING AGENCY(IES) MAY HAVE COMMERCIAL TRANSACTION WITH THE ISSUER.

(e) Disclaimer of National Housing Bank (The "NHB"):

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED 24 SEPTEMBER 2015 BEARING REGISTRATION NUMBER 09.0127.15 ISSUED BY THE NHB UNDER SECTION 29A OF THE NATIONAL HOUSING BANK ACT, 1987. HOWEVER, NHB DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATION MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/ DISCHARGE OF LIABILITY BY THE COMPANY.

3.3.31 Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts-

Not Applicable. The current issue is for Private placement of Non-convertible debentures under section 42 of Companies Act which does not require filing of such details/documents for NCD issue.
Further please refer Board Resolution dated 24 July 2023 authorising the issue annexed to the document.

3.3.32 The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.

Catalyst Trusteeship Limited is debenture trustee to the issue. They have given consent to act as trustee to the issue which is attached as **Annexure C**.

3.3.33 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar nature, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document. **NIL**

3.3.34 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention:

a) The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed: Forms part of Summary of Terms of Offer

(b) Procedure and time schedule for allotment and issue of securities should be disclosed.

- Procedure of allotment: Mentioned under head "Allotment"
- Time schedule of allotment: Forms part of Terms of Offer

(c) Cash flows emanating from the non-convertible securities shall be mentioned in the issue document, by way of an illustration.

Illustration is given below:

Name of the issuer	*XYZ Limited*		
Face Value (per security)	*10,00,000*		
Tranche Issue date/ Date of allotment	*Monday, December 14, 2020*		
Date of redemption	*Sunday, December 14, 2025*		
Tenure and coupon rate	*5 years; 8.95% p.a.*		
Frequency of the interest/ dividend payment (with specified dates)	*Annually; First interest/ dividend shall become payable on December 14, 2021 and subsequently on 14th December every year, till maturity/ redemption.*		
Day Count Convention	*Actual/ Actual*		
Cash Flows	*Day and date for coupon/ redemption becoming due*	*Number of days for denominator*	*Amount (in Rupees)*
1st Coupon	*Tuesday, December 14, 2021*	*365*	*89,500*
2nd Coupon	*Wednesday, December 14, 2022*	*365*	*89,500*
3rd Coupon	*Thursday, December 14, 2023*	*365*	*89,500*
4th Coupon	*Monday, December 16, 2024*	*366*	*89,500*
5th Coupon	*Friday, December 12, 2025*	*365*	*89,500*
Principal	*Friday, December 12, 2025*	*-*	*10,00,000*
Total		*-*	*14,47,500*

In the above illustration, the year 2024 being a leap year has 29 days in February 2024. This implies that 366 days would be reckoned as the denominator (Actual/ Actual), for payment of interest/ dividend. Further, December 14, 2024 falls on a Saturday which being the second Saturday will be a banking holiday. Hence, the 4th coupon payment shall be made on the next working day i.e. December 16, 2024. However, the calculation for payment of interest shall be only till December 13, 2024, which would have been the case if December 14, 2024 was not a holiday. This shall not affect the subsequent coupon payment and it shall continue to fall due on December 14, 2025, i.e. original coupon payment schedule. However, since December 14, 2025 falls on a Sunday, the redemption (i.e. principal and the 5th/ last coupon payment) shall be made on the previous working day i.e. on December 12, 2025.

3.3.35 UNDERTAKING BY THE ISSUER

a) "Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given in page no. 27.'

b) "The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

c) "The issuer has no side letter with any debt securities holder. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

3.3.36 **Risk factors:**

The Issuer believes that the following factors may affect its ability to fulfil its obligations in relation to the Debentures. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective investors should carefully consider all the information in this Document, including the risks and uncertainties described below, before making an investment in the Debentures. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

- We are regulated by NHB. Non-compliance to NHB's regulatory requirement may adversely affect our reputation, business and operations.
- Being Housing Finance Company ("HFC"), we need to comply with various regulations, Non-compliance of the same may adversely impact our business.
- In the ordinary course of business, the Issuer, its promoters, directors, officers, employees and other related parties are involved from time to time in legal and regulatory proceedings of varied nature. There may be several instances where there may be claims which are direct, consequential or a claim against us which is not ascertainable, individually or in the aggregate. An unfavorable determination / outcome against such claims in legal, regulatory or any other matter(s) / proceeding(s) may adversely impact our business.
- **Risks relating to the Debentures and the Issue**: The trading price of the Debentures will be subject to interest rate risk. The Debentures carry a fixed rate of interest. Securities where a fixed rate of interest is offered are subject to price risk. The prices of such securities are inversely proportionate to changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall, and, when interest rates drop, prices of such securities increase. It is possible that there could be price fluctuation of the existing interest, days to maturity and the increase or decrease in prevailing interest rates. Any increase in interest rates may negatively affect the price of the Debentures.
- An active trading market may not develop for the Debentures. It is not possible to predict if and to what extent a secondary market may develop, or at what price the Debentures will be sold or purchased in the secondary market or whether such market will be liquid or illiquid. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption.
- The Company's business is largely dependent on interest income from its operations. The Company is exposed to interest rate risk principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from its funding sources (institutional/bank borrowings and debt offerings). The Company seeks to match its interest rate positions to minimize interest rate risk. Despite these efforts, there can be no assurance that significant interest rate movements will not have an effect on its results of operations. Interest rates are highly sensitive to many factors beyond its control, including the monetary policies of the NHB/RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility.
- While, the repayment of sums due at maturity is provided by the Issuer, Investors should be aware that receipt of any coupon payment and Principal Amount at maturity on the Debentures is subject to the credit risk of the Issuer. Investors assume the risk that the Company will not be able to satisfy their obligations under the Debentures and Investor may or may not recover all or part of the Principal Amount in case of default by the Issuer. Any stated credit rating of the Company reflects the independent opinion of the referenced rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Company. Any downgrading of the credit ratings of the Company or its parent or affiliates, by any rating agency could result in a reduction in the value of the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Company, the payment of sums due on the Debentures may be substantially reduced or delayed.
- Slowdown in economic growth.
- Adverse political and economic situation in India as well as globally.

- Regional hostilities, terrorist attacks, civil disturbances, social unrest or Force Majeure events.
- Downgrading of India's credit rating by any rating agency.
- Any change in accounting policies and financial reporting standards.
- Inability to manage changing regulatory environment in a cost effective and timely manner from Capital Market/ Commercial Borrowings.
- Inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business.
- Any unfavorable interpretation of money lending laws prevailing in different states in India where there is ambiguity on whether HFCs are required to comply with or not.
- Any insistence for additionally regulating (directly or indirectly) the business of HFCs by the respective State government(s) as well and or under any existing, amended or new local or Central legislation/regulation, including the respective guidelines/notifications/circulars rules etc., if any.
- Any downgrade in credit rating of the company resulting in the increase in borrowing cost.
- Any untimely demand by lenders for their working capital demand loans and other loans which are repayable on demand.
- Inability to acquire additional capital on favorable terms and on time.
- Inability to maintain or adequately enhance the current level of profitability due to increased operating cost.
- Non-payment or default by borrowers.
- Fluctuation in real estate prices may lead to inability of recovering full money from defaulting customers.
- Inability to resourcefully grow and manage its loan portfolio.
- Difficulties in expanding our business into new regions and markets by offering complete range of products from each of our branches.
- Non-performance by new products or services offered by the company as anticipated before the launch of such product and services.
- Decline in Capital adequacy ratio could restrict company's growth prospects.
- Materialization of contingent liabilities.
- Liquidity risk arising out of asset liability mismatches.
- Any change in control of our promoters and/or any disassociation of our company from Bajaj Finserv group.
- Changes in technology may render our current technologies obsolete or require us to make substantial capital investments to implement new technologies.
- Any termination of leases or other relevant agreements in connection with leased properties or inability to renew the same on favorable terms and in timely manner.
- Non-performance of business of SME clients which is out of our control.
- Indian Housing Finance Market is very competitive and such competition may result into declining margins & market shares.
- Each Debenture Holder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Debentures. The Issuer will not pay any additional amounts to Debenture Holders to reimburse them for any tax, assessment or charge required to be withheld or deducted by the Issuer from payments in respect of the Debentures.
- **Refusal of listing of any security of the issuer during last three years by any of the stock exchanges in India or abroad:** - As of date, the issuer has not been refused listing of an of its securities during the last 3 (three) years by any of the stock exchanges in India or abroad.
- **Limited or sporadic trading of non-convertible securities of the issuer on the stock exchanges** - As of date, the Issuer is not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges however due to volatility in financial markets trading in securities in the secondary market can get impacted.
- **In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable:** - As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer.
- **Risks in relation to the security created in relation to the Debentures, if any**- As of date, issuer has not faced any issue in creating security in relation to the debentures.

- **If secured, any risks in relation to maintenance of Security Cover or full recovery of the Security in case of enforcement:** As of date, issuer has not faced any issues in relation to maintenance of security and enforcement of security.
- While the debentures are secured against a charge to the tune of 100% of the principal and interest amount in favour of debenture trustee, and it is the duty of the debenture trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
- **All covenants including the accelerated payment covenants given by way of side letters shall be incorporated in the issue document by the issuer. - Nil**

3.3.37 **The Directors of the Issuer attests that -**

a) the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Securities and Exchange Board of India Act, 1992 (15 of 1992), Companies Act, 2013 (18 of 2013) and the rules and regulations made thereunder;

b) the compliance with the act and the rules and regulation does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;

c) the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;

d) whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association:

e) General Risk:

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section '3.3.36 Risk factors' of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

3.3.38 In case of an issue of non-convertible redeemable preference shares, the specific disclosure on the nature of the instrument in bold, on the cover page:

Not Applicable

3.3.39 Other details:

a. Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability.

As per Section 71 of the Companies Act, 2013, Company shall maintain a reserve to be called the "Debenture Redemption Reserve" and investment or deposit of sum in respect of debentures maturing during the year ending on the 31st day of March of next year as per the provisions of Act read with rules made thereunder or any regulations or guidelines issued by SEBI, as applicable. However, under the Rule 18(7) of the Companies (Issuance of Share Capital and Debentures) Rules, 2014, Housing Finance Companies are exempt from this requirement in respect of privately placed debentures.

b. Issue/instrument specific regulations - relevant details (Companies Act, 2013 (18 of 2013), guidelines issued by the Reserve Bank of India guidelines, etc.).

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act, 2013 including the relevant notified rules thereunder, the SEBI (Issue and Listing of Non - Convertible Securities) Regulation, 2021, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and the applicable RBI guidelines.

Relevant section/s of Companies Act, 2013, including Section 42, 71, 77, 179, 180(1)(c) and Section 180(1)(a).

c. Default in Payment:

In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period.

d. Delay in Listing:

In case of delay in listing of the debt securities beyond the timelines specified in SEBI Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 10 August 2021, updated by Master Circular dated 7 July 2023, issuer shall pay penal interest of 1% p.a. over coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing)

e. Delay in allotment of securities:

The Company shall pay interest for the delayed period as per the provision of Companies Act / SEBI (ICDR) Regulations, if the allotment is not made within the prescribed time limit and / or the Refund Orders are not despatched to the investors within 15 days from the date of the closure of the Issue, for the delay beyond the 15 days' period.

f. Issue details: Please refer Key Information Document

g. Application process: Please refer page 34

h. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any: Complied

i. Project details: Gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project: Not Applicable

3.3.40 Other details in case of non-convertible redeemable preference shares issue: Not applicable

3.3.41 Other matters and reports:

a) If the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or is to be applied directly or indirectly:

i. in the purchase of any business; or
ii. in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith,

Not Applicable

b) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, certain disclosures to be made: Not Applicable

c) If: -

i. the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and, in any manner, resulting in the acquisition by the company of shares in any other body corporate; and

ii. by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –

A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and
B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

The above clauses are not applicable.

e) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default shall be disclosed.

The company has a board approved borrowing policy which covers various borrowing instruments through which it can borrow funds along with the periodicity of borrowing. The Borrowings of the company are also within the overall limits set by its Board and rating agencies. Borrowing resolution dated 24th July 2023 approved by Board of Directors is part of the issue documents. The instrument wise summary of borrowings can be referred from **Annexure J**.

Please refer **Annexure J** for Lending policy related details.

f) The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies, shall be disclosed. – **Nil**

g) Matters relating to:

i) Material Contracts and Documents;
Set out below is the statement containing particulars of, dates of, and parties to all material contracts and documents of the Company:

a) Memorandum of Association and Articles of Association of the Company

b) Certificate of Registration issued by Reserve Bank of India under Section 45IA of Reserve Bank of India Act 1934.

c) Annual Reports for the three years ended 31 March 2023, 2022, 2021.

d) Letter dated 5 September 2023 from CRISIL Limited assigning “CRISIL AAA /Stable”.

e) Shareholders’ Resolution dated 24 July 2023 authorizing the board to make offers or invitations to the eligible persons to subscribe to the NCDs of the company on private placement basis within the overall borrowing limits approved by the members from time to time and Board Resolution dated 24 July 2023 delegating the authority for borrowing of funds.

b) Two Tripartite agreements have been signed as below:
a) Between the Company, M/s. KFin Technologies Limited, and NSDL dated 11 September 2017.
b) Between the Company, M/s. KFin Technologies Limited, and CDSL dated 12 September 2017.

c) Consent letter dated 7 September 2023 given by Catalyst Trusteeship Limited for acting as trustees for the debentures offered under this issue.

d) The Auditor certificate as required is attached. The same is also provided to Debenture Trustee.

ii) The above material documents contracts will be available for inspection between 10.00 a.m. and 12 noon. on all working days at the Corporate office extension of the Company at: 3rd Floor, Panchshil Tech Park, Viman Nagar, Pune 411 014.

h) Details of the related party transactions entered during the three financial years immediately preceding the issue of issue document in audit report.

Year	Page number of audit report
F.Y 2022-23	For details, please refer Annexure 1 to the Independent Auditors Report for the year ended 31 March 2023 appearing on page number 71 of the Annual report of the Company for FY 2022-23
F.Y 2021-22	For details, please refer Annexure 1 to the Independent Auditors Report for the year ended 31 March 2022 appearing on page number 67 of the Annual report of the Company for FY 2021-22
F.Y 2020-21	For details, please refer Annexure 1 to the Independent Auditors Report for the year ended 31 March 2021 appearing on page number 43 of the Annual report of the Company for FY 2020-21

i) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of the issue of offer document and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark: **Nil**

j) The details of:
• any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law in the three years immediately preceding the year of issue of issue document; prosecutions filed, if any (whether pending or not) in the three years immediately preceding the year of issue of issue document; fines imposed or offences compounded in the three years immediately preceding the year of issue of issue document: **Nil**

k) Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company: **Nil**

TERMS OF OFFER

Below are the general terms and conditions:

Issue

Issuance details to be referred from Key Information Document

Compliance with laws

The Issue of Debentures is being made in reliance upon Section 42 of the Companies Act, 2013, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, and other applicable laws in this regard.

Objects of the Issue / Purpose for which there is requirement of funds

Objects of this issue including green shoe option, if any, shall be used for deployment of funds on the company's own balance sheet.

Minimum Application and in multiples of thereafter

Such number of NCDs qualifying for minimum subscription of Rs. ₹1 Crore and thereafter multiple of 1 debenture unit (i.e. in multiples of Rs. 1 lakh or Rs. 10 lakh, as applicable)

Minimum subscription: Rs. 1 Crore

Electronic Book Provider for the issue is BSE Limited

Electronic Bidding Process (EBP)

The bidding process, parameters and requirements for the Debentures issued pursuant to the electronic bidding mechanism will be in accordance with Master Circular issued by the Securities and Exchange Board of India dated August 10, 2021, and updated on 7 July 2023, SEBI FAQs issued on Electronic book mechanism for issuance of debt securities on private placement basis and the operational guidelines issued by the BSE and or issued by any authority from time to time.

Name of the Electronic Book Provider: BSE Limited

Who Can Apply:

Only the persons who are specifically addressed through a communication by or on behalf of the Company directly are eligible to apply for the Debentures.

An application made by any other person will be deemed as an invalid application and rejected.

In order to subscribe to the Debentures a person must belong to one of the categories mentioned below and from whom monies borrowed even under an unsecured debenture would not constitute a deposit within the meaning of the term as defined under Rule 2(c) of the Companies (Acceptance of Deposits) Rules, 2014:

- Companies and Bodies Corporate including Public Sector Undertakings;
- Commercial Bank,
- Regional Rural Banks,
- Financial Institutions,
- Insurance Companies,
- Non-banking finance companies (NBFCs) and Residuary NBFCs
- Mutual funds
- Foreign institutional investors

- Foreign portfolio investors as permitted under the SEBI (Foreign Portfolio Investors) Regulations, 2019
- Venture Capital Funds
- National Investment Funds
- Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their Investment guidelines
- Any other investor authorized to invest in these Debentures

The change in control, if any, in the Company that would occur consequent to the private placement: Not Applicable

The number of persons to whom allotment on preferential basis / private placement or rights issue has already been made during the year, in terms of number of securities as well as price:
No. of Investors during the year for below mentioned instruments/routes as on 7 September 2023
Allotment on Preferential basis -**Nil**
Rights Issue- **Nil**
Private placement of NCDs-26

The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: Not Applicable

Listing

The Company shall get the Debentures listed on the wholesale debt segment of BSE as per the Master Circular issued by the Securities and Exchange Board of India dated August 10, 2021, and updated on 7 July 2023. The listing will be done within T+ 3 working days or such other timelines as may be specified by SEBI from time to time in this regard.

Documents to be provided by investors

Investors need to submit certified copies of the following documents, along with the application form, as applicable:

- Certified true copy of Memorandum and Articles of Association / Constitution / Bye-laws along with Certificate of Incorporation / Documents Governing Constitution
- Proof of address
- Resolution authorising investment and containing operating instructions
- Certified true copy of Power of Attorney
- Certified true copy of KYC document along with FATCA form for Primary Issuances.
- Form 15 AA for investors seeking exemption from Tax deduction at source from interest on the application money, if applicable
- Specimen signatures of the authorized signatories duly certified by an appropriate authority
- SEBI Registration Certificate (for Mutual Funds)
- IRDA certificate
- The applications made by asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

DISCLAIMER: PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THIS DOCUMENT HAS BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS / AUTHORIZATIONS / INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE COMPANY. THE COMPANY MAY, BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS / INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME.

The eligible bidders, while placing their bids with the Electronic Book Provider, shall ensure cooperation with the Issuer in limiting the number of investors on whose behalf it is bidding for the Issue. Such eligible bidder shall ensure that information pertaining to the Issue is shared with only such number of investors as has been permitted/ assigned by the Issuer for the Issue (**Permitted Limit**). The eligible bidder shall be solely responsible for exceeding the Permitted Limit while sharing the information pertaining to the Issue, and consequences that ensue as a result.

Consent of the investor / debenture holder:

So long as the terms and conditions of the existing securities (under the respective issues) in the ISIN are not revised (i) otherwise than as may be required / permitted by regulations; or (ii) which results in breach of or violation of the regulation, which specifically precludes such revision, the Issuer reserves the rights entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time with terms and conditions, which may be different from the existing securities under the respective issues under same ISIN. Such additional securities and their terms may be such as are permitted by regulations or not specifically precluded by regulations from time to time.

By signing the application form and making an application to subscribe to the securities to be issued by the Issuer all subscribers of the securities in this ISIN and any of the subsequent holders who have acquired the said securities in the secondary market shall be deemed to have irrevocably given their consent to the Issuer to add such additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time with terms, which may be different from the terms of securities under respective issues existing under the said ISIN.

How to Apply

Eligible investors to follow the requirements of SEBI Master Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 7 July,2023 with respect to bidding of Electronic Book Provider (EBP) Platform.

Applications for the Debentures must be in the prescribed form and must be completed in block letters in English. The payment has to be made through Real Time Gross Settlement (RTGS)/ direct credit or any other acceptable mode in such a way that the credit has to come in Company's bank account on the pay in date before close of banking hours. In case, the credit is not received in the account the application would be liable to be rejected. Company assumes no responsibility for non-receipt of application money due to any technical reasons. Investor should transfer the funds on the pay in date to the designated bank account of the clearing corporation with the designated exchange.

1) The payments can be made by RTGS, the details of which are given above. Payment shall be made from the bank account of the person subscribing. In case of joint-holders, monies payable shall be paid from the bank account of the person whose name appears first in the application.

2) No cash will be accepted.

3) The Applicant should mention its permanent account number or the GIR number allotted to it under the Income Tax Act, 1961 and also the relevant Income-tax circle/ward/District.

4) Applications under Power of Attorney/Relevant Authority

In case of an application made under a power of attorney or resolution or authority to make the application a certified true copy of such power of attorney or resolution or authority to make the application and the Memorandum and Articles of Association and/or bye-laws of the Investor must be attached to the Application Form at the time of making the application, failing which, the Company reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason therefore. Further any modifications / additions in the power of attorney or authority should be notified to the Company at its corporate office. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

5) An application once submitted cannot be withdrawn. The applications should be submitted during normal banking hours at the office mentioned below:

   Bajaj Housing Finance Limited (Attention: Mr. Atul Patni, Company Secretary)
   3rd Floor, Panchshil Tech Park, Viman Nagar, Pune 411 014
   Email ID: bhflinvestor.service@bajajfinserv.in

6) The applications would be scrutinized and accepted as per the terms and conditions specified in this General Information Document.

7) The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full without assigning any reason whatsoever. Any application, which is not complete in any respect, is liable to be rejected.

8) The Investor/Applicant shall apply for the Debentures in electronic, i.e., dematerialized form only. Applicants should mention their Depository Participant's name, DP-ID and Beneficiary Account Number in the Application Form – Part B. In case of any discrepancy in the information of Depository/Beneficiary Account, the Company shall be entitled to not credit the beneficiary's demat account pending resolution of the discrepancy.

   The Applicant is requested to contact the office of the Company as mentioned above for any clarifications.

Succession

In case the Debentures are held by a person other than an individual, the rights in the Debenture shall vest with the successor acquiring interest therein, including a liquidator or such any person appointed as per the applicable laws.

Over and above the aforesaid terms and conditions, the Debentures, if any issued under this Document, shall be subject to this Document, the relevant debenture trust deed and also be subject to the provisions of the Memorandum and Articles of Association of the Company.

Right to accept or reject applications

The Company is entitled at its sole and absolute discretion, to accept or reject any application in part or in full, without assigning any reason. Incomplete Application Forms are liable to be rejected. The full amount of Debenture has to be submitted along with the Application Form. Also, in case of over subscription and if permitted by the relevant regulations, the Company reserves the right to increase the size of the placement subject to necessary approvals/certifications, and the basis of allotment shall be decided by the Company.

Interest on Application Money

Interest on Application Money will be paid at the applicable coupon rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of Income Tax Act, 1961 or any statutory modification or re-enactment thereof) and will be paid on the entire application money on all valid applications.

Such interest shall be paid for the period commencing from the date of credit by way of funds transfer / Real time gross settlement up to one day prior to the date of allotment.

No interest on application money would be payable in cases of invalid applications.

Allotment

The allotment will be done by the Board of Directors, or any committee authorised by the Board of Directors. The Debentures allotted to investor in dematerialized form would be directly credited to the beneficiary account as given in the Application Form. The corporate actions and allotment with respect to NCDs will be done in accordance with the applicable regulations, issued from time to time.

Register of Debentures holder(s)

A register of all Debenture holder(s) containing necessary particulars will be maintained by the Company at its Registered Office. A copy of the register of all Debenture holder(s) will also be maintained by the Company at its Corporate Office.

Transfer / Transmission

The Debentures shall be transferable freely to all classes of Eligible Investors. It is clarified that the Debentures are not intended to be held by any category of persons who are not Eligible Investors. Subject to the foregoing, the Debentures may be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act, 2013. The provisions relating to transfer, transmission and other related matters in respect of shares of the Company contained in the Articles of Association of the Company and the Companies Act, 2013 shall apply, mutatis mutandis (to the extent applicable to debentures), to the Debentures as well. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by depositories and the relevant depository participants of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the record date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of Debenture Holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Company.

Provided further that nothing in this section shall prejudice any power of the Company to register as Debenture holder any person to whom the right to any Debenture of the Company has been transmitted by operation of law.

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's depository participant account to its depository participant.

The Debentures shall be issued only in dematerialized form in compliance with the provisions of the Depositories Act, 1996 (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued.

Authority for the placement

This private placement of debentures is being made pursuant to the special resolution of Shareholders' approved on 24 July 2023 authorizing the board to make offers or invitations to the eligible persons to subscribe to the NCDs of the company on private placement basis in one or more series/tranches within the overall borrowing limits approved by the members at their meeting held on 19 May 2023 from time to time and Board Resolution dated 24 July 2023 delegating the authority for borrowing of funds.

The present issue of the Debentures is within the general borrowing limits in terms of the resolution passed under Section 180(1)(c) of the Companies Act, 2013, by way of an approval of shareholders at its meeting held on 19 May 2023 giving their consent to the borrowing by the Directors of the Company from time to time not exceeding Rs. 1,00,000 crore subject to any restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Company of all monies deemed by them to be requisite or proper for the purpose of carrying on the business of the Company. The borrowings under these Debentures will be within the prescribed limits as aforesaid.

The Company can carry on its existing activities and future activities planned by it in view of the existing Approvals, and no further approvals from any Government authority are required by the Company to carry on its said activities.

Record Date

This will be 15 calendar days prior to each coupon payment / put option date/ call option date / redemption date ("**Record Date**"). The list of beneficial owner(s) provided by the Depository as at the

end of day of Record Date shall be used to determine the name(s) of person(s) to whom the interest and/or principal is to be paid.

Effect of Holidays

If any interest payments fall due on a public holiday, it will be paid on the next working day. If any principal payments (including interest payments) fall due on a public holiday, it will be paid on the preceding working day.

Tax Deduction at Source

The Interest payment on NCDs are subject to deduction of tax under the provisions of the Income Tax Act, 1961 as applicable to resident and non-resident NCDs holders. In case any valid tax exemption document or lower / Nil TDS deduction certificate under Section 195(3) or Section 197 of the Income Tax Act, 1961 submitted to the Company before the Record date shall be considered before making interest payment. Tax exemption document / certificate for interest on application money, if any, should be submitted to the Company along with the Application Form.

Redemption on Maturity of Debenture

The Issuer shall pay, in respect of each outstanding Debenture, an amount that is equal to the outstanding principal amount of that Debenture, the early redemption premium, if any, and any accrued but unpaid interest applicable to the principal amount of that Debenture, payable on the maturity date or the early redemption date, as the case may be.

Compliance Officer

The investor may contact the Compliance Officer in case of any pre -issue / post-issue related problems such as non-receipt of demat credit / non-receipt of redemption / interest.

Notices

All notices to the Debenture holder(s) required to be given by the Company, shall be sent to the Debenture holder(s) at the address stated in the Application Form, or details registered with the dematerialized account of the Debenture holder(s) from time to time. In case of Debentures held in electronic (dematerialized) form, notices will be sent to those whose names appear on the latest list of Beneficial Owner(s), provided to the Company by Depository (ies)

All notices to the Company by the Debenture holder(s) must be sent by registered post or by hand delivery or by email to the Company at its Corporate Office or to such person(s) at such address or email address as may be notified by the Company from time to time.

Debentures to Rank Pari Passu

The Debentures of this Issue shall rank pari passu inter se without preference or priority of one other or others.

Payment of Interest / Redemption

Payment of the principal, all interest and other monies will be made to the registered Debenture holder(s)/ beneficial owner(s) and in case of joint holders to the one whose name stands first in the register of Debenture holder(s) / in the list of beneficial owner(s) provided to the Company by the Depository (NSDL and/or CDSL). Such payment shall be made through electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT).

Right to Re-Purchase and Re-Issue Debenture(s)

Subject to Applicable Law, the Company will have the power exercisable at its absolute discretion from time to time to repurchase some or all the Debenture(s) at any time prior to the Final Redemption Date. The Debentures which are in dematerialized form, can be repurchased by the Company through its beneficiary demat account as per the norms prescribed by the Depository. This right does not construe a call option. In the event of the Debenture(s) being bought back, or redeemed before maturity in any

circumstance whatsoever, the Company shall be deemed to always have the right, subject to the provisions of the Act, to re-issue such debentures either by re-issuing the same debenture(s) or by issuing other debentures in their place.

The Company may also, at its discretion, at any time purchase Debenture(s) at discount, at par or at premium in the open market. Such Debenture(s) may, at the option of Company, be cancelled, held or resold at such price and on such terms and conditions as the Company may deem fit and as permitted by law.

Future Borrowing (In case of Pari-passu charge on secured assets):

As long as the Security Coverage Ratio does not fall below the percentage / level stipulated under terms of issue, the Company shall, without the approval of the debenture holders and Debenture Trustee, be entitled to, to make further issue(s) of debentures, raise further loans and advances and/or avail further deferred payment guarantees or, provide corporate guarantees/comforts or avail any other financial facilities from time to time from such persons/ banks/ financial institutions or body corporate/ any other agency as it deems fit. However, subject to maintenance of security coverage ratio, the company may create any mortgage or charge on any of the Secured Assets other than the Permitted Security Interest, without obtaining the prior written approval of the Debenture Holders and Debenture Trustee.

"Secured Assets" shall mean all those book-debts and receivables due to the Company under various loans, Receivables under Financing Activity, Current Assets and Receivables, Cash and Bank Balance, Current investment, Advance recoverable (provided that this shall not include Permitted Security Interest) on first pari-passu basis with the debenture-holders and banks which granted working capital limits and / or term loan.

"Security" shall mean the Security Interest required to be created over the Secured Assets to secure the Debentures, as set out in the Debenture Trust Deed.

"Permitted Security Interest" shall mean any exclusive security interest created for the benefit of certain governmental, regulatory or statutory authorities, or any entity incorporated by a statute, including National Housing Bank (NHB) and treatment to such security interest during the regular course of business of the company.

Tax Benefits

There are no specific tax benefits attached to the Debentures. Investors are advised to consider the tax implications of their respective investment in the Debentures.

Trustees

Catalyst Trusteeship Limited GDA House, S No.94/95. Plot No.85, Off. Kothrud Bus Depot, Bhusari Colony–(Right), Paud Road, Pune – 411 038 vide letter dated 7 September 2023 has given their consent to the Company for their appointment under regulation 4(4) to act as the Trustees for the Debenture holders (hereinafter referred to as "Trustees"). All remedies of the Debenture holder(s) for the amounts due on the Debentures will be vested with the Trustees on

behalf of the Debenture holder(s). The Debenture holders shall without any further act or deed be deemed to have irrevocably given their consent to and authorized the Trustees or any of their Agents or authorized officials to do, inter alia, acts, deeds and things necessary in respect of or relating to the creation of security in terms of this Memorandum of Private Placement.

Debentures subject to the Debenture Trust Deed, etc.

Over and above the aforesaid terms and conditions, the Debentures, issued under this Document, shall be subject to prevailing guidelines/regulations of Reserve Bank of India and other authorities and also be subject to the provisions of the Memorandum and Articles of Association of the Company and all documents to be entered into by the Company in relation to the issue of Debentures including this Document and the debenture trust deed, as applicable ("**Transaction Documents**").

Governing Law

The Debentures are governed by and will be construed in accordance with Indian law. The Company and Company's obligations under the Debentures shall, at all times, be subject to the directions of Department of Company Affairs, RBI, SEBI and Stock Exchanges and other applicable regulations from time to time. Applicants, by purchasing the Debentures, agree that the courts at Pune shall have non-exclusive jurisdiction with respect to matters relating to the Debentures.

Process of Due Diligence (DD) to be carried out by the Debenture Trustee:

DD will be carried out as per DT regulations and circulars issued by SEBI from time to time. This would broadly include the following:

- Chartered Accountant (CA) appointed by DT will conduct independent DD as per scope provided, regarding Security offered by the Issuer.
- CA will ascertain, verify, and ensure that the asset offered as security by the Issuer is/are free from any encumbrances or necessary permission / consent / NOC will be been obtained from all existing charge holders.
- CA will conduct independent DD on the basis of data / information provided by the Issuer.
- CA will, periodical, undertake DD as envisaged in SEBI circulars depending on the nature of security.
- On basis of the CA's report / finding, DD certificate will be issued by DT and will be filed with relevant Stock Exchanges.
- Disclaimers would be incorporated to the effect that:

  a. While the Debt Security is secured as per terms of the Offer Document / General Information Document (GID) and charge is held in favour of the DT, the extent of recovery would depend upon realization of asset value and the DT in no way guarantees / assures full recovery / partial of either principal or interest.
  b. DD conducted is premised on data / information made available to the DT appointed agency and there is no onus or responsibility on DT or its appointed agency for any acts of omission / commission on the part of the Issuer.

Permission / Consent from the prior creditors and undertaking on creation of charge

The Company hereby undertakes that it will obtain no objection certificates, prior consent from the prior/ existing charge holders, wherever applicable for the creation of pari passu first ranking charge on the Security in favour of the Debenture Trustees, for the Debentures.

Conflict

In case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in this General Information Document and Debenture Trust Deed to be executed by the Company, the provisions contained in the General Information Document shall prevail and supersede.

Name and address of the valuer who performed valuation of the security offered and basis on which the price has been arrived at along with report of the registered valuer:

As this is an issuance of Debentures at par value, there is no valuation for this Issue.

Relevant Date with reference to which the price has been arrived at: Not Applicable

Details of contribution made by the promoters or directors either as part of the Issue or separately in furtherance of the Objects of the Issue: Nil

Project cost and means of financing, in case of funding of new projects: Not Applicable

Details of significant and material orders passed by the Regulators, Courts & Tribunals impacting the going concern status of the Company and its future operations: Nil.

DISCLOSURE WITH REGARD TO THE INTEREST OF DIRECTORS, LITIGATION ETC.

a. **Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of the offer document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed:**

Refer notes to accounts (note-41 for Contingent liabilities of the FY23 annual report) of Bajaj Finance Limited, Promoter.

b. **Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of the issue of offer document and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark:** Nil

Documents Submitted

1. The following documents have been/ shall be submitted to the BSE:

A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
B. Copy of last 3 years audited Annual Reports;
C. Statement containing particulars of dates of and parties to all material contracts and agreements;
D. Copy of the Board / Committee Resolution authorizing the borrowing and list of authorized signatories
E. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, wherever applicable, including the Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc., and the same would be uploaded on the website of the Designated Stock Exchange, where the Debentures would be listed, within five working days of execution of the same
F. Due diligence certificate issued by the Debenture Trustee as per Schedule IV of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI circular dated 3 November 2020 as amended from time to time.
G. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.
H. an undertaking that permission / consent from the prior creditor for a pari-passu charge being created in favor of the trustees to the proposed issue.

2. The following documents have been/ shall be submitted to the Debenture Trustee:

A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
B. Copy of last 3 years audited annual reports;
C. Statement containing particulars of dates of and parties to all material contracts and agreements;
D. Latest audited / limited review half yearly standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
E. An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in the Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009/ Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual results. Further, the Issuer shall within 180 (One Hundred and Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (Two) working days of their specific request.

Undertaking by the Issuer

The Issuer Company undertakes that:

- it will take all steps for completion of the formalities required for listing and commencement of trading at the stock exchange/s where the securities are proposed to be listed within reasonable time.

  The Guidelines for FII investment in debt securities issued by RBI on 1 March 2012 vide its circular no.89 will be complied with for listing of the debentures, if and to the extent applicable.

- the funds required for refund of application money in case of non-allotment or partial allotment of debentures shall be made available by the issuer company.

- necessary co-operation to the credit rating agency (ies) shall be extended in providing true and adequate information till the debt obligations in respect of the debentures are outstanding.

- the complaints received in respect of the Issue shall be attended to by the issuer company expeditiously and satisfactorily.

- that the company shall disclose the complete name and address of the debenture trustee in the annual report,

- This bond issue does not form part of non-equity regulatory capital mentioned under Chapter V of SEBI NCS Regulations, 2021. The face value of each NCD shall be Rs. 1,00,000/- (Rupees One Lakh) and in case of re-issuance at the original face value as applicable.

- Filing of General Information Document shall be as per SEBI (Issue and listing of Non- Convertible Securities) Regulation, 2021, as amended.

"**Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository, etc., as applicable, or is independently verifiable by the debenture trustee**."

The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered only as a breach of covenants/ terms of the issue by the Issuer and will not affect the validity of security.

Servicing behavior on existing debt securities, payment of due interest on due dates on term loans and debt securities.

In respect of all the existing debt securities / term loans, the payment of interest / principal has been made on the respective due dates as per the terms of the issue.

Summary of Term Sheet:- Refer Annexure L

DECLARATION BY THE DIRECTORS THAT –

a. The Company has complied with the provisions of the Companies Act, 2013 and Rules made thereunder.
b. The compliance with the Companies Act, 2013 and Rules made thereunder does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.
c. The monies received under the Offer shall be used only for the purposes and objects indicated in the Shelf Placement Memorandum.

We are authorized by the Board of Directors of the Company by resolution dated 24 July 2023 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Bajaj Housing Finance Limited

Place: Pune
Date: 14 September 2023

Vijay Solanki
Treasurer

Atul Patni
Company Secretary

Bajaj Housing Finance Limited

Annexure – A

Statement of Profit and Loss for the period ended (₹ in Crore)

	Particular	**FY2023**	**FY 2022**	**FY 2021**
(I)	Revenue from operations			
	Interest income	5269.24	3,481.75	2,877.43
	Fees and commission income	86.22	81.85	74.62
	Net gain on fair value changes	112.04	58.97	59.85
	Sale of services	50.29	142.02	142.15
	Income on derecognized (assigned) loans	134.80	-	-
	Others	12.14	2.12	0.65
	Total revenue from operations	5664.73	3,766.71	3,154.70
(II)	Other income	0.71	0.42	0.58
(III)	Total income (I + II)	5665.44	3,767.13	3,155.28
(IV)	Expenses			
	Finance costs	3211.32	2,155.31	1,965.87
	Fees and commission expense	14.03	4.68	1.33
	Impairment on financial instruments	123.50	181.07	247.21
	Employee benefits expense	435.14	348.94	245.76
	Depreciation and amortization expenses	33.40	25.76	21.77
	Other expenses	147.99	91.51	60.16
	Total expenses	3965.38	2,807.27	2,542.10
(V)	Profit before exceptional items and tax	1700.06	959.86	613.18
	Exceptional Items	-	-	-
(V)	Profit before tax (III - IV)	1700.06	959.86	613.18
(VI)	Tax expense			
	Current tax	399.80	250.40	187.00
	Adjustment of tax relating to earlier periods	-	-	-
	Deferred tax (credit)/charge	42.46	-0.16	-27.01
	Total tax expense	442.26	250.24	159.99
(VII)	Profit after tax (V - VI)	**1257.80**	**709.62**	**453.19**

Balance sheet as on (₹ in Crores)

Particulars	FY2023	FY 2022	FY 2021
ASSETS			
Financial Assets			
Cash and cash equivalents	93.88	407.03	461.78
Bank balances other than cash and cash equivalents	14.99	0.14	255
Derivative financial instruments	1.37	-	-
Receivables	1.95	1.88	130.61
Loans	62113.89	46,482.07	33,418.90
Investments	2000.91	1,248.27	3,266.04
Other financial assets	301.94	253.93	214.04
Non-financial assets			
Current tax assets (net)	3.97	9.08	4.46
Deferred tax assets (net)	-	15.58	15.26
Property, plant and equipment	84.92	78.09	64.32
Intangible assets under development	0.31	1.46	
Intangible assets	28.07	19.11	14.57
Other non-financial assets	7.94	10.44	13.40
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Payables			
Trade payables	45.93	36.41	20.90
Other payables	73.04	38.17	21.28
Debt securities	19914.92	16,489.15	11,332.08
Borrowings (other than debt securities)	33654.70	24,493.17	20,268.52
Deposits	175.77	510.00	
Other financial liabilities	211.62	174.42	151.14
Non-financial liabilities			
Current tax liabilities (net)	16.17	20.06	7.39
Provisions	15.63	4.05	2.29
Deferred Tax Liabilities (net)	28.27	-	-
Other non-financial liabilities	14.90	20.29	22.56
Equity			
Equity share capital	6712.16	4,883.33	4,883.33
Other equity	3791.03	1,858.03	1,148.89
Interest income	5269.24	3,481.75	2,877.43
Interest expense	3211.32	2,155.31	1,965.87
Impairment on financial instruments	123.50	181.07	247.21
PAT	1257.80	709.62	453.19
Gross NPA (%)	0.22%	0.31%	0.35%
Net NPA (%)	0.08%	0.14%	0.22%
Tier I Capital Adequacy ratio (%)	22.19%	18.95%	20.70%
Tier II Capital Adequacy ratio (%)	0.78%	0.76%	0.63%

Cashflow as on

(₹ in Crores)

	Particulars	FY2023	FY2022	FY 2021
A.	Cash flow from operating activities			
	Profit before tax	1,700.06	959.86	613.18
	Adjustments for:			
	Interest income	-5,269.24	-3,481.75	-2,877.43
	Depreciation and amortization	33.40	25.76	21.77
	Impairment on financial instruments	123.50	181.07	247.21
	Finance Costs	3,211.32	2,155.31	1,965.87
	Share Based Payments to employees	-	-	13.36
	Net (gain)/ loss on disposal of property, plant and equipment	0.70	0.48	0.44
	Provision no longer required written back	-	-0.05	-
	Service fees for management of assigned portfolio of loans	-22.49	-112.53	-103.74
	Income on derecognized (assigned) loans	-134.80	-	-
	Net (gain)/ loss on financial instruments measured at FVTPL	-112.04	-58.97	-59.85
		-469.59	-330.82	-179.19
	Cash inflow from interest on loans	5,040.50	3,476.05	2,840.61
	Cash inflow from service asset	104.64	57.13	38.52
	Cash outflow towards finance cost	-3,103.62	-2,502.59	-1,669.72
	Cash generated from operations before working capital changes	1,571.93	699.77	1,030.22
	Working capital changes:			
	(Increase) / decrease in trade receivables	0.27	3.72	-1.97
	(Increase) / decrease in other receivables	-0.35	0.01	
	(Increase) / decrease in loans	-15,584.98	-13,256.65	-5,698.50
	(Increase) / decrease in Bank balances other than cash and cash equivalents	-14.85	249.89	-
	(Increase) / decrease in other financial assets	3.96	15.51	-275.64
	(Increase) / decrease in other non-financial assets	1.55	3.32	-8.59
	Increase / (decrease) in trade payables	9.52	15.56	-9.69
	Increase / (decrease) in other payables	34.87	16.89	3.45
	Increase / (decrease) in other financial liabilities	33.16	14.95	80.79
	Increase / (decrease) in provisions	17.12	1.12	1.28
	Increase / (decrease) in other non-financial liabilities	-5.39	-2.27	-17.08
		-13,933.19	-12,238.18	-4,895.73
	Income taxes paid (net of refunds)	-398.58	-242.35	-180.04
	Net cash used in operating activities (A)	-14,331.77	-12,480.53	-5,075.77
B.	Cash flow from investing activities			
	Purchase of property, plant and equipment	-20.37	-18.41	-6.6
	Sale of property, plant and equipment	3.87	1.63	1.51
	Purchase of intangible assets and intangible assets under development	-13.43	-10.71	-8.43
	Investments measured under FVTPL (net)	-627.77	1,698.08	-314.45

	Purchase of investments measured under amortized cost	-	-4,900.00	-3,475.00
	Sale of investments measured under amortized cost	-	5,400.00	2,975.00
	Interest received on investments	46.26	26.73	30.93
	Net cash generated from / (used) in investing activities (B)	-611.44	2,197.32	-797.04
C.	Cash flow from financing activities			
	Issue of equity share capital (including securities premium)	2,499.88	-	-
	Payment to holding on account of recharge liability	-	-	-20.41
	Proceeds from long term borrowings	26,657.22	15,597.40	7,302.31
	Repayments towards long term borrowings	-10,737.42	-6,923.39	-3,026.88
	Short term borrowings (net)	-3,435.12	1,054.99	1,428.58
	Deposits accepted (other than public deposits) (net)	-340.68	510	-
	Payment of lease liability	-13.83	-10.54	-7.73
	Net cash generated from financing activities (C)	14,630.06	10,228.46	5,675.87
	Net decrease in cash and cash equivalents (A+B+C)	-313.15	-54.75	-196.94
	Cash and cash equivalents at the beginning of the year	407.03	461.78	658.72
	Cash and cash equivalents at the end of the year	93.88	407.03	461.78

For audited cash flow statements, directors' remuneration and related party transactions, please refer annual reports for the years 2022-23, 2021-22, and 2020-21.

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF BAJAJ HOUSING FINANCE LIMITED AT ITS MEETING HELD ON 24 JULY 2023:

"RESOLVED THAT in supersession of the resolution passed by the Board of Directors at their meeting held on 16 March 2023, and pursuant to the provisions of the Companies Act, 2013 and rules made thereunder and other applicable statutory and regulatory requirements the consent of the Board be and is hereby accorded to borrow from time to time such sum or sums of money as it may deem requisite for the purpose of the business of the Company, inter alia, through secured/unsecured Bank Borrowings i.e. term loans/cash credit/ WCDL/STL/ Line of Credit and through Other Borrowings i.e. secured long term non-convertible debentures (NCDs)/unsecured long term NCDs/long term subordinated debts, short term debt including commercial papers, Triparty repo(TREPS) in one or more tranches, inter corporate loans and external commercial borrowings (whether in Rupees or in foreign currency) upto a sum of Rs. 85,000 crore (including the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) AND THAT Shri Atul Jain – Managing Director, Shri Gaurav Kalani – Chief Financial Officer, Shri Vijay Solanki, Treasurer, be and hereby severally authorised to change the sub limits and also permit interchangeability within the overall borrowing limit of Rs.85,000 crore:

(Rs. In Crore)

Sr. No.	Particulars	Amount
i)	Bank/ Institutional Borrowings – Secured / Unsecured	
	–Term Loans	35,000
	-NHB Refinance	12,000
	–Cash Credit / WCDL/ STL/ Line of Credit**	2,000
	Total Bank Borrowings (A)	**49,000**
ii)	Other Borrowings	
	Secured long term NCDs/Trust Bonds	25,000
	Unsecured long term NCDs	2,000
	Unsecured long term NCDs (Tier II subordinated debt)	750
	Short term debt including Commercial Papers	6,000
	Triparty Repo	1,000
	Inter Corporate Loans (Unsecured)	500
	External Commercial Borrowings (Equivalent Indian Rupees)	750
	Total Other Borrowings (B)	**36,000**
	Total Borrowings (A)+(B)	**85,000**

* Figures have been rounded to nearest two decimal points
**CC/OD balances are as per Financials

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 and rules made thereunder and other applicable statutory and regulatory requirements, the non-convertible debentures be issued within the aforesaid limits, in terms of Information Memorandum/Key Information Document to be issued by the Company from time to time.

RESOLVED FURTHER THAT the proceeds from the issue of non-convertible debentures shall be used for deployment of funds on the company's own balance sheet.

RESOLVED FURTHER THAT:

A. Following officers be and are hereby authorised (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to discuss, negotiate and finalise the terms

and conditions of the said borrowing/s and to convey acceptance on behalf of the Company and agree to such amendment/s and revision/s in the terms and conditions thereof, as may be acceptable to the Company from time to time:

Sr. No.	Authorised Signatory	Designation
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
4.	Shri Ganesh Balasubramanian	Senior Lead – Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

B. Following officers be and are hereby authorised (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to finalise and approve the Information Memorandum / Key Information document , obtain rating from credit rating agency, appoint debenture and/or deposit trustees, create security, fix record date/s for interest payments / redemption, execute documents in respect of issue of commercial paper/s or debenture trust deed/s and such other security document/s, agreement/s and undertaking/s as may be required in connection therewith and take such steps as may be necessary from time to time, on behalf of the Company:

Sr. No.	Authorised Signatory	Designation
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignmer
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts

3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operatio
4.	Shri Ganesh Balasubramanian	Senior Lead – Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

C. The following officers be and are hereby authorised (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to execute documents for availing borrowings from banks, FIs, other entities including term loan agreement/s, demand promissory note/s, undertaking/s, deed/s of adherence to the security trustee agreement and unattested hypothecation deed in favour of security trustee, Banks, Financial Institutions and other entities and such other security documents to be executed with the aforementioned counterparties as may be required from time to time:

Sr. No.	**Authorised Signatory**	**Designation**
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
4.	Shri Ganesh Balasubramanian	Senior Lead – Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

D. Any two of the following employees of the Company be and are hereby jointly authorised up to 31 March 2024, to execute and sign all documents including term loan agreement/s, demand promissory note/s, undertaking/s, deed/s of adherence to the security trustee agreement and unattested hypothecation deed in favour of security trustee and such other security or loan documents as may be required for availing or in connection with various term loans/ External Commercial Borrowings and other credit facilities availed or to be availed by the Company within the borrowing limits approved by the Board:

Sr.no.	**Employee Name**	**Designation**
1.	Shri Santosh Tripathi	National Manager - Home Loans
2.	Shri Kushal Singh	Zonal Manager- Home Loans
3.	Shri Sachin Sharma	Regional Manager- Operations
4.	Shri Virendra Singh Parihar	National Manager - Credit

E. Any two of the following employees of the Company be and are hereby jointly authorized,

up to 31 March 2024, to sign and present for registration with the Registrar / Sub - registrar having appropriate jurisdiction, if need be, debenture trust cum mortgage deed, hypothecation deed and all other documents in favour of debenture trustee viz., Catalyst Trusteeship Limited in connection with Non - Convertible Debentures (NCDs) issued on private placement basis:

Sr. No.	Employee Name	Designation
1.	Shri R Mamallan	Zonal Manager-Branch Operations
2.	Shri Benhur Kirubakaran	Zonal Manager- Home Loans
3.	Shri Mir Rehan Hussain	Zonal Manager – Collateral
4.	Shri Gopichandran S	Senior Regional Manager -Operations

F. The Common Seal of the Company, if required, be affixed to such document/s and deed/s in the presence of any one of the following employees:

Sr. No.	Authorised Signatory	Designation
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10.	Shri Vishal Khator	National Lead - Finance & Accounts
11.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
12.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
13	Shri Ganesh Balasubramanian	Senior Lead - Finance & Accounts
14.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office
15.	Shri Santosh Tripathi	National Manager- Home Loans
16.	Shri Virendra Singh Parihar	National Manager – Credit
17.	Shri Kushal Singh	Zonal Manager- Home Loans
18.	Shri Sachin Sharma	Regional Manager- Operations
19.	Shri R Mamallan	Zonal Manager - Branch Operations
20.	Shri Benhur Kirubakaran	Zonal Manager - Home Loan
21.	Shri Mir Rehan Hussain	Zonal Manager – Collateral
22.	Shri Gopichandran S	Senior Regional Manager - Operations

G. The following officers of the Company be and are hereby severally authorised to take procedural steps and comply with the formalities in connection with the issue, allotment, dematerialisation, listing on stock exchange(s), admission of debentures and/or commercial papers on National Securities Depository Limited / Central Depository Services (India) Limited, to present and lodge the debenture trust deed/s before the concerned sub-

registrar for registration and admit execution thereof, to sign the applications, execute affidavits etc., in respect of the same and to complete all formalities regarding the registration of trust deed/s and other matters pertaining to these debentures:

Sr. No.	Authorised Signatory	Designation
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10	Shri Vishal Khator	National Lead - Finance & Accounts
11.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
12.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
13.	Shri Ganesh Balasubramanian	Senior Lead - Finance & Accounts
14.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

H. The following officers of the Company be and are hereby authorized (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to decide upon bankers and open bank accounts for Cash Credit/Overdraft/term loan/WCTL/receipt of application money on debentures and to honour cheques, bills of exchange, promissory notes drawn, accepted and endorsed or made on behalf of the Company and to act on any instructions so given relating to the said accounts whether the same be overdrawn or not relating to the transactions of the Company and to avail internet banking facility in respect of the aforesaid accounts and the below mentioned authorised signatories, be and are hereby authorised, in the manner specified below, to operate the said accounts, sign, execute and endorse all required forms, documents and agreements in favour of the Banks to avail such facility:

Sr. No.	Authorised Signatory	Designation
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations

4.	Shri Ganesh Balasubramanian	Senior Lead - Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

RESOLVED FURTHER THAT the aforesaid authorizations shall remain and valid so long as the said officials continue to be in the employment of the **Company."**

FOR BAJAJ HOUSING FINANCE LIMITED

ATUL PATNI

ATUL PATNI
COMPANY SECRETARY

BAJAJ FINSERV

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS OF BAJAJ HOUSING FINANCE LIMITED AT THEIR 15TH ANNUAL GENERAL MEETING HELD ON MONDAY, 24 JULY 2023, AT BAJAJ FINSERV CORPORATE OFFICE, OFF PUNE – AHMEDNAGAR ROAD, VIMAN NAGAR, PUNE – 411 014

ISSUE OF NON-CONVERTIBLE DEBENTURES THROUGH PRIVATE PLACEMENT

"RESOLVED THAT in supersession of the special resolution passed by the members at its Extraordinary General Meeting held on 19 May 2023 and pursuant to sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the 'Act') (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force) the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), statutory modification(s), variation(s) and/or re-enactment(s) to any of the foregoing and other applicable guidelines, directions or laws) and extant RBI and NHB guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall deem to include any Committee(s) constituted/to be constituted by the Board to exercise its powers conferred by this resolution) to make offer(s) or an invitation(s) or to issue secured or unsecured non-convertible debentures ('NCDs'), at face value or such other price as may be permissible under the relevant regulations as the Board may determine in accordance with any of the aforementioned directions or regulations, under one or more letter(s) of offer/ disclosure document as may be issued by the Company and in one or more series and/or tranches, during a period of one year commencing from the date of this annual general meeting, on a private placement basis and on such terms and conditions as the Board may deem fit and appropriate for each series, as the case may be provided that the borrowings by way of issue of NCDs to be within the overall limit of borrowing approved by the members of the Company from time to time.

RESOLVED FURTHER THAT for giving effect to above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose including but not limited to execution of all necessary and required agreements, documents, instruments, writings and papers, and settle all difficulties, doubts and questions that may arise in regard to implementation of the aforesaid resolution, without being required to seek any further consent or approval of the members of the Company."

FOR BAJAJ HOUSING FINANCE LIMITED

ATUL
PATNI

ATUL PATNI
COMPANY SECRETARY
FCS 10094

Place: Pune

BAJAJ FINSERV

CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item no. 3 relating to issue of non-convertible debentures through private placement

The Company, in the ordinary course of its business, is required to borrow from time to time, by way of loans, external commercial borrowings, issue of non-convertible debentures (secured or unsecured) and/or other debt securities, on private placement basis or otherwise. The inter-mix of borrowings by the Company depends upon the market conditions, cost of funds, tenor etc.

In terms of section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, (the 'Companies PAS Rules') a company may make an offer or invitation to subscribe to the debentures through an issue of a private placement offer subject to a special resolution of its members approving offer(s) or invitation(s) to subscribe to the non-convertible debentures of the Company. In case the proposed amount to be raised through such offer or invitation exceeds the limit specified in section 180(1)(c) of the Act, a company may pass a special resolution once a year for all the offers or invitations to be made for such debentures to be issued during the year.

It is proposed to seek approval of members by way of a special resolution to authorise the Board to borrow by issue of Non-convertible Debentures on private placement basis, in the ordinary course of its business, for a period of one year commencing from the date of this AGM. Further, the amount to be raised by such issue of Non-convertible Debentures ('NCDs') at all times will be within the overall borrowing limit of Rs. 1,00,000 Crore approved by the members of the Company under section 180(1)(c) of the Act. The members have, presently authorised the Board to borrow up to Rs. 1,00,000 Crore. The actual borrowing through issue of NCDs will be determined by the Board within the overall borrowing limit approved by the members, considering various factors including market conditions, business requirements, etc.

The debentures would be issued either at face value or at a discount or at a premium to the face value, with coupon rate and/or on zero coupon basis, in such manner as may be permissible under the Act, SEBI Listing Regulations, 2015, RBI Master Directions for HFCs and other applicable provisions. The issue price and rate of interest depends, inter alia, on the market rates, tenor and security offered.

In case of secured NCDs, security would primarily be by way of charge on book debts/ loan receivables of the Company, and if required, on the immovable property/(ies) of the Company.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested, directly or indirectly, financially, or otherwise, in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends passing of the Special Resolution as set out in item no. 3 of this Notice.

FOR BAJAJ HOUSING FINANCE LIMITED

ATUL PATNI

ATUL PATNI
COMPANY SECRETARY
FCS 10094

Place: Pune

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS OF BAJAJ HOUSING FINANCE LIMITED AT THEIR EXTRAORDINARY GENERAL MEETING HELD ON FRIDAY, 19 MAY 2023, AT BAJAJ FINSERV CORPORATE OFFICE, OFF PUNE – AHMEDNAGAR ROAD, VIMAN NAGAR, PUNE – 411 014

INCREASE IN THE BORROWING POWERS OF THE COMPANY AND CREATION OF CHARGE/SECURITY ON THE COMPANY'S ASSET

"RESOLVED THAT in supersession of the special resolution passed by the shareholders at its Annual General Meeting held on 15 June 2022 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall deem to include any Committee(s) constituted/to be constituted by the Board to exercise its powers conferred by this resolution) to borrow from time to time such sum or sums of money as it may deem requisite for the purpose of the business of the Company, inter alia, by way of loan/financial assistance from various bank(s), financial institution(s) and/or other lender(s), issue of debentures/bonds/commercial papers/Triparty Repo (TREPS) or other debt instruments, with or without security, whether in India or abroad and through acceptance of inter corporate loans (whether in Rupees or in foreign currency), on such terms and conditions as the Board at its sole discretion may deem fit, notwithstanding that the moneys so borrowed together with moneys already borrowed by the Company (including the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium, provided that the total amount up to which moneys may be borrowed by the Board shall not exceed the sum of Rs. 1,00,000 crore (Rupees One Lakh Crore Only) at any point of time.

RESOLVED FURTHER THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act 2013 (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the members be and is hereby accorded to creation by the Board of Directors of the Company (the 'Board') from time to time, of such mortgages, charges, liens, hypothecation and/or other securities, in addition to the mortgages, charges, liens, hypothecation and/or other securities created by the Company, on such terms and conditions as the Board at its sole discretion may deem fit, of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, in favor of the bank(s), financial institution(s), and/or other lender(s), debenture trustee, security trustee as may be agreed by the Board for the purpose of securing repayment of any loans/financial assistance (whether in Rupees or in foreign currency), debentures or bonds or other instruments issued to the public and/or on private placement basis and/or in any other manner, subject to a maximum amount of Rs. 1,00,000 crore (Rupees One Lakh Crore Only).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution, without being required to seek any further consent or approval of the Members of the Company."

FOR BAJAJ HOUSING FINANCE LIMITED

ATUL
PATNI

Digitally signed by ATUL PATNI
DN: c=IN, o=PERSONAL, pseudonym=7ecd1b5d5bd02f9f6f43059e305014, 2.5.4.20=5AAFB9A824F23E774234B0A3C38437718e598a2AB7353C1183C3D4507968F867277, postalCode=302015, st=Rajasthan, serialNumber=2e6518703fe0202c1a8d7066c2572bdf34728b4368892231be74ff5c28a5fa, cn=ATUL PATNI
Date: 2023.07.22 18:36:28 +05'30'

ATUL PATNI
COMPANY SECRETARY
FCS 10094

Place: Pune

CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 1 relating to increase in the Borrowing Powers of the Company and creation of charge/security on the company's asset

Vide special resolution dated 15 June 2022 passed by the shareholders at its Annual General Meeting, the shareholders of the Company had accorded their consent to the Board of Directors to borrow moneys not exceeding Rs. 75,000 crore (including the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) in terms of Section 180(1)(c) of the Companies Act, 2013 ('the Act') and creation of mortgages, charges, liens, hypothecation and/ or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including whole or substantially the whole of the Company's undertaking or undertakings, for securing the borrowings up to a limit of Rs. 75,000 crore in terms of Section 180(1)(a) of the Act.

Considering the future business plans of the Company and to meet the funding requirements for the business of the Company for next two financial years, the Board of Directors may need to resort to further borrowings from time to time, inter alia, by way of secured/unsecured Bank Borrowings i.e. term loans/cash credit/ Working Capital Demand Loan/Short Term Loan/ Line of Credit and through Other Borrowings i.e. secured long term non-convertible debentures (NCDs)/unsecured long term NCDs/long term subordinated debts, short term debt including commercial papers, Triparty repo(TREPS) in one or more tranches, inter corporate loans and external commercial borrowings.

These borrowings may also have to be secured by creation of mortgages, charges, liens, hypothecation and/or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, in favour of bank(s)/financial institution(s)/other lender(s)/debenture trustee/security trustee.

The Board of Directors, at their meeting held on 24 April 2023 had recommended to members, borrowings in various forms for an aggregate amount not exceeding Rs. 1,00,000 crore. Accordingly, it is proposed to seek approval of the members of the Company for revising the limits of borrowing and creation of charge/security on the Company's assets with respect to borrowing from the existing Rs. 75,000 crore to Rs. 1,00,000 crore (including the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business).

None of the Directors, key managerial personnel of the Company and their relatives are, concerned or interested, in these resolutions, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends passing of the Special Resolution as set out in item no. 1 of this Notice.

FOR BAJAJ HOUSING FINANCE LIMITED

ATUL PATNI

ATUL PATNI
COMPANY SECRETARY
FCS 10094

Place: Pune

ANNEXURE C

CL/MUM/23-24/DEB/873 **07.09.2023**

Mr. Atul Patni
Company Secretary,
Bajaj Housing Finance Ltd.
3rd floor, Panchshil Tech Park,
Plot 43/1, 43/2 & 44/2,
Viman Nagar, Pune-411014

Dear Sir,

Re: Debenture Trusteeship for the proposed issue of Secured Redeemable Nonconvertible Debentures of Rs. 15000 Crore under General Information Document.

We refer to the communication informing that your company proposes to issue Secured Redeemable Non-Convertible Debentures for an aggregate amount Rs. 15000 Crore (Rupees Fifteen Thousand Crore Only) under General Information Document "Series 31" on private placement basis in various tranches and requesting us to act as debenture trustee.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to create the security within the timeline as per relevant Laws / Regulations and in the Placement Memorandum/Offer Document / Information Memorandum / Disclosure Document/ General Information Document / Key Information Document and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Debt Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Assuring you the best professional services.

Yours faithfully,

CATALYST TRUSTEESHIP LIMITED

Authorised Signatory
Name: Nidhi Vasa
Designation: Manager

ANNEXURE D

CRISIL Ratings

CONFIDENTIAL

RL/BAHOFL/320233/NCD/0623/62162/151683638/3
September 05, 2023

Mr. Vijay Solanki
Treasurer
Bajaj Housing Finance Limited
4th Floor S.No. 208/1-B
Viman Nagar
Pune - 411014
9673993485

Dear Mr. Vijay Solanki,

Re: CRISIL Rating on the Rs.42717.8 Crore Non Convertible Debentures of Bajaj Housing Finance Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.
Please refer to our rating letters dated August 24, 2023 bearing Ref. no.:
RL/BAHOFL/320233/NCD/0623/62162/151683638/2,
RL/BAHOFL/320233/NCD/0623/62168/79051966/2, RL/BAHOFL/320233/NCD/0623/62167/98217772/2
and RL/BAHOFL/320233/NCD/0623/62166/120675859/2.

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non Convertible Debentures	15000	CRISIL AAA/Stable
2	Non Convertible Debentures	12009.7	CRISIL AAA/Stable
3	Non Convertible Debentures	8708.1	CRISIL AAA/Stable
4	Non Convertible Debentures	7000	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Ajit Velonie
Senior Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

CRISIL Ratings

Rating Rationale

June 01, 2023 | Mumbai

Bajaj Housing Finance Limited

'CRISIL AAA/Stable' assigned to Non Convertible Debentures; Rated amount enhanced for Commercial Paper

Rating Action

Total Bank Loan Facilities Rated	**Rs.16000 Crore**
Long Term Rating	**CRISIL AAA/Stable (Reaffirmed)**

Rs.15000 Crore Non Convertible Debentures	**CRISIL AAA/Stable (Assigned)**
Rs.7000 Crore Non Convertible Debentures	**CRISIL AAA/Stable (Reaffirmed)**
Rs.8708.1 Crore Non Convertible Debentures	**CRISIL AAA/Stable (Reaffirmed)**
Rs.7500 Crore (Enhanced from Rs.6000 Crore) Commercial Paper	**CRISIL A1+ (Reaffirmed)**
Non Convertible Debentures Aggregating Rs.12009.7 Crore	**CRISIL AAA/Stable (Reaffirmed)**
Subordinated Debt Aggregating Rs.1000 Crore	**CRISIL AAA/Stable (Reaffirmed)**

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AAA/Stable**' rating to the Rs 15000 crore Non-Convertible Debentures and reaffirmed its 'CRISIL AAA/Stable/CRISIL A1+' ratings on the Bank Loan facilities and other debt facilities of Bajaj Housing Finance Limited (BHFL).

CRISIL Ratings has also withdrawn its rating on the Rs 1095 crore non-convertible debentures (see the Annexure - Details of Rating Withdrawn' for details) on receipt of independent confirmation that these instruments are fully redeemed, in line with its withdrawal policy.

The ratings centrally factor in expectation of strong financial, operational and managerial support for BHFL from its parent, Bajaj Finance Ltd (BFL: 'CRISIL AAA/ Stable/CRISIL A1+'), both on an ongoing basis, and in the event of distress. The expectation reflects the strategic importance of BHFL to BFL, and the strong moral obligation of the latter to support the former. The rating strength is augmented by the established track record of BFL in the housing finance segment.

Analytical Approach

For the purpose of the rating, CRISIL Ratings has factored in expectation of support that BHFL is expected to receive from BFL, both on an ongoing basis, and in the event of distress given its high strategic importance to BFL as the company's housing finance arm and the strong moral obligation of the parent to support the same.

Key Rating Drivers & Detailed Description

Strengths:

Expectation of strong support from BFL

BFL holds 100% stake in BHFL, its housing finance arm. In September 2015, BHFL received a certificate for the housing finance business from the National Housing Bank (NHB). The parent, BFL is a subsidiary of Bajaj Finserv Ltd, the financial services arm of the Bajaj group. Registered with the RBI as a systemically important, deposit-taking, non-banking finance company (NBFC-D-SI), BFL has emerged as one of the largest retail asset financing NBFCs in India. It has a diversified product suite, comprising key businesses such as vehicle loans (two- and three-wheelers manufactured by Bajaj Auto Ltd), consumer durable loans, personal loans, mortgage loans, small business loans, and loans against securities, commercial finance, and rural finance.

CRISIL Ratings believes BHFL is strategically important to BFL, being its vehicle for growing the mortgage business, which is a key focus area. Also, conducting the mortgage business through a housing finance company (HFC) enables more efficient use of capital. With BFL having infused over Rs 7000 crores from fiscal 2017 till fiscal 2022, BHFL has a sizeable networth of around Rs 10,503 crore as on March 31, 2023. BFL plans to hold a majority stake and is willing to infuse additional capital to support growth requirements over the medium term. BHFL plans to follow a conservative gearing policy and maintain capital adequacy well above the regulatory norms. The shared name also enhances BFL's moral obligation to support BHFL.

Established track record of BFL in home loans

BFL is present in the highly competitive mortgage business since fiscal 2011 and has an experienced management team. Including BHFL, it has scaled up its mortgage book to around Rs 69,228 crore as on March 31, 2023 as compared to Rs 53,322 crore as on March 31, 2022, while maintaining strong asset quality metrics. The management has laid down prudent underwriting practices and focuses on existing customers having exposure to other banks.

All majority of incremental mortgage disbursements are done via BHFL. According to the management, BHFL will maintain its focus on home loans, which should constitute around 60% of total loans in the medium term. Loans against property including LRD, will constitute another 25%, while developer financing, rural mortgages and other loans will account for the rest.

Weakness:

Early stage of operations

As BFL's vehicle facilitating growth in the mortgage business, BHFL has attained significant size and scale in the past three years, also reflected in its share within overall assets under management (AUM) for the Bajaj group. The company started operations in July 2017 and

recorded a compound annual growth rate (CAGR) of 196% over fiscals 2018-2023 to reach AUM of Rs 69,228 crore as on March 31, 2023. Consequently, the share of BHFL in the overall Bajaj Finance group AUM has increased to 28% as on March 31, 2023. The AUM for BHFL comprises primarily of home loans (59%; *around 90% loans to salaried class)*, followed by loans against property including lease rental discounting (16%), developer finance (9%), LAP including rural mortgages (13%) and unsecured loans (3%) as on March 31, 2023.

On the asset quality side, the gross non-performing assets (GNPA/stage 3 assets) remained comfortable at 0.22% as on March 31, 2023 compared to 0.31% as on March 31, 2022 and 0.35% as on March 31, 2021. Further, BHFL has restructured book of Rs 123 crore or ~0.2% of the loan book in line with the resolution framework for COVID-19 related stress provided by the Reserve Bank of India (RBI) as on March 31, 2023. Although asset quality performance has been healthy, significant proportion of the portfolio has witnessed strong growth over the past few years and remains under-seasoned. Therefore, the company's ability to manage collections and asset quality, especially amidst the current economic uncertainty, is a key monitorable.

While BHFL has demonstrated its ability to manage asset quality, this will be a key monitorable as the portfolio seasons. Furthermore, while the company has controlled its operating expenses as it has scaled up along with managing its borrowing cost, the credit cost remaining contained at 0.2% as for fiscal 2023 as compared to 0.4% in fiscal 2022 as against 0.6% in fiscal 2021. Therefore, impact of the ongoing economic uncertainty on the macroeconomic situation and hence, asset quality and profitability remain key monitorable.

Liquidity: Superior

The asset liability maturity (ALM) profile of BHFL remains adequate as of March 31, 2023. There were no inherent cumulative mismatches in the short-term book (up to 1 year; including the committed lines of credit).

As on March 31, 2023, cash and liquid investments stood at Rs 2,109.78 crore, along with unutilised cash credit/working capital demand loan (CC/WCDL) and unavailed term loans of Rs 5,565.5 crore, having six months cover of 1.05 times on debt repayments (including interest expenses) of Rs ~7,339 crore (from April'23 to September'23).

Outlook: Stable

CRISIL Ratings believes BHFL will benefit from strong financial, managerial, and operational support from BFL over the medium term.

Rating Sensitivity factors

Downward factors

* Downgrade in the credit rating of BFL by 1 notch or higher
* Any change in articulation of support philosophy by BFL towards BHFL, or adverse material change in ownership structure
* Significant deterioration in asset quality of BHFL's loan book

About the Company

BHFL, the housing finance arm of BFL, was incorporated as a wholly-owned subsidiary of Bajaj Finserv Ltd on June 13, 2008. During fiscal 2015, the company became the wholly-owned subsidiary of BFL. On September 24, 2015, BHFL received a Certificate of Registration from NHB to set up its housing finance company

Key Financial Indicators

As on/for the period/ for the year ended as per INDAS	Unit	March 31, 2023	March 31, 2022	March 31, 2021
Total Assets	**Rs crore**	**64,654**	**48,527**	**37,859**
Total income	**Rs crore**	**5,665**	**3767**	**3155**
Profit after tax	**Rs crore**	**1,258**	**710**	**453**
Gross NPA	**%**	**0.22**	**0.31**	**0.35**
Adjusted Gearing*	**Times**	**5.8**	**7.2**	**6.1**
Return on managed assets**	**%**	**2.0**	**1.4**	**1.1**

**Adjusted gearing = On-book borrowing as per IND-AS + DA (direct assignment) divided by Reported networth*

***Return on managed assets = Reported PAT divided by average of end year managed assets. Managed assets =Total reported assets + DA (direct assignment)*

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity Date	Issue size (Rs.Crore)	Complexity Level	Rating outstanding with outlook
NA	Debentures^	NA	NA	NA	15000	Simple	CRISIL AAA/Stable
NA	Subordinate debt^	NA	NA	NA	500	Complex	CRISIL AAA/Stable
NA	Subordinate debt^	NA	NA	NA	500	Complex	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	2060	Simple	CRISIL AAA/Stable
INE377Y07367	Debentures	23-Sep-22	7.84%	23-Sep-32	500	Simple	CRISIL AAA/Stable
INE377Y07375	Debentures	09-Nov-22	7.92%	16-Mar-26	390	Simple	CRISIL AAA/Stable
INE377Y07391	Debentures	14-Dec-22	7.83%	12-Dec-25	1000	Simple	CRISIL AAA/Stable
INE377Y07409	Debentures	09-Feb-23	8.04%	09-Feb-33	750	Simple	CRISIL AAA/Stable

INE377Y08076	Debentures	31-Jan-20	8%	07-Feb-35	750	Simple	CRISIL AAA/Stable
INE377Y08084	Debentures	13-Mar-20	7.70%	09-Mar-35	1050	Simple	CRISIL AAA/Stable
INE377Y07417	Debentures	28-Apr-23	7.90%	28-Apr-28	500	Simple	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	1353	Simple	CRISIL AAA/Stable
INE377Y07318	Debentures	12-Jul-22	7.42%	12-Jul-24	1000	Simple	CRISIL AAA/Stable
INE377Y07326	Debentures	21-Jul-22	7.65%	21-Jul-25	1050	Simple	CRISIL AAA/Stable
INE377Y07334	Debentures	12-Aug-22	7.42%	12-Aug-25	625	Simple	CRISIL AAA/Stable
INE377Y07342	Debentures	29-Aug-22	7.28%	29-Aug-24	250	Simple	CRISIL AAA/Stable
INE377Y07359	Debentures	08-Sep-22	7.89%	08-Aug-32	500	Simple	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	3612.8	Simple	CRISIL AAA/Stable
INE377Y07268	Debentures	15-Sep-21	5.00%	15-Sep-23	1000	Simple	CRISIL AAA/Stable
INE377Y07276	Debentures	21-Sep-21	5.75%	21-Apr-25	330	Simple	CRISIL AAA/Stable
INE377Y07284	Debentures	29-Oct-21	7.25%	29-Oct-31	571	Simple	CRISIL AAA/Stable
INE377Y07292	Debentures	21-Feb-22	5.84%	21-Feb-24	2000	Simple	CRISIL AAA/Stable
INE377Y08068&	Debentures	13-Mar-20	7.70%	09-Mar-35	1050	Simple	CRISIL AAA/Stable
INE377Y07300	Debentures	23-May-22	7.70%	21-May-27	1096	Simple	CRISIL AAA/Stable
INE377Y08050#	Debentures	31-Jan-20	8%	07-Feb-35	750	Simple	CRISIL AAA/Stable
INE377Y07235	Debentures	21-Jun-21	5.60%	21-Jun-24	985	Simple	CRISIL AAA/Stable
INE377Y07243	Debentures	13-Aug-21	5.10%	11-Aug-23	225	Simple	CRISIL AAA/Stable
INE377Y07250	Debentures	06-Sep-21	5.69%	06-Dec-24	565	Simple	CRISIL AAA/Stable
INE377Y07227	Debentures	28-May-21	5.70%	10-Jun-24	1450	Simple	CRISIL AAA/Stable
INE377Y07219	Debentures	05-May-21	5.8% (XIRR)	10-May-24	135	Simple	CRISIL AAA/Stable
INE377Y07201	Debentures	17-Mar-21	6.00%	12-Mar-24	675	Simple	CRISIL AAA/Stable
INE377Y07177	Debentures	25-Sep-20	5.85%	25-Sep-23	200	Simple	CRISIL AAA/Stable
INE377Y07193	Debentures	24-Dec-20	5.00%	22-Dec-23	200	Simple	CRISIL AAA/Stable
NA	Commercial Paper	NA	NA	7-365 Days	7500	Simple	CRISIL A1+
NA	Cash Credit & Working Capital Demand Loan	NA	NA	NA	650	NA	CRISIL AAA/Stable
NA	Term loan-1	NA	NA	Door to Door Tenor of 5 years with a moratorium of 24 months from date of availment from date of availment	250	NA	CRISIL AAA/Stable
NA	Term loan-2	NA	NA	Door to Door tenor of 5 years with moratorium of 4 years from date of availment	200	NA	CRISIL AAA/Stable
NA	Term Loan-3	NA	NA	Door to Door tenor of 7 years with moratorium of 6	4000	NA	CRISIL AAA/Stable

				months from date of availment			
NA	Term Loan-4	NA	NA	Door to Door tenor of 5 years with moratorium of 4 years from date of availment from date of availment	500	NA	CRISIL AAA/Stable
NA	Term Loan- 5	NA	NA	Door to Door tenor of 4 years with moratorium of 24 months from date of availment	200	NA	CRISIL AAA/Stable
NA	Term Loan- 6	NA	NA	Door to Door tenor of 5 years with moratorium of 24 months from date of availment	150	NA	CRISIL AAA/Stable
NA	Term Loan-7	NA	NA	Door to Door Tenor of 7 years 6 months with a moratorium of 18 months from date of availment	2500	NA	CRISIL AAA/Stable
NA	Term Loan-8	NA	NA	Door to Door Tenor of 5 years with a moratorium of 24 months from date of availment	500	NA	CRISIL AAA/Stable
NA	Term Loan-9	NA	NA	Door to Door Tenor of 7 years with a moratorium of 1 Year from date of availment	1050	NA	CRISIL AAA/Stable
NA	Term Loan-10	NA	NA	Door to Door Tenor of 7 years with a moratorium of 5 Year from date of availment	1000	NA	CRISIL AAA/Stable
NA	Proposed Long Term Bank Loan Facility*	NA	NA	NA	5000	NA	CRISIL AAA/Stable

**Interchangeable with short-term bank facilities*

#partly-paid to the tune of Rs 315 crore

&partly-paid to the tune of Rs 441 crore
^Yet to be issued

Annexure: Details of ratings withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity Date	Issue size (Rs.Crore)	Complexity Level	Rating outstanding with outlook
INE377Y07185	Debentures	6-Nov-20	4.85%	4-Nov-22	900	Simple	Withdrawn
INE377Y07144	Debentures	13-Feb-20	7.10%	10-Feb-23	165	Simple	Withdrawn
INE377Y07151	Debentures	27-Feb-20	7.05%	24-Mar-23	30	Simple	Withdrawn

Annexure - Rating History for last 3 Years

	Current			2023 (History)		2022		2021		2020		Start of 2020
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	16000.0	CRISIL AAA/Stable		--	13-09-22	CRISIL AAA/Stable	14-09-21	CRISIL AAA/Stable	07-07-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	14-07-22	CRISIL AAA/Stable	04-06-21	CRISIL AAA/Stable	17-02-20	CRISIL AAA/Stable	--
			--		--		--	05-02-21	CRISIL AAA/Stable		--	--
Commercial Paper	ST	7500.0	CRISIL A1+		--	13-09-22	CRISIL A1+	14-09-21	CRISIL A1+	07-07-20	CRISIL A1+	CRISIL A1+
			--		--	14-07-22	CRISIL A1+	04-06-21	CRISIL A1+	17-02-20	CRISIL A1+	--
			--		--		--	05-02-21	CRISIL A1+		--	--
Non Convertible Debentures	LT	42717.8	CRISIL AAA/Stable		--	13-09-22	CRISIL AAA/Stable	14-09-21	CRISIL AAA/Stable	07-07-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	14-07-22	CRISIL AAA/Stable	04-06-21	CRISIL AAA/Stable	17-02-20	CRISIL AAA/Stable	--
			--		--		--	05-02-21	CRISIL AAA/Stable		--	--
Subordinated Debt	LT	1000.0	CRISIL AAA/Stable		--	13-09-22	CRISIL AAA/Stable	14-09-21	CRISIL AAA/Stable	07-07-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	14-07-22	CRISIL AAA/Stable	04-06-21	CRISIL AAA/Stable	17-02-20	CRISIL AAA/Stable	--
			--		--		--	05-02-21	CRISIL AAA/Stable		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit & Working Capital Demand Loan	150	Bank of India	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	100	Central Bank Of India	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	300	HDFC Bank Limited	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	50	Syndicate Bank	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	50	Axis Bank Limited	CRISIL AAA/Stable
Proposed Long Term Bank Loan Facility*	5000	Not Applicable	CRISIL AAA/Stable
Term Loan	1000	Bank of India	CRISIL AAA/Stable
Term Loan	6500	State Bank of India	CRISIL AAA/Stable
Term Loan	250	HDFC Bank Limited	CRISIL AAA/Stable
Term Loan	200	Central Bank Of India	CRISIL AAA/Stable
Term Loan	500	Bank of Baroda	CRISIL AAA/Stable
Term Loan	700	Axis Bank Limited	CRISIL AAA/Stable
Term Loan	150	United Bank of India	CRISIL AAA/Stable
Term Loan	1050	Syndicate Bank	CRISIL AAA/Stable

This Annexure has been updated on 01-June-23 in line with the lender-wise facility details as on 14-Jul-22 received from the rated entity

**-Interchangeable with short-term bank facilities*

Criteria Details

Links to related criteria
Rating Criteria for Finance Companies
CRISILs Criteria for rating short term debt

Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support
Criteria for Notching up Stand Alone Ratings of Companies based on Group Support

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Annexure – E

Events of Default

a) The whole of the principal monies shall be deemed forthwith to have become due and payable and the security hereby constituted shall (subject to the next succeeding clause hereof) become enforceable in each and every one of the following events and the Trustees may in their discretion and / or shall upon request in writing of the holders of the Debentures of an amount representing not less than three-fourths in value of the nominal amount of the Debentures for the time being outstanding or by a Special Resolution duly passed at the meeting of the Debenture holders convened in accordance with the provisions set out in the third Schedule of Debenture Trust Deed written by three-fourth majority of votes and by a notice in writing to the Company declare the principal amount of the Debenture and all accrued interest thereon to be due and payable forthwith and the security created hereunder shall become enforceable

b) The occurrence of any of the following events shall be deemed to be an event of default if not rectified at the end of the specified period, if any, therefore stated hereunder

c) If the Company fails to make the payment of principal monies which ought to be paid in accordance with the financial covenants contained in the Key Information Document to these presents and such failure is not rectified within 7 working days.

d) If the company fails to make the payment of any interest hereby secured on the date when such interest is by these presents made payable and such failure is not rectified within 7 working days.

e) If the company without the consent of the debenture holders ceases or threatens to cease to carry on its business or gives notice of its intention to do so of if it appears to the Trustee that the Company is carrying on business at such a loss, the further continuation by the Company of its business will endanger the security of the debenture holders.

f) If an order shall be made or an effective resolution passed for winding up the Company.

g) If the Company commits a breach of any of the covenants, conditions or provisions herein contained in the transaction documents and / or financial covenants and conditions contained in the Key Information Document on its part to be observed and performed which breach is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not remedied within 90(Ninety) days after written notice of such breach has been given to the company by the Trustee.

h) If the Company shall make any alteration in the provision of its Memorandum & Articles of Association which in the opinion of the Trustee is likely detrimental or affect the interest of

the debenture holders and shall upon demand by the Trustees refuse or neglect or be unable to rescind such alteration.

i) If, there is reasonable apprehension that the Company is unable to pay its debts or proceedings for taking it into liquidation, either voluntarily or compulsorily may be or have been commenced.

j) The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or the Company is voluntarily or involuntarily dissolved.

k) The Company is unable or has admitted in writing its inability to pay its debts as they mature.

l) If at any time it appears from the Balance Sheet of the Company or the Trustee shall certify in writing, that in their opinion the liabilities of the Company exceed its assets including its uncalled capital or that the Company is carrying on its business at a loss.

m) If in the opinion of the Trustees and the Debenture holders, the Security of the Debentures is in jeopardy.

n) When an order has been made by the Tribunal or a special resolution has been passed by the members of the Company for winding up of the company.

o) Any other events as may be specified in the Transaction documents.

Annexure F

Covenants for Deed of Hypothecation

1. The Company shall at all times till the Final Redemption Date maintain Asset Cover in accordance with the General Information Document/Disclosure Document/Prospectus/Offer Document and in the event there is breach in the Asset Cover the Hypothecated Property shall be Topped Up with additional charge or encumbrance on the Hypothecated Property shall be replaced within 15 (fifteen) days from date of receipt of notice by the Company from the Debenture Trustee acting on behalf of the Debenture Holders, as the case may be.

2. The Company shall provide quarterly reports on the maintenance and monitoring of the Asset Cover to the Debenture Trustee duly certified by an independent chartered accountant as may be specified by Board from time to time and a quarterly report certifying maintenance of 100% (hundred percent) Asset Cover as per the terms of the relevant Disclosure Documents and/or the Debenture Trust Deed duly certified by its Statutory Auditor. The Security Interest created by the Company in favour of the Debenture Trustee on the Hypothecated Property shall be held by the Debenture Trustee in trust for, and for the benefit of, the Debenture Holders and their respective successors and assigns, in accordance with the Debenture Documents.

3. The Company shall create charge over the Hypothecated Property prior to filing of the application for listing of the Debentures and perfect the charge over the Hypothecated Property by way of hypothecation as per the Applicable Laws and file Form CHG-9 as may be required to be filed with the Registrar of Companies within 30 (thirty) days from the date of creation of charge and other documents as may be required under the Act or the rules framed and the Debenture Trustee shall , at the cost of the Company, make necessary filings (including but not limited to) with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India ("CERSAI") in relation to the perfection of security therein i.e. within 30 (thirty) days of creation of such charge.

   Provided however that the right of the Debenture Trustee to call upon the Company to Top-Up of additional security, upon depletion of the Asset Cover is without prejudice to any other rights that the Debenture Trustee and/or the Debenture Holders may have under the Debenture Documents, including declaration of an Event of Default or enforcing the rights available to them under any Debenture Document.

4. Pursuant to any Top-Up of additional security by the Company for the maintenance of the Asset Cover in terms of the Debenture Documents and the General Information Document/Prospectus/Offer Document/ Disclosure Documents, the Clause 4.1 of DTD shall be suitably amended to reflect the updated details of the Hypothecated Property. Further, the Company shall file the modification to Form CHG-9 with the Registrar of Companies and other documents as may be required under the Companies Act or the rules framed thereunder and the Debenture Trustee shall, at the cost of the Company, and make necessary filings (including but not limited to) to update the record of the charge with the CERSAI within 30 (thirty) days of the Top-Up of Hypothecated Property by the Company.

5. The Company further agrees to not undertake or omit to undertake any act or action pertaining to the Hypothecated Property, which will in any manner, at any point of time, adversely affect the rights and interest of the Debenture Trustee and/or the Debenture Holders under DTD and other Debenture Documents without obtaining the written consent of the Debenture Trustee (acting on the instructions of all the Debenture Holders).

6. The Security Interest created hereunder in favour of the Debenture Trustee (for the benefit of the Debenture Holders) shall become enforceable by the Debenture Trustee upon the occurrence of any Event in Default, in accordance with the Debenture Documents and the provisions of Clause 11 *(Enforcement of the Security)* herein.

7. In an event of not meeting Security Coverage Ratio, the Company shall not create any charge, mortgage, lien or other encumbrance upon or over the Hypothecated Property(other than Permitted Security Interest), or any part thereof. without prior approval of the Trustee and the Debenture Holder(s) /Beneficial Owners nor suffer any such charge, mortgage, lien or other encumbrance or any attachment or distress to affect the same or any part thereof.

8. The Company must at its own expense promptly make all necessary and appropriate recordings and filings in all appropriate jurisdictions and take whatever action the Debenture Trustee may require for:

   a) creating, perfecting or protecting any Security Interest intended to be created by or under DTD within the timeline as provided in Debenture Trust Deed;

   b) facilitating the realisation of any Hypothecated Property;

   c) facilitating the exercise of any right, power or discretion exercisable by the Debenture Trustee or any of its nominees, delegates or sub-delegates in respect of any Hypothecated Property;

   d) which includes (if required):

      (i) the re-execution or amendment of DTD;

      (ii) the execution of any transfer, whether to the Debenture Trustee or to its nominee;

      (iii) the giving of any notice and the making of any filing or registration; and

      (iv) supplying and verifying all statements, reports, returns, certificates and information and executing all documents and doing all such acts, deeds,matters and things,

   which, in any such case, the Debenture Trustee may think expedient.

9. As soon as practicable and no later than 3 (three) Business Days after the Company makes any recording or filing for the perfection of the Security, it must supply the Debenture Trustee with evidence satisfactory to the Debenture Trustee that each such recording and filing has been duly made.

AFFIRMATIVE COVENANTS

In consideration of the Debenture Holders agreeing to subscribe to the Debentures on the terms and subject to the conditions set out in the Debenture Trust Deed, the Company does hereby agree and undertake that the Company shall duly and punctually make payment of all the Outstanding Amounts on the respective due date(s), in the manner stipulated in the Debenture Documents and shall observe and perform the terms, covenants, conditions and stipulations contained in the Debenture Trust Deed, which terms, covenants, conditions and stipulations are hereby incorporated herein by reference and made a part of the Deed as if such covenants and other relevant provisions were set forth in full herein.

The Company does further agree, declare and covenant with the Debenture Trustee that it shall promptly, at its own expense, execute all such documents and assurances and do all such acts and things and in such form as the Debenture Trustee may require in favour of the Debenture Trustee for exercising the rights, powers and authorities hereby conferred on the Debenture Trustee for effectuating and completing the Security Interest hereby created and shall from time to time and at all times after the Security Interest hereby constituted shall become enforceable, execute and do, at its own expense, all such acts, deeds and things as are necessary for enforcing the Security Interest created hereunder and for realisation of the Hypothecated Property.

The Debenture Trustee or the nominees of the Debenture Trustee shall upon giving a prior notice, at the expense of the Company, be entitled at all times to inspect, value, insure, superintend the disposal of and take particulars of all or any part of the Hypothecated Property and check any statement, accounts, reports and information provided that the Debenture Trustee shall use reasonable efforts to ensure that such inspection, valuation etc. does not hinder the normal business of the Company. The Company unconditionally undertakes to take all steps to ensure that such inspections as stated above shall not be disturbed or for any reason stopped and that the Company shall co-operate with such inspections without demur or protest, including making available such staff as the Debenture Trustee or their respective agents may require in connection with such inspection(s).

In the event of any Event of Default, the Debenture Trustee or their nominees shall, without any notice and without assigning any reason and at the risk and expense of the Company and if necessary as attorney for and in the name of the Company, be entitled to take charge and / or possession of, seize, recover, receive and remove them and/ or sell by public auction or by private contract, dispatch or consign for realisation or otherwise dispose of or deal with all or any part of the Hypothecated Property (including by way or through the exercise of its powers and rights specified in Clause 11 (Enforcement of the Security) hereof) and to enforce, realise, settle, compromise and deal with any rights or claims relating thereto, without being bound to exercise any of these powers or be liable for any losses in the exercise or non-exercise thereof and without prejudice to Debenture Trustee's rights and

remedies of suit or otherwise. Notwithstanding any pending suit or other proceeding, the Company undertakes to give immediate possession to the nominees of the Debenture Trustee on demand of the Hypothecated Property and to transfer and deliver to the Debenture Trustee all related bills, contracts, securities and documents and the Company hereby agrees to accept the Debenture Trustee's account of sales and realisations (based on satisfactory documentary evidence) as sufficient proof of amounts realised and relative expenses and to pay on demand by the Debenture Trustee any shortfall or deficiency thereby shown. The Debenture Trustee will also pay on demand to the Company any amounts received in excess of the Outstanding Amounts. Provided, however, that the Debenture Trustee shall not in any way be liable or responsible for any loss, damage or depreciation that the Hypothecated Property may suffer or sustain on any account whatsoever whilst the same are in the possession of the Debenture Trustee or by reason of exercise or non-exercise of rights and remedies available to the Debenture Trustee as aforesaid and that the Company alone shall be liable for such loss, damage or depreciation shall be wholly debited to the account of the Company howsoever the same may have been caused.

The Company shall at all times during the continuance of these presents and the Security Interest hereby created, except as otherwise expressly permitted by the Debenture Trust Deed, duly and punctually pay any imposts, costs, duties, taxes, premium and outgoings which become lawfully payable by the Company in respect of the Hypothecated Property or any part thereof or the carrying out by the Company or maintenance of any business or operations thereon and shall prevent any part of such Hypothecated Property from becoming charged with the payment of any imposts, duties and taxes lawfully payable by the Company.

The Company hereby undertakes that it will immediately take all necessary actions and make all the filings required to be filed in relation to the Security Interest created hereunder and it shall ensure that the Security Interest hereunder is duly registered with the CERSAI and/or any other authority or regulatory body with whom relevant filings are required to be made to perfect the Security Interest created under DTD and protect the Hypothecated Property, including without limitation relevant filings to be made with Information Utility pursuant to the provisions of the IBC, as and when applicable, within the stipulated period. The Company shall confirm the same to the Debenture Trustee and protect the Hypothecated Property. The Company shall promptly, upon receipt, deliver to the Debenture Trustee certified true copies of the receipts, confirmations, certificates and other documents evidencing perfection of the Security Interest created under DTD in favour of the Debenture Trustee.

NEGATIVE COVENANTS

The Company does hereby agree and undertakes that during the continuance of DTD and until the Final Redemption Date, the Company shall not do or allow or cause to be done any of the following, without the prior consent of the Debenture Trustee:-

a) do or concur in doing anything that may materially prejudice the Security Interest herebycreated/agreed to be created;

b) subject to the Asset Cover being maintained, the Issuer may at its discretion transfer, further hypothecate or otherwise charge, encumber, dispose of or deal with any of

the Hypothecated Property for the time being subject to or intended to be the subject of the charge under DTD, without consent of the Debenture Trustee;

c) initiate any voluntary winding up process and/or cause any circumstance to arise which could result in any person initiating winding up actions against the Company and/or any other actions which in the opinion of the Debenture Trustee would affect or is likely to affect the rights and benefits of the Debenture Trustee hereunder and under any of the Debenture Documents, including but not limited to its rights in relation to the Hypothecated Property; and

d) undertake such activities which may lead to events which can be termed as Material Adverse Effect.

Covenants of Debenture Trust Deed(DTD)

1.2 Covenant to Pay Principal and Interest:

1.2.1 The Company covenants with the Trustee that it shall pay to the Debenture Holder(s)/Beneficial Owner(s) the principal amount of the Debentures together with redemption premium, if any, on the Redemption Dates and shall also pay interest (inclusive of penal interest where applicable) on the Debentures in accordance with Clause 10.11 of DTD and the General Information Document/ Shelf Disclosure Document/ Disclosure Document/ Prospectus/ Offer Document.

Provided that if so called upon by the Trustee, the Company shall make payments as aforesaid to or to the order of or for the account of the Trustee and such payment shall be deemed to be in satisfaction of the aforesaid covenant of the Company to make such payments to the Debenture Holder(s)/Beneficial Owner(s). Such payments shall be passed on to the Debenture Holder(s)/Beneficial Owner(s), subject to the appropriation in the order of preference mentioned in Clause 10.15 of DTD.

1.2.2 The Company shall provide to the Debenture Trustee the details of the bank account as mentioned below from which it proposes to pay any Redemption Amount and interest to the relevant Debenture Holders.

Bank account Number: 00070350013375
Name of Bank & Branch: HDFC Bank, Bhandarkar Road Branch
Address: HDFC Bank, Netrali Apartment, 885, Bhandarkar Road, Pune 411004
Contact Person: Rahul Mahajan (Bank RM)
E-mail Id: rahul.mahajan6@hdfcbank.com

1.2.3 The Company shall, at all times till the Final Settlement Date, maintain the NCD Redemption Account, from which it proposes to pay all the outstanding Secured Obligations. The Company agrees and acknowledges that they shall intimate any change in the NCD Redemption Account to the Debenture Trustee within one working day.

1.2.4 The Company further acknowledges, agrees, and shall cause the Company Escrow Bank to acknowledge and agree at all times till the Final Settlement Date, that the Debenture Trustee is authorised to seek redemption and Coupon payment related details and information from the Company Escrow Bank in terms of the extant SEBI Laws.

1.2.5 The Company covenants with the Debenture Trustee that it shall comply with all its obligations under DTD and pay and repay all the monies payable by the Company (including any applicable default interest, fees and costs and expenses) to the Debenture Trustee and the Debenture Holder(s) pursuant to the terms of DTD.

1.3 INTEREST

1.3.1 The Debenture Holder(s)/Beneficial Owners(s) shall be paid interest in accordance with the provisions under Clause 10.9 of DTD and the General Information Document/Disclosure Document/Prospectus/ Offer Document.

1.3.2 Interest and all other charges shall accrue from day to day and shall be computed on the basis of actual number of days elapsed, in a year of 365 days year or 366 days (in case of leap year), as the case may be. The interest for the last broken period shall be payable at the time of Redemption of said Debentures.

1.3.3 Any payments to be made to the Debenture Holder(s)/Beneficial Owner(s), including payment of interest, payment upon Redemption, shall be made by the Company using the services of National Automated Clearing House (NACH), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT) or any other permitted electronic method as offered by Debenture Holder(s) / Beneficial Owner(s) into such bank account of a Debenture Holder/Beneficial Owner as may be notified to the Company by such Debenture Holder/Beneficial Owner or the Trustee at the time of applying to the Debentures or as may be notified to the Trustee, subsequently through a valid communication channel.

1.9 LISTING AND CREDIT RATING

1.9.1 The Company shall list the Debentures on the wholesale debt market segment of Bombay Stock Exchange (**"BSE"**) and in this respect the Company has submitted / is in the process of submitting the details required as per Schedule I of SEBI (Issue and Listing of Non Convertible Securities) Regulations, 2021 as amended from time to time (hereinafter referred to as **"Non -Convertible Securities Regulations")** to the BSE for the purpose of listing the Debentures on its wholesale debt market segment.

1.9.2 The Company shall take all steps for making the listing application to the recognized stock exchange and shall receive approval from the stock exchange for the listing of Debentures, within the timelines specified in the extant SEBI regulations read with the circulars, as may be amended from time to time viz., within 3 Business Days of the Issue Closing Date. The Stock Exchange(s) shall list the Debentures only upon receipt of a due diligence certificate as per format specified by SEBI, from Debenture Trustee confirming creation of charge and execution of the Debenture Trust Deed. In case of delay in listing of the Debentures (issued on private placement basis) beyond the timelines specified above, the Company will pay penal interest, to the Debenture Holders, of at least 1.00% p.a. over the coupon rate stated in Clause 10.9 of DTD from the deemed Date of Allotment until the listing of such Debentures on the entire outstanding amount pertaining to the Debentures.

1.9.3 The Company undertakes to comply with the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Act and other Applicable Laws on a continuous basis. All expenses, costs, charges, incurred for the purpose of listing of the Debentures, as also for making the offer for sale of the Debentures shall be borne and paid by the Company.

1.9.4 The Debentures are rated as:

(a) "CRISIL AAA/STABLE" by CRISIL Limited. The rating indicates high degree of safety with regard to timely payment of financial obligations.

The Company agrees that the credit rating shall be reviewed on an annual basis, by a credit rating agency registered by SEBI. Any revision in rating shall be promptly intimated to the Debenture Trustee.

In the event there is any downward revision in the credit rating, the terms of the issue shall be revised in the matter as stipulated in the Shelf Disclosure Document/Disclosure Document/General Information Document/Key Information Document/Prospectus/Offer Document.

2.10 CONDITIONS PRECEDENT, CONDITIONS SUBSEQUENT AND FINANCIAL COVENANTS AND CONDITIONS

The conditions precedent, conditions subsequent and other Financial Covenants and Conditions specified in Clause 10 of DTD, shall be binding on the Company and the Debenture Holder(s) and all persons claiming by, through or under it and shall ensure to the benefit of the Trustee and all persons claiming by, through or under them. The Trustee shall be entitled to enforce the obligations of the Company under or pursuant to the conditions precedent, conditions subsequent and other Financial Covenants and Conditions specified in Clause 10 of DTD as if the same were set out and contained in these presents.

10. COVENANTS

10.1. General Undertakings/ Obligations

5.1.1. The Company shall as required by Section 88 of the Act, keep at its registered office/ corporate office a Register of the Debenture Holder(s) holding Debentures, in physical form showing (a) the name and address and the occupation, if any, of each holder, (b) the amount of the Debentures held by each holder distinguishing each Debenture by its number and the amount paid or agreed to be considered as paid on those Debentures, (c) the date on which each person was entered in the Register as a Debenture Holder, (d) the date on which any person ceased to be a Debenture Holder, and (e) the subsequent transfers and changes of ownership thereof.

The Debenture Trustee and/or the Debenture Holder(s) or any of them or any other person shall, as provided in Section 94 of the Act, be entitled to inspect the said Register and to take copies of or extracts from the same or any part thereof during usual business hours. The Register may be closed by the Company at such time and for such periods as it may think fit in accordance with the provisions of the Act after giving not less than 7 (seven) days' previous notice or such notice as prescribed under Applicable Law by advertisement in some newspaper circulating in the district in which the Company's registered office is situated. No transfer will be registered during such period when the register of Debenture Holder(s) remains closed.

5.1.2. The Company shall request the Depository to provide a list of Beneficial Owner(s) showing (a)the name and address and the occupation, if any, of each Debenture Holder, (b) the amount of the Debentures held by each Debenture Holder distinguishing each Debenture by its number and the amount paid or agreed to be considered as paid on those Debentures, (c) the date on which each person was entered in the list as a Debenture Holder, (d) the date on which any person ceased to be a Debenture Holder, and (e) the subsequent transfers and changes of ownership thereof, as at the end of day 1 (one) day prior to the start of the book closure period or at the Record Date, as the case may be. This shall be the list which shall be considered for payment of interest and Redemption of Debentures.

5.1.3. The Company shall keep proper books of account as required by the Act and make true and proper entries therein of all dealings and transactions of and in relation to the Secured Assets and the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Company will ensure that all entries in the same relating to the Secured Assets and the business of the Company shall at reasonable times be open for inspection of the Trustee and such person or persons, as the Trustee shall, from time to time, in writing for that purpose appoint.

5.1.4. The Company shall comply with all applicable directions, regulations and guidelines issued by any Governmental Authority including but not limited to the issue of Debentures.

5.1.5. So long as the Debenture Holder(s) continue to hold the Debentures, the Company agrees and undertakes to comply with all Applicable Laws including the Companies Act, 2013, all provisions of applicable SEBI regulations including SEBI (Debenture Trustee) Regulations, 1993 (as amended from time to time), SEBI (Issue and Listing of Non Convertible Securities) Regulations, 2021 (as amended from time to time), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the debt listing agreement entered into with the stock exchanges (where the Debentures are listed/ proposed to be listed).DTD is also subject to such guidelines as may be issued by SEBI, Government of India,such other statutory or regulatory authorities from time to time.

5.1.6. The Company shall pay and discharge all Taxes, rates, rents and governmental charges upon the Company or its assets under Applicable Laws.

5.1.7. The Company shall transfer unclaimed interest to "Investor Education and Protection Fund" as per Section 125 of the Companies Act 2013 and shall not forfeit unclaimed interest.

5.1.8. The Company shall create and maintain a reserve to be called the "**Recovery Expense Fund**" as per the provisions of and in the manner provided in the SEBI (Debenture Trustee) Amendment Regulations, 2020, the SEBI Master Circular for Debenture Trustee No. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 updated as on July 6, 2023 and any guidelines and regulations issued by SEBI, as applicable. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. The Company shall submit to the Trustee certificate duly certified by an authorised signatory of the company certifying creation and the form of such Recovery Expense Fund by the Company prior to the opening of the issue. The balance in the Recovery Expense Fund shall be refunded to the Company on repayment of Secured Obligations to the Debenture Holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee(s) shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the said NOC.

5.1.9. The Company hereby agrees that, if applicable, it would create a debenture redemption reserve in accordance with provisions of the Companies Act, 2013 ("**Debenture Redemption Reserve**") and/or any guidelines issued by SEBI / RBI as made applicable to it and if during the currency of these presents, any guidelines are formulated (or modified or revised) by the Government Authority having authority under the law in respect of creation

of Debenture Redemption Reserve, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modification as may be required by the Debenture Holder(s) or the Trustee. The Company shall submit to the Trustee a certificate duly certified by the Auditors (if required by regulations) certifying that the Company has transferred suitable sum to the Debenture Redemption Reserve in accordance with the Applicable Laws.

5.1.10. The Company hereby agrees and undertakes that, if during the currency of these presents, any further guidelines are formulated (or modified or revised) by any Governmental Authority in respect of investment of the monies lying therein and/or Recovery Expense Fund, the Company shall duly abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Holder(s)/ Beneficial Owner(s) or the Trustee.

5.1.11. The Company shall take all steps for completion of the formalities for listing and commencement of trading at all the concerned stock exchange(s) in respect of the Debentures.

5.1.12. The Company shall ensure, and/or cause the Registrars to an issue and Share Transfer Agent to forward the details of Debenture Holder(s) to the Debenture Trustee at the time of allotment and thereafter by the seventh working day of every next month in order to enable Debenture Trustee to keep its records updated and to communicate effectively with the Debenture Holders, especially in situations where Events of Default have occurred.

5.1.13. The Company agrees and undertakes to constitute a stakeholders' relationship committee, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 to look into the mechanism of redressal of grievances of the Debenture Holders.

5.1.14. The Company hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely Repayment of the Secured Obligations or to create a charge on the Secured Assets or there is a revision of rating assigned to the Debentures, the Trustee shall, be entitled to disclose the information to the Debenture Holder(s) and the general public by issuing a press release, placing the same on their websites and with the credit rating agencies.

5.1.15. The Company shall maintain a functional website containing correct and updated information as required by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time and other Applicable Laws.

5.1.16. The Company hereby irrevocably and unconditionally appoints the Trustee to be the lawful attorney of the Company in the name and on behalf of the Company to execute, sign and do any deeds, documents, assurances, acts and things which shall in the opinion of the Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts of obligations declared or imposed upon the Company by these presents or of giving to the Debenture Holder(s)/ Beneficial Owner(s) or to the Trustee on their behalf the full benefit of any of the provisions of these presents and

generally to use the name of the Company in the exercise of all or any of the powers hereby conferred upon the Trustee or any Receiver appointed by them.

5.1.17. Subject to the Applicable Law, the Company may at its discretion by giving 15 (fifteen) days' notice or such notice as prescribed under Applicable Law, seek the roll-over of any or all the Debenture. If the proposed roll over of the Debentures is approved by the Debenture Holder(s) by passing of a Special Resolution by them, the Company shall roll over the debentures in accordance with the approval of the Debenture Holders. Provided however that Company shall redeem the Debenture(s) of all the Debenture Holder(s), who have not given their positive consent to such roll-over.

5.1.18. The Company shall pay all such stamp duty as applicable on the Debentures and execution of DTD and shall pay all such stamp duty (including any additional stamp duty, if any), other duties, Taxes, charges and penalties, if and when the Company may be required to pay according to the laws for the time being in force in the State in which its properties are situated or otherwise, and in the event of the Company failing to pay such stamp duty, other duties, Taxes and penalties as aforesaid, the Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Trustee on demand.

5.1.19. The Company undertakes that it shall:
a) at all times, obtain and maintain, or cause to be obtained and maintained, in full force and effect (or where appropriate, renew) all clearances/ authorizations required for the purposes of the business and all transactions as contemplated by the Transaction Documents, non-procuring or non-renewal whereof shall have a Material Adverse Effect.
b) create all Security and execute all the Security Documents as may be required by the Trustee as per the terms hereof and shall ensure that all Transaction Documents, when executed, shall constitute its legal, valid and binding obligations under Applicable Law;
c) attend to the complaints received in respect of the Debentures expeditiously and satisfactorily.
d) if any of the Directors of the Company are added to any defaulter's list by any Governmental Authority, take immediate steps forthwith to remove such person from its Board.
e) duly cause these presents to be registered in all respects so as to comply with the provisions of the Act and also cause these presents to be registered in conformity with the provisions of the Indian Registration Act, 1908 or any act, ordinance or regulation applicable in any part of India, within which any portion of the Secured Assets are or may be situated, by which the registration of deeds is required and generally do all other acts (if any) necessary for the purpose of assuring the legal validity of these presents.
f) have no objection and hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely Repayment of the Secured Obligations:

(i) the Trustee shall, as the Trustee may deem appropriate and necessary, be entitled to disclose all or any:
(1) information and data relating to the Company,
(2) information or data relating to DTD ;
(3) default committed by the Company in discharge of the obligations under the Transaction Documents, to TransUnion CIBIL Limited ("TransUnion **CIBIL**") and any other agency authorised in this behalf by RBI;

(ii) TransUnion CIBIL and / or any other agency so authorised may use, process the aforesaid information and data disclosed by the Trustee in the manner as deemed fit by them;

(iii) TransUnion CIBIL and / or any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to the Trustee, and other credit grantors or registered users, as may be specified by RBI in this behalf;

5.1.20. The Company agrees that no immunity (if acquired) shall be claimed by it or on its behalf with respect to its assets in any proceedings in relation to its obligations under the Transaction Documents and shall waive any such right of immunity which it or its assets has or may acquire. The execution of DTD constitutes, and the exercise of its rights and performance of and compliance with its obligations under DTD will constitute, private and commercial acts done and performed for private and commercial purposes**.**

5.1.21. The Company declares and undertakes that it has obtained the necessary permissions as may be required, for entering into the Transaction Documents, and shall execute the same within the time frame prescribed under the relevant SEBI regulations and circulars and furthermore, shall submit such Transaction Documents to the stock exchange for uploading on its website.

5.1.22. The Company undertakes that the permission/consent from the existing chargeholders/creditors (represented by their trustees) for a first *pari passu* charge being created under DTD, where applicable, in favour of the trustees to the proposed issue will be obtained at the time of respective issuance under tranches as per Placement Memorandum.

5.1.23. The Company shall ensure that the audited financial statements disclosed in the Placement Memorandum, as the case may be, should not be more than 6 (six) months old from the date of filing Placement Memorandum or the Issue Opening Date.

5.1.24. The Company shall treat all applicants to an issue of Debentures in a fair and equitable manner as per the procedures as may be specified by the Board.

5.1.25. The Company shall continue with the Securities and Exchange Board of India Complaints Redress System (SCORES) authentication in the format specified by the Board and shall use the same for all issuance of Debentures.

5.1.26. The Company shall disclose details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 (three) years including the current financial year.

5.1.27. The company shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s) as to appointment of Nominee Director

10.2.Information Covenants

The Company shall provide the relevant information set out in the Fourth Schedule hereto, in the manner and within the time period stipulated therein.

10.3. Negative Covenants

5.3.1. The Company shall not, without prior intimation to the Debenture Trustee, make any change in the nature and conduct of its business which is likely detrimental or affect the interest of the debenture holder (from what is being carried out as on the date hereof) , other than the objects as set out in its Memorandum of Association.

5.3.2. The Company shall not make any material modification to the structure of the Debentures in terms of coupon, conversion, Redemption, or otherwise without the prior approval of the stock exchange and such prior approval of the stock exchange would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended from time to time including approval of the requisite majority of Debenture Holder(s).. Further, any proposal of restructuring received by Debenture Trustee shall be communicated to Debenture Holder(s) immediately.

5.3.3. The Company shall not, without the prior consent of the Debenture Trustee, make any investment by way of deposits, loans, bonds, share capital, or in any other form upon the occurrence of default in payment of interest or/and principal on the Debentures.

5.3.4. The Company shall not, upon the occurrence of default in payment of interest or/and principal on the Debentures, without the prior consent of the Debenture Trustee, directly or indirectly contract, create, incur, assume or suffer to exist any indebtedness or borrowing arrangement, either secured or unsecured, with any other bank, financial institution, company or otherwise or accept deposits, except as otherwise permitted herein.

5.3.5. In an event of not meeting Security Coverage Ratio, the Company shall not create further charge or encumbrance of the Secured Assets other than the Permitted Security Interest, without prior approval of the Trustee and the Debenture Holder(s) /Beneficial Owners subject to clause 7.6 hereunder.

5.3.6. The Company shall not, without the prior consent of the Debenture Trustee, abandon or agree to abandon its business if it adversely impacts the Security Coverage Ratio

5.3.7. The Company shall so long as the Debentures are outstanding, not declare any dividend to the shareholders in any year until the Company has paid or made satisfactory provision for the payment of the instalments of principal and interest due on the Debentures.

5.3.8. The Company shall not, without the prior consent of the Debenture Trustee, carry out any amendments or alterations to the memorandum of association and articles of association, which would prohibit the consummation of the transactions contemplated under the Transaction Documents or otherwise prejudice the rights/interest of the Debenture Holders.

5.3.9. The Company shall not, without the prior consent of the Debenture Trustee, voluntarily wind up or liquidate or dissolve its affairs or make any filing for initiation of corporate insolvency resolution process or liquidation under the Insolvency and Bankruptcy Code, 2016 or under any other Applicable Laws.

5.3.10. The Company shall not employ any device, scheme, or artifice to defraud in connection with issue or subscription or distribution of Debentures which are listed or proposed to be listed on the recognized stock exchange(s).

THE FOURTH SCHEDULE ABOVE REFERRED TO INFORMATION COVENANTS

1. The Company shall at the end of every calendar quarter within 45 (forty five) days of the respective quarter or within 7 (seven) days of the relevant Board meeting whichever is earlier, submit to the Debenture Trustee a report confirming /certificate confirming the following:

a) Updated list of names and addresses of all the Debenture Holder(s) and the number of Debentures held by the Debenture Holder (s)/Beneficial Owner(s);

b) Details of interest due but unpaid, if any, and reasons for the same;

c) Details of payment of interest made on the Debentures in the immediately preceding calendar quarter;

d) The number of grievances pending at the beginning of the quarter, the number and nature of grievances received from the Debenture Holder(s) during the quarter, resolved/disposed of by the Company in the quarter and those remaining unresolved by the Company and the reasons for the same; and

e) Statement that the Security is sufficient to discharge the claims of the Debenture Holder(s) as and when they become due.

The Company shall also submit a certificate from a statutory auditor for quarter certifying the value of book debts/receivables and maintenance of the Security Coverage Ratio, as per the terms of Placement Memorandum and DTD including compliance with the financial covenants of the Placement Memorandum on quarterly basis and all covenants on half yearly basis in respect of listed non-convertible debt securities in the manner as may be specified by SEBI from time to time.

2. The Company shall promptly submit to the Debenture Trustee any information, as required by the Debenture Trustee including but not limited to the following:

a) at the end of each financial year, a certificate from the statutory auditors of the Company with respect to the use of the proceeds raised through the issue of Debentures. Such certificate shall be provided at the end of each financial year until the funds are fully utilized;

b) by no later than 30 (thirty) days from the Deemed Date of Allotment or within such

timelines as prescribed under Applicable Law, a certificate signed by an authorised officer of the Company confirming credit of dematerialized Debentures into the depository accounts of the Debenture Holder(s) within the timelines prescribed under the Applicable Laws;

c) a quarterly certificate regarding maintenance of 100% (hundred percent) or higher Security Cover as per the terms of the relevant Placement Memorandum and/or DTD, including compliance with financial covenants, in respect of listed non- convertible debt securities, by the Statutory Auditor, along with the financial results, in the manner and format specified by the Board;

d) upon there being any change in the credit rating assigned to the Debentures, as soon as reasonably practicable thereafter, a letter notifying the Trustee of such change in the credit rating of the Debentures, and further also inform the Debenture Trustee promptly in case there is any default in timely payment of interest or Redemption amount or both, or there is a failure to create charge on the Secured Assets, or there is a breach of any covenants, terms or conditions by the Company in relation to the Debentures under any Transaction Documents;

e) a copy of all notices, resolutions and circulars relating to:

(i) new issue of non-convertible debt securities at the same time as they are sent to shareholders/ holders of non-convertible debt securities;

(ii) the meetings of holders of non-convertible debt securities at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings;

f) at the time of requesting the Trustee for ceding *pari passu* charge over the Secured Assets in favour of the lenders from whom the Company avails borrowings, a certificate from an authorised officer of the Company, with necessary supporting documents if required, confirming the following:

(i) that the security / fixed assets cover stipulated hereunder will continue to be maintained even after sharing of the charge over the Secured Assets; and

(ii) that no Event of Default has occurred or is continuing in terms of the Transaction Documents.

g) intimation to the Debenture Trustee (alongwith the stock exchange) if any of the following proposals being placed before the Board, at least 11 (eleven) Business Days in advance:

(i) any alteration in the form or nature or rights or privileges of the Debentures;

(ii) any alteration in the due dates on which interest on the Debentures or the Redemption amount is payable; and / or

(iii) any other matter affecting the rights and interests of the Debenture Holder(s) is proposed to be considered.

3. The Company shall promptly inform the Debenture Trustee of any disclosures made to the stock exchange in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which may have a bearing on the Debenture issue;if applicable

4. The Company shall promptly inform the stock exchange(s) and the Debenture Trustee all information having bearing on the performance/operation of the Company, any price sensitive information or any action that may affect the payment of interest or Redemption of the Debentures in terms of Regulation 51(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further as per Regulation 52 (2) of the said regulations, the Company, shall without prejudice to the generality of sub-regulation (1), having listed non-convertible securities shall make disclosures as specified in Part B of Schedule III of the said regulations. Further, as per Regulation 51 (3) of the said regulations, the Company shall disclose on its website, all such events or information which have been disclosed to the Stock Exchange(s) pursuant to the said regulations and such disclosures shall be hosted on the website of the Company for a minimum period of 5 (five) years and thereafter as per the archival policy of the Company, as disclosed on its website. The Company shall also disclose to the Debenture Trustee at the same time as it has intimated to the Stock Exchange, all material events and/or information as disclosed under Regulation 51 of said regulations in so far as it relates to the interest, principal, issue and terms of non-convertible debt securities, rating, creation of charge on the assets, notices, resolutions and meetings of holders of non-convertible debt securities.

5. The Company shall give prior intimation to the stock exchange(s) at least eleven Business Days before the date on and from which the interest on Debentures, and the Redemption amount of Debentures becomes payable or within such timelines as prescribed under Applicable Law .

6. The Company shall promptly inform the Debenture Trustee the status of payment (whether in part or full) of Debentures within 1 (one) working day of the payment / Redemption. While intimating the Debenture Trustee, the Company shall also confirm whether they have informed the status of payment or otherwise to the stock exchange(s) and Depository.

7. Promptly within 2 (two) days of the interest or principal or both becoming due, the Company shall submit a certificate to the stock exchange(s) alongwith the Debenture Trustee, that it has made timely payment of interests or principal obligations or both in respect of the Debentures and also upload the information on its website.

8. If default in payment of Debentures is continuing, the Company shall inform the Debenture Trustee the updated status of payment latest by the 2nd working day of April of each financial year, along with the intimation on the updated status of payment to the stock exchange(s) and the Depository. Further, the Company shall also intimate the development, if any, that impacts the status of default of the Debentures (including restructuring, insolvency proceedings, repayment, etc.) to the stock exchange(s), Depository and Debenture Trustee within 1 (one) working day of such development. The aforementioned intimations shall be submitted until the Secured Obligations are fully discharged or satisfied. The Company shall provide an undertaking to the Stock Exchange(s) on annual basis that all documents and intimations required to be submitted to Debenture Trustees in terms of Trust

Deed and SEBI (Issue and listing of Non Convertible Securities) Regulations, 2021 have been complied with and furnish a copy of such undertaking to the Debenture Trustee for records.

9. The Company shall promptly inform the Debenture Trustee the following details (if any):

a) corporate debt restructuring,

b) fraud/defaults by promoter or key managerial personnel or by Company or arrest of key managerial personnel or promoter; and / or
reference to National Company Law Tribunal or insolvency petitions (if any) filed by any creditor of the Company.

10. The Company shall submit to the stock exchange for dissemination the following information, along with the quarterly /annual financial results:

1. debt-equity ratio;
2. capital redemption reserve/debenture redemption reserve, if applicable;
3. net worth;
4. net profit after tax;
5. earnings per share:
6. current ratio;
7. total debts to total assets;
8. net profit margin percent:

11. The Company shall send to the Debenture Holders the following documents and information:-

(a) Soft copies of the full annual reports to all the holders of non- convertible securities who have registered their email address(es) either with the listed entity or with any depository;

(b) Hard copy of statement containing the salient features of all the documents, as specified in Section 136 of Companies Act, 2013 and rules made thereunder to those holders of non-convertible securities who have not so registered;

(c) Hard copies of full annual reports to those holders of non-convertible securities, who request for the same;

The Company shall send the notice of all meetings of holders of non-convertible debt securities specifically stating that the provisions for appointment of proxy as mentioned in Section 105 of the Companies Act, 2013, shall be applicable for such meeting.

12. The Company shall send proxy forms to holders of non-convertible debt securities which shall be worded in such a manner that holders of these securities may vote either for or against each resolution. The Company shall submit to the and Stock Exchange and Debenture Trustee and publish on its website the following:

(a) a copy of the annual report sent to the shareholders along with the notice of the annual general meeting, not later than the date of commencement of dispatch to its shareholders; and

(b) in the event of any changes to the annual report, the revised copy along with the details and explanation for the changes, not later than 48 (forty eight) hours after the annual general meeting.

13. The Company shall submit a certificate to the Stock Exchange within 1 (one) working day of the interest or dividend or principal becoming due regarding status of payment in case of nonconvertible securities.

14. Any further information which may be required to be submitted to the Stock Exchange pursuant to LODR Regulations, as amended from time to time.

15. The Company shall notify the Trustee of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

16. The Company shall furnish to the Trustee details of all grievances received from the Debenture Holder(s)/ Beneficial Owner(s) and the steps taken by the Company to redress the same. At the request of any Debenture Holder(s)/ Beneficial Owner(s), the Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and shall, if necessary, at the request of any Debenture Holder(s)/ Beneficial Owner(s) representing not less than one-tenth in value of the nominal amount of the Debentures for the time being outstanding, call a meeting of the Debenture Holder(s).

17. To provide relevant documents/ information, as applicable, to enable the Debenture Trustee(s) to conduct continuous and periodic due diligence and monitoring of Security created, the Company shall submit the following reports/ certification within the timelines mentioned below:

Reports/Certificates	**Timelines for submission requirements by Company to Debenture Trustee**	**Timeline for submission of reports/ certifications by Debenture Trustee to stock exchange**
Security cover certificate	Quarterly basis within 60 days from end of each quarter or within such timelines as prescribed under Applicable Law	For Q1, Q2 and Q3- Within 75 (seventy-five) days from end of each quarter except last quarter of financial year For Q4- Within 90 days from the end of financial year or within such timelines as per prescribed under applicable law
A statement of value of pledged securities		
A statement of value for Debt Service Reserve Account or any other form of security offered		
Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 days from end of each half-year or within such timelines	Half yearly basis within 60 days from end of each half-year or within such timelines as prescribed under Applicable Law.

	as prescribed under Applicable Law	
Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor(secured by way of corporate guarantee)	Annual basis within 45 days from end of each financial year or within such timelines as prescribed under Applicable Law.	Once in 3 (three) years within 75 (seventy-five) days from end of each financial year or within such timelines as prescribed under applicable law.
Valuation report and title search report for the immovable/movable assets, as applicable		

18. The Company shall promptly inform the Trustee of any major or significant change in composition of its Board, which may amount to change in control as defined in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

19. The Company shall inform the Debenture Trustee, of any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Company.

20. The Company shall promptly supply certified copies to the Trustee of any authorisation required under any law or regulation to enable it to perform its obligations under the Transaction Documents (including, without limitation, in connection with any payment to be made hereunder) and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of the Transaction Documents.

21. The Company shall supply to the Debenture Trustee a copy of annual report at the same time as it is issued along with a copy of certificate from the Company's statutory auditor in respect of utilisation of funds, at the end of each year from the Deemed Date of Allotment, till the time such funds are fully utilized. In case the Debentures are issued for financing working capital or general corporate purposes or for capital raising purposes, copy of the auditor's certificate may be submitted at the end of each financial year till the funds have been fully utilised or the purpose for which these funds were intended has been achieved.

22. The Company shall supply to the Trustee (sufficient copies for all Debenture Holder(s) if the Trustee so requests) quarterly financial results within 45 (forty five) days of the end of each quarter, half yearly financial results within 45 (forty five) days from the end of the each half year, and the audited financial statements for a financial year (including statutory auditors report, directors' annual report, profit and loss accounts and a balance sheet) by no later than 60 (sixty) days from the end of the relevant financial year.

23. In case of initiation of forensic audit (by whatever name called) in respect of the Company, the Company shall provide following information and make requisite disclosures to the stock exchanges:

i. the fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; and

ii. final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.

24. The Company shall promptly provide or inform the Debenture Trustee the details of all orders, directions, notices, of any court/Tribunal affecting or likely to affect the Secured Assets.

25. The Company shall submit to the Debenture Trustee/stock exchange and the Debenture Holder(s) correct and adequate information (in the manner and format as requested by them or as required by Applicable Law) and within the time lines and procedures specified in the SEBI Regulations, Act, circulars, directives and/or any other Applicable Law.

26. The Company shall furnish the following to the Debenture Trustee:

(a) its duly audited annual accounts, within 180 (One Hundred and Eighty) days from the close of its accounting year;

(b) copy of the un-audited or audited financial results quarterly and year to date standalone financial results on a quarterly basis in the format as specified by the Board within 45 (forty-five) days from the end of the quarter, other than last quarter, to the recognized Stock Exchange.

(c) a one-time certificate from the statutory auditor of the Company with respect to the use of the proceeds raised through the issue of Debentures as and when such proceeds have been completely deployed toward the proposed end-uses;

(d) such information in relation to the Secured Assets that the Debenture Trustee may reasonably request (in a format which shall be provided by the Debenture Trustee from time to time) for the purpose of quarterly diligence by the Debenture Trustee to monitor the Security Coverage Ratio and shall also submit to the Debenture Trustee a certificate from authorised signatory of the Company on quarterly basis, certifying the value of the identified receivables as agreed in the Transaction Documents;

(e) all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence in terms of Operational Guidelines Circular, SEBI (Issue and Listing of Non-Convertible Securities), 2021, SEBI Master Circular for Debenture Trustee No. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 updated as on July 6, 2023 as amended, modified or restated from time to time.

(f) The Company shall submit, a copy of the financial results submitted to Stock Exchange as per Clause 12 of this Fourth Schedule shall also be provided to Debenture Trustee on the same day the information is submitted to the Stock Exchange.

27. The Company shall:

a) supply to the Trustee (with sufficient copies for all Debenture Holder(s) if the Trustee so requests) all documents despatched by it to its shareholders (or any class of them) or its creditors generally at the same time as they are despatched;

b) promptly upon becoming aware, supply to the Trustee (and sufficient copies for all Debenture Holder(s) if the Trustee so requests), the details of any event which may have a Material Adverse Effect;

c) promptly upon becoming aware, supply to the Trustee (and sufficient copies for all Debenture Holder(s) if the Trustee so requests), the details of the existence of any event or condition or claim which permits, or with the passage of time, will permit, the Company to abandon the business;

d) promptly, supply to the Trustee (and sufficient copies for all Debenture Holder(s) if the Trustee so requests), notice of any change in its authorised signatories (in connection with the Transaction Documents), signed by one of its directors or its company secretary, whose specimen signature has previously been provided to the Trustee, accompanied (where relevant) by a specimen signature of each new signatory;

e) forthwith give, notice in writing to the Trustee of commencement of any proceedings directly affecting the Secured Assets.

28. The Company shall ensure that all the applicable regulations as per the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time are duly complied with.

Annexure G

Terms and Condition of Debenture Trustee Agreement

1. Words and expressions used herein and defined in the Debenture Trust Deed shall have the meaning respectively assigned to such words and expressions in the Debenture Trust Deed and shall be deemed incorporated herein by reference (as of the date hereof, irrespective of the date of execution of the Debenture Trust Deed).

2. Notwithstanding anything to the contrary contained in this Agreement, or any other Debenture Documents, the Parties agree, confirm and acknowledge that the terms of the Debenture Trust Deed shall prevail in case of any conflict in the terms of this Agreement and the Debenture Trust Deed. Further, it is agreed that the Debenture Trustee shall act in accordance with the terms of the Debenture Trust Deed in discharging its obligations under the Debenture Documents.

3. The Company hereby appoints Catalyst as the Debenture Trustee for the benefit of and to act on behalf of the Debenture Holders with respect to the Debentures to be issued by the Company; and Catalyst hereby agrees to act as Debenture Trustee on behalf of and for the benefit of the Debenture Holders as per the consent letter dated September 7 , 2023 having reference no. CL/MUM/23-24/DEB/873 and for the purposes related thereto, strictly in accordance with the provisions of the Debenture Documents and more particularly given in the Debenture Trust Deed. Notwithstanding anything to the contrary, the Debenture Trustee shall not act on any instructions of the Company and shall at all times only act in accordance with the instruction of the Debenture Holders in accordance with Debenture Trust Deed.

4. The Company hereby declares and confirms to submit the required details along with the necessary documents mentioned in the checklist of the listing application to the BSE, for the purpose of listing the Debentures on the WDM of BSE, after the allotment of the Debentures, and will apply to obtain the listing approval from the BSE. A copy of the listing approval received from the BSE will be forwarded to the Debenture Trustee.

5. The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoter has not been restrained or prohibited or debarred by the SEBI from accessing the securities market or dealing in securities and that neither the Company nor its promoters or directors have been categorised as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India (RBI)

6. The Company hereby declares and confirms that the proposal to create a charge or security in respect of secured debt securities has been/ shall be disclosed in the offer document.

7. The Company hereby declares and confirms that it has given an undertaking in the offer document that the assets on which charge is created are already charged to secure debt, the permissions or consent to create a first pari passu charge on the

assets of the Company will be obtained from the existing creditors and charge holders (represented by the Trustees) at the time of respective issuance under tranches as per Placement Memorandum.

8. The Company confirms that the requisite disclosures will be made in the Disclosure Documents.

9. The Debenture Trustee, "ipso facto" do not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/ invested by the Debenture Holders for the Debentures/ NCDs.

10. The Company hereby agrees to ensure the compliance of the Companies Act, 2013 and the applicable guidelines issued by SEBI in respect of allotment of debentures i.e. Debentures under listed private placement.

11. The Company hereby agrees and undertakes to execute the Debenture Trust Deed in Form SH - 12 or as near thereto as possible in favour of the Debenture Trustee, setting out thereby the detailed terms and conditions of the Debentures including the rights, duties and obligations of the Company and the DT in terms of Rule 18(5) of the Companies (Share Capital and Debentures) Rules, 2014 ("**Debenture Trust Deed**"). Such Debenture Trust Deed shall consist of two parts: Part A containing statutory/standard information pertaining to the debt issue; and Part B containing details specific to the particular debt issue. The draft of the Debenture Trust Deed shall be finalized by the relevant parties thereto. The Issuer and the Debenture Trustee shall execute the Trust Deed within such timelines as may be specified by the SEBI. Where an Issuer fails to execute the Trust Deed within the period specified, without prejudice to any liability arising on account of violation of the provisions of the Companies Act, 2013 and SEBI (Issue and Listing of Non-Convertible Securities), 2021, the Issuer shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by the SEBI to the holder of debt securities, over and above the agreed Coupon Rate, till the execution of the Trust Deed.

12. The Company hereby agrees and undertakes to create security simultaneous with the execution of the Debenture Trust Deed over such of its movable properties and on such terms and conditions as agreed by the Debenture Holders and shall be disclosed in the General Information Document or Placement Memorandum or Disclosure Document and the Debenture Documents and execute the Debenture Trust Deed and other necessary security documents as approved by the Debenture Trustee, prior to filing of listing application for listing of the Debentures, in accordance with the and within the time frame prescribed for the Debentures in the relevant regulations/act/rules etc. and the same would be uploaded on the website of the BSE, where the Debentures have been listed simultaneously with the submission of the listing application for the Debentures. The Company shall register the charge over securities with Registrar of Companies, and also provide all necessary cooperation to the Debenture Trustee to enable the Debenture Trustee to register the charge created pursuant to the security documents with the Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) as applicable, within 30 days of creation of charge.

13. The Company shall pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration hereinafter mentioned for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Debenture Documents. The remuneration of the Debenture Trustee shall be as per the letter dated September 7, 2023 having reference no. CL/MUM/23-24/DEB/873 as may be amended/modified from time to time.

14. Arrears of installments of annual service charges, if any, shall carry interest at the rate as applicable under the Micro, Small and Medium Enterprises Development Act, 2006, as amended from time to time, or as otherwise specified by the Trustee.

15. The Company shall inter-alia furnish to the Debenture Trustee the following documents:-

i) Memorandum and Articles of Association of the Company;
ii) General Information Document/Prospectus / Information Memorandum /Shelf Placement Mémorandum/Key Information Document/ Disclosure Document;
iii) Agreement with the Registrar to Issue;
iv) Letters from Credit Rating Agencies about Ratings;
v) Details of the Depository with whom the Debentures are being held in dematerialized
form;
vi) Debenture Documents;
vii) Supporting documents for Due Diligence Report of the Security prior to Security creation and on quarterly basis;
viii) Report on quarterly basis on the monitoring of Security Cover in the manner as may be specified by the Board from time to time;
ix) This Debenture Trustee Appointment Agreement;
x) Necessary resolution for allotment of Debentures;
xi) Proof of Credit / Dispatch of Debenture Certificates, if any;
xii) Copy of last three years' Audited Annual Reports;
xiii) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
xiv) Copy of the Latest Audited/ Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
xv) the Issuer shall within 180 (one hundred eighty) days from the end of the financial year, submit a copy of the latest annual report to the Trustee;
xvi) Debenture Trust Deed;
xvii) ROC Certificate;
xviii) Security documents;
xix) Confirmation/Proofs of payment of interest and principal made to the Debenture Holders;
xx) A Certificate from Statutory Auditor certifying the value of book debts/receivables and Issuer's compliance with the financial covenants as contained in the Debenture Documents on quarterly basis;
xxi)Statutory auditor certificate certifying security cover and all covenants on half

yearly basis.
xxii) A Certificate from Statutory Auditor regarding utilisation of funds/issue proceeds;
xxiii) Periodical Reports on monthly basis or as may be required by the Debenture Trustee or the Debenture Holders;
xxiv) A copy of all notices, resolutions and circulars relating to new issue of security at the same time as they are sent to shareholders/ holders of debt securities;
xxv) Information to be submitted to the BSE, as and when required;
xxvi) Beneficiary Position reports;
xxvii) Insurance Policies taken in the name of Debenture Trustee in respect of the Securities;
xxviii) In Principle approval for Listing of NCDs from the BSE;
xxix) A copy of all information required to be provided by the Company under Applicable Law requirements to any Governmental Authority and, or, under the Listing Agreement to the BSE;
xxx) Listing & Trading Permission from the BSE; and
xxxi) Such other documents and certificates as may be reasonably required by the Debenture Trustee with respect to NCDs.

16. The Company agrees and undertakes to ensure implementation of the conditions regarding creation of Security for the Debentures and to provide all documents required for preparing Due Diligence Report for the Security and monitoring of Security Cover; and set up a Debenture Redemption Reserve if applicable and Recovery Expense Fund.

17. The Company agrees and undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, the Non-Convertible Securities Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with BSE, SEBI Circular on issue and listing on Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated July 07, 2023, the Companies Act, 1956, the Companies Act, 2013, any circular, notification or guidelines issued by SEBI or any other regulatory authorities as may be applicable from time to time including any modifications, amendments or re-enactment thereof, in respect of allotment of debentures till redemption and agrees to furnish to the Debenture Trustee such information in terms of the same on regular basis and as may be requested by the Debenture Trustee.

18. The Debenture Trustee agrees & undertakes that they are not restricted from acting as the debenture trustee for the Debentures to be issued by the Company under any Applicable Law including under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

19. Documents required to be submitted prior to or simultaneously with execution of DTAA:

The terms of DTAA shall be effective only upon the submission by the Company of the requisite information and documents to the satisfaction of the Debenture Trustee

for carrying out the requisite due diligence as required in terms of the relevant laws including in connection with verification of the security / contractual comforts and the required asset cover for the Debentures, which is undertaken by the Company to be submitted simultaneously with or prior to the execution of DTAA. Without prejudice to the aforesaid, the Company shall provide all the information and documents as set out in **Annexure I** of DTAA.

20.Terms of carrying out due diligence:

(i) The Debenture Trustee, either through itself or its agents/advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the disclosure documents and the relevant laws, has been obtained. For the purpose of carrying out the due diligence as required, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.

(ii) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third party security provider for securing the Debentures, are registered / disclosed.

(iii) Further, in the event that existing charge holders the concerned Trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(iv)Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws.

(v) The Debenture Trustee shall have the power to independently appoint, intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All reasonable costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the

Company.

21. Information Accuracy and Storage

(a) The Company declares that the information and data furnished by the Company to the Debenture Trustee is true and correct and that the Debenture Trustee may in good faith rely upon the same and shall not be liable for acting or refraining from acting upon such information or data furnished to it under DTAA;

(b) The Company confirms that the requisite disclosures made in the Disclosure Documents are true and correct;

(c) All disclosures made in the Disclosure Documents with respect to creation of security are in confirmation with the clauses of DTAA;

(d) The Company undertakes and acknowledges that the Debenture Trustee and any other authorized agency may use, process the information and data disclosed to the Debenture Trustee in the manner as deemed fit by them in relation to the purpose of the due diligence to be undertaken in relation to the issuance of the Debentures; and

(e) The Company hereby agrees that the Debenture Trustee shall have an unqualified right to disclose to the Debenture Holders (in accordance with the Applicable Law) information including the credit history and the conduct of the account(s) of the Company as well as all details in relation to the assets of the Company, in such manner and through such medium as the Debenture Trustee in its absolute discretion may think fit. The Company agrees that such disclosure shall not be considered to be breach of confidentiality on the part of the Debenture Trustee.

22. Other Terms and Conditions

(a) The Trustee, ipso facto, does not have the obligations of a borrower or a principal debtor as to the monies paid/invested by investors for the Debentures.

(b) The Company confirms that all necessary disclosures shall be made in the Disclosure Documents including but not limited to statutory and other regulatory disclosures.

(c)The Company shall on or prior to the date of execution of Debenture Trust Deed, provide to the Debenture Trustee, the bank account details from which the Company proposes to make the payment of redemption amount due to the Debenture Holder. Further, the Company hereby undertakes that it shall preauthorize the Debenture Trustee to seek the redemption amount payment related information from such bank.

(d) The Company further confirms that:

(i) All covenants proposed to be included in Debenture Trust Deed (including any side letter, accelerated payment clause, fees charged by the debenture trustee, etc.) are disclosed in offer document or private placement memorandum/ General Information Document/ Information Memorandum; and

(ii) Terms and conditions of DTAA including fees charged by the Trustee and process of due diligence carried out by Debenture Trustee shall be disclosed under the Disclosure Documents.

23. Indemnity, Stamp Duty and Expenses

The Debenture Trustee has agreed to undertake its obligation as the debenture trustee relying solely on the accuracy of the information and documents as provided by the Company. Without prejudice to the other rights of the Parties under DTAA or applicable laws, the Company ("**Indemnifying Party**") shall indemnify and agree to hold the Debenture Trustee, or any of its respective directors, officers, employees, attorneys, associates, affiliates, experts or agents (each an "**Indemnified Party**") indemnified to the fullest extent permitted by applicable laws, from and against any and all losses, liabilities, claims, damages, actions, proceedings, penalties, judgments, taxes and expenses, any deficiency in stamp duty, incurred or suffered by the Indemnified Party in (collectively, "**Losses**") arising in connection with or as a result of:

(i) Any representations or warranties of Indemnifying Party being or becoming materially incorrect, or any undertakings or covenants as contained in DTAA being breached by such Indemnifying Party;

(ii) Any incorrect or inaccurate or misleading information disclosed by the Company pursuant to DTAA;

(iii) Any non-compliance, with the provisions of DTAA.

The indemnification rights of the Indemnified Party under DTAA are independent of, and in addition to, such other rights and remedies as the Indemnified Party may have at law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby. The indemnification clause shall survive the termination of DTAA.

24. The Company hereby agrees and undertakes that all stamp duty and other expenses pertaining to the issue of the Debentures and execution of the transaction documents including the instrument of Debentures shall be solely borne by the Company.

25. The Company shall, pay on demand, all actual costs and expenses (including legal fees) incurred by the Debenture Trustee in connection with the preparation, negotiation of or entry into DTAA and/or any amendment of, supplement to or waiver in respect of DTAA and against submission of the requisite supporting documents. Apart from the Debenture Trustee fees, the Company shall, from time to time, make payment to/ reimburse the Debenture Trustee in respect of all expenses and out-of-pocket costs incurred by the Debenture Trustee (including without limitation) expenses incurred in connection with due diligence and any expert(s) appointed by

the Trustee in relation thereto, and fees and expenses of counsel appointed by the Debenture Trustee incurred in connection with the preparation and execution of the transaction documents or any related documentation requested by the Debenture. The Company shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of DTAA or any such other documents executed in connection to this transaction and/or any such amendment, supplement or waiver.

26. Subject to the Applicable Laws, no change or modification of DTAA shall be valid unless the same shall be in writing and signed by the Parties hereto.

27. DTAA may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of the signature page to DTAA by facsimile shall be as effective as delivery of a manually executed counterpart of DTAA.

28. DTAA shall be effective on and from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully redeemed and paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

29. DTAA shall be governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the jurisdiction of the courts at Pune and that accordingly, any suit, action or proceedings arising out of or in connection with DTAA may be brought before such courts.

30. DTAA is entered into in compliance with the provisions of Regulation 13 of SEBI (Debenture Trustees) Regulations, 1993 and the Non-Convertible Securities Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, the Companies Act, 2013 and other applicable provisions and shall be effective on and from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

CATALYST
Believe in yourself... Trust us!

CTL/ 23-24/02751

(Annexure II A)

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM
(Applicable for Secured and Unsecured Issuances)

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB.: ISSUE OF SECURED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE INR 1,00,000/- (RUPEES ONE LAKH ONLY) AND IN CASE OF RE-ISSUANCE AT THE ORIGINAL FACE VALUE AS APPLICABLE EACH AGGREGATING TO RS.15000 CRORES (RUPEES FIFTEEN THOUSAND CRORE ONLY) TO BE ISSUED IN VARIOUS TRANCHES INCLUDING GREEN SHOE OPTION TO RETAIN OVER SUBSCRIPTION BY BAJAJ HOUSING FINANCE LIMITED ON PRIVATE PLACEMENT BASIS UNDER SERIES 31.

We, the debenture trustee(s) to the above-mentioned forthcoming Issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed - **Not applicable while obtaining in-principal approval since security is to be created in tranches for which details will be covered in Key Information Document. (As per SEBI Master Circular dated March 31, 2023 updated on July 6, 2023).**

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies) - **Not applicable while obtaining in-principal approval since security is to be created in tranches for which details will be covered in Key Information Document. (As per SEBI Master Circular dated March 31, 2023 updated on July 6, 2023).**

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement **- Not applicable while obtaining in-principal approval since security is to be created in tranches for which details will be covered in Key Information Document. (As per SEBI Master Circular dated March 31, 2023 updated on July 6, 2023).**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application. **Not applicable while obtaining in-principal approval since security is to be created in tranches for which details will be covered in Key Information Document. (As per SEBI Master Circular dated March 31, 2023 updated on July 6, 2023).**

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: September 14, 2023

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED
Authorised Signatory

CATALYST TRUSTEESHIP LIMITED

Ms. Kalyani Pandey
Compliance Officer

ANNEXURE I

G.D. Apte & Co.
Chartered Accountants
GDA House, Plot No. 85
Right Bhusari Colony Paud Road,
Pune - 411 038, Maharashtra

Khandelwal Jain & Co.
Chartered Accountants
6-B&C, PIL Court, 6th Floor, 111
M.K. Road, Churchgate,
Mumbai 400 020, Maharashtra

Independent Auditor's Review Report on Unaudited Standalone Financial Results of Bajaj Housing Finance Limited for quarter ended June 30, 2023 pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Board of Directors
Bajaj Housing Finance Limited
Cerebrum IT Park, B2 Building, 5th Floor,
Kumar City, Kalyani Nagar,
Pune - 411014

1. We have reviewed the accompanying standalone unaudited financial results of Bajaj Housing Finance Limited ("the Company") for the quarter ended June 30, 2023 ("the Statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.

3. We conducted our review of the Statement in accordance with the Standards on Review Engagement (SRE) 2410 - "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement. Review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

4. Based on review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 34 specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership No: 113053
UDIN: 23113053BGWTBZ9928

Pune, July 24, 2023

For Khandelwal Jain & Co
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership No: 033632
UDIN: 23033632BGXWIL3944

Pune, July 24, 2023

BAJAJ FINSERV

Bajaj Housing Finance Limited

Statement of unaudited financial results for the Quarter ended 30 June 2023

(₹ in crore)

	Particulars	Quarter ended			Year ended
		30.06.2023 (Reviewed)	31.03.2023 (Audited)	30.06.2022 (Reviewed)	31.03.2023 (Audited)
1	**Income**				
	(a) Revenue from operations				
	Interest income	1,668.21	1,520.57	1,072.46	5,269.24
	Fees and commission income	33.08	20.75	23.91	86.22
	Net gain on fair value change	35.62	33.99	15.19	112.04
	Sale of services	16.47	14.81	0.48	50.29
	Income on derecognised (assigned) loans	7.44	(9.66)	109.79	134.80
	Other operating income	3.69	4.77	0.87	12.14
	Total Revenue from operations	1,764.51	1,585.23	1,222.70	5,664.73
	(b) Other income	0.11	0.35	0.05	0.50
	Total Income	**1,764.62**	**1,585.58**	**1,222.75**	**5,665.23**
2	**Expenses**				
	(a) Finance costs	1,062.15	954.03	628.62	3,211.32
	(b) Fees and commission expense	2.91	3.17	3.83	14.03
	(c) Impairment of financial instruments	6.74	56.91	6.67	123.50
	(d) Employee benefits expense	114.21	110.82	114.04	434.93
	(e) Depreciation and amortization expenses	9.69	9.06	7.83	33.40
	(f) Other expenses	42.68	44.79	34.11	147.99
	Total expenses	**1,238.38**	**1,178.78**	**795.10**	**3,965.17**
3	**Profit before tax (1-2)**	**526.24**	**406.80**	**427.65**	**1,700.06**
4	**Tax expense**				
	(a) Current Tax	140.09	82.75	91.54	399.80
	(b) Deferred tax (credit) / charge	(75.65)	22.58	20.03	42.46
	Total tax expense	**64.44**	**105.33**	**111.57**	**442.26**
5	**Profit after tax (3-4)**	**461.80**	**301.47**	**316.08**	**1,257.80**
6	**Other comprehensive Income**				
	(a) (i) Items that will not be reclassified to profit or loss	-	5.54	-	5.54
	(ii) Tax impact on above	-	(1.39)	-	(1.39)
	(b) (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Tax impact on above	-	-	-	-
	Total other comprehensive income, net of tax	**-**	**4.15**	**-**	**4.15**
7	**Total Comprehensive Income (5+6)**	**461.80**	**305.62**	**316.08**	**1,261.95**
8	Paid-up Equity Share Capital (Face Value of ₹ 10)				6,712.16
9	Other equity				3,791.03
10	Earnings per share (not annualised)				
	Basic (₹)	0.69	0.45	0.48	1.88
	Diluted (₹)	0.69	0.45	0.48	1.88

G. D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Bajaj Housing Finance Limited

BAJAJ FINSERV

Bajaj Housing Finance Limited

Statement of unaudited financial results for the Quarter ended 30 June 2023

Notes:

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on 24 July 2023 and reviewed by joint statutory auditors pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial results are available on the website of the Company viz. https://www.bajajhousingfinance.in and on the website of BSE Limited (www.bseindia.com).

2 All the secured non-convertible debentures of the Company including those issued during the quarter ended 30 June 2023, are fully secured by first pari passu charge by mortgage of the Company's immovable property at Chennai and/or by hypothecation of book debts/loan receivables to the extent as stated in the respective information memorandum. Further, the Company has at all times, for the non convertible debentures issued, maintained asset cover as stated in the respective information memorandum which is sufficient to discharge the principal amount, interest accrued thereon and such other sums as mentioned therein. The details for security cover as per the format prescribed by the SEBI vide circular dated 19 May 2022 is enclosed.

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

4 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

(a) Details of loans (not in default) transferred through assignment during the quarter ended 30 June 2023

(₹ In Crore)

Particulars	Transferred to Financial Institution
Entity	NBFCs
Accounts assigned through Direct Assignment (in numbers)	18
Amount of loan account assigned	1,077.90
Retention of beneficial economic interest (MRR)*	1%
Weighted average residual maturity (in months)	154.95
Weighted average holding period (in months)	14.14
Coverage of tangible security	100%
Rating-wise distribution of rated loans	N/A

* Retained by the originator

(b) Details of loans (not in default) acquired through assignment during the quarter ended 30 June 2023

(₹ In Crore)

Particulars	Acquired from Financial Insitution	
Entity	NBFCs	HFCs
Accounts aquired through Direct Assignment (in numbers)	176	1,112
Amount of loan account acquired	97.77	92.16
Beneficial economic interest acquired	90%	90%
Weighted average residual maturity (in months)	226.01	206.74
Weighted average holding period (in months)	10.45	24.77
Coverage of tangible security	100%	100%
Rating-wise distribution of rated loans	N/A	N/A

(c) The Company has not acquired/transferred any stressed loan during the quarter ended 30 June 2023.

5 The Company holds a management and macro-economic overlay of ₹ 224 crore as at 30 June 2023.

6 As per the Company's review of probability of utilisation of the Special Reserve created u/s 36(1)(viii) of the Income Tax Act, 1961, there is no intention of utilisation of this Special Reserve in future and the deferred tax liability created on the said special reserve is not capable of being reversed. In the absence of any temporary difference, no deferred tax liability is required to be recognised as of 30 June 2023. Consequent to this review, the deferred tax liability of ₹ 73.09 crore as at 01 April 2023, has been reversed during the period with corresponding credit to the Statement of Profit and Loss.

7 Disclosures in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30 June 2023 is attached as Annexure 1.

8 The figures for the quarter ended 31 March 2023 represent balancing figures between the audited figures for the year ended 31 March 2023 and year to date figures upto 31 December 2022 which were subjected to limited review by joint statutory auditors.

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Statement of unaudited financial results for the Quarter ended 30 June 2023

Notes:

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

10 The Company has designated an exclusive email ID viz. bhflinvestor.service@bajajfinserv.in for investor grievance redressal.

By order of the Board of Directors
For **Bajaj Housing Finance Limited**

Bajaj Housing Finance Limited

Atul Jain
Managing Director

Pune
24 July 2023

CIN : U65910PN2008PLC132228
Registered Office : Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune - 411 035
Corporate Office : Cerebrum IT Park, B2 Building, 5th Floor, Kumar City, Kalyani Nagar, Pune - 411 014
Tel. : 020-71878060
E-mail: bhflinvestor.service@bajajfinserv.in | **Website:**https://www.bajajhousingfinance.in

G. D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

BAJAJ FINSERV

Bajaj Housing Finance Limited

Statement of unaudited financial results for the Quarter ended 30 June 2023

Annexure 1

Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Particulars	For the quarter ended 30 June 2023
1. Debt-Equity ratio [Debt securities+Borrowings (other than debt securities)+Deposits] / Total Equity	5.34
2. Outstanding redeemable preference shares (quantity and value)	The Company has not issued any preference shares.
3. Debenture redemption reserve	Not Applicable [According to Rule 18 (7) (b)(iv)(A) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, no Debenture Redemption Reserve is required to be created in the case of privately placed debentures issued by the Company which is a HFC registered with NHB.]
4. Capital redemption reserve	Not applicable
5. Net Worth (₹ in crore) [Total Equity]	10964.99
6. Net Profit after tax (₹ in crore)	461.80
7. Earnings per share [not annualised]	
Basic (₹)	0.69
Diluted (₹)	0.69
8. Total debts to total assets [Debt securities+Borrowings (other than debt securities)+Deposits] / Total Assets	0.84
9. Net Profit Margin percent [Profit after tax / Total Income]	26.17%
10. Other Ratios:	
(a) Gross NPA (stage 3 asset, gross) ratio	0.23%
(b) Net NPA (stage 3 asset, net) ratio	0.08%
(c) Provision coverage (on stage 3 asset) ratio	65.93%
(d) Capital to risk-weighted assets ratio (Regulatory requirement-15%)	22.52%
(e) Liquidity Coverage Ratio (Regulatory requirement-60%)	129.37%

Note :
Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current ratio, Long term debt to working capital, Bad debts to Accounts receivable ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin percent are not relevant to the Company.

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Limited

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G.D. Apte & Co.
Chartered Accountants
GDA House, Plot No. 85
Right Bhusari Colony Paud Road,
Pune - 411 038, Maharashtra

Khandelwal Jain & Co.
Chartered Accountants
6-B&C, PIL Court, 6th Floor, 111
M.K. Road, Churchgate,
Mumbai 400 020, Maharashtra

Independent Auditors' Report on the Audit of the Financial Statements

To,

The Members of

Bajaj Housing Finance Limited

Opinion

We have audited the accompanying financial statements of **Bajaj Housing Finance Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
1.	**Impairment of financial assets as at balance sheet date (expected credit losses):** Ind AS 109 requires the Company to provide for impairment of its loan receivables (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management for:	• We understood and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • We assessed the Company's process on timely recognition of impairment in the loan portfolios which included assessing the accuracy of the system generated reports on defaults and ageing. • We have discussed with the management and evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions including factors that affect the

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
	• Staging of loans (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); • Grouping of borrowers based on homogeneity by using appropriate statistical techniques; • Estimation of behavioural life; • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/ minimal historical defaults.	PD, LGD and EAD and tested the controls around data extraction and validation. • Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages. • Assessed disclosures included in the financial statements in respect of expected credit losses.
2	**IT systems and controls** The financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant voluminous transactions. Hence, we identified IT systems and controls over financial reporting as a key audit matter for the Company. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.	• We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. • We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized. • We tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization. • In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.

Information other than the Financial Statements and Auditor's Report thereon

The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

Auditor's Responsibilities for the Audit of the Financial Statements

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.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

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

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 41(a) to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall, 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;

v. The management has represented that to the best of its knowledge or belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company to or in any other 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;

vi. Based on the audit procedures considered reasonable and appropriate in the circumstances carried out by us, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) as provided under clause (iv) and (v) above contain any material misstatements.

vii. The Company has not declared or paid any dividend during the year and as such the compliance of section 123 of the Act has not been commented upon.

viii. No comments have been offered as regards the maintenance of books of account using accounting software which has a feature of recording audit trail (edit log) facility under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 since the said requirements under proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 are not applicable to the company for the financial year ended on March 31, 2023.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership Number: 113053
UDIN: 23113053BGWSZE3172

Pune, April 24, 2023

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership Number: 033632
UDIN: 23033632BGXWHP7562

Pune, April 24, 2023

Annexure "1" to Independent Auditors' Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our Report to the Members of Bajaj Housing Finance Limited of even date)

(i)

(a)

A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-to-use assets.

B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Fixed assets have been physically verified by the management during the year and according to the information and explanation given to us, no material discrepancies were identified on such verification

(c) According to the information and explanations given to us and based on the examination of the records of the Company, the title deeds of all the immovable properties were held in the name of the Company. Further, the lease agreements where the Company is a lessee were duly executed in favour of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and accordingly reporting under paragraph 3 (i)(d) of the order is not applicable for the Company.

(e) According to the information and explanations given to us and based on the examination of the records of the Company we report that, 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) The Company does not have any inventories and accordingly reporting under paragraph 3(ii)(a) of the said Order is not applicable for the Company.

(b) During the year, the Company has availed working capital limits from banks in excess of Rs. 5 Crores on the basis of security of current assets. On the basis of audit procedures carried out by us we report that, the quarterly statements filed by the Company with banks were in agreement with the books of account of the Company.

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

(iii) The Company has made investments in, companies, firms, Limited Liability Partnerships and granted secured or unsecured loans to other parties, during the year, in respect of which:

(a) The Company has provided loans or advances in the nature of loans during the year. As the Company's principal business is to give loans, the reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that, the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided, if any, during the year are, prima facie not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that in respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note No. 4.4(i) to the financial statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2023, aggregating ₹ 137.33 crore were categorised as credit impaired ("Stage 3") and ₹ 359.91 crore were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note No. 9 to the financial statements. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, total amount overdue including interest for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 137.33 crore. Reasonable steps are being taken by the Company for recovery of the principal and interest.

(e) The Company's principal business is to give loans. Accordingly, paragraph 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under paragraph 3(iii)(f) is not applicable to the Company.

(iv) According to the information and explanations given to us and based on the audit procedures performed by us, there are no loans granted, guarantees and securities given in respect of which provisions of section 185 of the Act are applicable. The Company has not made investment through investment companies. Other provisions of section 186 of the Act are not applicable to the Company and hence not commented upon.

(v) The Company has not accepted any deposits or amounts which are deemed deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. According to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(vi) The maintenance of cost records is not applicable to the Company pursuant to the provisions of Section 148 (1) of the companies Act, 2013.

(vii)

(a) The Company is regular in depositing 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 to the appropriate authorities. According to the information and explanations given to us and based on the audit procedures performed by us, there were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, there are no 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 which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and based on the audit procedures performed by us, there were no transactions which were not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company is not declared as wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained. However, funds not required for immediate utilisation were invested on a short - term basis.

(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, we report that no funds raised on short - term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture and accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture and accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x)

(a) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and procedures performed by us, we report that the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year except an instance of fraud amounting to Rs. 0.35 crores by a borrower reported by the management in terms of the regulatory provisions applicable to the Company.

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

(b) During the year no report under sub-section (12) of section 143 of the Companies 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 report that whistle-blower complaints received during the year by the Company have been taken into consideration by us.

(xii) According to the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that the Company is not a Nidhi Company within the meaning of Section 406 of the Act. Accordingly, reporting under paragraph 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Based on the audit procedures performed and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details as required by the applicable Indian Accounting Standards have been disclosed in the Financial Statements.

(xiv)

(a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit have been considered by us.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with any of the directors or persons connected with its directors. Accordingly, the provisions section 192 of the Act are not applicable to the Company.

(xvi)

(a) In our opinion, the Company is not required to be registered under provisions of section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations given to us, we report that the Company is registered with a valid Certificate of Registration issued by National Housing Bank and the Company has conducted housing finance activities.

(c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 ("the Regulations") issued by the Reserve Bank of India. Accordingly, reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, and according to the information and explanation given to us, in the group, there are 17 companies forming part of the promoter/promoter group of the Company which are Core Investment Companies (CICs), as defined in the Regulations. As informed to us, the said 17 CICs are unregistered CICs

(xvii) On the basis of examination of books of account and records of the Company and overall examination of the financial statements, we report that the Company has not incurred cash losses in the financial year 2022-23 or in the immediately preceding financial year 2021-22.

(xviii) During the year, there has been no resignation of the statutory auditors and as such reporting under 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 financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)

(a) According to the information and explanations given to us, the Company does not have any amount remaining unspent under section (5) of section 135 in respect to other than ongoing projects pertaining to current financial year and immediately preceding financial year and accordingly reporting under paragraph 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company does not have any amount remaining unspent under section (5) of section 135 in respect of any ongoing projects pertaining to current financial year and immediately preceding financial year and accordingly reporting under paragraph 3(xx)(b) of the Order is not applicable to the Company.

G. D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

(xxi) The Company does not have any subsidiary, associate or joint venture and accordingly reporting under paragraph 3(xxi) of the Order is not applicable to the Company.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership Number: 113053
UDIN: 23113053BGWSZE3172

Pune, April 24, 2023

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership Number: 033632
UDIN: 23033632BGXWHP7562

Pune, April 24, 2023

Annexure 2 to Independent Auditor's Report

(Referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report to the Members of Bajaj Housing Finance Limited of even date

Report on Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Bajaj Housing Finance Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

G D APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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.

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

Meaning of Internal Financial Controls with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

G.D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on issued by the ICAI.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership Number: 113053
UDIN: 23113053BGWSZE3172

Pune, April 24, 2023

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership Number: 033632
UDIN: 23033632BGXWHP7562

Pune, April 24, 2023

Bajaj Housing Finance Limited

Balance Sheet as at 31 March 2023

(₹ in crore)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
I. Financial assets			
Cash and cash equivalents	5.	93.88	407.03
Bank balances other than cash and cash equivalents	6.	14.99	0.14
Derivative financial instruments	7.	1.37	
Receivables	8.		
(i) Trade receivables		1.59	1.87
(ii) Other receivables		0.36	0.01
Loans	9.	62,113.89	46,482.07
Investments	10.	2,000.91	1,248.27
Other financial assets	11.	301.94	253.93
Total (I)		**64,528.93**	**48,393.32**
II. Non-financial assets			
Current tax assets (net)		3.97	9.08
Deferred tax assets (net)	12.	-	15.58
Property, plant and equipment	13.	84.92	78.09
Intangible assets under development	13.	0.31	1.46
Other Intangible assets	13.	28.07	19.11
Other non-financial assets	14.	7.94	10.44
Total (II)		**125.21**	**133.76**
Total assets (I+II)		**64,654.14**	**48,527.08**
LIABILITIES AND EQUITY			
LIABILITIES			
I. Financial liabilities			
Payables	15.		
(A) Trade payables			
(i) Total outstanding dues to micro enterprises and small enterprises		-	0.18
(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises		45.93	36.23
(B) Other payables			
(i) Total outstanding dues to micro enterprises and small enterprises		-	-
(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises		73.04	38.17
Debt securities	16.	19,914.92	16,489.15
Borrowings (other than debt securities)	17.	33,654.70	24,493.17
Deposits	18.	175.77	510.00
Other financial liabilities	19.	211.62	174.42
Total (I)		**54,075.98**	**41,741.32**
II. Non-financial liabilities			
Current tax liabilities (net)		16.17	20.06
Provisions	20.	15.63	4.05
Deferred tax liabilities (net)	12.	28.27	-
Other non-financial liabilities	21.	14.90	20.29
Total (II)		**74.97**	**44.40**
III. EQUITY			
Equity share capital	22.	6,712.16	4,883.33
Other equity	23.	3,791.03	1,858.03
Total (III)		**10,503.19**	**6,741.36**
Total liabilities and equity (I+II+III)		**64,654.14**	**48,527.08**
Summary of significant accounting policies	4.		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

Pune: 24 April, 2023

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

On behalf of the Board of Directors

Atul Jain
Managing Director
DIN: 09561712

Sanjiv Bajaj
Chairman
DIN: 00014615

Gaurav Kalani
Chief Financial Officer

Rajeev Jain
Vice Chairman
DIN: 01550158

Atul Patni
Company Secretary
FCS: F10094

Anami Roy
Director
DIN: 01361110

Bajaj Housing Finance Limited

Statement of Profit and Loss for the year ended 31 March 2023

(₹ in crore)

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
I. Revenue from Operations			
Interest income	24.	5,269.24	3,481.75
Fees and commission income	25.	86.22	81.85
Net gain on fair value changes	26.	112.04	58.97
Sale of services	27.	50.29	142.02
Income on derecognised (assigned) loans	28.	134.80	-
Other operating income	29.	12.14	2.12
Total Revenue from operations (I)		**5,664.73**	**3,766.71**
II. Other Income	30.	0.71	0.42
III. Total Income (I) + (II)		**5,665.44**	**3,767.13**
IV. Expenses			
Finance costs	31.	3,211.32	2,155.31
Fees and commission expense	32.	14.03	4.68
Impairment on financial instruments	33.	123.50	181.07
Employee benefits expenses	34.	435.14	348.94
Depreciation and amortisation	13.	33.40	25.76
Other expenses	35.	147.99	91.51
Total Expenses (IV)		**3,965.38**	**2,807.27**
V. Profit before exceptional items and tax (III) - (IV)		1,700.06	959.86
VI. Exceptional Items		-	-
VII. Profit before tax (V) - (VI)		**1,700.06**	**959.86**
VIII. Tax expense			
Current tax		399.80	250.40
Deferred tax charge / (credit)		42.46	(0.16)
Total tax expense (VIII)	12.	**442.26**	**250.24**
IX. Profit after tax (VII)- (VIII)		**1,257.80**	**709.62**
X. Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss:			
Re-measurement gains/(losses) on defined benefit plans		5.54	(0.64)
Income tax effect relating to these items that will not be reclassified to profit or loss		(1.39)	0.16
Subtotal (A)		**4.15**	**(0.48)**
(B) Items that will be reclassified to profit or loss in subsequent periods:		-	-
Income tax effect relating to these items that will be reclassified to profit or loss in subsequent periods		-	-
Subtotal (B)		**-**	**-**
Other comprehensive income for the year, net of tax [X=(A + B)]		**4.15**	**(0.48)**
XI. Total comprehensive income for the year (IX+X)		**1,261.95**	**709.14**
Earnings per equity share			
(Nominal value per share ₹ 10/-)			
Basic (₹)	36.	1.88	1.45
Diluted (₹)	36.	1.88	1.45
Summary of significant accounting policies	4.		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

Pune: 24 April, 2023

On behalf of the Board of Directors

Atul Jain
Managing Director
DIN: 09561712

Sanjiv Bajaj
Chairman
DIN: 00014615

Gaurav Kalani
Chief Financial Officer

Rajeev Jain
Vice Chairman
DIN: 01550158

Atul Pathi
Company Secretary
FCS: F10094

Anami Roy
Director
DIN: 01361110

Bajaj Housing Finance Limited
Statement of Changes in Equity for the year ended 31 March 2023

I. Equity share capital

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning of the year	4,883.33	4,883.33
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the year (refer note no. 22(a))	1,828.83	-
Balance at the end of the year	**6,712.16**	**4,883.33**

II. Other equity

For the year ended 31 March 2023 (₹ in crore)

Particulars	Note No.	Reserves and Surplus			Total other equity
		Securities Premium	Statutory reserve in terms of NHB Act	Retained earnings	
Balance as at 31 March 2022		166.67	365.95	1,325.41	1,858.03
Profit after tax		-	-	1,257.80	1,257.80
Other comprehensive income (net of tax)		-	-	4.15	4.15
Total		166.67	365.95	2,587.36	3,119.98
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987		-	251.56	(251.56)	-
Add: Issue of equity shares to Holding Company		671.05	-	-	671.05
Balance as at 31 March 2023	23.	**837.72**	**617.51**	**2,335.80**	**3,791.03**

For the year ended 31 March 2022 (₹ in crore)

Particulars	Note No.	Reserves and Surplus			Total other equity
		Securities Premium	Statutory reserve in terms of NHB Act	Retained earnings	
Balance as at 31 March 2021		166.67	224.02	758.20	1,148.89
Profit after tax		-	-	709.62	709.62
Other comprehensive income (net of tax)		-	-	(0.48)	(0.48)
Total		166.67	224.02	1,467.34	1,858.03
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987		-	141.93	(141.93)	-
Balance as at 31 March 2022	23.	**166.67**	**365.95**	**1,325.41**	**1,858.03**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

Pune: 24 April, 2023

On behalf of the Board of Directors

Atul Jain
Managing Director
DIN: 09561712

Sanjiv Bajaj
Chairman
DIN: 00014615

Gaurav Kalani
Chief Financial Officer

Rajeev Jain
Vice Chairman
DIN: 01550158

Atul Patni
Company Secretary
FCS: F10094

Anami Roy
Director
DIN: 01361110

Bajaj Housing Finance Limited
Statement of cash flows for the year ended 31 March 2023

(₹ in crore)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
I.	**Cash flow from operating activities**		
	Profit before tax	**1,700.06**	**959.86**
	Adjustments for:		
	Interest income	(5,269.24)	(3,481.75)
	Depreciation, amortisation and impairment	33.40	25.76
	Impairment on financial instruments	123.50	181.07
	Finance Costs	3,211.32	2,155.31
	Net (gain)/ loss on disposal of property, plant and equipment	0.70	0.48
	Provision no longer required written back	-	(0.05)
	Service fees for management of assigned portfolio of loans	(22.49)	(112.53)
	Income on derecognised (assigned) loans	(134.80)	-
	Net (gain)/ loss on financial instruments measured at FVTPL	(112.04)	(58.97)
		(469.59)	**(330.82)**
	Cash inflow from interest on loans	5,040.50	3,476.05
	Cash inflow from receivables on assignment of loans	104.64	57.13
	Cash outflow towards finance cost	(3,103.62)	(2,502.59)
	Cash from operations before working capital changes	**1,571.93**	**699.77**
	Working capital changes:		
	(Increase) / decrease in Bank balances other than cash and cash equivalents	(14.85)	249.89
	(Increase) / decrease in trade receivables	0.27	3.72
	(Increase) / decrease in other receivables	(0.35)	0.01
	(Increase) / decrease in loans	(15,584.98)	(13,256.65)
	(Increase) / decrease in other financial assets	3.96	15.51
	(Increase) / decrease in other non-financial assets	1.55	3.32
	Increase / (decrease) in trade payables	9.52	15.56
	Increase / (decrease) in other payables	34.87	16.89
	Increase / (decrease) in other financial liabilities	33.16	14.95
	Increase / (decrease) in provisions	17.12	1.12
	Increase / (decrease) in other non-financial liabilities	(5.39)	(2.27)
		(13,933.19)	(12,238.18)
	Income taxes paid (net of refunds)	(398.58)	(242.35)
	Net cash used in operating activities (I)	**(14,331.77)**	**(12,480.53)**
II.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(20.37)	(18.41)
	Sale of property, plant and equipment	3.87	1.63
	Purchase of intangible assets and intangible assets under development	(13.43)	(10.71)
	Purchase of investments measured under FVTPL	(43,035.86)	(33,133.80)
	Sale of investments measured under FVTPL	42,408.09	34,831.88
	Purchase of investments measured under amortised cost	-	(4,900.00)
	Sale of investments measured under amortised cost	-	5,400.00
	Interest received on investments	46.26	26.73
	Net cash generated from / (used) in investing activities (II)	**(611.44)**	**2,197.32**
III.	**Cash flow from financing activities**		
	Issue of equity share capital (including securities premium)	2,499.88	-
	Proceeds from long term borrowings	26,657.22	15,597.40
	Repayments towards long term borrowings	(10,737.42)	(6,923.39)
	Short term borrowings (net)	(3,435.11)	1,054.99
	Deposits accepted (other than public deposits) (net)	(340.68)	510.00
	Payment of lease liability	(13.83)	(10.54)
	Net cash generated from financing activities (III)	**14,630.06**	**10,228.46**
	Net decrease in cash and cash equivalents (I+II+III)	**(313.15)**	**(54.75)**
	Cash and cash equivalents at the beginning of the year	407.03	461.78
	Cash and cash equivalents at the end of the year	**93.88**	**407.03**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G D APTE & CO. PUNE

Bajaj Housing Finance Ltd. Pune

Components of cash and cash equivalents:

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents comprises of:		
Cash on hand	-	-
Balances with banks:		
In current accounts	93.88	156.35
Fixed deposits (with original maturity of 3 months or less)	-	250.68
Total	**93.88**	**407.03**

Notes:

1) The above statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard 7 - Statement of cash flows.
2) Refer note no. 42 for change in liabilities arising from financing activities.

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
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Shailesh Shah
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Pune: 24 April, 2023

On behalf of the Board of Directors

Atul Jain
Managing Director
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Director
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Bajaj Housing Finance Ltd. Pune

G. D. APTE & CO. Chartered Accountants

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

Bajaj Housing Finance Limited

Notes to financial statements for the year ended 31 March 2023

1. Corporate information

The Company (earlier known as 'Bajaj Financial Solutions Limited') (Corporate ID No.: U65910PN2008PLC132278) was incorporated as a subsidiary of Bajaj Finserv Limited ('BFS') on 13 June 2008, is a company limited by shares and domiciled as well as having its operations in India. The Company was acquired by Bajaj Finance Limited (BFL) from BFS in November 2014 to conduct housing finance business in a dedicated subsidiary company and accordingly the Company's name was changed to Bajaj Housing Finance Limited (BHFL) on 14 November 2014. It got registered with National Housing Bank ('NHB') as a non deposit taking Housing Finance Company vide certificate no 09.0177.15 on 24 September 2015. BHFL is a 100% subsidiary of BFL and started its operation in financial year 2017-18 (FY2018). The Non convertible debentures (NCDs) of the Company are listed on the Bombay Stock Exchange (BSE), India. The Company has a diversified lending model and focuses on six broad categories viz: (i) home loans, (ii) loan against property, (iii) lease rental discounting, (iv) developer financing, (v) rural mortgage loans and (vi) unsecured loans. The Company has its registered office at Akurdi, Pune Maharashtra, India and its principal place of business is at 5th floor, B2 Building, Cerebrum IT Park, Kalyani Nagar, Pune Maharashtra, India. Under the scale based regulations for NBFCs, the Company has been classified as NBFC UL (upper layer) by the RBI vide press release dated 30 September 2022.

The financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 24 April 2023, Board of Directors of the Company approved and recommended the financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 ("the Act") along with other relevant provisions of the Act, the updated Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, dated 17 February, 2021 as amended ('the RBI Master Directions'), notification for implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') and other applicable RBI circulars/notifications. The Company uses accrual basis of accounting except in case of significant uncertainties.(Refer note no. 4.1(i), 4.1(ii)(a) and 4.1(ii)(d))

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company, in denomination of crore rounded off to two decimal places as permitted by Schedule III to the Act. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on 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.

3. Presentation of Financial Statements

The Company presents its balance sheet in the order of liquidity.

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

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.

Critical accounting estimates and judgements:

The preparation of the Company's financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

i) Business model assessment (Refer note no. 4.4.(i))
ii) Fair value of financial instruments (Refer note no. 4.15, 48 and 49)
iii) Impairment of financial assets (Refer note no. 4.4.(I), 9, 50)
iv) Pruvisions and other contingent liabilities (Refer note no. 4.9 and 41)
v) Provision for tax expenses (Refer note no. 4.5)

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

4. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Income

(i) Interest Income

The Company recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all incomes and cost attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments / receipts through the expected life of the financial asset / financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets (as set out in note no. 4.4 (i) regarded as 'Stage 3'), the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired (as outlined in note no. 4.4 (i)), the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

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

(ii) Other revenue from operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 - 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 - 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is recognised at transaction price is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

(a) Fees and commission

The Company recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery. Bounce charges levied on customers for non payment of instalment on the contractual date is recognised on realisation.

Fees on value added services and products are recognised on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery from the other entities.

Foreclosure charges are collected from loan customers for early payment / closure of loan and are recognised on realisation.

(b) Net gain on fair value changes

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

(c) Sale of services

The Company, on de-recognition of financial assets where a right to service the derecognised financial assets is retained, recognises the fair value of future service fee income and service obligations cost on net basis as service fee income/ expense in the statement of profit and loss and, correspondingly creates a service asset/ liability in balance sheet. Any subsequent change in the fair value of service asset/ liability is recognised as service income/ expense in the period in which it occurs. The embedded interest component in the service asset / liability is recognised as interest income/ expense in line with Ind AS 109 - 'Financial instruments'.

(d) Income on derecognised (assigned) loans

The Company, on de-recognition of financial assets under the direct assignment transactions, recognises the right of excess interest spread (EIS) which is difference between interest on the loan portfolio assigned and the applicable rate at which the direct assignment is entered into with the assignee. The Company records the discounted value of scheduled cash flow of the future EIS, entered into with the assignee, upfront in the statement of profit and loss. Any subsequent increase or decrease in the fair value of future EIS is recognised in the period in which it occurs. The embedded interest component in the future EIS is recognised as interest income in line with Ind AS 109 - 'Financial instruments'.

(e) Other operating income

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

(iii) Other Income

Other income is accounted on accrual basis, except in case of significant uncertainties.

(iv) Taxes

Incomes are reported net of the goods and services tax, wherever applicable.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

4. Summary of significant accounting policies (Contd.)

4.2 Expenditures

(i) Finance Cost

Borrowing cost on financial liabilities is recognised using the EIR method (Refer note no. 4.1.(i)).

(ii) Fees and commission expenses

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

(iii) Other expenses

Expenses are recognised net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

4.3 Cash and cash equivalents

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

4.4 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are measured at amortised cost, unless otherwise specified.

All financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Company recognises the financial instruments on settlement date.

(i) Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity.

Initial measurement

All financial assets are recognized initially at fair value adjusted for incremental transaction costs that are directly attributable to the acquisition of the financial asset except for following :
-Financial assets measured at FVTPL which are recognised at fair value; and
-Trade receivables that do not contain a significant financing component (as defined in Ind AS 115) which are recorded at transaction price.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into three categories as per the Company's Board approved policy:
a) Debt instruments at amortised cost
b) Debt instruments at FVOCI
c) Debt instruments at FVTPL

<u>a) Debt instruments at amortised cost:</u>

The Company measures its debt instruments at amortised cost if both the following conditions are met:
- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the nature of portfolio, and the period for which the interest rate is set and other factors which are integral to a lending arrangement.

The Company determines its business model that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios. 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 financial assets going forward.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios on the books of the Company, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/ or asset reconstruction companies without affecting the business model of the Company.

After initial measurement, such financial assets are subsequently measured at amortised cost on Effective Interest Rate (EIR). For further details, refer note no. 4.1(i). The expected credit loss (ECL) calculation for debt instruments at amortised cost is explained in subsequent notes in this section.

<u>b) Debt instruments at FVOCI:</u>

The Company subsequently classifies its debt instruments as FVOCI, only if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognized in the Other Comprehensive Income (OCI). The interest income on these assets are recognised in profit or loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

Debt instruments such as mortgage loans portfolio where the Company periodically resorts to partially selling the loans by way of assignment to willing buyers are classified as FVOCI.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from other comprehensive income to profit or loss.

KANDEWAL & CO. MUMBAI CHARTERED ACCOUNTANTS
G. D. APTE & CO. Chartered Accountants
Bajaj Housing Finance Limited Pune

4. **Summary of significant accounting policies (Contd.)**

c) Debt instruments at FVTPL:

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the balance sheet at fair value. Interest is recorded in statement of profit and loss according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

Derecognition of Financial Assets:

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

a) The rights to receive cash flows from the asset have expired, or
b) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Company does not have any continuing involvement in the same.

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

On derecognition of a financial asset in its entirety, the difference between:
- The carrying amount (measured at the date of derecognition) and
- The consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

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

Reclassification of financial assets

The Company changes classification of its financial assets only on account of changes in its business model for managing those financial assets. Such reclassifications are given prospective impact as per the principles laid down in Ind AS 109 'Financial Instruments'.

Impairment on financial assets:

A) General Approach
Expected credit losses ('ECL') are recognised for applicable financial assets held under amortised cost, debt instruments measured at FVOCI, and certain loan commitments as per the Board approved policy.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Life time ECL is recognised for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial assets ('lifetime ECL').

Financial assets are written off in full, when there is no realistic prospect of recovery. The Company may apply enforcement activities to certain qualifying financial assets written off.

The treatment of the different stages of financial assets and the methodology of determination of ECL is set out below.

a) Credit impaired (stage 3)
The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:
   a) Contractual payments of either principal or interest are past due for more than 90 days;
   b) The loan is otherwise considered to be in default.

Loan accounts where either principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared.

Restructured loans where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower are classified as credit impaired. Such loans are upgraded to stage 1 if-
The loan which was restructured is not in default for a period till repayment of 10% of principal outstanding or 12 months, whichever is later; and
- Other loans of such customer are not in default during this period; and
There are no other indications of impairment.

K.SANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G.D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

4. **Summary of significant accounting policies (Contd.)**

b) Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, any overdue of more than 1 day past due and up to 90 days past due as on the reporting date is considered as an indication of financial assets to have suffered a significant increase in credit risk. Additionally, for mortgage loans, the Company recognised stage 2 based on other indicators such as frequent delay in payments beyond due dates.

One time restructuring (OTR) of loan accounts was permitted by RBI vide circulars dated 6 August 2020 'resolution framework for COVID-19 related stress' and 'Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances' and circulars dated 5 May 2021 'Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' and 'Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)'. The Company considers OTR as an indicator of significant increase in credit risk and accordingly classifies such loans as stage 2. The Company reclassifies such loans to stage 1 on demonstration of regular payment of 12 instalments of principal and/or interest as per revised terms subject to no overdues as on the reporting date and no other indicators of significant increase in credit risk.

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

c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial assets in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using behavioural analysis and other performance indicators, determined statistically.

d) Measurement of ECL

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

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

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

The Company recalibrates above components of its ECL model on a periodical basis by using the available incremental and recent information as well as assessing changes to its statistical techniques for a granular estimation of ECL.

A more detailed description of the methodology used for ECL is covered in the 'credit risk' section of note no. 50.

B) Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and other financial assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and other financial assets and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

(ii) Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

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 FVTPL where the transaction costs are charged to the statement of profit or loss.

Subsequent measurement:

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method (Refer note no 4.1(i)). Any gains or losses arising on derecognition of liabilities are recognised in the statement of profit or loss.

Derecognition:

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

KANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G D APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

4. **Summary of significant accounting policies (Contd.)**

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet 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

(iv) Derivative Financial Instruments

The Company enters into interest rate swaps (derivative financial instruments) to manage its exposure to interest rate risk.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates derivatives as hedges of the fair value of recognised liabilities (fair value hedges).

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge Accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inceptiun of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the criteria for hedge accounting are accounted for, as described below:
Fair value hedges hedge the exposure to changes in the fair value of a recognised liability, or an identified portion of such liability, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in Finance Costs. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in Finance Cost.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship is fixed rate debt issued. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

4.5 Taxes

(i) Current income tax

Current 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 (ICDS) 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.

Current tax relating to items recognised outside the profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other 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.

(ii) Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

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. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity.

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.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

Bajaj Housing Finance Ltd. Pune

4. **Summary of significant accounting policies (Contd.)**

4.6 Property, plant and equipment

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".

Recognition and Derecognition

Property, plant and equipment is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income/expenses in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on property, plant and equipment:

(a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.

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

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

(d) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

(e) Useful life as used by the Company and as indicated in Schedule II are listed below:

Nature of assets	Useful life as per Schedule II	Useful life adopted by the Company
Building	60 years	60 years
Computers		
End user machines	3 years	4 years
Servers and Networks	6 years	6 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years

Based on internal assessment, the Management believes that the useful lives adopted by the Company best represent the period over which Management expects to use these assets.

(f) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.7 Intangible assets and amortization thereof

Intangible assets, representing softwares, licenses etc. are initially recognised at cost and subsequently carried at cost less accumulated amortization and accumulated impairment, if any. The Company recognises internally generated intangible assets when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the Company and the expenditure incurred for development of such intangible assets can be measured reliably. 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. The intangible assets including those internally generated are amortised using the straight line method over a period of five years, which is the Management's estimate of its useful life. 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".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognised in the statement of profit and loss when the asset is derecognised.

4.8 Impairment on non-financial assets

An assessment is done at each balance sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

4.9 Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made as a contingent liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

4. Summary of significant accounting policies (Contd.)

4.10 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.

4.11 Retirement and other employee benefits

(i) Gratuity: Payment for present liability of future payment of gratuity is made to the approved gratuity fund viz. Bajaj Auto Ltd. gratuity fund trust, which 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 (BALICL). However, any deficits in Plan Assets managed by LIC and BALICL as compared to actuarial liability determined by an appointed Actuary using the projected unit credit method are recognised as a liability. Gains or losses through remeasurements of the net defined benefit liability/ (assets) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments are recognised in statement of profit and loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (e.g.. Employees' Provident Fund Organisation (EPFO)) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Since the Company pays all Provident fund & Pension fund contributions to EPFO, no actuarial assumptions are required to measure the obligation or the expense and there is no possibility of any actuarial gain or loss. Moreover, the obligations are measured on an undiscounted basis, except where they are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

(iii) Short term employee benefits: The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The liability for accumulated leaves 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.

Remeasurements on defined benefit plans, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

4.12 Employee Stock Option Scheme
The Holding Company operates Employee Stock Option Scheme through a trust formed for the purpose and had issued ESOPs to the employees of the Company.

The cost of transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised in employee benefits expenses at fair value of recharge liability over the period in which the service conditions are fulfilled and settled in cash.

4.13 Share based payments
The Company carries out fair value cost assessment of employee stock options on the grant date using Black Scholes model. The cost towards employees of the Company is recognised as employee benefits expenses and that pertaining to employees of subsidiaries are recovered from subsidiaries, over the period in which the service conditions are fulfilled. The cumulative expense/ recharge recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has not expired and the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for grants that do not ultimately vest because of non fulfilment of service conditions. Service conditions are not taken into account while determining the grant date fair value of options, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

4.14 Leases

The Company follows Ind AS 116 'Leases' for all long term and material lease contracts.

(i) As a lessee

Measurement of lease liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is

(i) increased by interest on lease liability,

(ii) reduced by lease payments made, and

(iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments

Measurement of Right of use assets

At the time of initial recognition, the Company measures 'Right of use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period

The exception permitted in Ind AS 116 'Leases' for low value assets and short term leases has been adopted by Company, wherever applicable.

(ii) As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight line basis over the lease terms.

4.15 Fair value measurement

The Company measures its qualifying financial instruments at fair value on each balance sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place 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. For a detailed information on the fair value hierarchy, refer note no. 48 and 49.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

4.16 Earnings Per Share

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

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

4.17 Segment Reporting

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company operates in a single geographical segment i.e. domestic.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

4.18 Recent Indian Accounting Standards / Pronouncements

Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023 :

Ind AS 8 - Definition of Accounting Estimates

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

Ind AS 1 - Disclosure of Accounting Policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting its accounting policy information disclosures to ensure consistency with the amended requirements.

Ind AS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023. The Company is currently assessing the impact of the amendments.

4.19 Collateral Valuation

The nature of products across these broad product categories are either unsecured or secured by collateral. Although collateral is an important risk mitigant of credit risk, the Company's practice is to lend on the basis of assessment of the customer's ability to repay rather than placing primary reliance on collateral. Based on the nature of product and the Company's assessment of the customer's credit risk, a loan may be offered with suitable collateral. Depending on its form, collateral can have a significant financial effect in mitigating the Company's credit risk.

The Company periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. The Company resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business. The repossessed assets are either sold through auction or released to delinquent customers in case they come forward to settle their dues. The Company does not record repossessed assets on its Balance Sheet as non-current assets held for sale.

4.20 Statement of cash flow

Cash flows are reported using indirect method as permitted under Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash and cash equivalent shown in the financial statement exclude items which are not available for general use as on reporting date.

Cash receipt and payment for items in which the turnover is quick, the amounts are large, and the maturities are short are shown on net basis. Such items are termed as short term borrowings/investments and others are termed as long term borrowings/investments in the statement of cash flows. Accordingly, the Company has classified investments designated under FVTPL and borrowings such as commercial papers, cash credit, overdraft facility, working capital demand loan as short term in the statement of cash flows. Cash flows from deposits (other than public deposits) are shown on net basis as permitted under Ind AS 7.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

5. Cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	-	-
Balances with banks:		
In current accounts*	93.88	156.35
Fixed deposits (with original maturity of 3 months or less)	-	250.68
Total	**93.88**	**407.03**

*includes ₹ 0.10 crore in current account maintained for employees care fund (Previous year: ₹0.13 crore)

6. Bank balances other than cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed deposits (with original maturity more than 3 months)	14.99	0.14
Total	**14.99**	**0.14**

7. Derivative financial instruments

As at 31 March 2023

(₹ in crore)

Particulars	Notional Amount	Fair value assets	Fair Value Liabilities
Interest Rate Derivatives			
Interest Rate Swaps (Fair Value Hedge)	100.00	1.37	-
Total	**100.00**	**1.37**	**-**

As at 31 March 2022

(₹ in crore)

Particulars	Notional Amount	Fair value assets	Fair Value Liabilities
Interest Rate Derivatives			
Interest Rate Swaps (Fair Value Hedge)	-	-	-
Total	**-**	**-**	**-**

The Company has a Board approved policy for entering into derivative transactions. Derivative transactions comprise of interest rate swaps. The Company undertakes such transactions for hedging borrowings. The Asset Liability Management Committee periodically monitors and reviews the risk involved.

8. Trade receivables

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables		
Considered good - Unsecured		
Fees, commission and others	1.60	1.87
Less: Impairment allowance	0.01	-
	1.59	1.87
Other receivables		
Considered good - unsecured		
Others	0.36	0.01
Less: Impairment allowance	-	-
	0.36	0.01
Total	**1.95**	**1.88**

-No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.
-No trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G.D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

Trade receivables ageing schedule as at 31 March 2023

Particulars	Not due	Unbilled	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
(i) Considered good	-	-	1.59	-	-	-	-	1.59
(ii) Which have significant increase in credit risk			-	-	-	-	-	-
(iii) Credit impaired			-	-	-	-	-	-
Disputed Trade Receivables								-
(i) Considered good			-	-	-	-	-	-
(ii) Which have significant increase in credit risk			-	-	-	-	-	-
(iii) Credit impaired			-	-	-	-	-	-

Trade receivables ageing schedule as at 31 March 2022

Particulars	Not due	Unbilled	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
(i) Considered good	-	-	1.87	-	-	-	-	1.87
(ii) Which have significant increase in credit risk			-	-	-	-	-	-
(iii) Credit impaired			-	-	-	-	-	-
Disputed Trade Receivables								-
(i) Considered good			-	-	-	-	-	-
(ii) Which have significant increase in credit risk			-	-	-	-	-	-
(iii) Credit impaired			-	-	-	-	-	-

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

9. Loans

(₹ in crore)

Particulars	As at 31 March 2023			As at 31 March 2022		
	At amortised Cost	At FVOCI*	Total	At amortised Cost	At FVOCI*	Total
Term Loan						
I. Secured						
Against equitable mortgage of immovable property	13,052.50	47,482.45	60,534.95	9,642.74	35,384.75	45,027.49
Less: Impairment loss allowance	129.12	368.78	497.90	101.76	339.91	441.67
Total (I)	12,923.38	47,113.67	60,037.05	9,540.98	35,044.84	44,585.82
II. Unsecured						
Unsecured loans	2,104.31	-	2,104.31	1,922.17	-	1,922.17
Less: Impairment loss allowance	27.47	-	27.47	25.92	-	25.92
Total (II)	2,076.84	-	2,076.84	1,896.25	-	1,896.25
Total (I+II)	15,000.22	47,113.67	62,113.89	11,437.23	35,044.84	46,482.07
Out of above :						
I. Loans in India						
Public sector	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
	-	-	-	-	-	-
Others	15,156.81	47,482.45	62,639.26	11,564.91	35,384.75	46,949.66
Less: Impairment loss allowance	156.59	368.78	525.37	127.68	339.91	467.59
	15,000.22	47,113.67	62,113.89	11,437.23	35,044.84	46,482.07
II. Loans outside India	-	-	-	-	-	-
Total (I+II)	15,000.22	47,113.67	62,113.89	11,437.23	35,044.84	46,482.07
Out of above:						
(i) Secured by tangible	12,823.37	47,113.67	59,937.04	9,231.43	35,044.84	44,276.27
(ii) Secured by intangible assets	301.51	-	301.51	292.77	-	292.77
(iii) Covered by Bank/ Government Guarantee	100.01	-	100.01	309.55	-	309.55
(iv) Unsecured	1,775.33	-	1,775.33	1,603.48	-	1,603.48
Total (i+ii+iii+iv)	15,000.22	47,113.67	62,113.89	11,437.23	35,044.84	46,482.07

*The net value is the fair value of these loans

Loans including installment and interest outstanding amounts to 5.77 Crore in respect of properties held for disposal under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 [SARFAESI].

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

Loan details

(₹ in crore)

Particulars	As at 31 March 2023			As at 31 March 2022		
	At amortised cost	At FVOCI	Total	At amortised cost	At FVOCI	Total
Total Gross loan	15,371.30	47,512.09	62,883.39	11,727.70	35,505.99	47,233.69
Less: EIR impact	214.49	29.64	244.13	162.79	121.24	284.03
Total for gross term loan net of EIR impact	**15,156.81**	**47,482.45**	**62,639.26**	**11,564.91**	**35,384.75**	**46,949.66**

Summary of loans by stage distribution

(₹ in crore)

Particulars	As at 31 March 2023				As at 31 March 2022			
	Stage 1	Stage 2*	Stage 3	Total	Stage 1	Stage 2*	Stage 3	Total
Gross carrying amount	62,142.02	359.91	137.33	62,639.26	46,199.61	603.69	146.36	46,949.66
Less: Impairment loss allowance	359.66	78.37	87.34	525.37	259.95	128.17	79.47	467.59
Net carrying amount	**61,782.36**	**281.54**	**49.99**	**62,113.89**	**45,939.66**	**475.52**	**66.89**	**46,482.07**

*Net carrying amount in Stage 2 includes nondelinquent account restructured under RBI resolution framework for COVID-19-related stress of ₹ 94 crore (previous year ₹ 286 crore) where there were no overdue. Such loans get reclassified to Stage 1, post 12 months of satisfactory performance.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

9. Loans (Contd.)

Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans: (₹ in crore)

Particulars	For the year ended 31 March 2023							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	46,199.61	259.95	603.69	128.17	146.36	79.47	46,949.66	467.59
Transfer during the year								
Transfer to stage 1	239.13	24.24	(226.58)	(24.10)	(12.55)	(0.14)	-	0.00
Transfer to stage 2	(141.05)	(26.56)	159.89	33.81	(18.84)	(7.25)	-	-
Transfer to stage 3	(54.38)	(20.03)	(78.60)	(39.85)	132.98	59.88	-	-
	43.70	**(22.35)**	**(145.29)**	**(30.14)**	**101.59**	**52.49**	**-**	**0.00**
Impact of changes in credit risk on account of stage movements		(28.45)		28.00		38.86	-	38.41
Changes in opening credit exposures (additional disbursement net of repayments)	(9,950.71)	4.44	(103.82)	(48.71)	(60.84)	(32.21)	(10,115.37)	(76.48)
New credit exposures during the year, net of repayments	25,849.42	146.07	5.33	1.05	2.93	1.44	25,857.68	148.56
Amounts written off during the year					(52.71)	(52.71)	(52.71)	(52.71)
Balance as at the end of the year	**62,142.02**	**359.66**	**359.91**	**78.37**	**137.33**	**87.34**	**62,639.26**	**525.37**

(₹ in crore)

Particulars	For the year ended 31 March 2022							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	32,996.17	178.68	659.36	131.88	119.13	45.20	33,774.66	355.76
Transfer during the year								
Transfer to stage 1	185.49	31.79	(179.45)	(29.83)	(6.04)	(1.96)	0.00	-
Transfer to stage 2	(316.14)	(1.91)	317.77	2.56	(1.63)	(0.65)	-	-
Transfer to stage 3	(63.32)	(0.36)	(55.93)	(11.91)	119.25	12.27	-	-
	(193.97)	**29.52**	**82.39**	**(39.18)**	**111.58**	**9.66**	**0.00**	**-**
Impact of changes in credit risk on account of stage movements		(20.93)		50.68		60.57	-	90.32
Changes in opening credit exposures (additional disbursement net of repayments)	(8,224.41)	(45.15)	(154.99)	(17.71)	(19.22)	32.17	(8,398.62)	(30.69)
New credit exposures during the year, net of repayments	21,621.82	117.83	16.93	2.50	4.11	1.11	21,642.86	121.44
Amounts written off during the year	-	-	-	-	(69.24)	(69.24)	(69.24)	(69.24)
Balance as at the end of the year	**46,199.61**	**259.95**	**603.69**	**128.17**	**146.36**	**79.47**	**46,949.66**	**467.59**

Details of impairment of financial instruments disclosed in the statement of profit and loss :

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net impairment loss allowance charge/ (release) for the year	57.78	111.83
Amounts written off during the year	52.71	69.24
Impairment allowance on undrawn loan commitments	12.32	-
Impairment on loans	**122.81**	**181.07**
Add: Impairment on other assets	0.69	-
Impairment on financial instruments	**123.50**	**181.07**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

10. Investments

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
At fair value through profit or loss		
I. In mutual funds	577.26	580.62
Add: Fair value gain/(loss)	1.23	0.20
Total (I) *	**578.49**	**580.82**
II. In Government Securities / T-Bill	1,422.62	666.90
Add: Fair value gain/(loss)	(0.20)	0.55
Total (II)	**1,422.42**	**667.45**
Total (I+II)	**2,000.91**	**1,248.27**

Out of above:

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
In India	2,000.91	1,248.27
Outside India	-	-
	2,000.91	**1,248.27**

* All the investments are in the debt oriented mutual fund schemes which includes investments for employee care fund of ₹ 0.93 crore (Previous year ₹ 0.56 crore).

11. Other financial assets

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	7.52	6.98
Receivables on assigned loans	288.10	235.45
Others*	7.00	11.50
	302.62	253.93
Less: Impairment loss allowance	0.68	-
Total	**301.94**	**253.93**

Impairment allowance recognised on receivable on assigned loans is ₹ 0.63 crore (Previous year: ₹ Nil).

* Includes receivable from pools purchased under direct assignment ₹ 4.30 crore (Previous year: ₹ 11.50 crore).

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

12. Deferred tax assets (net)

Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate (₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	**1,700.06**	**959.86**
Tax at corporate tax rate of 25.17% (Previous year: 25.17%)	427.91	241.60
Tax on expenditure not considered for tax provision (net of allowance)	14.38	8.78
Tax on additional deductions	(0.03)	(0.14)
Tax expense (effective tax rate of 26.01%, Previous year 26.07%)	**442.26**	**250.24**

For the year ended 31 March 2023 (₹ in crore)

Particulars	Balance as at 31 March 2022	Recognised in profit and loss	Recognised in OCI	Balance as at 31 March 2023
I. Deferred tax asset				
Property, plant and equipment and intangible assets	0.92	0.10	-	1.02
Remeasurements of employee benefits	1.00	0.59	(1.39)	0.20
Expected credit loss	105.38	9.61	-	114.99
EIR impact on financial instruments measured at amortised cost	0.52	(0.17)	-	0.35
Mark to Market impact on fair value hedge	-	0.01	-	0.01
Right of use assets and lease liability (net)	1.03	0.02	-	1.05
Gross deferred tax assets (I)	**108.85**	**10.16**	**(1.39)**	**117.62**
II. Deferred tax liabilities				
Service asset on Assigned loans	59.26	13.25	-	72.51
Deduction of special reserve as per section 36(1)(viii) of the Income Tax Act, 1961	33.83	39.26	-	73.09
Unrealised net gain on fair value changes	0.18	0.06	-	0.24
Other temporary differences	-	0.05	-	0.05
Gross deferred tax liabilities (II)	**93.27**	**52.62**	**-**	**145.89**
Deferred tax assets/ (liabilities), net (I-II)	**15.58**	**(42.46)**	**(1.39)**	**(28.27)**

For the year ended 31 March 2022 (₹ in crore)

Particulars	Balance as at 31 March 2021	Recognised in profit and loss	Recognised in OCI	Balance as at 31 March 2022
I. Deferred tax asset				
Depreciation and amortisation	0.97	(0.05)	-	0.92
Disallowance u/s 43B of the Income Tax Act, 1961	0.22	0.62	0.16	1.00
Impairment of financial instruments	76.91	28.47	-	105.38
EIR impact on financial instruments measured at amortised cost	0.76	(0.24)	-	0.52
Lease liability	0.94	0.09	-	1.03
Gross deferred tax assets (I)	**79.80**	**28.89**	**0.16**	**108.85**
II. Deferred tax liabilities				
Service fees for management of assigned portfolio of loans	45.32	13.94	-	59.26
Deduction of special reserve as per section 36(1)(viii) of the Income Tax Act, 1961	18.72	15.11	-	33.83
Unrealised net gain on fair value changes	0.50	(0.32)	-	0.18
Gross deferred tax liabilities (II)	**64.54**	**28.73**	**-**	**93.27**
Deferred tax assets/ (liabilities), net (I-II)	**15.26**	**0.16**	**0.16**	**15.58**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

13. Property, plant and equipment and intangible assets

For the year ended 31 March 2023 (₹ in crore)

Particulars	Gross Block				Depreciation, amortisation and impairment				Net block
	As at 1 April 2022	Additions	Deductions/ adjustments	As at 31 March 2023	As at 1 April 2022	Deductions/ adjustments	For the year	As at 31 March 2023	As at 31 March 2023
Property, plant and equipment [a]									
Buildings [b]	2.39		-	2.39	0.41	-	0.04	0.45	1.94
Computers	22.90	7.03	4.77	25.16	8.92	1.86	5.08	12.14	13.02
Furniture and Fixtures	11.74	2.06	0.81	12.99	5.10	0.72	1.02	5.40	7.59
Vehicles	11.37	9.70	2.03	19.04	3.13	0.43	1.91	4.61	14.43
Office equipment	14.53	0.44	0.15	14.82	8.41	0.11	2.74	11.04	3.78
Lease hold improvement	13.12	1.11	-	14.23	8.20	-	2.04	10.24	3.99
Right-of-use - Premises	64.76	18.36	1.10	82.02	28.55	0.68	13.98	41.85	40.17
Total (I)	**140.81**	**38.70**	**8.86**	**170.65**	**62.72**	**3.80**	**26.81**	**85.73**	**84.92**
Intangible assets [c]									
Computer Software	27.91	15.56	-	43.47	8.80	(0.01)	6.59	15.40	28.07
Total (II)	**27.91**	**15.56**	**-**	**43.47**	**8.80**	**(0.01)**	**6.59**	**15.40**	**28.07**
Total (I+II)	**168.72**	**54.26**	**8.86**	**214.12**	**71.52**	**3.79**	**33.40**	**101.13**	**112.99**

For the year ended 31 March 2022 (₹ in crore)

Particulars	Gross Block				Depreciation, amortisation and impairment				Net block
	As at 1 April 2021	Additions	Deductions/ adjustments	As at 31 March 2022	As at 1 April 2021	Deductions/ adjustments	For the year	As at 31 March 2022	As at 31 March 2022
Property, plant and equipment [a]									
Buildings [b]	2.39	-	-	2.39	0.38	-	0.03	0.41	1.98
Computers	14.70	10.93	2.73	22.90	7.15	1.68	3.45	8.92	13.98
Furniture and Fixtures	10.81	0.94	0.01	11.74	4.24	0.01	0.87	5.10	6.64
Vehicles	8.44	4.79	1.86	11.37	2.78	0.79	1.14	3.13	8.24
Office equipment	13.54	1.08	0.09	14.53	5.90	0.06	2.57	8.41	6.12
Lease hold improvement	12.78	0.67	0.33	13.12	6.11	0.31	2.40	8.20	4.92
Right-of-use - Premises	45.82	19.24	0.30	64.76	17.60	-	10.95	28.55	36.21
Total (I)	**108.48**	**37.65**	**5.32**	**140.81**	**44.16**	**2.85**	**21.41**	**62.72**	**78.09**
Intangible assets [c]									
Computer Software	19.02	8.89	-	27.91	4.45	-	4.35	8.80	19.11
Total (II)	**19.02**	**8.89**	**-**	**27.91**	**4.45**	**-**	**4.35**	**8.80**	**19.11**
Total (I+II)	**127.50**	**46.54**	**5.32**	**168.72**	**48.61**	**2.85**	**25.76**	**71.52**	**97.20**

Notes

(a) See note no. 4.6 and 4.14

(b) Title deeds of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) are held in the name of the Company.

(c) See note no. 4.7

K.N. ANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

13.A Intangible assets under development

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	1.46	0.62
Additions during the year	10.72	4.11
Deductions/Adjustments	(11.87)	(3.27)
Closing balance	0.31	1.46

13.B Intangible assets under development aging as at 31 March 2023

(₹ in crore)

Intangible assets under development	Period				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	0.31	-	-	-	0.31

Intangible assets under development aging as at 31 March 2022

(₹ in crore)

Intangible assets under development	Period				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	1.46	-	-	-	1.46

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

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

14. Other non-financial assets

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital advances	0.03	0.98
Advances to suppliers and others*	7.91	9.46
Total	7.94	10.44

* (a) Includes excess CSR spend of ₹ 0.64 crore (Previous year: Nil)
(b) Impairment allowance recognised on advances to suppliers and others is ₹ 0.01 crore (Previous year: ₹ 0.37 crore).

15. Payables

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables		
Total outstanding dues of micro enterprises and small enterprises#	-	0.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	45.93	36.23
Total	**45.93**	**36.41**
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	73.04	38.17
Total	**73.04**	**38.17**

Trade Payable aging schedule as at 31 March 2023

Particulars	Not due	Unbilled	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.00	-	-	-	0.00
(ii) Others	-	42.89	2.97	0.05	0.02		45.93
(iii) Disputed dues - MSME			-	-	-	-	-
(iv) Disputed dues - Others			-	-	-	-	-

Trade Payable aging schedule as at 31 March 2022

Particulars	Not due	Unbilled	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.18	-	-	-	0.18
(ii) Others	-	32.52	3.67	0.02	0.01	0.01	36.23
(iii) Disputed dues - MSME			-	-	-	-	-
(iv) Disputed dues - Others			-	-	-	-	-

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

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount due to suppliers under MSMED Act, as at the year end (since paid) (24,480)	0.00	0.18
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	3.46	4.62
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	0.09	0.03
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

16. Debt securities

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Secured		
Privately placed redeemable non-convertible debentures*	18,476.39	11,730.67
	18,476.39	11,730.67
Unsecured		
Borrowings by issue of commercial paper	423.49	3,997.23
Privately placed partly paid redeemable non-convertible debentures	1,015.04	761.25
	1,438.53	4,758.48
Total	**19,914.92**	**16,489.15**
Out of above		
In India	19,914.92	16,489.15
Outside India	-	-
Total	**19,914.92**	**16,489.15**

*All the Privately placed secured redeemable non-convertible debentures of the Company including those issued during the year ended 31 March 2023 are fully secured by first pari passu charge by mortgage of the Company's immovable property at Chennai and/or by hypothecation of book debts/loan receivables to the extent as stated in the respective information memorandum. Further, the Company has, at all times, for the non-convertible debentures, maintained asset cover as stated in the respective information memorandum which is sufficient to discharge the principal amount, interest accrued thereon and such other sums as mentioned therein.

The quarterly statements or returns of assets filed by the Company with banks, financials institutions and debenture trustees are in agreement with books of accounts. The amount reported in quarterly statements is adjusted for net stage 3 loan balances, interest accrued but not due and loans to related parties as required by banks, financial institutions and debenture trustees.

The Company has no pending charges or satisfaction which are required to be registered with ROC.

As a part of interest rate risk management, the Company has entered into INR interest rate swaps of a notional amount of ₹ 100 Crore .

Terms of repayment of non convertible debenture (NCDs) as at 31 March 2023 (₹ in crore)

Original maturity (In no. of years)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Redeemable at par					
Up to 2 years	3,225.00	1,250.00	-	-	4,475.00
2-3 years	1,075.00	985.00	4,350.00	-	6,410.00
3-4 years	-	2,150.00	720.00	-	2,870.00
More than 4 years	-	-	-	5,175.00	5,175.00
Redeemable at premium					
3-4 years	-	-	-	-	-
Interest accrued	613.87	13.33	-		627.20
Fair value gain/ loss on NCD hedged through interest rate swap					1.39
Impact of EIR					(67.16)
Total					**19,491.43**

Interest rate ranges from 5.00 % p.a. to 8.04 % p.a. as at 31 March 2023.

Amount to be called and paid is ₹105 crore each in Jan 2024, Jan 2025 and ₹120 crore in Jan 2026.

Amount to be called and paid is ₹147 crore each Mar 2024, Mar 2025 and ₹168 crore in Mar 2026.

Terms of repayment of non convertible debenture (NCDs) as at 31 March 2022 (₹ in crore)

Original maturity (In no. of years)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Redeemable at par					
Up to 2 years	900.00	3,225.00	-	-	4,125.00
2-3 years	165.00	1,075.00	985.00	-	2,225.00
3-4 years	990.00	-	2,150.00	330.00	3,470.00
More than 4 years	-	-	-	1,327.00	1,327.00
Redeemable at premium					
3-4 years	800.80	-	-	-	800.80
Interest accrued	544.25	-	6.33	-	550.58
Impact of EIR					(6.46)
Total					**12,491.92**

Interest rate ranges from 4.85 % p.a. to 9.21 % p.a. as at 31 March 2022.

Amount to be called and paid is ₹105 crore each in Jan 2023, Jan 2024, Jan 2025 and ₹120 crore in Jan 2026.

Amount to be called and paid is ₹147 crore each Mar 2023, Mar 2024 and ₹168 crore in Mar 2025.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

16. Debt securities (Contd.)

Terms of repayment of commercial paper as at 31 March 2023 (₹ in crore)

Original maturity (In no. of years)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par					
Up to 1 years	423.53	-	-	-	423.53
Impact of EIR					(0.04)
Total					**423.49**

Interest rate ranges from 5.00 % p.a. to 6.00 % p.a.

Face value of commercial paper is ₹ 425 crore as at 31 March 2023 (Previous year ₹ 4,075 crore).

Terms of repayment of commercial paper as at 31 March 2022 (₹ in crore)

Original maturity (In no. of years)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par					
Up to 1 years	3,998.13	-	-	-	3,998.13
Impact of EIR					(0.90)
Total					**3,997.23**

Interest rate ranges from 3.91 % p.a. to 5.15 % p.a. as at 31 March 2022.

Face value of commercial paper is ₹ 4,075 crore as at 31 March 2022 (Previous year ₹ 2,925 crore).

17. Borrowings (other than debt securities)

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Secured*		
Term loans from banks	31,495.22	24,493.17
Loans repayable on demand from banks		
Cash credit / Overdraft facility	141.76	-
Working capital demand loan	17.72	-
Term loans from others		
National Housing Bank	2,000.00	-
Total	**33,654.70**	**24,493.17**
Out of above:		
In India	33,654.70	24,493.17
Outside India	-	-
Total	**33,654.70**	**24,493.17**

a) Nature of security for term loans taken from Banks

* Secured against hypothecation of book debts, loan receivables and other receivables.

The quarterly statements or returns of assets filed by the Company with banks, financials institutions and debenture trustees are in agreement with books of accounts. The amount reported in quarterly statements is adjusted for net stage 3 loan balances, interest accrued but not due and loans to related parties as required by banks, financial institutions and debenture trustees.

b) Nature of security for term loans taken from NHB

(i) All the outstanding refinancing from NHB are secured by hypothecation of specific loans/ book debts to the extent of 1.10 times of outstanding amount as per sanctioned terms.

(ii) During FY23, the Company has been availed refinance facility from NHB of ₹ 2000 crore under "Regular Refinance Scheme" and "Affordable Housing Scheme" for long term liquidity support in respect of eligible individual Housing loans"

c) The Company has no pending charges or satisfaction which are required to be registered with ROC.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

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

Terms of repayment of term loan from banks as at 31 March 2023 (₹ in crore)

Original maturity of loan (as per Sanction) (in no. of years)	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 years		Total	
	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore
Quarterly Principal Payment										
2-3 years	2	31.25							2	31.25
3-4 years			2	200.00					2	200.00
More than 4 years	129	2,496.86	103	2,154.16	80	1,584.36	150	3,527.00	462	9,762.38
Half yearly Principal Payment										
3-4 years	2	142.86	2	142.86					4	285.72
More than 4 years	43	1,688.94	48	1,608.11	46	2,052.10	123	5,977.82	260	11,326.97
Yearly Principal Payment										
3-4 years	2	436.25	1	375.00					3	811.25
More than 4 years	15	958.34	11	838.33	7	643.33	18	2,540.00	51	4,980.00
Bullet Payment on maturity										
2-3 years			1	250.00					1	250.00
3-4 years			1	500.00					1	500.00
More than 4 years	3	650.00					3	2,700.00	6	3,350.00
Interest accrued										2.93
Impact of EIR										(5.28)
Total									**792**	**31,495.22**

Interest rate ranges from 5.05 % p.a. to 9.02 % p.a. as at 31 March 2023.

Terms of repayment of term loan from NHB as at 31 March 2023 (₹ in crore)

Original maturity of loan (as per Sanction) (in no. of years)	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 years		Total	
	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore
Quarterly Principal Payment										
More than 4 years	21	180.98	28	241.31	28	241.31	172	1,336.40	249	2,000.00
Interest accrued										-
Impact of EIR										-
Total									**249**	**2,000.00**

Interest rate ranges from 5.52 % p.a. to 7.55 % p.a. as at 31 March 2023.

Terms of repayment of working capital demand loan as at 31 March 2023 (₹ in crore)

Original maturity of loan (in no. of years)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
On maturity (Bullet)					
Up to 1 year	17.72	-	-	-	17.72
Interest accrued and impact of EIR					-
Total					**17.72**

Terms of repayment of term loans from banks as at 31 March 2022 (₹ in crore)

Original maturity of loan (as per Sanction) (in no. of years)	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 years		Total	
	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore
Quarterly Principal Payment										
Up to 2 years	1	300.00							1	300.00
2-3 years	4	62.50	2	31.25					6	93.75
3-4 years	12	598.33			2	200.00			14	798.33
More than 4 years	110	2,032.58	99	2,082.58	63	1,439.87	72	2,395.29	344	7,950.32
Half yearly Principal Payment										
3-4 years	2	142.86	2	142.86	2	142.86			6	428.58
More than 4 years	27	1,250.94	38	1,529.30	34	1,241.80	78	3,205.88	177	7,227.92
Yearly Principal Payment										
3-4 years	1	150.00	1	225.00	1	375.00			3	750.00
More than 4 years	13	725.00	12	625.00	8	505.00	6	550.00	39	2,405.00
Bullet Payment on maturity										
Up to 2 years	5	2,175.00							5	2,175.00
2-3 years	4	50.00			1	250.00			5	300.00
3-4 years	1	211.25	1	211.25	1	500.00			3	922.50
More than 4 years			3	650.00			1	500.00	4	1,150.00
Interest accrued			-	-	-	-	-	-		1.03
Impact of EIR										(9.26)
Total									**607**	**24,493.17**

Interest rate ranges from 5.05 % p.a. to 7.12 % p.a. as at 31 March 2022.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Bajaj Housing Finance Ltd Pune

DELOITTE HASKINS & SELLS Chartered Accountants

18. Deposits

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
At Amortised Cost		
From Others (inter corporate deposit)	175.77	510.00
Total	**175.77**	**510.00**

Terms of repayment of Deposits as at 31 March 2023 (₹ in crore)

Original maturity (In no. of years)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
On maturity (Bullet)					
Up to 1 year	2.78	-	-	-	2.78
Over 1 to 2 years	-	165.34	-	-	165.34
Over 2 to 3 years	-	-	1.20	-	1.20
Interest accrued	6.45	-	-		6.45
Total					175.77

Interest rate ranges from 7.28 % p.a. to 7.60 % p.a.

Terms of repayment of Deposits as at 31 March 2022 (₹ in crore)

Original maturity (In no. of years)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
On maturity (Bullet)					
Up to 1 year	65	-	-	-	65.00
Over 1 to 2 years	-	445.00	-	-	445.00
Interest accrued and impact of EIR					-
Total					510.00

Interest rate ranges from 4.00 % p.a. to 4.10 % p.a.

19. Other financial liabilities

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	0.08	0.08
Lease Liability*	44.33	40.29
Others**	167.21	134.05
Total	**211.62**	**174.42**

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

** Includes amount payable to assignment partners and insurance partners

** Includes amount for employee care fund of ₹ 1.03 crore (Previous year ₹ 0.69 crore).

a. Lease Liability Movement

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance / Transition adjustment	40.29	31.96
Add :		
Addition during the year	18.36	19.24
Interest on Lease Liability	2.77	2.46
Lease modification/ adjustments	-	0.00
Less :		
Deletion during the year	0.49	0.37
Lease rental payments	16.60	13.00
Balance at the end of the year	**44.33**	**40.29**

b. Lease rentals of ₹ 0.75 crores (Previous year ₹ 0.89 crores) pertaining to short-term leases, low value assets and GST disallowance on lease rentals have been charged to statement of profit and loss.

c. Future Lease Cash Outflow for all leased assets :

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Not later than one year	16.25	15.45
Later than one year but not later than five years	34.45	30.25
Later than five years	0.09	1.79

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G D APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

19. Other financial liabilities (Contd.)

d. Maturity Analysis of Lease Liability:

(₹ in crore)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Lease Liability	13.55	30.78	11.57	28.72

e. Amount recognised in statement of profit and loss

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on lease liabilities	**2.77**	**2.46**
Depreciation charge for the year	13.98	10.95
(Gain)/loss on pre-mature lease closure	**(0.07)**	**(0.07)**
Total	**16.68**	**13.34**

20. Provisions

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity	-	1.03
Compensated absences	1.34	1.37
Other long term service benefits	1.97	1.65
Others provisions		
Impairment allowance on undrawn loan commitments	**12.32**	**-**
Total	**15.63**	**4.05**

21. Other non-financial liabilities

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory Dues	12.87	15.08
Others	**2.03**	**5.21**
Total	**14.90**	**20.29**

22. Equity share capital

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
8,000,000,000 (8,000,000,000) equity shares of ₹ 10 each	8,000.00	8,000.00
Issued		
6,71,21,55,564 (4,88,33,33,329) equity shares of ₹ 10 each	6,712.16	4,883.33
Subscribed and paid up		
6,71,21,55,564 (4,88,33,33,329) equity shares of ₹ 10 each fully called up and paid up	6,712.16	4,883.33
Total	**6,712.16**	**4,883.33**

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

Equity share capital issued, subscribed and fully paid up	As at 31 March 2023		As at 31 March 2022	
	Nos.	₹ in crore	Nos.	₹ in crore
Outstanding at the beginning of the year	4,88,33,33,329	4,883.33	4,88,33,33,329	4,883.33
Add: Issue of equity shares on right basis	1,82,88,22,235	1,828.83	-	-
Outstanding at the end of the year	**6,71,21,55,564**	**6,712.16**	**4,88,33,33,329**	**4,883.33**

The Company has allotted 1,828,822,235 equity shares having face value of Rs. 10/- each under right issue to its parent company viz. Bajaj Finance Ltd on 7th April 2022 at a premium of Rs. 3.67/- per share involving aggregate amount of Rs. 24,999,999,952.45.

b. Terms/rights/restrictions 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. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company (face value ₹10 per share)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Nos.	₹ in crore	Nos.	₹ in crore
Bajaj Finance Limited*	6,71,21,55,564	6,712.16	4,88,33,33,329	4,883.33

* A subsidiary of Bajaj Finserv Ltd.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Bajaj Housing Finance Ltd. Pune

22. Equity share capital (Contd.)

d. Details of shareholders holding more than 5% shares in the Company (face value ₹10 per share)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Nos.	% Holding	Nos.	% Holding
Bajaj Finance Limited (Holding Company)	6,71,21,55,564	100.00%	4,88,33,33,329	100.00%

e. Details of shareholding of promoters

Shares held by promoters at the year ended 31 March 2023				% Changes during the year
S.N.	Promoter name	No. of Shares	% of total shares	
1	Bajaj Finance Limited	6,71,21,55,564	100.00%	0.00%

Shares held by promoters at the year ended 31 March 2022				% Changes during the year
S.N.	Promoter name	No. of Shares	% of total shares	
1	Bajaj Finance Limited	4,88,33,33,329	100.00%	0.00%

f. Refer note 43. on Capital

23. Other equity

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Securities premium		
Balance as at the beginning of the year	166.67	166.67
Add: Received during the year		
On right issue of shares	671.05	-
Balance as at the end of the year (i)	**837.72**	**166.67**
(ii) Statutory reserve in terms of Section 29C of the NHB Act, 1987		
Balance as at the beginning of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987	208.89	126.96
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	22.66
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	134.40	74.40
Total	**365.95**	**224.02**
Addition / appropriation / withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	95.56	81.93
b) Additional amount transferred u/s 29C of the NHB Act, 1987	-	-
c) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	156.00	60.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Additional amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance as at the end of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987	304.45	208.89
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	22.66
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	290.40	134.40
Balance as at the end of the year (ii)	**617.51**	**365.95**
(iii) Retained earnings		
Balance as at the beginning of the year	1,325.41	758.20
Profit for the year	1,257.80	709.62
Item of other comprehensive income recognised directly in retained earnings		
On defined benefit plan	4.15	(0.48)
	2,587.36	**1,467.34**
Less: Appropriations:		
Transfer to statutory reserve in terms of Section 29C of the NHB Act, 1987	95.56	81.93
Transfer to additional statutory reserve in terms of Section 29C of the NHB Act, 1987	-	-
Transfer to special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	156.00	60.00
Total appropriations	**251.56**	**141.93**
Balance as at the end of the year (iii)	**2,335.80**	**1,325.41**
Total (i) to (iii)	**3,791.03**	**1,858.03**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

23. **Other equity (Contd.)**

Nature and purpose of other equity:

i. Securities premium

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

ii. Statutory Reserve in terms of Section 29C of the National Housing Bank Act, 1987

Reserve Fund is created as per the Section 29C of the National Housing Bank Act, 1987, which requires every housing finance company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. However, the Company has transferred twenty percent of it's net profit during the previous year to the reserve fund. This includes Special Reserve created to avail the deduction as per the provisions of Section 36(1)(viii) of the Income Tax Act, 1961 on profits derived from the business of providing long-term finance for construction or purchase of houses in India for residential purposes.

iii. Retained earnings

Retained earnings represents the surplus in profit and loss account after appropriation.

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:

(a) actuarial gains and losses; and

(b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset).

iv. Other comprehensive income

On loans

The Company recognises changes in the fair value of loans measured under FVOCI in other comprehensive income and impairment loss allowances are recognised in profit or loss. The table gives details of movement of fair value changes:

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	-	-
Fair value changes	28.87	56.37
Impairment loss allowances transferred to profit or loss	(28.87)	(56.37)
Balance as at the end of the year	-	-

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

24. Interest income

(₹ in crore)

Particulars	Year ended 31 March 2023				Year ended 31 March 2022			
	On financial assets measured at				On financial assets measured at			
	Amortised Cost*	FVOCI*	FVTPL	Total	Amortised Cost*	FVOCI*	FVTPL	Total
On loans#	1,506.54	3,703.61	-	5,210.15	1,031.58	2,432.06	-	3,463.64
On investments	-	-	57.40	57.40	-	-	7.15	7.15
On deposits with Banks	1.69	-	-	1.69	10.96	-	-	10.96
Total	**1,508.23**	**3,703.61**	**57.40**	**5,269.24**	**1,042.54**	**2,432.06**	**7.15**	**3,481.75**

*As per effective interest rate (EIR). Refer note no. 4.1(i)

#Net of interest on credit impaired assets amounting to ₹ 26.69 crore (Previous Year ₹ 28.52 crore).

25. Fees and commission income

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Distribution income	39.81	33.23
Fees on value added services and products	-	7.33
Service and administration charges	34.89	30.99
Foreclosure income	11.52	10.30
Total	**86.22**	**81.85**

26. Net gain on fair value changes

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net gain/ (loss) on financial instruments measured at fair value through profit or loss		
On trading portfolio		
Realised gain/(loss) on investments at FVTPL	111.80	60.21
Unrealised gain/(loss) on investments at FVTPL	0.24	(1.24)
Total	**112.04**	**58.97**

27. Sale of services

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Service charges	27.80	29.49
Service fees for management of assigned portfolio of loans	22.49	112.53
Total	**50.29**	**142.02**

28. Income on derecognised (assigned) loans

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income on derecognised (assigned) loans	134.80	-
Total	**134.80**	**-**

29. Other operating income

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Bad debt recoveries	10.29	1.44
Miscellaneous charges and receipts	1.85	0.68
Total	**12.14**	**2.12**

30. Other income

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income from Rent	0.20	0.19
Interest on income tax refund	0.30	0.10
Miscellaneous income	0.21	0.13
Total	0.71	0.42

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Limited Pune

31. Finance costs

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
On financial liabilities measured at amortised cost:		
On debt securities	1,112.52	745.20
On borrowings other than debt securities	2,074.64	1,400.13
On Deposits	21.39	7.52
On lease liability	2.77	2.46
Total	**3,211.32**	**2,155.31**

32. Fees and commission expense

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Commission and incentives	0.28	0.11
Loan portfolio management service charges	13.75	4.57
Total	**14.03**	**4.68**

33. Impairment on financial instruments

(₹ in crore)

Particulars	Year ended 31 March 2023			Year ended 31 March 2022		
	At Amortised Cost	At FVOCI	Total	At Amortised Cost	At FVOCI	Total
On loans#	54.70	68.11	122.81	50.11	130.96	181.07
On Others	0.69	-	0.69	-	-	-
Total	**55.39**	**68.11**	**123.50**	**50.11**	**130.96**	**181.07**

#Net of interest on credit impaired assets amounting to ₹ 26.69 crore (Previous Year ₹ 28.52 crore).

34. Employee benefits expenses

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employees emoluments	382.88	304.72
Contribution to provident fund and other funds	18.20	15.68
Share based payments to employees	26.83	19.23
Staff welfare expenses	7.23	9.31
Total	**435.14**	**348.94**

35. Other expenses

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Travelling expenses	24.29	18.01
Information technology expenses	23.76	13.97
Repairs, maintenance and office expenses	15.17	11.56
Employee training, recruitment and management cost	10.92	2.17
Outsourcing / back office expenses	10.64	8.41
Advertisement, branding and promotion	9.78	5.16
Communication expenses	9.38	7.31
Rent, taxes and energy cost	6.12	4.43
Legal and professional charges	4.30	3.27
Bank charges	1.98	1.93
Customer experience	1.97	0.11
Printing and stationery	1.93	1.43
Director's fees, commission & expenses	1.14	0.50
Net loss on disposal of property, plant and equipment	0.70	0.48
Auditor's fees and expenses*	0.57	0.52
Insurance	0.29	0.19
Business support services	0.02	0.34
Expenditure towards Corporate Social Responsibility activities **	12.68	7.67
Miscellaneous expenses	12.35	4.05
Total	**147.99**	**91.51**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

*** Auditor's fees and expenses**

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
As auditor		
Audit fee	0.30	0.30
Tax audit fee (Previous year ₹ 25,000)	0.04	
Limited review fee	0.09	0.04
In other capacity		
Other services	0.04	0.12
Reimbursement of expenses	**0.06**	**0.02**
Total	**0.53**	**0.48**
Total including GST disallowance	**0.57**	**0.52**

**** Corporate Social Responsibility expenditure**

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) Gross amount required to be spent by the Company during the year	12.68	7.67
(b) Amount spent in cash during the year on:		
(i) Construction/acquisition of any asset	-	7.38
(ii) On purposes other than (i) above	13.32	0.29
(c) Excess / (Shortfall) at the end of the year	0.64	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities (activities as per Schedule VII)	Activities mentioned in i, ii, iii, x	Activities mentioned in i and ii
(g) Details of related party transactions	-	-
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

36. **Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net profit attributable to equity shareholders (₹ in crore) (A)	1,257.80	709.62
Weighted average number of equity shares for basic and diluted earnings per share (B)	6,68,20,92,733	4,88,33,33,329
Weighted average number of equity shares for diluted earnings per share (C)	6,68,20,92,733	4,88,33,33,329
Earning Per Share (basic) (₹) (A/B)	**1.88**	**1.45**
Earning Per Share (diluted) (₹) (A/C)	**1.88**	**1.45**

37. **Segment information**

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company operates in a single geographical segment i.e. domestic.

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

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

39. **Revenue from contract with customers**

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Type of Services		
Distribution income	39.81	33.23
Fees on value added services and products	-	7.33
Service and administration charges	34.89	30.99
Foreclosure income	11.52	10.30
Total	**86.22**	**81.85**
Geographical markets		
India	86.22	81.85
Outside India	-	-
Total	**86.22**	**81.85**
Timing of revenue recognition		
Services transferred at a point in time	86.22	81.85
Services transferred over time	-	-
Total	**86.22**	**81.85**

Contract balances (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Fees, commission and other receivables	1.60	1.34

Impairment allowance recognised for contract balances is ₹ 0.01 crore (Previous year: Nil)

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

40. Employee benefits plan

(I) Defined benefit plans

A) Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age.

(i) Movement in defined benefit obligations (₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Defined benefit obligation as at the beginning of the year	**25.58**	**21.25**
Current service cost	5.01	3.91
Interest on defined benefit obligation	1.80	1.44
Remeasurement (gain)/ loss:		
Actuarial (gain)/ loss arising from change in financial assumptions	(0.58)	(0.72)
Actuarial (gain)/ loss arising from change in demographic assumptions	-	-
Actuarial (gain)/ loss arising on account of experience changes	(5.33)	1.08
Benefits paid	(1.92)	(1.37)
Liabilities assumed / (settled)*	7.43	-
Defined benefit obligation as at the end of the year	**31.99**	**25.58**

* On account of business combination within the group

(ii) Movement in plan assets (₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Fair value of plan asset as at the beginning of the year	**24.55**	**22.66**
Employer contributions	2.89	1.95
Interest on plan assets	1.77	1.59
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.37)	(0.28)
Benefits paid	(1.92)	(1.37)
Assets acquired / (settled)*	7.43	-
Fair value of plan asset as at the end of the year	**34.35**	**24.55**

* On account of business combination within the group

(iii) Reconciliation of net liability/ (asset) (₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net defined benefit liability/ (asset) as at the beginning of the year	**1.03**	**(1.41)**
Expense charged to statement of profit & loss	5.04	3.76
Amount recognised in other comprehensive income	(5.54)	0.64
Employers contribution	(2.89)	(1.95)
Net defined benefit liability/ (asset) as at the end of the year	**(2.36)**	**1.03**

(iv) Expenses charged to the statement of profit and loss (₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	5.01	3.91
Interest cost	0.03	(0.15)
Total	**5.04**	**3.76**

(v) Remeasurement (gains)/losses in other comprehensive income (₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening amount recognised in other comprehensive income	**4.04**	**3.41**
Changes in financial assumptions	(0.58)	(0.72)
Changes in demographic assumptions	-	-
Experience adjustments	(5.33)	1.08
Actual return on plan assets less interest on plan assets	0.37	0.28
Closing amount recognized in other comprehensive income	**(1.50)**	**4.04**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G.D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

40. Employee benefits plan (Contd.)

(vi) Amount recognised in Balance Sheet (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of funded defined benefit obligation	31.99	25.58
Fair value of plan assets	34.35	24.55
Net defined benefit liability recognised in balance sheet	**(2.36)**	**1.03**

(vii) Key actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	**7.45%**	**7.25%**
Salary escalation rate (p.a.)	11.00%	11.00%
Category of plan assets		
Insurer managed funds	100.00%	100.00%

(viii) Sensitivity analysis for significant assumptions is as shown below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Discount rate	Salary Escalation Rate	Discount rate	Salary Escalation Rate
Impact of increase in 50 bps on defined benefit obligation	-4.31%	4.44%	-4.46%	4.59%
Impact of decrease in 50 bps on defined benefit obligation	4.61%	-4.19%	4.78%	-4.33%

(ix) Projected plan cash flow (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Maturity Profile		
Expected benefits for year 1	2.27	1.64
Expected benefits for year 2	2.41	1.84
Expected benefits for year 3	2.46	1.94
Expected benefits for year 4	2.61	1.99
Expected benefits for year 5	2.61	2.07
Expected benefits for year 6	2.59	2.07
Expected benefits for year 7	2.86	2.06
Expected benefits for year 8	2.67	2.28
Expected benefits for year 9	5.98	2.11
Expected benefits for year 10 and above	44.54	38.92

(x) Expected contribution to fund in the next year (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Expected contribution to fund in the next year	1.00	3.00

B) Long-term service benefit liability

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of unfunded obligations	1.97	1.65
Expense recognised in the statement of profit and loss	0.52	0.29
Discount rate (p.a.)	7.45%	7.25%

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

41. **Contingent liabilities and commitments**

(a) Contingent liabilities not provided for in respect of : (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Disputed claims against the company not acknowledged as debts	3.49	4.23

(b) Capital and other commitments (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
(I) Capital commitments (Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances))		
- Tangible	2.81	1.64
- Intangible	1.36	0.13
(II) Other commitments (towards partially disbursed / sanctioned but not disbursed)	6,178.57	4,479.84

42. **(a) Changes in capital and asset structure arising from Financing Activities**

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

(b) Changes in liability arising from Financing Activities

For the year ended 31 March 2023 (₹ in Crore)

Particulars	As at 1 April 2022	Cash flows	Other*	As at 31 March 2023
Debt Securities	16,489.15	3,329.03	96.74	19,914.92
Borrowing other than Debt Securities	24,493.17	9,155.66	5.87	33,654.70
Deposits	510.00	(340.68)	6.45	175.77
Lease Liability	40.29	(13.83)	17.87	44.33
Total	**41,532.61**	**12,130.18**	**126.93**	**53,789.72**

For the year ended 31 March 2022 (₹ in Crore)

Particulars	As at 1 April 2021	Cash flows	Other*	As at 31 March 2022
Debt Securities	11,332.08	5,507.20	(350.13)	16,489.15
Borrowing other than Debt Securities	20,268.52	4,221.80	2.85	24,493.17
Deposits	-	510.00	-	510.00
Lease Liability	31.96	(10.54)	18.87	40.29
Total	**31,632.56**	**10,228.46**	**(328.41)**	**41,532.61**

* Other includes interest accrued and EIR adjustments

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

43. Disclosure of transactions with related parties as required by Ind AS 24

(₹ in crore)

Name of the related party and nature of relationship		Nature of Transaction	Year ended 31 March 2023		Year ended 31 March 2022	
			Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
A. Holding Company, Subsidiaries & Fellow Subsidiaries :						
1	Bajaj Finserv Limited (Ultimate Holding company)	Secured non-convertible debentures issued	-	(550.00)	-	(350.00)
		Interest paid on non-convertible debentures	20.81		9.00	-
		Business support charges paid	3.63	-	-	-
		ESOP Recharge	0.60	(0.71)	-	-
2	Bajaj Finance Limited (Holding company)	Contribution to Equity (6,71,21,55,564 shares of ₹10 each)	2,500.00	(6,712.16)	-	(4,883.33)
		Security deposit received	-	(0.08)	-	(0.08)
		Rent received	0.20		0.19	-
		Assets purchased	0.79	(0.10)	0.27	-
		Assets sold	0.48	0.35	0.38	-
		Purchase of loan portfolio	-	-	738.79	-
		Direct assignment of loan portfolio	1,789.90	-	1,503.69	-
		Business support charges paid	16.83	(2.32)	7.86	-
		Business support charges received	0.81	-	1.14	-
		Fees and commission received	66.30	0.02	44.64	-
		ESOP recharge	26.17	-	19.23	-
		Investment in Inter Corporate Deposits	-	-	4,900.00	-
		Investment repayment received	-	-	4,900.00	
		Interest income on investments in inter-corporate deposits	-	-	3.82	-
		Short term loan taken	-	-	750.00	-
		Short term loan repaid	-	-	750.00	
3	Bajaj Financial Securities Limited (Fellow Subsidiary)	Company's contribution towards NPS	0.45	-	-	-
4	Bajaj Finserv Direct Limited (Subsidiary of Ultimate Holding company)	Business support charges paid	0.66	-	1.05	(0.91)
		Assets purchased	0.09	-	-	-
		Assets sold (₹ 33,647 previous year: ₹ 12,971)				-
5	Bajaj Allianz General Insurance Company Ltd. (Subsidiary of Ultimate Holding company)	Insurance expense	4.42	0.63	3.79	4.54
		Interest paid on non-convertible debentures	-	-	10.57	-
		Asset Purchased	-	-	0.01	-
		Secured non-convertible debentures issued	-	(150.00)	-	(100.00)
		Secured non-convertible debentures repaid	100.00		50.00	-
		Interest paid on non-convertible debentures	7.10		-	-
6	Bajaj Allianz Life Insurance Company Ltd. (Subsidiary of Ultimate Holding company)	Insurance expense	9.10	0.65	11.61	0.30
		Interest paid on non-convertible debentures	50.94	-	33.99	-
		Unsecured non-convertible debentures issued	217.00	(868.00)	217.00	(651.00)

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

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

(₹ in crore)

Name of the related party and nature of relationship		Nature of Transaction	Year ended 31 March 2023		Year ended 31 March 2022	
			Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
B. Key Management Personnel and their relatives						
1	Sanjiv Bajaj	Sitting Fees	0.14	-	0.17	-
	(Chairman)	Commission	0.07	(0.06)	-	-
2	Rajeev Jain	Sitting Fees	0.15	-	-	-
	(Vice Chairman)	Commission	0.11	(0.09)	-	-
3	Atul Jain	Short term employee benefit	10.29	(0.04)	8.14	(1.14)
	(Managing Director)	Share based payment	8.06	-	4.46	-
4	Lila Poonawala	Sitting Fees	0.16	-	0.17	-
	(Director till 21 Jan 2023)	Commission	0.08	(0.07)	-	-
5	Anami Narayan Roy	Sitting Fees	0.16	-	0.11	-
	(Director)	Commission	0.09	(0.08)	-	-
6	Dr. Arindam K Bhattacharya	Sitting Fees	0.07	-	-	-
	(Director w.e.f. 1 May 2022)	Commission	0.05	(0.05)	-	-
7	Dr. Omkar Goswami (Non Executive Director till 9 July 2021)	Sitting Fees	-	-	0.01	-
8	Gaurav Kalani	Short term employee benefit	2.23	(0.77)	1.64	(0.63)
	(Chief Financial Officer)*	Share based payment	0.80	-	0.64	-
9	Atul Patni (Company Secretary w.e.f. 1 May 2022)*	Short term employee benefit	0.48	-	-	-
C. Other Entities						
1	Bajaj Auto Ltd.	Security deposit (paid)	-	0.03		0.03
		Rent expense	0.06	-	0.06	-
		Business support charges paid	1.27	-	-	-
2	Bajaj Holdings and Investment Limited	Secured non-convertible debentures issued	-	-	-	-
		Secured non-convertible debentures repaid	-	-	150.00	-
		Business support charges paid	1.51	-	-	-
		Interest paid on non-convertible debentures	-	-	10.41	-
3	Maharashtra Scooters Limited	Secured non-convertible debentures issued	-	(50.00)	-	(50.00)
		Interest paid on non-convertible debentures	2.90	-	1.50	-
4	Hind Musafir Agency Ltd.	Services received	4.06	-	1.25	(0.18)
5	Bajaj Allianz Staffing Solutions Ltd.	Manpower supply services	12.79	-	-	-
6	Poddar Housing And Development Limited	Interest Income	-	-	1.07	-
		Loan repayment received	-	-	13.00	-
7	Ashwin Vijaykumar Jain	Interest Income	-	-	0.00	-
		Loan repayment received	-	-	0.15	-
D. Post employment benefit entity						
1	Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	3.02	-	2.00	-

*Key managerial personnel as per section 2(51) of the Companies Act, 2013. Disclosure of transactions made in compliance with RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and RBI Circular for Disclosures in Financial Statements-Notes to Accounts of NBFC dated 19 April 2022.

Note: -

1. Transactions value are excluding taxes and duties.

2. Amount in bracket denotes credit balance.

3. 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.

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

5. Related parties as defined under clause 9 of the Indian Accounting Standard - 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business and on arms' length basis. All outstanding balances are to be settled in cash and are unsecured except secured non-convertible debentures issued to related parties which are disclosed appropriately.

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

7. NCD transaction includes only issuance from primary market, and outstanding balance is balances of NCDs held by related parties as on reporting dates.

8. The Company has allotted 1,828,822,235 equity shares having face value of Rs. 10/- each under right issue to its parent company viz. Bajaj Finance Ltd on 8th April 2022 at a premium of Rs. 3.67/- per share involving aggregate amount of Rs. 24,999,999,952.45.

44 Relationship with Struck off Companies

For the year ended 31 March 2023 (₹ in crore)

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company	Balance outstanding 31st March 2023
CSE Computer Solutions East Pvt Ltd	Loan Given	No	0.36

For the year ended 31 March 2022 (₹ in crore)

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company	Balance outstanding 31st March 2022
Gayathri Technocrats Private Limited*	Loan Given	No	0.15
CSE Computer Solutions East Pvt Ltd	Loan Given	No	0.37

* Company has repaid all outstanding loan amount during the year ended 31 March 2023.

45. Capital

The Company actively manages its capital base to cover risks inherent to its business and meets the capital adequacy requirements of the regulator, the Reserve Bank of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by the RBI.

(i) Capital management

Objective

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

Planning

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

The Company monitors its capital adequacy ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO).

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

(ii) Regulatory capital (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Tier I capital	10,184.74	6,469.01
Tier II capital	359.66	259.95
Total capital	**10,544.40**	**6,728.96**
Total risk weighted assets	**45,901.75**	**34,126.15**
Tier I CRAR	22.19%	18.95%
Tier II CRAR	0.78%	0.76%
Total CRAR	**22.97%**	**19.71%**

46. Analytical Ratios

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)	10,544.40	45,901.75	22.97%	19.71%	14.19%	NA
Tier I CRAR	10,184.74	45,901.75	22.19%	18.95%	14.60%	NA
Tier II CRAR	359.66	45,901.75	0.78%	0.76%	2.56%	NA
Debt Equity Ratio	53,745.39	10,503.19	5.12	6.15	-20.28%	NA
Liquidity Coverage Ratio	1,516.30	1,012.73	149.72%	131.20%	12.37%	NA

47. Events after reporting date

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

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

48. Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.
In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

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

Valuation framework
The Company has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.
The Company's valuation framework includes:
- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Valuation methodologies adopted

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:
- Fair values of investments held for trading under FVTPL have been determined under level 1 (refer note 49) using quoted market prices of the underlying instruments;
- Fair value of loans held for a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. The fair value of these loans have been determined under level 3.

The Company has determined that the carrying values of cash and cash equivalents, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

49. Fair value hierarchy

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

Level 1-valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.
Level 2- valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value as at 31 March 2023:

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading designated under FVTPL	31 March 2023	2,000.91	-	-	2,000.91
Loans designated under FVOCI	31 March 2023	-	47,113.67	-	47,113.67
Derivative financial instrument	31 March 2023	-	1.37	-	1.37

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value as at 31 March 2022:

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31 March 2022	1,248.27	-	-	1,248.27
Loans designated under FVOCI	31 March 2022	-	35,044.84	-	35,044.84
Derivative financial instrument	31 March 2022	-	-	-	-

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

49. Fair value hierarchy (Contd.)

Fair value of financial instruments not measured at fair value as at 31 March 2023: (₹ in crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Cash and cash equivalents	93.88	93.88	-	-	93.88
Bank balances other than cash and cash equivalents	14.99	14.99	-	-	14.99
Trade receivables	1.59	-	-	1.59	1.59
Other receivables	0.36			0.36	0.36
Loans at amortised cost*	15,000.22	-	-	15,000.22	15,000.22
Other financial assets	301.94	-	-	301.94	301.94
Total financial assets	**15,412.98**	**108.87**	**-**	**15,304.11**	**15,412.98**
Financial liabilities					
Trade payables	45.93	-	-	45.93	45.93
Other payables	73.04	-	-	73.04	73.04
Debt securities	19,914.92	-	19,844.15	-	19,844.15
Borrowings (other than debt securities)	33,654.70	-	-	33,654.70	33,654.70
Deposits	175.77	-	-	175.77	175.77
Other financial liabilities	211.62	-	-	211.62	211.62
Total financial liabilities	**54,075.98**	**-**	**19,844.15**	**34,161.06**	**54,005.21**

*Substantial portion of loans are at floating rate of interest, hence does not have material impact on fair valuation.

Fair value of financial instruments not measured at fair value as at 31 March 2022: (₹ in crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Cash and cash equivalents	407.03	407.03	-	-	407.03
Bank balances other than cash and cash equivalents	0.14	0.14	-	-	0.14
Trade receivables	1.87	-	-	1.87	1.87
Other receivables	0.01	-	-	0.01	0.01
Loans at amortised cost*	11,437.23	-	-	11,437.23	11,437.23
Other financial assets	253.93	-	-	253.93	253.93
Total financial assets	**12,100.21**	**407.17**	**-**	**11,693.04**	**12,100.21**
Financial liabilities					
Trade payables	36.41	-	-	36.41	36.41
Other payables	38.17	-	-	38.17	38.17
Debt Securities	16,489.15	-	16,545.35	-	16,545.35
Borrowings (other than debt securities)	24,493.17	-	-	24,493.17	24,493.17
Deposits	510.00	-	-	510.00	510.00
Other financial liabilities	174.42	-	-	174.42	174.42
Total financial liabilities	**41,741.32**	**-**	**16,545.35**	**25,252.17**	**41,797.52**

*Substantial portion of loans are at floating rate of interest, hence does not have material impact on fair valuation.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

50. Risk management objectives and policies

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

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Liquidity and funding risk	Liquidity risk arises from mismatches in the timing of cash flows. Funding risk arises from: • inability to raise incremental borrowings and deposits to fund business requirement or repayment obligations • when long term assets cannot be funded at the expected term resulting in cashflow mismatches; • Amidst volatile market conditions impacting sourcing of funds from banks and money markets	Board appointed Risk Management Committee (RMC) and Asset Liability Committee (ALCO)	Liquidity and funding risk is: • measured by -identification of gaps in the structural and dynamic liquidity. assessment of incremental borrowings required for meeting the repayment obligation, the Company's business plan and prevailing market conditions. liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework. • monitored by - assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory framework for HFCs. - a constant calibration of sources of funds in line with emerging market conditions in banking and money markets. - periodic reviews by ALCO of liquidity position, LCR and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company. • managed by the Company's treasury team under liquidity risk management framework through various means like HQLA, liquidity buffers, sourcing of long-term funds, positive asset liability mismatch, keeping strong pipeline of sanctions from banks, assignment of loans and Contingency Funding Plan (CFP) to counter extreme liquidity situation under the guidance of ALCO and Board.
Market risk	Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the market variables such as interest rates, foreign exchange rates and equity prices.	Board appointed RMC and ALCO	Market risk for the Company encompasses exposures to interest rate risks on investment portfolios as well as the floating rate assets and liabilities with differing maturity profiles. • measured by using changes in prices, and parameters like Value at Risk ('VaR'), PV01 (price value of a basis point), modified duration and other measures to determine movements in the portfolios and impact on net interest income. • monitored by assessment of key parameters like fluctuation in the equity and bond price, interest rate sensitivities and Market Value of Equity (MVE) analysis for probable interest rate movements on both fixed and floating assets and liabilities. The Company has a market risk management module which is integrated with it's treasury system. ; and • managed by the Company's treasury team under the guidance of ALCO and Investment Committee and in accordance with Board approved Investment and Market Risk policy

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

50. **Risk management objectives and policies (Contd.)**

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Credit Risk	Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company.	Board appointed RMC and Chief Risk Officer (CRO)	Credit risk is: • measured as the amount at risk due to repayment default by customers or counterparties to the Company. Various metrics such as instalment default rate, overdue position, restructuring, resolution plans, debt management efficiency, credit bureau information, contribution of stage 2 and stage 3 assets etc. are used as leading indicators to assess credit risk. • monitored by RMC and CRO through review of level of credit exposure, portfolio monitoring, contribution of repeat customers, bureau data, concentration risk of geography, customer and portfolio; and assessment of any major change in the business environment including economic, political as well as natural calamity / pandemic. • managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and review of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, debt management and risk containment along with business. The same is periodically reviewed by the Board appointed RMC.
Operational risk	Operational risk is the risk arising from inadequate or failed internal processes or controls, its people and system and also from external events.	Board appointed RMC / Senior Management and Audit Committee (AC)	Operational risk is: • measured by KPI's set for each of the processes/ functions, system and control failures and instances of fraud. • monitored by deviations identified in each of the set KPI's for the processes/controls, periodical review of technology platforms and review of control processes as part of internal control framework. • managed by in house compliance units established across different businesses and functions, operations and internal audit function under the guidance of RMC and AC.

(a) Liquidity and funding risk

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

The Company maintains a judicious mix of borrowings from banks, money markets and continues to diversify its sources of borrowings with an emphasis on longer tenor borrowings. This strategy of balancing varied sources of funds and long tenor borrowings along with liquidity buffer framework has helped the Company maintain a healthy asset liability position and interest rate during the financial year 2022-23 (FY2023) - the weighted average cost of borrowing was 6.88% versus 6.18% despite highly uncertain market conditions. The overall borrowings including debt securities stood at ₹ 53,745 crore as of 31 March 2023 (previous year ₹ 41,492 crore).

The Company continuously monitors liquidity in the market; and as a part of its ALM strategy maintains a liquidity buffer through an active investment desk to reduce this risk. The Company endeavours to maintain liquidity buffer of 5% to 7% of its overall borrowings in normal market scenario. The average liquidity buffer for FY2023 was ₹ 3082 crore. With easing of economic volatility, the Company has brought down its liquidity buffer in a calibrate manner to ₹ 2,110 crore as on 31 March 2023.

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

The Company exceeds the regulatory requirement of LCR which mandate maintaining prescribed coverage of expected net cash outflows for a stressed scenario in the form of high quality liquid assets (HQLA). As of 31 March 2023, the Company maintained a LCR of 149.72%, well in excess of the RBI's stipulated norm of 60%. LCR requirement will move to 70% from 1 December 2023 and to 100% by December 2025.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

50. Risk management objectives and policies (Contd.)

(a) Liquidity and funding risk (Contd.)

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

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

(₹ in crore)

Particulars	As at 31 March 2023			As at 31 March 2022		
	Within 12 months	*After 12 months*	*Total*	*Within 12 months*	*After 12 months*	*Total*
Debt securities	6,010.36	18,675.79	24,686.15	7,963.53	11,267.77	19,231.30
Borrowings (other than debt securities)	9,017.88	32,248.50	41,266.38	6,369.90	21,750.95	28,120.85
Deposits	15.29	179.65	194.94	85.03	456.55	541.58
Trade payables	45.93	-	45.93	36.41	-	36.41
Other payables	73.04	-	73.04	38.17	-	38.17
Other financial liabilities	183.46	34.62	218.08	149.50	32.12	181.62
Total	**15,345.96**	**51,138.56**	**66,484.52**	**14,642.54**	**33,507.39**	**48,149.93**

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

(₹ in crore)

Particulars	As at 31 March 2023			As at 31 March 2022		
	Within 12 months	*After 12 months*	*Total*	*Within 12 months*	*After 12 months*	*Total*
Assets						
Financial assets						
Cash and cash equivalents	93.88	-	93.88	407.03	-	407.03
Bank balances other than cash and cash equivalents	0.03	14.96	14.99	0.01	0.13	0.14
Derivative Financial Instrument	-	1.37	1.37			
Trade receivables	1.59		1.59	1.87		1.87
Other receivables	0.36		0.36	0.01		0.01
Loans	2,147.69	59,966.20	62,113.89	2,660.43	43,821.64	46,482.07
Investments	2,000.91	-	2,000.91	1,248.27	-	1,248.27
Other financial assets	74.17	227.77	301.94	66.71	187.22	253.93
Non-financial assets	-					
Current tax assets (net)	-	3.97	3.97	-	9.08	9.08
Deferred tax assets (net)	-	-	-	(0.00)	15.58	15.58
Property, plant and equipment	-	84.92	84.92	-	78.09	78.09
Intangible assets under development	-	0.31	0.31	-	1.46	1.46
Other intangible assets	-	28.07	28.07	-	19.11	19.11
Other non-financial assets	7.94	-	7.94	10.44	-	10.44
Total assets	**4,326.57**	**60,327.57**	**64,654.14**	**4,394.77**	**44,132.31**	**48,527.08**
LIABILITIES						
Financial liabilities						
Trade payables	45.93	-	45.93	36.41	-	36.41
Other payables	73.04	-	73.04	38.17	-	38.17
Debt securities	5,335.89	14,579.03	19,914.92	7,423.27	9,065.88	16,489.15
Borrowings (other than debt securi	6,746.89	26,907.81	33,654.70	4,950.26	19,542.91	24,493.17
Deposits	9.23	166.54	175.77	65.00	445.00	510.00
Other financial liabilities	180.76	30.86	211.62	145.62	28.80	174.42
Non-financial liabilities	-					
Current tax liabilities (net)	16.17	-	16.17	20.06	-	20.06
Provisions	1.87	13.76	15.63	1.44	2.61	4.05
Deferred tax liabilities (net)	-	28.27	28.27	-	-	-
Other non-financial liabilities	14.90	-	14.90	20.29	-	20.29
Total Liabilities	**12,424.68**	**41,726.27**	**54,150.95**	**12,700.52**	**29,085.20**	**41,785.72**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Bajaj Housing Finance Ltd. Pune

G.D. APTE & CO. Chartered Accountants

50. Risk management objectives and policies (Contd.)

(b) Market risk

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

Interest rate risk

On Investments

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

Sensitivity analysis as at 31 March 2023 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Investment at FVTPL	2,000.91	2,000.91	(7.75)	7.75
Investment at amortised cost	-	-	-	-

Sensitivity analysis as at 31 March 2022 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Investment at FVTPL	1,248.27	1,248.27	(2.35)	2.35
Investment at amortised cost	-	-	-	-

On assets and liabilities

Interest rate sensitivity on fixed and floating rate assets and liabilities with differing maturity profiles is measured by using the duration gap analysis. The same is monitored monthly by ALCO.

Sensitivity analysis as at 31 March 2023 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Loans	62,113.89	62,113.89	-	-
Debt Securities	19,914.92	19,844.15	(473.15)	502.50
Borrowings (other than debt securities)	33,654.70	33,654.70	-	-

Sensitivity analysis as at 31 March 2022 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Loans	46,482.07	46,482.07	-	-
Debt Securities	16,489.15	16,545.35	(248.77)	263.38
Borrowings (other than debt securities)	24,493.17	24,493.17	-	-

(c) Credit Risk

Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company. The Company has a diversified lending model and focuses on six broad categories viz: (i) home loans, (ii) loan against property (iii) lease rental discounting, (iv) developer loans, (v) rural mortgage loans and (vi) unsecured loans. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

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

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

Treatment and classification methodology of different stages of financial assets is detailed in note no. 4.4 (i)

Computation of impairment on financial instruments

The Company calculates impairment on financial instruments as per ECL approach prescribed under Ind AS 109 'Financial instrument'. ECL uses three main components: PD (Probability of Default), LGD (loss given default) and EAD (exposure at default) along with an adjustment considering forward macro economic conditions. For further details of computation of ECL please refer to significant accounting policies note no 4.4 (i).

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

The Company follows simplified ECL approach under Ind AS 109 'Financial instruments' for trade receivables, and other financial assets.

KHANDELWAL JAINI & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

50. **Risk management objectives and policies (Contd.)**

(c) **Credit Risk (Contd.)**

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

Lending verticals	PD			EAD	LGD
	Stage 1	Stage 2	Stage 3		
Home loans Loan against property Rural mortgage loans Lease rental discounting Developer loans Other loans	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers, and also basis DPD bucket approach. for retail loans and management evaluation/judgement for wholesale loans.		100%	Ascertained based on past trends of proportion of outstanding at time of default to the opening outstanding of the analysis period, except Stage 3 where EAD is 100%.	LGD is ascertained using past trends of recoveries for each set of portfolios and discounted using a reasonable approximation of the original effective rates of interest.

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

As at 31 March 2023 (₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	60,059.13	347.53	128.29	2,082.89	12.38	9.04
Allowance for ECL	341.94	74.97	80.99	17.72	3.40	6.35
ECL Coverage ratio	**0.57%**	**21.57%**	**63.13%**	**0.85%**	**27.46%**	**70.24%**

As at 31 March 2022 (₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	44,306.87	581.01	139.61	1,892.74	22.68	6.75
Allowance for ECL	244.39	122.39	74.89	15.56	5.78	4.58
ECL Coverage ratio	**0.55%**	**21.07%**	**53.64%**	**0.82%**	**25.49%**	**67.85%**

Collateral valuation

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

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

Product Group	Nature of securities
Home loans	Equitable mortgage of residential properties.
Loan against property Rural mortgage loans Lease rental discounting Developer loans	Equitable mortgage of residential and commercial properties.

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

Analysis of Concentration Risk

The Company focuses on granulisation of loans portfolios by expanding its geographic reach to reduce geographic concentrations while continually calibrating its product mix across its six categories of lending mentioned above.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

50. Risk management objectives and policies (Contd.)

(c) Credit Risk (Contd.)

ECL sensitivity analysis to forward economic conditions and management overlay

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

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

Methodology

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

The Company uses multiple economic factors and test their correlations with past loss trends witnessed for building its forward economic guidance (FEG) model. During the current year, the Company evaluated various macro factors GDP growth rates, growth of bank credit, wholesale price index (WPI), consumer price index (CPI), industrial production index, unemployment rate, crude oil prices and policy interest rates.

Based on past correlation trends, CPI (inflation) and unemployment rate reflected acceptable correlation with past loss trends and were considered appropriate by the Management. Unemployment has a direct relation with the income levels and thus the growth of the economy from the expenditure side. Inflation and inflationary expectations affect the disposable income of people. Accordingly, both these macro-variables directly and indirectly impact the economy. These factors were assigned appropriate weights to measure ECL in forecast economic conditions.

For Unemployment, the Company has considered data published by a leading business information (BI) company engaged in monitoring of Indian economic indicators.
In FY2023, Unemployment rate over the quarters has been oscillating around 7.5% versus pre covid levels of around 7%, indicating normalisation towards its central scenario.

- While formulating the Central Scenario, the Company has considered that the current unemployment rate of 7.5% may move towards an average of 7% over the next few years.

- For the downside scenario, the Company believes that the downside risks might have passed, however, the downside peak unemployment rate might reach 8.78%. However, as per mean reversion approach, the downside scenario assumes it to fall from the peak and normalise to around 7% within next three years.

- For the upside scenario, the Company acknowledges various surveys and studies indicating improving employment situation as also industrial recovery. Therefore, while forecasting, a positive stance has been adopted with the expectation that the unemployment levels may not drop significantly. The unemployment rate may improve to a best case of 5.2% by the end of June 2024 but may come back to an historical (excluding COVID period) 4-year average of 7%.

Consumer Price Index (CPI or inflation) crossed the RBI comfort level of 6% and remained above 6% for first seven months of FY2023. Later again in Jan'23, it crossed 6%. MPC is taking corrective measures to control inflation through monetary tightening and has projected inflation to reach a level of 5.3% in FY2024.

- The Central Scenario assumed by the Company considers a persistent inflation around 6% in Q4 FY2023. We have, however, seen higher levels of inflation in the first half of FY2023 and the Company expects inflation to come down in FY2024, which is in line with the Central bank's projection. However, keeping a conservative approach, company expects inflation to range between 5.7% to 6.2% during FY2024, suggesting inflation to decline moderately compared to previous year.

-For the downside scenario, the company considers that the inflation risk may continue due to various uncertainties (SVB crisis, geopolitical conflict, elections etc), and therefore assumes the inflation to touch a peak of around 6.95% in Q2 FY2024, and subsequently normalise to around 5% within next three years.

-For the upside scenario, we believe that there would be certain factors which might come into play viz, base effect, higher food grain production, continuously falling WPI, better supply chain management etc, and, therefore, inflation may see easing to a base of around 3% before averaging back to the pre-COVID levels.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

50. Risk management objectives and policies (Contd.)

(c) Credit Risk (Contd.)

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

ECL sensitivity to future economic conditions

(₹ in crore)

ECL coverage of financial instruments under forecast economic conditions	As at 31 March 2023	As at 31 March 2022
Gross carrying amount of loans	**62,639.26**	**46,949.66**
Reported ECL on loans	525.37	467.59
Reported ECL coverage	**0.84%**	**1.00%**
Base ECL without macro overlay	288.37	256.59
Add : Management overlay	205.00	177.00
ECL before adjustment for macro economic factors	493.37	433.59
ECL amounts for alternate scenario		
Central Scenario (80%)	518.12	459.49
Downside scenario (10%)	713.17	606.49
Upside scenario (10%)	395.50	393.49
Reported ECL	**525.37**	**467.59**
Management and Macro Economic overlay		
-Management overlay	205.00	177.00
-Overlay for macro economic factors	32.00	34.00
ECL coverage ratios by scenario		
Central scenario (80%)	0.83%	0.98%
Downside scenario (10%)	1.14%	1.29%
Upside scenario (10%)	0.63%	0.84%

(d) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. Operational risk is inherent in the Company's business activities, as well as in the related support functions. BHFL has in place an Internal Operational Risk Management (ORM) Framework to manage operational risk in an effective and efficient manner. This framework aims at assessing and measuring the magnitude of risks, its monitoring and mitigation. The key objective is to enable the Company to ascertain an increased likelihood of an operational risk event occurring in a timely manner to take steps to mitigate the same. It starts with identifying and defining KRI's/KPIs through process analysis and ending with formulation of action plans in response to the observed trends in the identified metrics. This is achieved through determining key process areas, converting them to measurable and quantifiable metrics, setting tolerance thresholds for the same and monitoring and reporting on breaches of the tolerance thresholds in respect of these metrics. Corrective actions are initiated to bring back the breached metrics within their acceptable threshold limits by conducting the root cause analysis to identify the failure of underlying process, people, systems, or external events.

Further, the Company has a comprehensive internal control systems and procedures laid down around various key activities viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year which helps to identify process gaps on timely basis. Information Technology and Operations functions have a dedicated compliance and control units who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Company has a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of its operations including services to customers in situations such as natural disasters, technological outage, etc. Robust periodic testing is carried, and results are analysed to address any gaps in the framework. DR and BCP audits are conducted on a periodical basis to provide assurance regarding its effectiveness.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

51. Employee stock option plan

The Nomination and Remuneration Committee of the holding Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

As on 31 March 2023

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
A) From Bajaj Finance Limited (Holding Company) (BFL)							
16-May-19	3,002.75	1,37,550	56,488	27,457	38,514	15,091	83,945
19-May-20	1,938.60	2,55,000	58,514	1,07,452	58,708	30,326	1,65,966
27-Apr-21	4,736.55	1,15,446	19,014	78,078	8,111	10,243	97,092
26-Apr-22	7,005.50	1,17,897	-	1,16,409	-	1,488	1,16,409
B) From Bajaj Finserv Limited (Ultimate Holding Company) (BFS)							
28-Apr-22	1,482.64	47,340	-	47,340	-	-	47,340
Total		6,73,233	1,34,016	3,76,736	1,05,333	57,148	5,10,752

As on 31 March 2022

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
16-May-19	3,002.75	1,37,550	38,592	57,516	26,152	15,290	96,108
19-May-20	1,938.60	2,55,000	36,044	1,67,900	24,305	26,751	2,03,944
27-Apr-21	4,736.55	1,15,446	-	1,07,352	-	8,094	1,07,352
Total		5,07,996	74,636	3,32,768	50,457	50,135	4,07,404

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2023	Year ended 31 March 2022
	BFS	BFL	BFL
Grant date	28-Apr-22	26-Apr-22	27-Apr-21
No. of options granted	47,340	1,17,897	1,15,446
Weighted average fair value (₹)	689.20	3,240.10	2,108.92

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

As on 31 March 2023

Total for all grants BFL	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	4,07,404	1938.60-4736.55	2,926.90	5.77
Granted during the year	1,17,897	7,005.50	7,005.50	-
Cancelled during the year	7,013	1938.60-7005.50	3,840.86	-
Exercised during the year	54,876	1938.60-4736.55	2,591.88	-
Outstanding at the end of the year	4,63,412	1938.60-7005.50	3,990.38	5.38
Exercisable at the end of the year	1,34,016	1938.60-7005.50	2,784.11	3.55

The weighted average market price of equity shares for options exercised during the year is ₹ 6,427.00 (Previous year ₹ 6,158.33).

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

51. Employee stock option plan (Contd.)

As on 31 March 2023

Total for all grants BFS	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	47,340	1,482.64	1,482.64	-
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	47,340	1,482.64	1,482.64	9.08
Exercisable at the end of the year	-	-	-	-

As on 31 March 2022

Total for all grants	No. of options	Range of exercise prices	Weighted average exercise	Weighted average remaining
Outstanding at the beginning of the year	3,67,506	1938.60-3002.75	2,292.03	4.51
Granted during the year	1,15,446	4,736.55	4,736.55	-
Cancelled during the year	35,521	1938.60-4736.55	2,882.51	-
Exercised during the year	40,027	1938.60-3002.75	2,356.58	-
Outstanding at the end of the year	4,07,404	1938.60-4736.55	2,926.90	5.77
Exercisable at the end of the year	74,636	1938.60-3002.75	2,488.84	3.89

Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (₹)*
A) For ESOP granted by BFL					
16-May-19	7.09%	3.5 -6.5 years	34.03%	0.13%	3,002.75
19-May-20	5.07%	3.5 -6.5 years	42.95%	0.83%	1,938.60
27-Apr-21	5.65%	3.5 -6.5 years	42.51%	0.21%	4,736.55
26-Apr-22	6.56%	3.5 -6.5 years	41.87%	0.29%	7,005.50
B) For ESOP granted by BFS					
28-Apr-22	6.75%	3.5 -6.5 years	34.19%	0.02%	14,826.40

For the year ended 31 March 2023, the Company has accounted expense of ₹ 26.83 crore as employee benefit expenses (note no.34) on the aforesaid employee stock option plan (Previous year ₹ 19.23 crore).

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

52. Utilisation of Borrowed funds

Details of transaction where the Company has received fund from entities (Funding Party) with the understanding that the Company shall directly or indirectly lend or invest in other entities.

For the year ended 31 March 2023 (₹ in crore)

Name of Funding Party	Date of fund received	Amount of fund received	Name of other intermediaries' or ultimate beneficiaries	Date of fund loaned	Amount of fund loaned
J.V.N Exports Pvt Ltd Address: No B05, 5th Floor, Solus Jain Heights, J C Road, 1st Cross Road, Bangalore 560027, Karnataka PAN: AAACJ4483F CIN: U07010KA1993PTC014766	29-Aug-22 14-Sep-22 18-Nov 22 18-Jan-23	6.00 0.30 0.30 0.50	Radiant Equity Management Pvt Ltd Address: No 255-B, Bommasandra Industrial Area, Bommasandra Village Anekal T K, Bangalore - 560099, Karnataka PAN: AABCR3645N CIN: U63090KA1994PTC143382	31-Aug-22 17-Sep-22 19 Nov-22 19-Jan-23	6.00 0.30 0.30 0.50
Chayadeep Properties Pvt Ltd Address: Second floor, Plot No. 30, Galaxy, 1st Main road, JP Nagar, 3rd Phase, Bangalore Urban, Karnataka, 560078 PAN: AACCC3489Q CIN: U45203KA2003PTC094179	14-Sep-22 15-Sep-22 19-Sep-22 21-Sep-22 22-Sep-22	26.45 38.58 29.76 40.78 29.76	Karuna Ventures Pvt Ltd Address: Second floor, Plot No. 30, Galaxy, 1st Main road, JP Nagar, 3rd Phase, Bangalore Urban, Karnataka, 560078 PAN: AADCK7179G CIN: U74110KA2009PTC050575	22-Sep-22	157.00

For the year ended 31 March 2022 (₹ in crore)

Name of Funding Party	Date of fund received	Amount of fund received	Name of other intermediaries' or ultimate beneficiaries	Date of fund loaned	Amount of fund loaned
Karuna Ventures Pvt Ltd Address: Second floor, Plot No. 30, Galaxy, 1st Main road, JP Nagar, 3rd Phase, Bangalore Urban, Karnataka, 560078 PAN: AADCK7179G CIN: U74110KA2009PTC050575	07-Dec-21	65.00	Tenshi Kaizen Private Limited Address: Plot no. 46, Higher pharmatech pvt. Ltd., 1st phase, KIADB industrial area, Harohalli, Ramanagar, Karnataka, 562112 PAN: AABCH8821J CIN: U24230KA2007PTC042337	09-Dec-21	61.50
Premsagar Infra Realty Private Limited Address: 191/A/2A/1/2, Tower E, Tech Park One, Next to Don Bosco School, Off Airport Road, Yerwada, Pune 411006 PAN: AAACP5702B CIN: U55701PN1991PTC134103	18-Nov-21	445.00	A2Z Online Services Private Limited Address: Third floor Tower E Tech Park One, Next to Don Bosco School, Yerwada, Pune-411006 PAN: AACCA5376J CIN: U74140PN2000PTC139217	29-Nov-21	420.00

The Company does not have relationship in terms of Companies Act 2013 and Ind AS 24 with the funding parties and beneficiaries companies.

In respect of above transactions, relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003)

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G.D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

53. Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February 2021 (as amended)

53.1 Principal Business Criteria

Principal Business Criteria for the Company to be classified as "Housing Finance Company" as per the Paragraph 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, updated as on 28 December, 2021 is given below:

Criteria	% as at 31 March 2023*	% as at 31 March 2022
Percentage of total assets towards housing finance	58.30%	55.90%
Percentage of total assets towards housing finance for individuals	50.74%	50.93%

*Minimum regulatory percentage to be complied as on March 31, 2023 is 55% and 45% respectively.

53.2 Disclosures:

53.2.1 Capital

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) CRAR (%)	**22.97%**	**19.71%**
(ii) CRAR Tier I capital (%)	22.19%	18.95%
(iii) CRAR Tier II capital (%)	0.78%	0.76%
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

53.2.2 Reserve Fund u/s 29C of NHB Act, 1987

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year:		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	208.89	126.96
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	22.66
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	134.40	74.40
Total	**365.95**	**224.02**
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	95.56	81.93
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	156.00	60.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Additional amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	304.45	208.89
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	22.66
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	290.40	134.40
Total	**617.51**	**365.95**

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53.2.3 Investments

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Value of Investments		
(i) Gross value of investments		
(a) In India	1,999.88	1,247.52
(b) Outside India		
(ii) Provisions for (depreciation) / appreciation*		
(a) In India	1.03	0.75
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	2,000.91	1,248.27
(b) Outside India	-	-
Movement of provisions held towards (depreciation) / appreciation on investments		
(i) Opening balance	0.75	1.98
(ii) Add: Provisions made during the year (Net of appreciation)	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	(0.28)	1.23
(iv) Closing balance	1.03	0.75

* Represents unrealised gain due to fair value change

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53.2.4 Derivatives

Forward Rate Agreement (FRA) / Interest Rate Swap (IRS) (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) The notional principal of swap agreements ^	100	NA
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	1.37	NA
(iii) Collateral required upon entering into swaps	NA	NA
(iv) Concentration of credit risk arising from the swaps *	NA	NA
(v) The fair value of the swap book	1.37	NA

*** Concentration arising from SWAP is with Banks**

^ Interest rate Swaps entered into during the year for ₹ 100 Crore (Previous year ₹ Nil) which are outstanding as on 31st March 2023. The Company did not have outstanding position as on 31 March 2022.

Exchange Traded Interest Rate (IR) Derivative

The Company has not entered into any exchange traded derivative.

Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Financial Risk Management

The Company has to manage various risks associated with the lending business. These risks include liquidity risk, interest rate risk and counterparty risk.

The investment and market risk policy, ALM Policy and currency and interest rate risk hedging policy as approved by the Board sets limits for exposures on various parameters. The Company manages its interest rate in accordance with the guidelines prescribed therein.

Liquidity risk and interest rate risks, arising out of maturity mismatch of assets and liabilities, are managed through regular monitoring of maturity profiles. As a part of Asset Liability Management, the Company has also entered into interest rate swaps wherein it has converted a portion of its fixed rate rupee liabilities into floating rate liability. Counter party risk is reviewed periodically to ensure that exposure to various counter parties is well diversified and is within the limits specified by policy.

Constituents of Hedge Management Framework

Financial Risk Management of the Company constitutes the Audit & Governance Committee, Asset Liability Committee (ALCO), Investment Committee and the Risk Management Committee.

The Company periodically monitors various counter party risk and market risk limits, within the risk architecture and processes of the Company.

Hedging Policy

The Company has a interest rate risk and currency risk hedging approved by the Board of Directors. For derivative contracts designated as hedges, the Company documents at inception, the relationship between the hedging instrument and hedged item. Hedge effectiveness is ascertained periodically on a forward looking basis and is reviewed by the Investment Committee/ALCO at each reporting period. Hedge effectiveness is measured by the degree to which changes in the fair value or cashflows of the hedged item that are attributed to the hedged risk are offset by changes in the fair value or cashflows of the hedging instrument.

Measurement and Accounting

All derivative contracts are recognised on the balance sheet and measured at fair value. Hedge accounting is applied to all the derivative instruments as per IND AS 109. Gain/loss arising on account of fair value changes are recognised in the Statement of Profit and Loss to the extent of ineffective portion of hedge instruments and hedged items. The gains/losses of effective portion of hedge instrument are offset against gain/losses of hedged items in P&L or in Other Comprehensive Income depending on the type of hedge.

The Company has entered into fair value hedges like interest rate swaps on fixed rate rupee liabilities as a part of the interest rate risk management whereby a portion of the fixed rate liabilities are converted to floating rate. The Company has a mark to market gain of ₹ 1.37 Crore on outstanding fair value hedges.

B. Quantitative Disclosure - Interest Rate Derivatives (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Derivatives (Notional Principal Amount)	100.00	-
(ii) Market to Market Positions	-	-
(a) Assets (+)	1.37	-
(b) Liability (-)	-	-
(iii) Credit Exposure	1.37	-
(iv) Unhedged Exposures	-	-

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G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

53.2.5 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as at 31 March 2023 (₹ in crore)

Particulars	1 day to 7days	8 to 14 days	15 days to 30/31 days	Over one month up to 2 months	Over 2 month & up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 Years	Total
Liabilities											
Borrowings from bank	17.72	-	59.55	110.31	1,315.90	1,373.53	3,688.90	10,344.20	11,943.00	2,801.59	31,654.70
ICD	-	-	-	-	-	6.42	2.81	166.54	-	-	175.77
NHB Refinance	-	-	-	-	-	60.33	120.65	482.61	482.62	853.79	2,000.00
Market borrowing	-	-	441.42	88.88	109.72	1,726.39	2,969.48	9,422.90	1,835.64	3,320.49	19,914.92
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets	-	-	-	-	-	-	-	-	-	-	-
Advances	713.63	413.26	646.54	1,357.92	1,304.13	3,714.93	6,477.60	17,819.59	10,340.04	19,326.25	62,113.89
Investments*	363.49	215.00	24.88	99.36	-	699.15	599.06	14.96	-	-	2,015.90
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of advances have been shown based on behavioural pattern.

*Investments includes fixed deposits of ₹ 14.99 crore shown under Note 5 - cash and cash equivalents & Note 6 - Bank balances other than cash and cash equivalents to the financial statements.

53.2.5 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as at 31 March 2022 (₹ in crore)

Particulars	1 day to 7days	8 to 14 days	15 days to 30/31 days	Over one month up to 2 months	Over 2 month & up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 Years	Total
Liabilities											
Borrowings from bank	-	-	74.79	126.96	1,106.47	908.55	2,733.49	12,892.38	5,626.72	1,023.81	24,493.17
Deposits	-	-	-	-	-	-	65.00	445.00	-	-	510.00
NHB Refinance	-	-	-	-	-	-	-	-	-	-	-
Market borrowing	766.16	499.30	9.98	818.72	725.54	1,997.46	2,606.11	7,415.77	329.75	1,320.36	16,489.15
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets	-	-	-	-	-	-	-	-	-	-	
Advances	467.11	324.71	419.05	932.02	891.26	2,653.10	4,469.39	12,850.68	8,145.66	15,329.09	46,482.07
Investments*	530.78	450.68	-	-	-	517.50	-	0.13			1,499.09
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of advances have been shown based on behavioural pattern.

*Investments includes fixed deposits of ₹ 250.82 crore shown under Note 5 - cash and cash equivalents & Note 6 - Bank balances other than cash and cash equivalents to the financial statements.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

53.2.6 Exposure

53.2.6.1 Exposure to Real Estate Sector

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
a) Direct Exposure		
(i) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	44,679.07	33,470.90
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.).	19,587.78	9,950.08
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector*	**64,266.85**	**43,420.98**

* Exposure includes non-fund based (NFB) limits and undrawn loan commitment towards partially disbursed / sanctioned but not disbursed. In addition to above, the Company has loan exposure amounting ₹ 2,737.91 crore as on 31 March 2023 (Previous year ₹ 3,028.69 crore) pertaining to commercial properties not required to be classified as commercial real estate exposure and on properties used for dual purpose of commercial and residential usage.

53.2.6.2 Exposure to Capital Market

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds*	-	-
x) Financing to stockbrokers for margin trading*	-	-
xi) All exposures to Alternative Investment Funds:*		
i. Category I	-	-
ii. Category II	-	-
iii. Category III	-	-
Total Exposure to Capital Market	-	-

* Disclosure pursuant to RBI Circular - RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022 - Disclosures in Financial Statements- Notes to Accounts of NBFCs

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Bajaj Housing Finance Ltd. Pune

G. D. APTE & CO. Chartered Accountants

53.2.6.3 Details of financing of parent company products

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

53.2.6.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

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

53.2.6.5 Unsecured Advances

The Company has unsecured advances of ₹ 2,076.84 crore (Previous year: ₹ 1,896.25 crore) which includes advances of ₹ 301.51 crore (Previous year: ₹ 292.77 crore) against intangible collateral.

53.2.6.6 Exposure to group companies engaged in real estate business

The Company does not have any exposure to group companies engaged in real estate business during the current and previous year.

53.3 Miscellaneous

53.3.1 Registration obtained from other financial sector regulators

The Company has obtained registration from Financial Intelligence Units, India vide Registration No. FIHFC00119.

53.3.2 Disclosure of penalties imposed by NHB/RBI and other regulators

During the financial year 2022-23, there were no penalties imposed by NHB or any other regulators. (Previous year 2021-22 : Nil)

53.3.3 Related party Transactions

Refer Note no. 43 Disclosure of transactions with related parties as required by Ind AS 24

53.3.4 Group Structure

Diagrammatic representation of group structure given below:

Bajaj Holdings & Investment Limited (BHIL) (Entities in which KMP and their relatives have significant influence)
- **Bajaj Finserv Limited (BHIL holds 39.12%) (Ultimate Holding Company)**
  - Bajaj Allianz General Insurance Company Limited (Ultimate Holding Company holds 74%)
  - Bajaj Allianz Life Insurance Company Limited (Ultimate Holding Company holds 74%)
  - Bajaj Finserv Direct Ltd (Ultimate Holding Company holds 80.10%)
  - Bajaj Finserv Health Ltd (Ultimate Holding Company holds 100%)
  - Bajaj Finserv Mutual Fund Trustee Ltd (Ultimate Holding Company holds 100%)
  - Bajaj Finserv Asset Management Ltd (Ultimate Holding Company holds 100%)
  - Bajaj Finserv Ventures Ltd (Ultimate Holding Company holds 100%)
  - **Bajaj Finance Limited (Parent Company holds 52.49%)**
    - **Bajaj Housing Finance Limited (Parent Company holds 100%)**
    - Bajaj Financial Securities Limited (Parent Company holds 100%)
- Bajaj Auto Limited (BHIL holds 36.64%) (Entities in which KMP and their relatives have significant influence)

Above shareholding is as of 31 March 2023

53.3.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

(₹ in crore)

Rating Agency	Instruments	Rating assigned	Migration in ratings during the year	As at 31 March 2023	As at 31 March 2022
India Ratings	Non-Convertible Debenture & Subordinated debt	IND AAA/Stable	NIL	7,000.00	4,000.00
	Long-Term Bank Rating/Short-Term Bank Rating	IND AAA(Stable) / IND A1+	NIL	40,000.00	31,000.00
	Commercial Paper	IND A1+	NIL	6,000.00	6,000.00
CRISIL	Non-Convertible Debenture	CRISIL AAA/Stable	NIL	27,717.80	22,969.70
	Subordinated debt	CRISIL AAA/Stable	NIL	1,000.00	1,000.00
	Long-Term / Short-Term Bank Rating	CRISIL AAA/(Stable) / CRISIL A1+	NIL	16,000.00	11,000.00
	Commercial Paper	CRISIL A1+	NIL	6,000.00	6,000.00

53.3.6 Remuneration of Directors

(₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
1. Sanjiv Bajaj	0.21	0.17
2. Rajeev Jain	0.26	-
3. Atul Jain	18.35	12.60
4. Lila Poonawala	0.24	0.17
5. Anami Narayan Roy	0.25	0.11
6. Dr. Arindam K Bhattacharya	0.12	-
7. Dr. Omkar Goswami	-	0.01

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Bajaj Housing Finance Ltd. Pune

53.4 Additional Disclosures

53.4.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income tax/deferred tax and tax adjustments of earlier years	442.26	250.24
3. Provision towards NPA / Impairment loss allowance on stage 3 assets	7.87	34.27
4. Provision for Standard Assets / Impairment loss allowance on stage 1&2 *	49.91	77.56
5. Provision for employee benefits	(3.10)	0.35
6. Other Provision and Contingencies	13.01	-
*** Breakup of provision for Standard Assets / Impairment loss allowance on stage 1&2**		
Commercial Real Estate	35.56	7.73
Commercial Real Estate-Residential Housing	20.77	7.12
Others	(6.42)	62.71
Total	**49.91**	**77.56**

Break up of Loan & Advances and Provisions thereon (₹ in crore)

Particulars	Housing		Non-Housing	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Standard Assets				
a) Total Outstanding Amount	37,718.59	27,150.25	24,783.34	19,653.05
b) Provisions made	233.98	205.07	204.05	183.05
Sub-Standard Assets				
a) Total Outstanding Amount	46.22	57.20	55.36	57.80
b) Provisions made	24.91	32.44	31.70	32.22
Doubtful Assets – Category-I				
a) Total Outstanding Amount	14.87	9.60	13.16	21.29
b) Provisions made	13.45	5.65	12.23	8.69
Doubtful Assets – Category-II				
a) Total Outstanding Amount	1.91	0.34	5.81	0.13
b) Provisions made	1.92	0.34	3.13	0.13
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Total				
a) Total Outstanding Amount	37,781.59	27,217.39	24,857.67	19,732.27
b) Provisions made	274.26	243.50	251.11	224.09

53.4.2 **Draw Down from Statutory Reserve created u/s 29C of the National Housing Bank Act, 1987**

The Company has not drawn any amount from Statutory Reserve created u/s 29C of the National Housing Bank Act, 1987 during the current year.

53.4.3 **Concentration of Public Deposits, Advances, Exposures and NPAs**

53.4.3.1 **Concentration of Public Deposits (for Public Deposit taking/holding HFCs)**

The Company is non public deposit taking housing finance company and has not accepted any public deposits during the current year.

53.4.3.2 **Concentration of Loans & Advances**

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Loans & Advances to twenty largest borrowers	5,613.23	3,980.29
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	8.96%	8.48%

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G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

53.4.3.3 Concentration of all Exposure (including off-balance sheet exposure)

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Exposure to twenty largest borrowers / customers	6,140.49	4,186.56
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	8.92%	8.14%

53.4.3.4 Concentration of NPAs

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Exposure to top ten NPA accounts	15.29	16.02

53.4.3.5 Sector-wise NPAs

Sector	As at 31 March 2023			As at 31 March 2022		
	Total Advances in the sector	Gross NPAs	Gross NPAs% to total advances in the sector	Total Advances in the sector	Gross NPAs	Gross NPAs% to total advances in the sector
Housing Loans:						
Individuals	32,883.58	62.97	0.19%	24,801.83	66.07	0.27%
Builders/Project Loans	4,898.01	0.03	0.00%	2,415.56	1.07	0.04%
Non-Housing Loans:						
Individuals	13,590.11	69.95	0.51%	12,906.46	71.12	0.55%
Builders/Project Loans	2,657.15	-	0.00%	1,933.46	3.70	0.19%
Corporates	8,610.41	4.38	0.05%	4,892.35	4.40	0.09%

53.4.4 Movement of NPAs

(₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
(I) Net NPAs to Net Advances (%)	0.08%	0.14%
(II) Movement of NPAs (Gross)		
a) Opening balance	146.36	119.13
b) Additions during the year	135.91	153.26
c) Reductions during the year	144.94	126.03
d) Closing balance	137.33	146.36
(III) Movement of Net NPAs		
a) Opening balance	66.89	73.93
b) Additions during the year	35.73	46.81
c) Reductions during the year	52.63	53.85
d) Closing balance	49.99	66.89
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	79.47	45.20
b) Provisions made during the year	100.18	106.45
c) Write-off/write-back of excess provisions	92.31	72.18
d) Closing balance	87.34	79.47

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

53.4.5 **Overseas Assets**

The Company has not held any overseas assets as on reporting date (P.Y.Nil).

53.4.6 **Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

The Company does not have any SPVs sponsored in current year and previous year which were required to be consulidated as per accounting Norms.

53.4.7 **Disclosure of Complaints**

Customers Complaints*

Particulars	As at 31 March 2023	As at 31 March 2022
a) No. of complaints pending at the beginning of the year	0	0
b) No. of complaints received during the year	417	505
c) No. of complaints redressed during the year	417	505
d) No. of complaints pending at the end of the year	0	0

*Includes complaints reported through NHB - GRIDS Portal is 111 (previous year 415)

54. **Disclosure pursuant to RBI Notification RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22 October 2021 - Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs and Circular - RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022 - Disclosures in Financial Statements- Notes to Accounts of NBFCs issued subsequently.**

54.1 Exposure to real estate sector and capital market (Refer Note no. 53.2.6.1 and 53.2.6.2)

54.2 **Sectoral exposure**

Sector	Type of Loan	As at 31 March 2023			As at 31 March 2022		
		Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector *	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector *
Agriculture and allied activities							
	Loan against property	23.63	-	0.00%	20.35	-	0.00%
Industries							
	Loan against property	1,219.97	4.41	0.36%	940.03	6.93	0.74%
Services							
	Commercial Real estate (including CRE-RH)	19,208.49	0.03	0.00%	9,964.67	4.77	0.05%
	Loan against property-professionals	807.97	2.68	0.33%	811.26	1.72	0.21%
	Loan against property-others	2,596.08	33.19	1.28%	3,336.06	34.75	1.04%
Personal loans							
	Housing loans (including Top-up)	42,016.10	82.38	0.20%	33,272.44	86.99	0.26%
	Loan against property	1,132.51	5.63	0.50%	1,441.49	4.45	0.31%
Others							
	Unsecured loans	1,813.08	9.01	0.50%	1,643.20	6.75	0.41%
Total		**68,817.83**	**137.33**	**0.20%**	**51,429.50**	**146.36**	**0.28%**

*Aforementioned Gross NPA ratio is computed on the total exposure (includes on-balance sheet and off-balance sheet exposure) i.e Percentage of Gross NPAs to total exposure of respective sectors. However, actual Gross NPA ratio of the Company is computed on the basis of on-balance sheet exposure and accordingly both are not comparable.

54.3 Intra-group exposures

The Company does not have any intra-group exposures during the current year and previous year.

54.4 Unhedged foreign currency exposure

The Company does not has unhedged foreign currency exposure during the current year and previous year.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

Notes to financial statements for the year ended 31 March 2023 (Contd.)

54.5 Related Party Disclosure (₹ in crore)

Related Party	Parent		Fellow Subsidiary		Directors		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Balance Sheet														
Borrowings														
Outstanding at the year end	(550.00)	(350.00)	(1,018.00)	(751.00)	-	-	-	-		-	(50.00)	(50.00)	(1,618.00)	(1,151.00)
Maximum during the year	(550.00)	(350.00)	(1,118.00)	(801.00)	-	-	-	-	-	-	(50.00)	(200.00)	(1,718.00)	(1,351.00)
Deposits														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year													-	-
Advances														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year													-	-
Investments														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year													-	-
Contribution to Equity Share Capital	(6,712.16)	(4,883.33)	-	-	-	-	-	-	-	-	-	-	(6,712.16)	(4,883.33)
Other Payables	(3.21)	(0.08)	-	(0.91)	(0.40)	(1.14)	(0.77)	(0.63)	-	-	-	(0.18)	(4.38)	(2.94)
Other Receivables	0.37	-	1.28	4.84	-	-	-	-	-	-	0.03	0.03	1.68	4.87
Transactions during the year														
Purchase of fixed assets	0.79	0.27	0.09	0.01	-	-	-	-	-	-	-	-	0.88	0.28
Purchase of other assets (loan portfolio)	-	738.79	-	-	-	-	-	-	-	-	-	-	-	738.79
Sale of fixed assets	0.48	0.38	-	-	-	-	-	-	-	-	-	-	0.48	0.38
Purchase of investments	-	4,900.00	-	-	-	-	-	-	-	-	-	-	-	4,900.00
Sale of investments	-	4,900.00	-	-	-	-	-	-	-	-	-	-	-	4,900.00
Borrowings	-	750.00	217.00	217.00	-	-	-	-	-	-	-	-	217.00	967.00
Borrowings repaid	-	750.00	100.00	50.00	-	-	-	-	-	-	-	150.00	100.00	950.00
Loan repayment received	-	-	-	-	-	-	-	-	-	0.15	-	13.00	-	13.15
Interest paid	20.81	9.00	58.04	44.56	-	-	-	-	-	-	2.90	11.91	81.75	65.47
Interest received	-	3.82	-	-	-	-	-	-	-	0.00	-	1.07	-	4.89
Others														
Business Support Charges Paid	20.46	7.86	0.66	1.05	-	-	-	-	-	-	2.78	-	23.90	8.91
Business support charges received	0.81	1.14	-	-	-	-	-	-	-	-	-	-	0.81	1.14
Fees and commission	66.30	44.64	-	-	-	-	-	-	-	-	-	-	66.30	44.64
Equity Contribution received (including Premium)	2,500.00	-	-	-	-	-	-	-	-	-	-	-	2,500.00	-
Security deposit received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security deposit (paid)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct assignment of loan portfolio	1,789.90	1,503.69	-	-	-	-	-	-	-	-	-	-	1,789.90	1,503.69
ESOP recharge	26.77	19.23	-	-	-	-	-	-	-	-	-	-	26.77	19.23
Rent income	0.20	0.19	-	-	-	-	-	-	-	-	-	-	0.20	0.19
Insurance expense	-	-	13.52	15.40	-	-	-	-	-	-	-	-	13.52	15.40
Sitting Fees	-	-	-	-	0.68	0.46	-	-	-	-	-	-	0.68	0.46
Commission	-	-	-	-	0.40	-	-	-	-	-	-	-	0.40	-
Short term employee benefit	-	-	-	-	10.29	8.14	2.71	1.64	-	-	-	-	13.00	9.78
Share based payment	-	-	-	-	8.06	4.46	0.80	0.64	-	-	-	-	8.86	5.10
Rent expense	-	-	-	-	-	-	-	-	-	-	0.06	0.06	0.06	0.06
Services received	-	-	-	-	-	-	-	-	-	-	4.06	1.25	4.06	1.25
Manpower supply services	-	-	-	-	-	-	-	-	-	-	12.79	-	12.79	-
Company's contribution towards NPS	-	-	0.45	-	-	-	-	-	-	-	-	-	0.45	-
Gratuity	-	-	-	-	-	-	-	-	-	-	3.02	2.00	3.02	2.00

Amount in bracket denotes credit balance

1. The Company has allotted 4,188,822,235 equity shares having face value of Rs. 10/- each under right issue to its parent company viz. Bajaj Finance Ltd on 7th April 2022 at a premium of Rs. 3.67/- per share involving aggregate amount of Rs. 5,999,999,952.45

2. Disclosure of transactions made in compliance with RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and RBI Circular for Disclosures in Financial Statements- Notes to Accounts of NBFC dated 19 April 2022 which includes Key managerial personnel as per section 2(51) of the Companies Act, 2013.

MANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

54.6 Disclosure of complaints

54.6.1 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
	Complaints received by the NBFC from its customers		
(a)	Number of complaints pending at beginning of the year	0	0
(b)	Number of complaints received during the year	417	505
(c)	Number of complaints disposed during the year	417	505
	(i) of which, number of complaints rejected by the NBFC	0	0
(d)	Number of complaints pending at the end of the year	0	0

Disclosure on complaints received from Office of Ombudsman and Awards unimplemented not given as the Company, being a HFC, is not included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

54.6.2 Top five grounds of complaints received by the NBFCs from customer

For the year ended 31 March 2023

	Grounds of complaints	Number of complaints pending as at 1 April 2022	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending as at 31 March 2023	Number of complaints pending beyond 30 days as at 31 March 2023
1	Part payment related	0	104	-30%	0	0
2	Foreclosure of loan related	0	119	40%	0	0
3	EMI/Loan related	0	52	-40%	0	0
4	Value added services related	0	60	-37%	0	0
5	Levy of charges related	0	29	-40%	0	0
6	Others	0	53	29%	0	0
		0	417		0	0

For the year ended 31 March 2022

	Grounds of complaints	Number of complaints pending as at 1 April 2021	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending as at 31 March 2022	number of complaints pending beyond 30 days as at 31 March 2022
1	Part payment related	0	149	NA	0	0
2	EMI/Loan related	0	87	NA	0	0
3	Value added services related	0	95	NA	0	0
4	Foreclosure of loan related	0	85	NA	0	0
5	Levy of charges related	0	48	NA	0	0
6	Others	0	41	NA	0	0
		0	505	NA	0	0

54.7 There were no breach of covenant of loan availed or debt securities issued in current year and previous year.

54.8 There were no divergence in respect of provisioning requirements and identification of Gross NPAs assessed by RBI/ NHB in current year and previous year.

54.9 Loans to Directors, Senior Officers and relatives of Directors (₹ in crore)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Directors and their relatives	-	N.A.
Entities associated with directors and their relatives	-	N.A.
Senior Officers and their relatives	2.61	N.A.

The circular on Loans and Advances-Regulatory Restrictions-NBFC is effective from 1 October 2022. The above disclosure is provided for loans and contracts entered on or after 1 October 2022.

55. Disclosure of Frauds as per NHB (ND)/DRS/Policy Circular No.92/2018-19 dated 05 February, 2019

There was one case of fraud amounting to ₹ 35.44 lakhs as reported to NHB during the financial year ended 31 March 2023 (Previous Year: nil)

56. The Company has not granted any loans against collateral of gold jewellery in current year and previous year.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. DATTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd.

57. Disclosures in respect of Liquidity Risk Management Framework as referred in para 3.1.1 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Annex II referred in para 15A of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

57.1 **Funding Concentration based on significant counterparty (both deposits and borrowings)**

Particulars	As at 31 March 2023	As at 31 March 2022
i) Number of Significant Counterparties*	19	25
ii) Amount(in ₹ crore)	41,978.99	35,583.91
iii) Percentage of funding concentration to total deposits#	NA	NA
iv) Percentage of funding concentration to total liabilities	77.52%	85.16%

* Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies. Funding concentration based on significant counterparty has been computed using Latest Beneficiary Position instead of original subscribers.

Total public deposits

Total liabilities are excluding Equity share capital and Other equity.

57.2 Disclosures on Top 20 large deposits is not applicable being non deposit taking NBFCs

57.3 **Top 10 borrowings** (₹ in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
i) Total amount of top 10 borrowings	34,898.10	26,333.26
ii) Percentage of amount of top 10 borrowings to total borrowings	64.93%	63.47%

Funding concentration based on significant counterparty has been computed using Latest Beneficiary Position instead of original subscribers.

57.4 **Funding Concentration based on significant instrument/product*** (₹ in crore)

Particulars	As at 31 March 2023	Percentage of total liabilities	As at 31 March 2022	Percentage of total liabilities
i) Non-convertible debentures	19,491.43	35.99%	12,491.92	29.90%
ii) Loans from bank	31,654.70	58.46%	24,493.17	58.62%
iii) Loans from NHB	2,000.00	3.69%	-	0.00%
iv) Commercial paper	423.49	0.78%	3,997.23	9.57%
v) Deposits (Inter Corporate Deposits)	175.77	0.32%	510.00	1.22%

* Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Total liabilities are excluding Equity share capital and Other equity.

57.5 **Stock ratio**

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Commercial paper as a percentage of total public funds*	0.79%	9.63%
(ii) Commercial paper as a percentage of total liabilities	0.78%	9.57%
(iii) Commercial paper as a percentage of total assets	0.66%	8.24%
(iv) Non convertible debentures (original maturity of less than 1 year) as a percentage of total public funds*	NA	NA
(v) Non convertible debentures (original maturity of less than 1 year) as a percentage of total liabilities	NA	NA
(vi) Non convertible debentures (original maturity of less than 1 year) as a percentage of total assets	NA	NA
(vii) Other short term liabilities as a percentage of total public funds*#	22.33%	20.98%
(viii) Other short term liabilities as a percentage of total liabilities #	22.16%	20.83%
(ix) Other short term liabilities as a percentage of total assets #	18.56%	17.93%

Total liabilities are excluding equity share capital and other equity.

* Public funds are considered as total of borrowings from NCD, CP, Bank Loans and ICDs.

Other short term liabilities are residual maturities with in 12 months of Bank loan, NCDs and other liabilities(excl. CPs).

57.6 **Institutional set-up for liquidity risk management**

The Company manages its Liquidity Risk Management Framework through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans under the guidance of ALCO and Board. For qualitative disclosure on liquidity risk management, refer note no. 50.

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Bajaj Housing Finance Ltd. Pune

58. Disclosures in respect of Guidelines on Maintenance of Liquidity Coverage Ratio (LCR) as referred in para 3.1.2 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Annex II referred in para 15A of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Appendix I as on 31st March 2023

	Q1 FY23		Q2 FY23		Q3 FY23		Q4 FY23	
	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High Quality Liquid Assets								
1. **Total High Quality Liquid Assets (HQLA)	852.14	852.14	1,069.38	1,069.38	1,035.87	1,035.87	1,519.63	1,519.63
Cash Outflows								
2. Deposits (for deposit taking companies)							-	-
3. Unsecured wholesale funding	456.38	524.84	788.18	906.41	349.33	401.72	640.72	736.83
4. Secured wholesale funding	998.49	1,148.26	899.78	1,034.75	1,299.06	1,493.92	1,084.41	1,247.07
5. Additional requirements, of which	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures and other collateral	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities								
6. Other contractual funding obligations#	1,420.23	1,633.27	2,315.01	2,662.26	1,940.28	2,193.83	2,367.38	2,722.48
7. Other contingent funding obligations	-	-	-	-	-	-	-	-
8. TOTAL CASH OUTFLOWS	**2,875.10**	**3,306.37**	**4,002.97**	**4,603.42**	**3,588.67**	**4,089.47**	**4,092.51**	**4,706.38**
Cash Inflows								
9. Secured lending	-	-	-	-	-	-	-	-
10. Inflows from fully performing exposures	482.98	362.23	560.14	420.11	538.97	404.23	613.83	460.37
11. Other cash inflows*	5,148.21	3,861.16	8,871.38	6,653.54	8,126.95	6,095.21	6,268.75	4,701.56
12. TOTAL CASH INFLOWS	**5,631.19**	**4,223.39**	**9,431.52**	**7,073.65**	**8,665.92**	**6,499.44**	**6,882.58**	**5,161.93**
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13. TOTAL HQLA		**852.14**		**1,069.38**		**1,035.87**		**1,519.63**
14. TOTAL NET CASH OUTFLOWS		826.59		1,150.86		1,022.37		1,176.60
15. LIQUIDITY COVERAGE RATIO (%)		**103.09%**		**92.92%**		**101.32%**		**129.15%**
16. NHB Requirement (%)		**50.00%**		**50.00%**		**60.00%**		**60.00%**
17. NHB Requirement Amount		413.30		575.43		511.18		588.30

****Components of HQLA**

High Quality Liquid Assets (HQLA)	Actual Cashflow	Stressed Cashflow	Actual Cashflow	Stressed Cashflow	Actual Cashflow	Stressed Cashflow	Actual Cashflow	Stressed Cashflow
1. Assets to be included as HQLA without any haircut	852.14	852.14	1,069.38	1,069.38	1,035.87	1,035.87	1,519.63	1,519.63
2. Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3. Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4. Approved securities held as per the provisions of section 45 IB of RBI Act	-	-	-	-	-	-	-	-
Total HQLA	852.14	852.14	1,069.38	1,069.38	1,035.87	1,035.87	1,519.63	1,519.63

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

Appendix I as on 31st March 2022

	Q3 FY22		Q4 FY22	
	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High Quality Liquid Assets				
1. **Total High Quality Liquid Assets (HQLA)	571.15	571.15	896.65	896.65
Cash Outflows				
2. Deposits (for deposit taking companies)			-	-
3. Unsecured wholesale funding	500.00	575.00	932.47	1,072.34
4. Secured wholesale funding	409.85	471.34	674.20	775.33
5. Additional requirements, of which	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities				
6. Other contractual funding obligations#	1,165.04	1,339.79	1,271.68	1,462.43
7. Other contingent funding obligations	-	-	-	-
8. TOTAL CASH OUTFLOWS	**2,074.89**	**2,386.13**	**2,878.35**	**3,310.10**
Cash Inflows				
9. Secured lending	-	-	-	-
10. Inflows from fully performing exposures	415.22	311.41	478.03	358.52
11. Other cash inflows*	5,711.26	4,283.44	4,421.18	3,315.89
12. TOTAL CASH INFLOWS	**6,126.48**	**4,594.85**	**4,899.21**	**3,674.41**
		Total Adjusted Value		Total Adjusted Value
13. TOTAL HQLA		**571.15**		**896.65**
14. TOTAL NET CASH OUTFLOWS		**596.53**		**827.52**
15. LIQUIDITY COVERAGE RATIO (%)		**95.74%**		**108.35%**
16. NHB Requirement w.e.f. Dec 21 (%)		**50.00%**		**50.00%**
17. NHB Requirement Amount		**298.27**		**413.76**

****Components of HQLA**

High Quality Liquid Assets (HQLA)	Actual Cashflow	Stressed Cashflow	Actual Cashflow	Stressed Cashflow
1. Assets to be included as HQLA without any haircut	571.15	571.15	896.65	896.65
2. Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-
3. Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-
4. Approved securities held as per the provisions of section 45 IB of	-	-	-	-
Total HQLA	**571.15**	**571.15**	**896.65**	**896.65**

Other contractual funding obligations includes outflows from sanctioned but not disbursed and partially disbursed cases in next 30 Days as per ALM.

* Other cash inflows includes undrawn sanctioned term loan and CC lines from banks and other parties.

58. **Disclosures in respect of Guidelines on Maintenance of Liquidity Coverage Ratio (LCR) as referred in para 3.1.2 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Annex II referred in para 15A of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. (Contd.)**

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

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The LCR levels for the balance sheet date is derived by arriving the stressed expected cash inflow and outflow for the next 30 calendar days. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%.

Company for purpose of computing outflows, has considered: (1) all the contractual debt repayments, (2) expected outflows from credit facilities contracted with customers, and (3) other expected or contracted cash outflows. Inflows comprise of: (1) expected receipt from all performing loans and other receivables, (2) liquid investment which are unencumbered and have not been considered as part of HQLA and (3) CC/OD/Committed credit line from Banks and parent company.

For the purpose of HQLA the Company considers: (1) Unencumbered government securities, (2) Cash and Bank balances.

The LCR is computed by dividing the stock of HQLA by its total net stressed cash outflows over next 30 days. LCR guidelines have become effective from 1 December 2021, requiring HFCs to maintain minimum LCR of 50%, LCR is gradually required to be increased to 100% by 1 December 2025. HFCs are required to maintain LCR of 60% as on 31 March 2023.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

59. Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated 13 March 2020 - A comparison between provisions required under income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

59.1 Policy for sales out of amortised cost business model portfolios

Refer Note No. 4.4 (I)

59.2 A comparison between provisions required under income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

As at 31 March 2023 (₹ in Crore)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) – (4)	(6)	(7) = (4) – (6)
(a) Performing Assets						
Standard	Stage 1	62,142.02	359.66	61,782.36	312.16	47.50
	Stage 2	359.91	78.37	281.54	15.33	63.04
Subtotal (a)		**62,501.93**	**438.03**	**62,063.90**	**327.49**	**110.54**
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	101.58	56.61	44.97	15.84	40.77
(ii) Doubtful up to:						
1 year	Stage 3	28.03	25.68	2.35	8.60	17.08
1 to 3 years	Stage 3	7.72	5.05	2.67	3.31	1.74
More than 3 years	Stage 3	-	-	-	-	-
Subtotal (ii)		35.75	30.73	5.02	11.91	18.82
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**137.33**	**87.34**	**49.99**	**27.75**	**59.59**
(c) Other Items						
Others including	Stage 1	5,246.98	12.32	5,234.66	0.01	12.31
Loan commitments	Stage 2	-	-	-	-	-
and derivatives	Stage 3	-	-	-	-	-
	Subtotal	**5,246.98**	**12.32**	**5,234.66**	**0.01**	**12.31**
Total (a+b+c)	Stage 1	67,389.00	371.98	67,017.02	312.17	59.81
	Stage 2	359.91	78.37	281.54	15.33	63.04
	Stage 3	137.33	87.34	49.99	27.75	59.59
	Total	**67,886.24**	**537.69**	**67,348.55**	**355.25**	**182.44**

* Computed on the value as per the IRACP norms

As at 31 March 2022 (₹ in Crore)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) – (4)	(6)	(7) = (4) – (6)
(a) Performing Assets						
Standard	Stage 1	46,199.61	259.95	45,939.66	210.32	49.63
	Stage 2	603.69	128.17	475.52	43.28	84.89
Subtotal (a)		**46,803.30**	**388.12**	**46,415.18**	**253.60**	**134.52**
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	114.99	64.66	50.33	18.48	46.18
(ii) Doubtful up to:						
1 year	Stage 3	30.90	14.34	16.56	8.86	5.48
1 to 3 years	Stage 3	0.47	0.47	-	0.22	0.25
More than 3 years	Stage 3	-	-	-	-	-
Subtotal (ii)		31.37	14.81	16.56	9.08	5.73
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**146.36**	**79.47**	**66.89**	**27.56**	**51.91**
(c) Other Items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	46,199.61	259.95	45,939.66	210.32	49.63
	Stage 2	603.69	128.17	475.52	43.28	84.89
	Stage 3	146.36	79.47	66.89	27.56	51.91
	Total	**46,949.66**	**467.59**	**46,482.07**	**281.16**	**186.43**

* Computed on the value as per the IRACP norms

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

APTE & CO. Chartered Accountants

Grand Housing Finance Pune

60. Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020

For the half year ended 30 September 2022

(₹ In Crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31 March 22 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year#	Of (A) amount paid by the borrowers during the half-year*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 30 September 2022
	(A)	(B)	(C)	(D)	(E)
Personal Loans	524.36	24.15	0.75	44.07	456.14
Corporate persons	3.84	0.28	-	0.02	3.54
Of which, MSMEs	2.29	0.28	-	0.03	1.98
Others	1.55	-	-	(0.01)	1.56
Total	**528.20**	**24.43**	**0.75**	**44.09**	**459.68**

For the half year ended 31 March 2023

(₹ In Crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 30 September 22 (A)$	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year#	Of (A) amount paid by the borrowers during the half-year*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31 March 2023
	(A)	(B)	(C)	(D)	(E)
Personal Loans	456.14	30.31	0.37	39.23	386.60
Corporate persons	3.54	0.25	-	0.76	2.53
of which, MSMEs	1.97	-	-	0.74	1.23
Others	1.57	0.25	-	0.02	1.30
Total	**459.68**	**30.56**	**0.37**	**39.99**	**389.13**

represents debt that slipped into NPA and was subsequently written off during the half-year.

* represents receipts net of interest accruals and drawdown, if any and account roll back to standard during the half year.

$ Includes account restructured under OTR 2.0 up to 31 March 2023.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

61. Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

(₹ In Crore)

Details of transfer through assignment in respect of loans not in default	Year ended 31 March 2023		Year ended 31 March 2022	
Entity	Bank	NBFC	Banks	NBFC
Count of loan accounts assigned (in numbers)	1964	6257	9468	2063
Amount of loan account assigned	444.81	1,789.89	1,367.41	1,503.68
Retention of beneficial economic interest (MRR)	10%	1%	5%/10%	1%
Weighted average maturity (residual maturity in months)	133.74	126.71	189.97	139.56
Weighted average holding period (in months)	18.24	18.15	20.57	18.45
Coverage of tangible security	100%	100%	1	1
Rating-wise distribution of rated loans	N/A	N/A	N/A	N/A

(₹ In Crore)

Details of acquired through assignment in respect of loans not in default	Year ended 31 March 2023	Year ended 31 March 2022
Entity	HFC	NBFC
No. of accounts assigned through Direct Assignment (in numbers)	299	2855
Amount of loan account assigned	24.64	738.78
Beneficial economic interest acquired	10%	1%
Weighted average maturity (residual maturity in months)	192.54	184.99
Weighted average holding period (in months)	43.19	54.76
Coverage of tangible security	100%	100%
Rating-wise distribution of rated loans	N/A	N/A

(₹ In Crore)

Details of stressed loans transferred during the year	Year ended 31 March 2023			Year ended 31 March 2022		
	To ARC	To permitted transferees	To other transferees	To ARC	To permitted transferee	To other transferees
No. of accounts	-	-	-	797.00	-	-
Aggregate principal outstandingof loans transferred	-	-	-	107.56	-	-
Weighted average residual tenor of the loans transferred (in years)	-	-	-	6.36	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-	70.67	-	-
Aggregate consideration	-	-	-	53.19	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

Previous year includes 12 written off accounts with aggregate outstanding of ₹ 2.70 crore and consideration received thereon ₹ 1.07.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANT

G. D. APTE & CO. Chartered Accountants

Bajaj Housing Finance Ltd. Pune

62. **Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated 24 September 2021**
The Company has not entered into any Securitisiation transactions during the current year and previous year.

63. Amounts less than ₹ 50,000 have been shown at actual against respective line items which are statutorily required to be disclosed.

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

Pune: 24 April, 2023

On behalf of the Board of Directors

Atul Jain
Managing Director
DIN: 09561712

Gaurav Kalani
Chief Financial Officer

Atul Patil
Company Secretary
FCS: F10094

Sanjiv Bajaj
Chairman
DIN: 00014615

Rajeev Jain
Vice Chairman
DIN: 01550158

Anami Roy
Director
DIN: 01361110

64. Annexure as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, updated as on 28 December, 2021.

Schedule to the Balance Sheet

(₹ in crore)

Particulars	Amount outstanding as at 31 March 2023	Amount overdue as at 31st March 2023	Amount outstanding as at 31 March 2022	Amount overdue as at 31st March 2022
Liabilities Side				
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
(a) Debentures				
Secured	18,476.39	-	11,730.67	-
Unsecured	1,015.04	-	761.75	-
(other than falling within the meaning of public deposits*)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	33,495.22	-	24,493.17	
(d) Inter-corporate loans and borrowing	175.77	-	510.00	-
(e) Commercial Paper	423.49	-	3,997.23	-
(f) Public Deposits (As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, updated as on 28 December, 2021.)	-	-	-	-
(g) Other Loans (Cash credit and working capital demand loan)	159.48	-	-	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.	-	-	-	-
(c) Other public deposits	-	-	-	-

(₹ in crore)

Particulars	Amount outstanding as at 31 March 2023	Amount outstanding as at 31 March 2022
Assets side		
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	60,037.05	44,585.82
(b) Unsecured	2,076.84	1,896.25
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

Bajaj Housing Finance Limited Pune

(₹ in crore)

Particulars	Amount outstanding as at 31 March 2023	Amount outstanding as at 31 March 2022
5 Break-up of Investments		
Current Investments		
1 Quoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	578.49	580.82
(iv) Government Securities	1,422.42	667.45
(v) Others (Certificate of Deposits and Commercial Paper)		
2 Unquoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term Investments		
1 Quoted		
(i) Share	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2 Unquoted		
(i) Shares	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above:

(₹ in crore)

Category	Amount net of provisions as at 31 March 2023		
	Secured	Unsecured	Total
1 Related Parties:			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	60,037.05	2,076.84	62,113.89
	60,037.05	**2,076.84**	**62,113.89**

(₹ in crore)

Category	Amount net of provisions as at 31 March 2022		
	Secured	Unsecured	Total
1 Related Parties:			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	44,585.82	1,896.25	46,482.07
	44,585.82	**1,896.25**	**46,482.07**

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

Bajaj Housing Finance Ltd. Pune

G. D. APTE & CO. Chartered Accountants

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

(₹ in crore)

Category	Amount as at 31 March 2023	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than related parties	2,000.91	2,000.91
	2,000.91	2,000.91

(₹ in crore)

Category	Amount as at 31 March 2022	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than related parties	1,248.27	1,248.27
	1,248.27	1,248.27

8 Other information

(₹ in crore)

Particulars	Amount as at 31 March 2023	Amount as at 31 March 2022
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	137.33	146.36
(ii) Net Non-Performing Assets*		
(a) Related parties		-
(b) Other than related parties	49.99	66.89
(iii) Assets acquired in satisfaction of debt	-	-

* Provision for ECL Stage 3 has been considered.

On behalf of the Board of Directors

Atul Jain
Managing Director
DIN: 09561712

Sanjiv Bajaj
Chairman
DIN: 00014615

Gaurav Kalani
Chief Financial Officer

Rajeev Jain
Vice Chairman
DIN: 01550158

Bajaj Housing Finance Ltd. Pune

Atul Patni
Company Secretary
FCS: F10094

Anami Roy
Director
DIN: 01361110

Pune: 24 April, 2023

G.D. Apte & Co.
Chartered Accountants
GDA House, Plot No. 85
Right Bhusari Colony Paud Road,
Pune - 411 038, Maharashtra

Khandelwal Jain & Co.
Chartered Accountants
12-B, Baldota Bhavan, 5th Floor,
117, M.K. Road, Churchgate,
Mumbai 400 020, Maharashtra

Independent Auditor's Report on the Audit of the Financial Statements

To the Members of Bajaj Housing Finance Limited

Opinion

We have audited the accompanying financial statements of **Bajaj Housing Finance Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to Note 3 to the financial statements, which describes the uncertainty caused by the continuing COVID-19 pandemic and the related probable events which could impact the Company's estimates of impairment of loans to customers.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the

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

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
1.	**Impairment of financial assets as at balance sheet date (expected credit losses):** Ind AS 109 requires the Company to provide for impairment of its loan receivables (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management for: • Staging of loans (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); • Grouping of borrowers based on homogeneity by using appropriate statistical techniques; • Estimation of behavioural life; • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/ minimal historical defaults.	• We understood and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • Read and assessed the Company's policy with respect to one-time restructuring offered to customers pursuant to the "Resolution Framework for COVID-19-related Stress" issued by RBI on August 06, 2020, May 05, 2021 and June 04, 2021 and tested the implementation of such policy on a sample basis. • We assessed the Company's process on timely recognition of impairment in the loan portfolios which included assessing the accuracy of the system generated reports on defaults and ageing. • We have discussed with the management and evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. • Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
	Additional considerations on account of COVID-19 Considering the evolving nature of the COVID-19 pandemic, which has continued to impact the Company's business operations, resulting in higher loan losses, the Company has maintained a management overlay of Rs. 211 Crore as part of its ECL, to reflect among other things the increased risk of deterioration in macro-economic factors. Given the unique nature of the pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory measures and the Company's responses thereto, the actual credit loss can be different than that being estimated. In view of such high degree of management's judgement involved in estimation of ECL, accentuated by the COVID-19 pandemic and related events, it is a key audit matter.	• Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of Company's policy on one-time restructuring. • Tested the ECL model, including assumptions used, including capturing of PD and LGD and underlying computation. Assessed the floor / minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults • Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic). Assessed disclosures included in the financial statements in respect of expected credit losses including the specific disclosures made with regards to the impact of COVID-19 on ECL estimation.
2	**IT systems and controls** Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, hence we identified IT systems and controls over financial reporting as a key audit matter for the Company. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.	• We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. • We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized. • We tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization. • In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.

Information other than the Financial Statements and Auditor's Report thereon

The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

Other Matter

The financial statements of the Company for the year ended March 31, 2021 were audited by S R B C & Co. LLP (the erstwhile statutory auditors) who had expressed an unmodified opinion on those statements vide their audit report dated April 26, 2021.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) According to the information and explanations given to us and based on the audit procedures performed by us, we report that, no managerial remuneration has been paid / provided to its directors by the Company during the year ended March 31, 2022.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39(a) to the financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall, 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;

v. The management has represented that to the best of its knowledge or belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company to or in any other 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;

vi. Based on the audit procedures considered reasonable and appropriate in the circumstances carried out by us, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) as provided under clause (iv) and (v) above contain any material misstatements.

vii. The Company has not declared or paid any dividend during the year and as such the compliance of section 123 of the Act has not been commented upon.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership Number: 113053
UDIN: 22113053AHSPJA4581

Pune, April 25, 2022

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership Number: 033632
UDIN: 22033632AHSPWI1343

Pune, April 25, 2022

Annexure "1" to Independent Auditors' Report
(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our Report to the Members of Bajaj Housing Finance Limited of even date)

(i)

(a)

A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of -use assets.

B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Fixed assets have been physically verified by the management during the year and according to the information and explanation given to us, no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and based on the examination of the records of the Company, the title deeds of all the immovable properties were held in the name of the Company. Further, the lease agreements where the Company is a lessee were duly executed in favour of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and accordingly reporting under paragraph 3 (i)(d) of the order is not applicable for the Company.

(e) According to the information and explanations given to us and based on the examination of the records of the Company we report that, 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) The Company does not have any inventories and accordingly reporting under paragraph 3(ii)(a) of the said Order is not applicable for the Company.

(b) During the year, the Company has availed working capital limits from banks in excess of Rs. 5 Crores on the basis of security of current assets. On the basis of audit procedures carried out by us we report that, the quarterly statements filed by the Company with banks were in agreement with the books of account of the Company.

(iii) The Company has made investments in, companies, firms, Limited Liability Partnerships and granted secured or unsecured loans to other parties, during the year, in respect of which:

(a) The Company has provided loans or advances in the nature of loans during the year. As The Company's principal business is to give loans, the reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that, the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided, if any, during the year are, prima facie not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that in respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note No. 4.4(i) to the financial statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2022, aggregating ₹ 146.36 crore were categorised as credit impaired ("Stage 3") and ₹ 603.69 crore were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note No. 8 to the financial statements. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, total amount overdue including interest for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 146.36 crore. Reasonable steps are being taken by the Company for recovery of the principal and interest.

(e) The Company's principal business is to give loans. Accordingly, paragraph 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under paragraph 3(iii)(f) is not applicable to the Company.

(iv) According to the information and explanations given to us and based on the audit procedures performed by us, there are no loans granted, guarantees and securities given in respect of which provisions of section 185 of the Act are applicable. The Company has not made investment through investment companies. Other provisions of section 186 of the Act are not applicable to the Company and hence not commented upon.

(v) The Company has not accepted any deposits or amounts which are deemed deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. According to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(vi) The maintenance of cost records is not applicable to the Company pursuant to the provisions of Section 148 (1) of the companies Act, 2013.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

(vii)

(a) The Company is regular in depositing 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 as applicable to the appropriate authorities. According to the information and explanations given to us and based on the audit procedures performed by us, there were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we report that there are no 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 which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and based on the audit procedures performed by us, we report that there were no transactions which were not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company is not declared as wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained. However, funds not required for immediate utilisation were invested on a short - term basis.

(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, we report that no funds raised on short - term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture and accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture and accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

(x)

(a) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and procedures performed by us, we report that the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) During the year no report under sub-section (12) of section 143 of the Companies 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) According to the information and explanations given to us and procedures performed by us, we report that no whistle-blower complaints were received during the year by the Company.

(xii) According to the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that the Company is not a Nidhi Company within the meaning of Section 406 of the Act. Accordingly, reporting under paragraph 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Based on the audit procedures performed and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details as required by the applicable Indian Accounting Standards have been disclosed in the Financial Statements.

(xiv)

(a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit have been considered by us in determining the nature and extent of any audit procedures.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with any of the directors or persons connected with him. Accordingly, the provisions section 192 of the Act are not applicable to the Company.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

(xvi)

(a) In our opinion, the Company is not required to be registered under provisions of section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations given to us, we report that the Company is registered with a valid Certificate of Registration issued by National Housing Bank and the Company has conducted housing finance activities.

(c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 ("the Regulations") issued by the Reserve Bank of India. Accordingly, reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) According to the information and explanation given to us, in the group, there are 16 companies forming part of the promoter/promoter group of the Company which are Core Investment Companies (CICs), as defined in the Regulations.

(xvii) On the basis of examination of books of account and records of the Company and overall examination of the financial statements, we report that the Company has not incurred cash losses in the financial year 2021-22 or in the immediately preceding financial year 2020-21.

(xviii) During the year, the erstwhile statutory auditors of the Company have resigned consequent to completion of their tenure in terms of Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 issued by Reserve Bank of India. According to the information and explanations given to us and based on the no objection certificate obtained by us from the outgoing auditor, the outgoing statutory auditors do not have any issues, objections or concerns in respect of their resignation.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G. D. APTE & CO. Chartered Accountants

(xx)

(a) According to the information and explanations given to us, the Company does not have any amount remaining unspent under section (5) of section 135 in respect to other than ongoing projects pertaining to current financial year and immediately preceding financial year and accordingly reporting under paragraph 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company does not have any amount remaining unspent under section (5) of section 135 in respect of any ongoing projects pertaining to current financial year and immediately preceding financial year and accordingly reporting under paragraph 3(xx)(b) of the Order is not applicable to the Company.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership Number: 113053
UDIN: 22113053AHSPJA4581

Pune, April 25, 2022

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership Number: 033632
UDIN: 22033632AHSPWI1343

Pune, April 25, 2022

Annexure 2 to Independent Auditor's Report

(Referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report to the Members of Bajaj Housing Finance Limited of even date

Report on Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Bajaj Housing Finance Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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.

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

Meaning of Internal Financial Controls with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on issued by the ICAI.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership Number: 113053
UDIN: 22113053AHSPJA4581

Pune, April 25, 2022

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership Number: 033632
UDIN: 22033632AHSPWI1343

Pune, April 25, 2022

Bajaj Housing Finance Limited

Balance Sheet as at 31 March 2022

(₹ in crore)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial assets			
Cash and cash equivalents	5.	407.01	461.78
Bank balances other than cash and cash equivalents	6.	0.14	255.00
Trade receivables	7.	237.33	310.66
Loans	8.	46,482.07	33,418.90
Investments	9.	1,248.27	3,266.04
Other financial assets	10.	18.48	33.99
		48,393.32	**37,746.37**
Non-financial assets			
Current tax assets (net)		9.08	6.46
Deferred tax assets (net)	11.	15.58	15.26
Property, plant and equipment	12.	78.09	64.32
Intangible assets under development	12.	1.46	-
Intangible assets	12.	19.11	14.57
Other non-financial assets	13.	10.44	13.40
		133.76	**112.01**
Total assets		**48,527.08**	**37,858.38**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables	14.		
(I) Trade payables			
(i) Total outstanding dues to micro enterprises and small enterprises		0.18	
(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises		38.23	20.90
(II) Other payables			
(i) Total outstanding dues to micro enterprises and small enterprises		-	
(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises		38.17	21.28
Debt securities	15.	16,489.15	11,332.08
Borrowings (other than debt securities)	16.	24,493.17	20,268.52
Deposits	17.	510.00	-
Other financial liabilities	18.	174.42	151.14
		41,741.32	**31,793.92**
Non-financial liabilities			
Current tax liabilities (net)		20.06	7.39
Provisions	19.	4.05	2.29
Other non-financial liabilities	20.	20.29	22.56
		44.40	**32.24**
EQUITY			
Equity share capital	21.	4,883.33	4,883.33
Other equity	22.	1,858.03	1,148.89
		6,741.36	**6,032.22**
Total liabilities and equity		**48,527.08**	**37,858.38**

Summary of significant accounting policies 4.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033682

Pune: 25 April, 2022

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rahul Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

Bajaj Housing Finance Limited

Statement of Profit and Loss for the year ended 31 March 2022

(₹ in crore)

Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from Operations			
Interest income	23.	3,481.75	2,877.43
Fees and commission income	24.	81.85	74.62
Net gain on fair value changes	25.	58.97	59.85
Sale of services	26.	142.02	142.15
Other operating income	27.	2.07	0.65
Total Revenue from operations		**3,766.66**	**3,154.70**
Other income	28.	0.47	0.58
Total Income (I) + (II)		**3,767.13**	**3,155.28**
Expenses			
Finance costs	29.	2,155.31	1,965.87
Fees and commission expense	30.	4.68	1.33
Impairment on financial instruments	31.	181.07	247.21
Employee benefits expenses	32.	348.80	245.76
Depreciation, amortisation and impairment	12.	25.76	21.77
Other expenses	33.	91.65	60.16
Total Expenses		**2,807.27**	**2,542.10**
Profit before tax (III) - (IV)		**959.86**	**613.18**
Tax expense			
Current tax		250.40	187.00
Deferred tax charge / (credit)		(0.16)	(27.01)
Total tax expense	11.	**250.24**	**159.99**
Profit after tax (V)- (VI)		**709.62**	**453.19**
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss:			
Re-measurement gains/(losses) on defined benefit plans		(0.64)	1.27
Income tax effect relating to these items that will not be reclassified to profit or loss		0.16	(0.32)
Subtotal (A)		**(0.48)**	**0.95**
(B) Items that will be reclassified to profit or loss in subsequent periods:		-	-
Income tax effect relating to these items that will be reclassified to profit or loss in subsequent periods		-	-
Subtotal (B)		-	-
Other comprehensive income for the year, net of tax (A + B)		**(0.48)**	**0.95**
Total comprehensive income for the year (VII+VIII)		**709.14**	**454.14**
Earnings per equity share			
(Nominal value per share ₹ 10/-)			
Basic (₹)	34.	1.45	0.93
Diluted (₹)	34.	1.45	0.93
Summary of significant accounting policies	4.		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

Pune: 25 April, 2022

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajiv Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

Bajaj Housing Finance Limited
Statement of Changes in Equity for the year ended 31 March 2022

a. Equity share capital

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning of the year	4,883.33	4,883.33
Balance at the end of the year	**4,883.33**	**4,883.33**

b. Other equity

For the year ended 31 March 2022

(₹ in crore)

Particulars	Note No.	Reserves and Surplus				Total other equity
		Securities Premium	Statutory reserve in terms of NHB Act	Retained earnings	Capital Contribution from Holding-ESOPs	
Balance as at 31 March 2021		**166.67**	**224.02**	**758.20**	-	**1,148.89**
Profit after tax		-	-	709.62	-	709.62
Other comprehensive income (net of tax)		-	-	(0.48)	-	(0.48)
Total		**166.67**	**224.02**	**1,467.34**	-	**1,858.03**
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987		-	141.93	(141.93)	-	-
Add: Recharge liability towards ESOP issued by holding company		-	-	-	19.23	19.23
Less: Payment to holding on account of recharge liability		-	-	-	(19.23)	(19.23)
Balance as at 31 March 2022	22	**166.67**	**365.95**	**1,325.41**	-	**1,858.03**

For the year ended 31 March 2021

(₹ in crore)

Particulars	Note No.	Reserves and Surplus				Total other equity
		Securities Premium	Statutory reserve in terms of NHB Act	Retained earnings	Capital Contribution from Holding-ESOPs	
Balance as at 31 March 2020		**166.67**	**110.72**	**417.36**	**7.05**	**701.80**
Profit after tax		-	-	453.19	-	453.19
Other comprehensive income (net of tax)		-	-	0.95	-	0.95
Total		**166.67**	**110.72**	**871.50**	**7.05**	**1,155.94**
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987		-	113.30	(113.30)	-	-
Add: Recharge liability towards ESOP issued by holding company		-	-	-	13.36	13.36
Less: Payment to holding on account of recharge liability		-	-	-	(20.41)	(20.41)
Balance as at 31 March 2021	22	**166.67**	**224.02**	**758.20**	-	**1,148.89**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

Pune: 25 April, 2022

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajiv Jain
Managing Director

Atul Jain
Chief Executi Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

Bajaj Housing Finance Limited

Statement of cash flows for the year ended 31 March 2022

(₹ in crore)

	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A.	**Cash flow from operating activities**		
	Profit before tax	**959.86**	**613.18**
	Adjustments for:		
	Interest income	(3,481.75)	(2,877.43)
	Depreciation, amortisation and impairment	25.76	21.77
	Impairment on financial instruments	181.07	247.71
	Finance Costs	2,155.31	1,965.87
	Share based payment expenses	19.23	13.36
	Net loss on disposal of property, plant and equipment and intangible assets	0.48	0.44
	Provision no longer required written back	(0.05)	
	Service fees for management of assigned portfolio of loans	(112.53)	(103.74)
	Net gain on fair value changes	(58.97)	(59.85)
		(311.59)	**(179.19)**
	Cash inflow from interest on loans	3,476.05	2,840.61
	Cash inflow from service asset	57.13	38.52
	Cash outflow towards finance cost	(2,502.59)	(1,669.72)
	Cash generated from operations before working capital changes	**719.00**	**1,030.22**
	Working capital changes:		
	(Increase) / decrease in trade receivables	3.73	(1.97)
	(Increase) / decrease in loans	(13,256.65)	(5,698.50)
	(Increase) / decrease in other financial assets	265.40	(275.64)
	(Increase) / decrease in other non-financial assets	3.32	(8.59)
	Increase / (decrease) in trade payables	15.56	(9.69)
	Increase / (decrease) in other payables	16.89	3.45
	Increase / (decrease) in other financial liabilities	14.95	80.79
	Increase / (decrease) in provisions	1.12	1.28
	Increase / (decrease) in other non-financial liabilities	(2.27)	(17.08)
		(12,218.95)	(4,895.73)
	Income taxes paid (net of refunds)	(242.35)	(180.04)
	Net cash used in operating activities (A)	**(12,461.30)**	**(5,075.77)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(18.41)	(6.60)
	Sale of property, plant and equipment	1.63	1.51
	Purchase of intangible assets and intangible assets under development	(10.71)	(8.43)
	Investments measured under FVTPL (net)	1,698.08	(314.45)
	Purchase of investments measured under amortised cost	(4,900.00)	(3,475.00)
	Sale of investments measured under amortised cost	5,400.00	2,975.00
	Interest received on investments	26.73	30.93
	Net cash generated from / (used) in investing activities (B)	**2,197.32**	**(797.04)**
C.	**Cash flow from financing activities**		
	Payment to holding on account of recharge liability	(19.23)	(20.41)
	Proceeds from long term borrowings	15,597.40	7,302.31
	Repayments towards long term borrowings	(6,923.39)	(3,026.88)
	Short term borrowings (net)	1,054.99	1,428.58
	Deposits accepted (other than public deposits) (net)	510.00	-
	Payment towards principal portion of lease liability	(10.54)	(7.73)
	Net cash generated from financing activities (C)	**10,209.23**	**5,675.87**
	Net decrease in cash and cash equivalents (A+B+C)	**(54.75)**	**(196.94)**
	Cash and cash equivalents at the beginning of the year	461.78	658.72
	Cash and cash equivalents at the end of the year	**407.03**	**461.78**

Bajaj Housing Finance Limited
Statement of cash flows for the year ended 31 March 2022

Notes:

1) The above statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard 7 - Statement of cash flows.
2) Refer note no. 40 for change in liabilities arising from financing activities.
3) Components of cash and cash equivalents are disclosed in note no. 5.

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

Pune: 25 April, 2022

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

1. Corporate information

The Company (earlier known as 'Bajaj Financial Solutions Limited') (Corporate ID No.: U65910PN2008PLC132228) was incorporated as a subsidiary of Bajaj Finserv Limited ('BFS') on 13 June 2008, is a company limited by shares and domiciled as well as having its operations in India. The Company was acquired by Bajaj Finance Limited (BFL) from BFS in November 2014 to conduct housing finance business in a dedicated subsidiary company and accordingly the Company's name was changed to Bajaj Housing Finance Limited (BHFL) on 14 November 2014. It got registered with National Housing Bank ('NHB') as a non deposit taking Housing Finance Company vide certificate no 09.0127.15 on 24 September 2015. BHFL is a 100% subsidiary of BFL and started its operation in financial year 2017-18 (FY2018). The Non convertible debentures (NCDs) of the Company are listed on the Bombay Stock Exchange (BSE), India. The Company has a diversified lending model and focuses on six broad categories viz: (i) home loans, (ii) loan against property, (iii) lease rental discounting, (iv) developer financing, (v) rural mortgage loans and (vi) unsecured loans. The Company has its registered office at Akurdi, Pune Maharashtra, India and its principal place of business is at 5th floor, B2 Building, Cerebrum IT Park, Kalyani Nagar, Pune Maharashtra, India.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 25 April 2022, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, dated 17 February, 2021 as amended ('the RBI Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The Company uses accrual basis of accounting except in case of significant uncertainties.(Refer note no. 4.1(i), 4.1(ii)(a) and 4.1(ii)(d))

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company, in Crore rounded off to two decimal places as permitted by Schedule III to the Act. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on 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 outbreak of COVID-19 has not affected the going concern assumption of the Company.

3. Presentation of Financial Statements

The Company presents its balance sheet in the order of liquidity.

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

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 Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS.

Critical accounting estimates and judgements:

The preparation of the Company's financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

i) Business model assessment (Refer note no. 4.4.(i))
ii) Fair value of financial instruments (Refer note no. 4.14, 46 and 47)
iii) Impairment of financial assets (Refer note no. 4.4.(i), 8, 48)
iv) Provisions and other contingent liabilities (Refer note no. 4.9 and 39(a))
v) Provision for tax expenses (Refer note no. 4.5)

Estimation of impairment allowance on financial assets amidst COVID-19 pandemic:

Estimates and associated assumptions used for determining the impairment allowance on the Company's financial assets, are based on historical experience and other emerging factors emanating from the COVID-19 pandemic which may also influence the expected credit loss. The Company has used One Time Restructuring (OTR 1 and 2) and repayment moratorium on loans as early indicators suggesting higher flow rates and loss given default and accordingly accounted for commensurate expected credit loss. The Company believes that the factors considered are reasonable under the current circumstances and information available. However, the uncertainty caused by resurgence of the COVID-19 pandemic and related events could further influence the estimate of credit losses.

4. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Income

(i) Interest income

The Company recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all incomes and cost attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments / receipts through the expected life of the financial asset / financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets (as set out in note no. 4.4 (i) regarded as 'Stage 3'), the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired (as outlined in note no. 4.4 (i)), the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

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

(ii) Other revenue from operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 - 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 - 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

(a) Fees and commission

The Company recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery. Bounce charges levied on customers for non payment of instalment on the contractual date is recognised on realisation.

Fees on value added services and products are recognised on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment / closure of loan and are recognized on realisation.

(b) Net gain on fair value changes

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

(c) Sale of services

The Company, on de-recognition of financial assets where a right to service the derecognised financial assets for a fee is retained, recognises the fair value of future service fee income and service obligations cost on net basis as service fee income in the statement of profit and loss and, correspondingly creates a service asset in balance sheet. Any subsequent increase in the fair value of service assets is recognised as service income and any decrease is recognised as an reversal in the period in which it occurs. The embedded interest component in the service asset is recognised as interest income in line with Ind AS 109 - 'Financial instruments'.

(d) Other operating income

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

(iii) Other income

Other income is accounted on accrual basis, except in case of significant uncertainties.

(iv) Taxes

Incomes are recognised net of the goods and services tax, wherever applicable.

4.2 Expenditures

(i) Finance Cost

Borrowing costs on financial liabilities is recognised using the EIR method (Refer note no. 4.1 (i))

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G D APTE & CO. CHARTERED ACCOUNTANTS

4. **Summary of significant accounting policies (Contd.)**

(ii) Fees and commission expenses

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

(iii) Other expenses

Expenses are recognised net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

4.3 Cash and cash equivalents

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

4.4 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities, debt securities and other borrowings, equity capital etc. are some examples of financial instruments.

All financial instruments are at amortised cost, unless otherwise specified.

Date of recognition

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

(i) Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Initial measurement

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss. Generally, the transaction price is treated as fair value unless proved to the contrary.

Subsequent measurement

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

a) Debt instruments at amortised cost
b) Debt instruments at FVOCI
c) Debt instruments at FVTPL

a) Debt instruments at amortised cost:

The Company measures its financial assets at amortised cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and
  Contractual terms of the asset give rise on specified dates to cash flows that are Sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the nature of portfolio, and the period for which the interest rate is set.

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. 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 financial assets going forward.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios on the books of the Company, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/ or asset reconstruction companies without affecting the business model of the Company.

After initial measurement, such financial assets are subsequently measured at amortised cost on Effective Interest Rate (EIR). For further details, refer note no. 4.3(i). The expected credit loss (ECL) calculation for debt instruments at amortised cost is explained in subsequent notes in this section.

b) Debt instruments at FVOCI:

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognized in the Other Comprehensive Income (OCI). The interest income on these assets are recognised in profit or loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

Debt instruments such as mortgage loans portfolio where the Company periodically resorts to partially selling the loans by way of assignment to willing buyers are classified as FVOCI.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from other comprehensive income to profit or loss.

4. **Summary of significant accounting policies (Contd.)**

c) Debt instruments at FVTPL:

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the balance sheet at fair value. Interest and dividend income is recorded in interest income and dividend income respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

The Company's investments into mutual funds, Government securities (trading portfolio), commercial papers and certificate of deposits for trading and short term cash flow management have been classified under this category.

Derecognition of Financial Assets:

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

a) The rights to receive cash flows from the asset have expired; or
b) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Company does not have any continuing involvement in the same.

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

On derecognition of a financial asset in its entirety, the difference between:
- The carrying amount (measured at the date of derecognition) and
- The consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

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

Reclassification of financial assets

The Company changes classification of its financial assets only on account of changes in its business model for managing those financial assets. Such reclassifications are given prospective impact as per the principles laid down in Ind AS 109 'Financial Instruments'.

Impairment on financial assets:

A) General Approach
Expected credit losses ('ECL') are recognised for applicable financial assets held under amortised cost, debt instruments measured at FVOCI, and certain loan commitments as per the Board approved policy.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Life time ECL is recognised for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

One time restructuring of loan accounts allowed by RBI vide circular resolution framework for COVID-19 related stress to the extent having no overdues have been considered to have a significant increase in credit risk and accordingly classified under stage 2.

Financial assets (and the related impairment allowances) are written off in full, when there is no realistic prospect of recovery. The Company may apply enforcement activities to certain qualifying financial assets written off.

The treatment of the different stages of financial assets and the methodology of determination of ECL is set out below:

a) Credit impaired (stage 3)
The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:
a) Contractual payments of either principal or interest are past due for more than 90 days;
b) The loan is otherwise considered to be in default.

Loan accounts where either principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3. till overdue across all loan accounts are cleared.

Restructured loans where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

Interest income is recognised by applying the effective interest rate to the net amortised cost amount i.e. gross carrying amount less ECL allowance.

4. **Summary of significant accounting policies (Contd.)**

b) Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier Stage, any overdue of more than 1 day past due and upto 90 days past due as on the reporting date is considered as an indication of financial assets to have suffered a significant increase in credit risk. Additionally, for mortgage loans, the Company recognised stage 2 based on other indicators such as frequent delay in payments beyond due dates.

One time restructuring (OTR) of loan accounts was permitted by RBI vide circulars dated 6 August 2020 'resolution framework for COVID-19 related stress' and 'Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances' and circulars dated 5 May 2021 'Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' and 'Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)'. The Company considers OTR as an indicator of significant increase in credit risk and accordingly classifies such loans as stage 2. The Company reclassifies such loans to stage 1 on demonstration of regular payment of 12 instalments of principal and/or interest- post remigotiation subject to no overdues as on the reporting date and no other indicators of significant increase in credit risk.

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

c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using application / behavioural score cards and other performance indicators, determined statistically.

d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

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

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

The Company recalibrates above components of its ECL model on a periodical basis by using the available incremental and recent information as well as assessing changes to its statistical techniques for a granular estimation of ECL.

A more detailed description of the methodology used for ECL is covered in the 'credit risk' section of note no. 48.

B) Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and other financial assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and other financial assets and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

(ii) Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings.

Initial measurement:

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

Subsequent measurement:

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method (Refer note no 4.1(i)). Any gains or losses arising on derecognition of liabilities are recognised in profit or loss.

Derecognition:

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

4. **Summary of significant accounting policies (Contd.)**

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

4.5 Taxes

(i) Current income tax

Current 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 (ICDS) 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.

Current tax relating to items recognised outside the profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other 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.

(ii) Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

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. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity.

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.

4.6 Property, plant and equipment

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".

Recognition and Derecognition

Property, plant and equipment is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income/expenses in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on property, plant and equipment:

(a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.

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

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

(d) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

(e) Useful life as used by the Company and as indicated in Schedule II are listed below:

Nature of assets	Useful life as per Schedule II	Useful life adopted by the Company
Building	60 years	60 years
Computers		
End user machines	3 years	4 years
Servers and Networks	6 years	6 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years

Based on internal assessment, the Management believes that the useful lives adopted by the Company best represent the period over which Management expects to use these assets.

(f) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4. **Summary of significant accounting policies (Contd.)**

4.7 Intangible assets and amortization thereof

Intangible assets, representing softwares, licenses etc. are initially recognised at cost and subsequently carried at cost less accumulated amortization and accumulated impairment, if any. The Company recognises internally generated intangible assets when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the Company and the expenditure incurred for development of such intangible assets can be measured reliably. 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. The intangible assets including those internally generated are amortised using the straight line method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and 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".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognised in the statement of profit and loss when the asset is derecognised.

4.8 Impairment on non-financial assets

An assessment is done at each balance sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

4.9 Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

4.10 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.

4.11 Retirement and other employee benefits

(i) Gratuity: Payment for present liability of future payment of gratuity is made to the approved gratuity fund viz. Bajaj Auto Ltd. gratuity fund trust, which 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. (BALICL). However, any deficits in Plan Assets managed by LIC and BALICL as compared to actuarial liability determined by an appointed Actuary using the projected unit credit method are recognised as a liability. Gains or losses through remeasurements of the net defined benefit liability/ (assets) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments are recognised in statement of profit and loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (e.g. Employees' Provident Fund Organisation (EPFO)) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Since the Company pays all Provident fund & Pension fund contributions to EPFO, no actuarial assumptions are required to measure the obligation or the expense and there is no possibility of any actuarial gain or loss. Moreover, the obligations are measured on an undiscounted basis, except where they are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

(iii) Short term employee benefits: The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The liability for accumulated leaves 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.

Remeasurements on defined benefit plans, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

4. Summary of significant accounting policies (Contd.)

4.12 Employee Stock Option Scheme

The Holding Company operates Employee Stock Option Scheme through a trust formed for the purpose and has issued ESOPs to the employees of the Company.

The cost of transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised in employee benefits expenses at fair value of recharge liability over the period in which the service conditions are fulfilled and settled in cash.

4.13 Leases

With effect from 1 April 2019, the Company has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Company has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

(i) As a lessee

Measurement of Lease Liability: At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate and directly attributable cost. Subsequently, the lease liability is –

(i) increased by interest on lease liability,

(ii) reduce by lease payment made, and

(iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-Use assets: At the time of initial recognition, the Company measures 'Right-of-Use assets' as present value of all lease payment discounted using the Company's incremental cost of borrowing rate w.r.t said lease contract. Subsequently, 'Right of Use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'. Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

Short-term leases and leases of low-value assets :The Company applies the short-term lease recognition exemption to its short-term leases (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 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.

(ii) As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms.

4.14 Fair value measurement

The Company measures its qualifying financial instruments at fair value on each balance sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place 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. For a detailed information on the fair value hierarchy, refer note no. 46 and 47.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

4.15 Earnings Per Share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

4.16 Segment Reporting

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company operates in a single geographical segment i.e. domestic.

4. Summary of significant accounting policies (Contd.)

4.17 Recent Indian Accounting Standards / Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

a) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

b) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

d) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

e) Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

4.18 Collateral Valuation

The nature of products across these broad product categories are either unsecured or secured by collateral. Although collateral is an important risk mitigant of credit risk, the Company's practice is to lend on the basis of assessment of the customer's ability to repay rather than placing primary reliance on collateral. Based on the nature of product and the Company's assessment of the customer's credit risk, a loan may be offered with suitable collateral. Depending on its form, collateral can have a significant financial effect in mitigating the Company's credit risk.

The Company periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. The Company resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business. The repossessed assets are either sold through auction or released to delinquent customers in case they come forward to settle their dues. The Company does not record repossessed assets on its Balance Sheet as non-current assets held for sale.

4.19 Statement of cash flow

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of: (i) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; (ii) changes during the period in operating receivables and payables, and (iii) all other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

Cash receipt and payment for items in which the turnover is quick, the amounts are large, and the maturities are short are shown on net basis. Such items are termed as short term borrowings/investments and others are termed as long term borrowings/investments in the statement of cash flows. Accordingly, the Company has classified investments designated under FVTPL and borrowings such as commercial papers, cash credit, overdraft facility, working capital demand loan as short term in the statement of cash flows. Cash flows from deposits (other than public deposits) are shown on net basis as permitted under Ind AS 7.

MUMBAI

C. B. APTE & CO. Chartered Accountants

5. Cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	-	-
Balances with banks:		
In current accounts*	156.35	211.61
Fixed deposits (with original maturity of 3 months or less)	250.68	250.17
Total	**407.03**	**461.78**

*Includes ₹ 0.13 crore in current account maintained for employees care fund.

6. Bank balances other than cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
In fixed deposits (with orignal maturity more than 3 months)	0.14	255.00
Total	**0.14**	**255.00**

7. Trade receivables

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Considered good - Unsecured		
Service asset	235.45	180.05
Fees, commission and others	1.88	130.61
Total	**237.33**	**310.66**

Impairment allowance recognised on trade and other receivables is ₹ Nil (Previous year: ₹ Nil).

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

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

Trade receivables ageing schedule as at 31 March 2022

Particular	Not due	Unbilled	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
Considered good	235.45	-	1.88	-	-	-	-	237.33

Trade receivables ageing schedule as at 31 March 2021

Particular	Not due	Unbilled	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
Considered good	305.07	-	5.59			-	-	310.66

B. Loans

(₹ in crore)

Particulars	As at 31 March 2022			As at 31 March 2021		
	At amortised Cost	At FVOCI*	Total	At amortised Cost	At FVOCI*	Total
Term Loan						
Secured						
Against equitable mortgage of immovable property	9,937.77	35,384.75	45,322.52	6,993.76	25,462.46	32,456.22
Less: Impairment loss allowance	104.02	339.91	443.93	53.54	283.54	337.08
	9,833.75	**35,044.84**	**44,878.59**	**6,940.22**	**25,178.92**	**32,119.14**
Unsecured						
Unsecured loans	1,627.14		1,627.14	1,318.44	-	1,318.44
Less: Impairment loss allowance	23.66	-	23.66	18.68	-	18.68
	1,603.48	-	**1,603.48**	**1,299.76**	-	**1,299.76**
Total	**11,437.23**	**35,044.84**	**46,482.07**	**8,239.98**	**25,178.92**	**33,418.90**
Out of above (i):						
Loans in India						
Public sector						
Less: Impairment loss allowance				-	-	
	-	-	-	-	-	-
Others	11,564.91	35,384.75	46,949.66	8,212.20	25,462.46	33,774.66
Less: Impairment loss allowance	127.68	339.91	467.59	72.22	283.54	355.76
	11,437.23	**35,044.84**	**46,482.07**	**8,239.98**	**25,178.92**	**33,418.90**
Loans outside India	-	-	-	-	-	-
Total	**11,437.23**	**35,044.84**	**46,482.07**	**8,239.98**	**25,178.92**	**33,418.90**
Out of above (ii):						
(a) Secured by tangible	9,524.20	35,044.84	44,569.04	6,520.37	25,178.92	31,699.29
(b) Secured by intangible assets	-		-	-	-	-
(c) Covered by Bank/ Government Guarantee	309.55	-	309.55	419.85		419.85
(d) Unsecured	1,603.48		1,603.48	1,299.76	-	1,299.76
Total	**11,437.23**	**35,044.84**	**46,482.07**	**8,239.98**	**25,178.92**	**33,418.90**

*The net value is the fair value of these loans

Summary of loans by stage distribution (₹ in crore)

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2*	Stage 3	Total	Stage 1	Stage 2*	Stage 3	Total
Gross carrying amount	46,199.61	603.69	146.36	46,949.66	32,996.17	659.36	119.13	33,774.66
Less: Impairment loss allowance	259.95	128.17	79.47	467.59	178.69	131.88	45.20	355.76
Net carrying amount	**45,939.66**	**475.52**	**66.89**	**46,482.07**	**32,817.49**	**527.48**	**73.93**	**33,418.90**

*Net carrying amount in Stage 2 includes nondelinquent account restructured under RBI resolution framework for COVID-19-related stress of ₹ 206 crore (previous year ₹ 366 crore) where there were no overdue. Such loans get reclassified to Stage 1, post 12 months of satisfactory performance.

8. Loans (Contd.)

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

(₹ in crore)

Particulars	For the year ended 31 March 2022							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	**32,996.17**	**178.68**	**659.36**	**131.88**	**119.13**	**45.20**	**33,774.66**	**355.76**
Transfer during the year								
Transfer to stage 1	185.49	31.79	(179.45)	(29.83)	(6.04)	(1.96)		
Transfer to stage 2	(316.14)	(1.91)	317.77	2.56	(1.63)	(0.65)		-
Transfer to stage 3	(63.32)	(0.36)	(55.93)	(11.91)	119.25	12.27		-
	(193.97)	**29.52**	**82.39**	**(39.18)**	**111.58**	**9.66**	-	-
Impact of changes in credit risk on account of stage movements		(20.93)		50.68		60.57		90.32
Changes in opening credit exposures (additional disbursement net of repayments)	(8,224.41)	(45.15)	(154.99)	(17.71)	(19.22)	32.17	(8,398.62)	(30.69)
New credit exposures during the year, net of repayments	21,621.82	117.83	16.93	2.50	4.13	1.31	21,642.86	121.64
Amounts written off during the year	-	-		-	(69.24)	(69.24)	(69.24)	(69.24)
Balance as at the end of the year	**46,199.61**	**259.95**	**603.69**	**128.17**	**146.36**	**79.47**	**46,949.66**	**467.59**

(₹ in crore)

Particulars	For the year ended 31 March 2021							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	**27,778.42**	**89.01**	**293.91**	**22.60**	**23.70**	**9.01**	28,096.03	120.62
Transfer during the year								
Transfer to stage 1	11.19	1.17	(10.59)	(1.05)	(0.60)	(0.12)	-	-
Transfer to stage 2	(413.53)	(1.33)	416.16	2.23	(2.63)	(0.90)	-	-
Transfer to stage 3	(102.54)	(0.38)	(33.86)	(4.02)	136.40	4.40	-	-
	(504.88)	**(0.54)**	**371.71**	**(2.84)**	**133.17**	**3.38**	-	-
Impact of changes in credit risk on account of stage movements		(1.11)		89.72		34.68		123.29
Changes in opening credit exposures (additional disbursement net of repayments)	(7,855.31)	15.86	(79.03)	8.62	(30.91)	0.09	(7,965.25)	32.57
New credit exposures during the year, net of repayments	13,577.94	75.46	72.77	13.78	4.87	1.74	13,655.58	90.98
Amounts written off during the year		-		-	(11.70)	(11.70)	(11.70)	(11.70)
Balance as at the end of the year	**32,996.17**	**178.68**	**659.36**	**131.88**	**119.13**	**45.20**	**33,774.66**	**355.76**

The Company has not given any loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

Details of impairment of financial instruments disclosed in the statement of profit and loss :

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net impairment loss allowance charge/ (release) for the year	111.83	235.14
Amounts written off during the year	69.24	11.70
Impairment on loans	**181.07**	**246.84**
Add: Impairment on other assets	-	0.37
Impairment on financial instruments	**181.07**	**247.21**

9. Investments

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
(i) At fair value through profit or loss		
In mutual funds*	580.62	2,755.34
Add: Fair value gain	0.20	1.98
	580.82	**2,757.32**
In Government Securities / T-Bill	666.90	-
Add: Fair value gain	0.55	-
	667.45	-
Total (i)	**1,248.27**	**2,757.32**
(ii) At Amortised cost		
In Fixed deposits	-	508.72
Total (ii)	-	**508.72**
Total (i) + (ii)	**1,248.27**	**3,266.04**

Out of above:

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
In India	1,248.27	3,266.04
Outside India	-	-
	1,248.27	**3,266.04**

* Includes investment in mutual fund towards employee care ₹ 0.56 crore (Previous year ₹ Nil).

10. Other financial assets

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits	6.98	5.53
Others*	11.50	28.46
Total	**18.48**	**33.99**

Impairment allowance recognised on other financial assets is ₹ Nil (Previous year: ₹ Nil).

* Includes receivable from assignment pool and amount refundable from Government of India towards Scheme for grant of ex-gratia payment of difference between compound interest and simple interest to borrowers.

11. Deferred tax assets (net)

Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	959.86	613.18
At corporate tax rate of 25.17% (Previous year: 25.17%)	241.60	154.34
Tax on expenditure not considered for tax provision (net of allowance)	8.78	5.76
Tax on additional deductions	(0.14)	(0.11)
Tax expense (effective tax rate of 26.12%, Previous year 26.09%)	250.24	159.99

Deferred tax assets (net) recorded in Balance Sheet

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax relates to the following:		
Deferred tax assets		
Disallowance u/s 43B of the Income Tax Act, 1961	1.01	0.22
Depreciation, amortisation and impairment	0.92	0.97
Impairment on financial instruments	105.38	76.91
EIR impact on financial instruments measured at amortised cost	0.77	0.76
Lease liability	1.03	0.94
Total of deferred tax assets	109.11	79.80
Deferred tax liabilities		
Deduction of special reserve as per section 36(1)(viii) of the Income Tax Act, 1961	33.82	18.72
Service fees for management of assigned portfolio of loans	59.26	45.32
Unrealised net gain on fair value changes	0.45	0.50
Total of deferred tax liabilities	93.53	64.54
Deferred tax assets/ (liabilities), net	15.58	15.26

Changes in deferred tax assets recorded in profit or Loss

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax relates to the following:		
Disallowance u/s 43B of the Income Tax Act, 1961	(0.63)	(0.02)
Impairment on financial instruments	(28.47)	(52.68)
Depreciation, amortisation and impairment	0.05	0.14
EIR impact on financial instruments measured at amortised cost	(0.01)	0.44
Service fees for management of assigned portfolio of loans	13.94	16.42
Deduction of special reserve as per section 36(1)(viii) of the Income Tax Act, 1961	15.10	10.57
Lease liability	(0.09)	(0.48)
Unrealised net gain/(loss) on fair value changes	(0.05)	(1.40)
Total	(0.16)	(27.01)

Changes in deferred tax recorded in other comprehensive income

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax relates to the following:		
Disallowance u/s 43B of the Income Tax Act, 1961	(0.16)	0.32
	(0.16)	0.32

12. Property, plant and equipment and intangible assets

For the year ended 31 March 2022 (₹ in crore)

Particulars	Gross Block				Depreciation, amortisation and impairment				Net block
	As at 1 April 2021	Additions	Deductions/ adjustments	As at 31 March 2022	As at 1 April 2021	Deductions/ adjustments	For the year	As at 31 March 2022	As at 31 March 2022
Property, plant and equipment [a]									
Buildings	2.39		-	2.39	0.38	-	0.03	0.41	1.98
Computers	14.70	10.03	2.74	22.00	7.15	1.68	3.45	8.92	13.08
Furniture and Fixtures	10.81	0.94	0.01	11.74	4.24	0.01	0.87	5.10	6.64
Vehicles	8.44	4.79	1.86	11.37	2.78	0.79	1.14	3.13	8.24
Office equipment	13.54	1.08	0.09	14.53	5.90	0.06	2.57	8.41	6.12
Leave hold improvement	12.78	0.67	0.33	13.12	6.11	0.31	2.40	8.20	4.92
Right-of-use - Premises	45.82	19.24	0.30	64.76	17.60	-	10.95	28.55	36.21
Total (i)	**108.48**	**37.65**	**5.32**	**140.81**	**44.16**	**2.85**	**21.41**	**62.72**	**78.09**
Intangible assets [b]									
Computer Software	19.02	8.89	-	27.91	4.45	-	4.35	8.80	19.11
Total (ii)	**19.02**	**8.89**	**-**	**27.91**	**4.45**	**-**	**4.35**	**8.80**	**19.11**
Total (i) + (ii)	**127.50**	**46.54**	**5.32**	**168.72**	**48.61**	**2.85**	**25.76**	**71.52**	**97.20**

For the year ended 31 March 2021 (₹ in crore)

Particulars	Gross Block				Depreciation, amortisation and impairment				Net block
	As at 1 April 2020	Additions	Deductions/ adjustments	As at 31 March 2021	As at 1 April 2020	Deductions/ adjustments	For the year	As at 31 March 2021	As at 31 March 2021
Property, plant and equipment [a]									
Buildings	2.39	-		2.39	0.34		0.04	0.38	2.01
Computers	15.96	0.14	1.40	14.70	6.18	0.58	1.60	7.15	7.55
Furniture and Fixtures	10.64	0.26	0.09	10.81	4.43	0.04	0.85	4.24	6.57
Vehicles	6.92	2.15	0.63	8.44	2.33	0.31	0.76	2.78	5.66
Office equipment	11.79	3.03	1.28	13.54	3.01	0.70	3.59	5.90	7.64
Leave hold improvement	12.23	1.02	0.47	12.78	3.71	0.27	2.67	6.11	6.67
Right-of-use - Premises	44.91	0.96	0.05	45.82	8.09	0.09	9.60	17.60	28.22
Total (i)	**104.84**	**7.56**	**3.92**	**108.48**	**27.04**	**1.99**	**19.11**	**44.16**	**64.32**
Intangible assets [b]									
Computer Software	9.77	9.25	-	19.02	1.79		2.66	4.45	14.57
Total (ii)	**9.77**	**9.25**	**-**	**19.02**	**1.79**	**-**	**2.66**	**4.45**	**14.57**
Total (i) + (ii)	**114.61**	**16.81**	**3.92**	**127.50**	**28.83**	**1.99**	**21.77**	**48.61**	**78.89**

Notes

(a) See note no. 4.6 and 4.13

(b) See note no. 4.7

(c) Title deeds of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) are held in the name of the Company.

12.A Intangible assets under development aging as at 31 March 2022 (₹ in crore)

Intangible assets under development	Period				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in porgress	1.46	-	-	-	1.46

Intangible assets under development aging as at 31 March 2021 (₹ in crore)

Intangible assets under development	Period				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in porgress	-	-	-	-	-

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

13. Other non-financial assets

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	0.98	0.62
Advances to suppliers and others*	9.46	12.78
Total	**10.44**	**13.40**

* Impairment allowance recognised on advances to suppliers and others is ₹ 0.37 crore (Previous year: ₹ 0.37 crore).

14. Payables

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises*	0.18	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	36.23	20.90
Total	**36.41**	**20.90**
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	38.17	21.28
Total	**38.17**	**21.28**

Trade Payable aging schedule as at 31 March 2022

Particular	Not due	Unbilled	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.18	-	-	-	0.18
(ii) Others	-	32.52	3.67	0.02	0.01	0.01	36.23

Trade Payable aging schedule as at 31 March 2021

Particular	Not due	Unbilled	Outstanding from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	19.92	0.96	0.01	0.01	-	20.90

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

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	0.18	-
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	4.62	0.04
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	0.03	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

15. Debt securities

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
At amortised cost		
Secured		
Privately placed redeemable non-convertible debentures*	11,730.67	7,963.33
	11,730.67	7,963.33
Unsecured		
Borrowings by issue of commercial paper	3,997.23	2,861.41
Privately placed partly paid redeemable non-convertible debentures	761.25	507.34
	4,758.48	3,368.75
Total	**16,489.15**	**11,332.08**
Out of above		
In India	16,489.15	11,332.08
Outside India	-	-
Total	**16,489.15**	**11,332.08**

*Privately placed redeemable non-convertible debentures are secured by a first pari passu charge by mortgage of Company's office at Unit No.804, admeasuring 1,610 sq. ft. 8th Floor, Block-A of Wing Delta, bearing old Door nos. 113 to 122 and 128 to 134 and New No.177, Raheja Towers, Anna Salai, Mount Road, Chennai – 600 002 of nominal value and debts/ loan receivables under financing activity as stated in the respective information memorandum.

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions or debenture trustees are in agreement with the books of accounts.

The Company has no pending charges or satisfaction which are required to be registered with ROC.

Terms of repayment of non convertible debenture (NCDs) as at 31 March 2022

(₹ in crore)

Original maturity (in no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at par and redeemable at par					
366-730	900.00	3,225.52	-	-	4,125.52
731-1095	165.00	1,075.00	-	-	1,240.00
1096-1460	960.00	-	2,999.00	330.00	4,289.00
More than 1460	-	-	-	1,321.67	1,321.67
Issued at par and redeemable at premium					
1096-1460	834.26	-	-	-	834.26
Issued at discount and redeemable at par					
1096-1460	24.34	-	113.89	-	138.22
Interest accrued	544.45	-	6.33	-	550.77
Impact of EIR					(7.54)
Total					**12,491.92**

Interest rate ranges from 4.85 % p.a. to 9.21 % p.a. as at 31 March 2022.

As at 31 March 2022, partly called and paid unsecured debentures of ₹ 761.25 crore.

Amount to be called and paid is ₹105 crore each in Feb 2023, Feb 2024, Feb 2025 and ₹120 crore in Feb 2026.

Amount to be called and paid is ₹147 crore each Mar 2023, Mar 2024 and ₹168 crore in Mar 2025.

Terms of repayment of non convertible debenture (NCDs) as at 31 March 2021

(₹ in crore)

Original maturity (in no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at par and redeemable at par					
366-730	-	900.00		-	900.00
731-1095	758.06	165.00	1,075.00		1,998.06
1096-1460	79.51	960.00	-		1,039.51
More than 1460	-	-	-	504.00	504.00
Issued at par and redeemable at premium					
366-730	428.29	-	-	-	428.29
731-1095	1,848.51	834.26	-	-	2,682.77
Issued at discount and redeemable at par					
731-1095	-	24.34	-	-	24.34
Interest accrued	730.72	174.90			905.62
Impact of EIR					(11.91)
Total					**8,470.67**

Interest rate ranges from 4.85 % p.a. to 9.21 % p.a. as at 31 March 2021.

As at 31 March 2021, partly called and paid unsecured debentures of ₹ 507.35 crore.

Amount to be called and paid is ₹105 crore each in Feb 2022, Feb 2023, Feb 2024, Feb 2025 and ₹120 crore in Feb 2026.

Amount to be called and paid is ₹147 crore each in Mar 2022, Mar 2023, Mar 2024 and ₹168 crore in Mar 2025.

15. Debt securities (Contd.)

Terms of repayment of commercial paper as at 31 March 2022

(₹ in crore)

Original maturity (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par					
Upto 365	3,998.13	-	-	-	3,998.13
Interest accrued	-	-	-	-	-
Impact of EIR					(0.90)
Total					3,997.23

Interest rate ranges from 3.91 % p.a. to 5.15 % p.a. as at 31 March 2022.

Face value of commercial paper is ₹ 4,075 crore as at 31 March 2022 (Previous year ₹ 2,925 crore).

Terms of repayment of commercial paper as at 31 March 2021

(₹ in crore)

Original maturity (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par					
Upto 365	2,861.98	-	-	-	2,861.98
Interest accrued	-	-	-	-	-
Impact of EIR					(0.57)
Total					2,861.41

Interest rate ranges from 3.65 % p.a. to 4.55 % p.a.as at 31 March 2021.

Face value of commercial paper is ₹ 2,925 crore as at 31 March 2021 (Previous year ₹ 1,515 crore).

16. Borrowings (other than debt securities)

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
At amortised cost		
Secured*		
Term loans from banks	24,493.17	20,187.36
Loans repayable on demand from banks		
Cash credit / Overdraft facility	-	61.16
Working capital demand loan	-	20.00
Total	24,493.17	20,268.52
Out of above:		
In India	24,493.17	20,268.52
Outside India	-	-
Total	24,493.17	20,268.52

* Secured against hypothecation of book debts, loan receivables and other receivables.

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

The Company has no pending charges or satisfaction which are required to be registered with ROC.

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

Terms of repayment of term loans as at 31 March 2022

(₹ in crore)

Original maturity of loan (as per Sanction) (In no.of days)	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 years		Total
	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	₹ in crore
Quarterly Principal Payment									
1096-1460	4	62.50	4	181.25	5	350.00			593.75
More than 1460	121	2,359.25	107	2,229.25	66	1,512.57	75	2,847.59	8,948.66
Half yearly Principal Payment									
1096-1460	2	142.86	2	142.86	2	142.86			428.57
More than 1460	27	1,250.95	38	1,529.29	33	1,203.33	79	3,244.35	7,227.92
Yearly Principal Payment									
More than 1460	14	875.00	13	850.00	8	830.00	7	600.00	3,155.00
Bullet Payment on maturity									
Upto 1095	4	50.00	1	175.00			-		225.00
1096-1460	1	211.25	2	961.25	5	2,000.00	-		3,172.50
More than 1460			3	650.00	-	-	1	500.00	1,150.00
Interest accrued	6	1.03							1.03
Impact of EIR									(9.26)
Total									**24,493.17**

Interest rate ranges from 5.05 % p.a. to 7.12 % p.a. as at 31 March 2022.

Terms of repayment of term loans as at 31 March 2021

(₹ in crore)

Original maturity of loan (as per Sanction) (In no.of days)	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 years		Total
	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	Total No. of instalments	₹ in crore	₹ in crore
Monthly Principal Payment									
Upto 1095	12	150.00	4	50.00	-	-	-	-	200.00
Quarterly Principal Payment									
Upto 1095	2	50.00	-		-	-	-	-	50.00
1096-1460	2	31.25	4	62.50	2	31.25	2	200.00	325.00
More than 1460	68	1,395.83	109	2,079.17	95	1,049.17	114	3,540.47	8,964.58
Half yearly Principal Payment									
More than 1460	15	717.62	22	1,167.62	26	1,342.62	47	2,067.69	5,295.54
Yearly Principal Payment									
1096-1460	1	33.32	-	-	-	-	-	-	33.32
More than 1460	11	575.00	13	775.00	12	750.00	8	730.00	2,830.00
Bullet Payment on maturity									
Upto 1095	2	450.00	-	-	-	-	-	-	450.00
1096-1460	1	227.50	1	211.25	2	961.25	-	-	1,400.00
More than 1460	-	-		-	3	650.00	-	-	650.00
Interest accrued	6	0.48	-	-	-	-	-	-	0.48
Impact of EIR									(11.56)
Total									**20,187.36**

Interest rate ranges from 5.17 % p.a. to 8.35 % p.a. as at 31 March 2021.

Terms of repayment of working capital demand loan as at 31 March 2021

(₹ in crore)

Original maturity of loan (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
On maturity (Bullet)					
Upto 365	20.00	-	-	-	20.00
Interest accrued	-	-	-	-	-
Impact of EIR	-	-	-	-	-
Total					**20.00**

Interest rate ranges from 6.70 % p.a. to 7.20 % p.a. as at 31 March 2021.

17. Deposits

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured		
At Amortised Cost		
From Others (Inter corporate deposit)	510.00	-
Total	510.00	-

Terms of repayment of Deposits as at 31 March 2022

(₹ in crore)

Original maturity (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
On maturity (Bullet)					
Upto 365	65	-	-	-	65.00
366-730	-	445.00	-	-	445.00
Interest accrued	-	-	-	-	-
Impact of EIR					-
Total					510.00

Interest rate ranges from 4.00 % p.a. to 4.10 % p.a.

18. Other financial liabilities

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits	0.08	0.08
Lease Liability*	40.29	31.96
Others**	134.05	119.10
Total	174.42	151.14

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

** Includes amount payable to assignment partners and insurance partners.

a. Lease Liability Movement

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance / Transition adjustment	31.96	38.70
Add :		
Addition during the year	19.24	0.96
Interest on Lease Liability	2.46	2.58
Lease modification/ adjustments	-	0.34
Less :		
Deletion during the year	0.37	0.31
Lease rental payments	13.00	10.31
Balance at the end of the year	40.29	31.96

b. Lease rentals of ₹ 0.89 crores (Previous year ₹ 0.96 crores) 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 :

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
-Not later than one year	15.45	11.23
-Later than one year but not later than five years	30.25	22.90
-Later than five years	1.79	2.72

d. Maturity Analysis of Lease Liability:

(₹ in crore)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Lease Liability	11.57	28.72	9.23	22.73

Notes to financial statements for the year ended 31 March 2022 (Contd.)

19. Provisions

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Gratuity	1.03	-
Compensated absences	1.37	0.88
Other long term service benefits	1.65	1.41
Total	**4.05**	**2.29**

20. Other non-financial liabilities

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory Dues	15.08	13.93
Others	5.21	8.63
Total	**20.29**	**22.56**

21. Equity share capital

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
8,000,000,000 (6,000,000,000) equity shares of ₹ 10 each	8,000.00	6,000.00
Issued		
4,883,333,329 (4,883,333,329) equity shares of ₹ 10 each	4,883.33	4,883.33
Subscribed and paid up		
4,883,333,329 (4,883,333,329) equity shares of ₹ 10 each fully called up and paid up	4,883.33	4,883.33
Total	**4,883.33**	**4,883.33**

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

Equity share capital issued, subscribed and fully paid up	As at 31 March 2022		As at 31 March 2021	
	Nos.	₹ in crore	Nos.	₹ in crore
Outstanding at the beginning of the year	4,88,33,33,329	4,883.33	4,88,33,33,329	4,883.33
Outstanding at the end of the year	**4,88,33,33,329**	**4,883.33**	**4,88,33,33,329**	**4,883.33**

b. Terms/rights/restrictions 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. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company (face value ₹10 per share)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Nos.	₹ in crore	Nos.	₹ in crore
Bajaj Finance Limited*	4,88,33,33,329	4,883.33	4,88,33,33,329	4,883.33

* A subsidiary of Bajaj Finserv Ltd.

d. Details of shareholders holding more than 5% shares in the Company (face value ₹10 per share)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Nos.	% Holding	Nos.	% Holding
Bajaj Finance Limited (Holding Company)	4,88,33,33,329	100.00%	4,88,33,33,329	100.00%

e. Details of shareholding of promoters

Shares held by promoters at the year ended 31 March 2022				% Changes during the year
S.N.	Promoter name	No. of Shares	% of total shares	
1	Bajaj Finance Limited	4,88,33,33,329	100.00%	0.00%

Shares held by promoters at the year ended 31 March 2021				% Changes during the year
S.N.	Promoter name	No. of Shares	% of total shares	
1	Bajaj Finance Limited	4,88,33,33,329	100.00%	0.00%

Refer note 43. on Capital

22. Other equity

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Securities premium		
Balance as at the beginning of the year	166.67	166.67
Balance as at the end of the year (i)	**166.67**	**166.67**
(ii) Statutory reserve in terms of Section 29C of the NHB Act, 1987		
Balance as at the beginning of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987	126.96	78.32
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	-
c) Amount of Special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	74.40	32.40
Total	**224.02**	**110.72**
Addition / appropriation / withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	81.93	48.64
b) Additional amount transferred u/s 29C of the NHB Act, 1987	-	22.66
c) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	60.00	42.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Additional amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance as at the end of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987	208.89	126.96
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	22.66
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	134.40	74.40
Balance as at the end of the year (ii)	**365.95**	**224.02**
(iii) Retained earnings		
Balance as at the beginning of the year	**758.20**	**417.36**
Profit for the year	709.62	453.19
Item of other comprehensive income recognised directly in retained earnings		
On defined benefit plan	(0.48)	0.95
	1,467.34	**871.50**
Less: Appropriations:		
Transfer to statutory reserve in terms of Section 29C of the NHB Act, 1987	81.93	48.64
Transfer to additional statutory reserve in terms of Section 29C of the NHB Act, 1987	-	22.66
Transfer to special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	60.00	42.00
Total appropriations	**141.93**	**113.30**
Balance as at the end of the year (iii)	**1,325.41**	**758.20**
(iv) Capital Contribution from Holding-ESOPs		
Balance as at the beginning of the year	-	7.05
Add: fair value of stock options issued by holding company	19.23	13.36
Less: Payment to holding company towards employee stock option plan (Refer Note no 49)	(19.23)	(20.41)
Balance as at the end of the year (iv)	-	-
Total (i) to (iv)	**1,858.03**	**1,148.89**

Nature and purpose of other equity:

I. Securities premium

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

22. Other equity (Contd.)

ii. Statutory Reserve in terms of Section 29C of the National Housing Bank Act, 1987

Reserve Fund is created as per the Section 29C of the National Housing Bank Act, 1987, which requires every housing finance company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. However, the Company has transferred twenty five percent of it's net profit during the previous year to the reserve fund. This includes Special Reserve created to avail the deduction as per the provisions of Section 36(1)(viii) of the Income Tax Act, 1961 on profits derived from the business of providing long-term finance for construction or purchase of houses in India for residential purposes.

iii. Retained earnings

Retained earnings represents the surplus in profit and loss account after appropriation.

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:

(a) actuarial gains and losses; and

(b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset).

iv. Capital Contribution from Holding-ESOPs

Represents fair value of ESOPs issued by the Holding Company to the employees of the Company.

v. Other comprehensive income

On loans

The Company recognises changes in the fair value of loans measured under FVOCI in other comprehensive income and impairment loss allowances are recognised in profit or loss. The table gives details of movement of fair value changes:

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	-	-
Fair value changes	56.37	200.62
Impairment loss allowances transferred to profit or loss	(56.37)	(200.62)
Balance as at the end of the year	-	-

23. Interest income

(₹ in crore)

Particulars	Year ended 31 March 2022				Year ended 31 March 2021			
	On financial assets measured at				On financial assets measured at			
	Amortised Cost	FVOCI	FVTPL	Total	Amortised Cost	FVOCI	FVTPL	Total
On loans*	1,031.58	2,432.06	-	3,463.64	816.96	2,015.85	-	2,832.81
On investments	-	-	7.15	7.15	-	-	1.53	1.53
On deposits with Banks	10.96	-	-	10.96	43.09	-	-	43.09
Total	**1,042.54**	**2,432.06**	**7.15**	**3,481.75**	**860.05**	**2,015.85**	**1.53**	**2,877.43**

*As per effective interest rate (EIR). Refer note no. 4.1(i)

24. Fees and commission income

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Distribution income	33.23	14.75
Fees on value added services and products	7.63	4.94
Service and administration charges	30.69	50.40
Foreclosure income	10.30	4.53
Total	**81.85**	**74.62**

25. Net gain on fair value changes

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net gain/ (loss) on financial instruments measured at fair value through profit or loss		
On trading portfolio		
Realised gain/(loss) on investments at FVTPL	60.21	65.44
Unrealised gain/(loss) on investments at FVTPL	(1.24)	(5.59)
Total	**58.97**	**59.85**

26. Sale of services

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Service charges	29.49	38.41
Service fees for management of assigned portfolio of loans	112.53	103.74
Total	**142.02**	**142.15**

27. Other operating income

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Recoveries against financial assets	1.44	0.58
Miscellaneous charges and receipts	0.63	0.07
Total	**2.07**	**0.65**

28. Other income

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sundry credit balances appropriated	0.05	-
Income from Rent	0.19	0.19
Interest on income tax refund	0.10	0.37
Miscellaneous income	0.13	0.02
Total	**0.47**	**0.58**

29. Finance costs

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
On financial liabilities measured at amortised cost:		
On debt securities	745.20	623.89
On borrowings other than debt securities	1,400.13	1,335.04
On Deposits	7.52	-
On lease liability	2.46	2.58
On others	-	4.36
Total	**2,155.31**	**1,965.87**

30. Fees and commission expense

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Commission and incentives	0.11	0.04
Loan portfolio management service charges	4.57	1.29
Total	**4.68**	**1.33**

31. Impairment on financial instruments

(₹ in crore)

Particulars	Year ended 31 March 2022			Year ended 31 March 2021		
	At Amortised Cost	At FVOCI	Total	At Amortised Cost	At FVOCI	Total
On loans	50.11	130.96	181.07	40.82	206.02	246.84
On Others	-	-	-	0.37	-	0.37
Total	**50.11**	**130.96**	**181.07**	**41.19**	**206.02**	**247.21**

32. Employee benefits expenses

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Employees emoluments	304.72	209.23
Contribution to provident fund and other funds	14.93	12.01
Share based payments to employees	19.23	12.36
Staff welfare expenses	9.92	11.16
Total	**348.80**	**245.76**

33. Other expenses

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Travelling expenses	17.34	7.05
Information technology expenses	13.97	11.44
Repairs and maintenance	8.06	7.50
Communication expenses	7.31	5.54
Advertisement, branding and promotion	5.16	5.91
Outsourcing / back office expenses	5.08	3.75
Rent, taxes and energy cost	4.43	3.41
Legal and professional charges	3.73	1.79
Bank charges	1.93	1.64
Printing and stationery	1.43	0.98
Director's fees	0.50	0.22
Net loss on sale of property, plant and equipment	0.48	0.44
Business support services	0.34	0.21
Insurance	0.19	0.12
Customer experience	0.11	0.71
Auditor's fees and expenses*	0.52	0.10
Expenditure towards Corporate Social Responsibility activities **	7.67	3.91
Miscellaneous expenses	13.40	5.44
Total	**91.65**	**60.16**

* Payment to auditor

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As auditor		
Audit fee	0.30	0.01
Tax audit fee ₹ 25,000 (Previous year ₹ 25,000)		
Limited review fee	0.04	0.01
In other capacity		
Other services	0.12	0.07
Reimbursement of expenses	0.02	0.01
Total	**0.48**	**0.09**
Total including GST disallowance	**0.52**	**0.10**

** Corporate Social Responsibility expenditure

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(a) Gross amount required to be spent by the Company during the year	7.67	3.91
(b) Amount spent in cash during the year on:		
(i) Construction/acquisition of any asset	7.38	
(ii) On purposes other than (i) above	0.29	3.91
(c) Excess / (Shortfall) at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities (activities as per Schedule VII)	Activities mentioned in I and II	Activities mentioned in I and II
(g) Details of related party transactions		-
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-

34. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net profit attributable to equity shareholders (₹ in crore) (A)	709.62	453.19
Weighted average number of equity shares for basic and diluted earnings per share (B)	4,88,33,33,329	4,88,33,33,329
Weighted average number of equity shares for diluted earnings per share (C)	4,88,33,33,329	4,88,33,33,329
Earning Per Share (basic) (₹) (A/B)	**1.45**	**0.93**
Earning Per Share (diluted) (₹) (A/C)	**1.45**	**0.93**

The Company has allotted 1,828,822,235 equity shares having face value of Rs. 10/- each under right issue to its parent company viz. Bajaj Finance Ltd on 7th April 2022 at a premium of Rs. 3.67/- per share involving aggregate amount of Rs. 24,999,999,952.45. These shares would be considered for computing 'Earnings per share' from the quarter ending June 30, 2022 onwards.

35. Segment information

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company operates in a single geographical segment i.e. domestic.

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

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

37. Revenue from contract with customers

(₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Type of Services		
Distribution income	33.23	14.75
Fees on value added services and products	7.63	4.94
Service and administration charges	30.69	50.40
Foreclosure income	10.30	4.53
Total	**81.85**	**74.62**
Geographical markets		
India	81.85	74.62
Outside India	-	-
Total	**81.85**	**74.62**
Timing of revenue recognition		
Services transferred at a point in time	81.85	74.62
Services transferred over time	-	-
Total	**81.85**	**74.62**

Contract balances

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Fees, commission and other receivables	1.34	0.56

Impairment allowance recognised for contract balances is Nil (Previous year: Nil)

38. Employee benefits plan

(I) Defined benefit plans

A) Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age.

(i) Movement in defined benefit obligations (₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Defined benefit obligation as at the beginning of the year	**21.25**	**17.13**
Current service cost	3.91	3.70
Interest on defined benefit obligation	1.44	1.14
Remeasurement (gain)/ loss:		
Actuarial (gain)/ loss arising from change in financial assumptions	(0.72)	(0.32)
Actuarial (gain)/ loss arising from change in demographic assumptions		
Actuarial (gain)/ loss arising on account of experience changes	1.08	(1.03)
Benefits paid	(1.37)	(0.34)
Liabilities assumed / (settled)*		0.98
Defined benefit obligation as at the end of the year	**25.58**	**21.25**

* On account of business combination within the group

(ii) Movement in plan assets (₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Fair value of plan asset as at the beginning of the year	**22.66**	**17.37**
Employer contributions	1.95	3.53
Interest on plan assets	1.59	1.20
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.28)	(0.08)
Benefits paid	(1.37)	(0.34)
Assets acquired / (settled)*		0.98
Fair value of plan asset as at the end of the year	**24.55**	**22.66**

* On account of business combination within the group

(iii) Reconciliation of net liability/ (asset) (₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net defined benefit liability/ (asset) as at the beginning of the year	**(1.41)**	**(0.24)**
Expense charged to statement of profit & loss	3.76	3.63
Amount recognised in other comprehensive income	0.64	(1.27)
Employers contribution	(1.95)	(3.53)
Net defined benefit liability/ (asset) as at the end of the year	**1.03**	**(1.41)**

(iv) Expenses charged to the statement of profit and loss (₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	3.91	3.70
Interest cost	(0.15)	(0.07)
Total	**3.76**	**3.63**

38. Employee benefits plan (Contd.)

(v) Remeasurement (gains)/losses in other comprehensive income (₹ in crore)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening amount recognised in other comprehensive income	**3.41**	**4.68**
Changes in financial assumptions	(0.72)	(0.32)
Changes in demographic assumptions		
Experience adjustments	1.08	(1.03)
Actual return on plan assets less interest on plan assets	0.28	0.08
Closing amount recognized in other comprehensive income	**4.04**	**3.41**

(vi) Amount recognised in Balance Sheet (₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of funded defined benefit obligation	25.58	21.25
Fair value of plan assets	24.55	22.66
Net defined benefit liability recognised in balance sheet	**1.03**	**(1.41)**

(vii) Key actuarial assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.25%	6.05%
Salary escalation rate (p.a.)	11.00%	11.00%
Category of plan assets		
Insurer managed funds	100.00%	100.00%

(viii) Sensitivity analysis for significant assumptions is as shown below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Discount rate	Salary Escalation Rate	Discount rate	Salary Escalation Rate
Impact of increase in 50 bps on defined benefit obligation	(0.04)	0.05	(0.05)	0.05
Impact of decrease in 50 bps on defined benefit obligation	0.05	(0.04)	0.05	(0.05)

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

(ix) Projected plan cash flow (₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Maturity Profile		
Expected benefits for year 1	1.64	1.15
Expected benefits for year 2	1.84	1.30
Expected benefits for year 3	1.94	1.48
Expected benefits for year 4	1.99	1.58
Expected benefits for year 5	2.07	1.60
Expected benefits for year 6	2.07	1.60
Expected benefits for year 7	2.06	1.62
Expected benefits for year 8	2.28	1.63
Expected benefits for year 9	2.11	1.87
Expected benefits for year 10 and above	38.92	34.86

(x) Expected contribution to fund in the next year (₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Expected contribution to fund in the next year	3.00	3.00

38. Employee benefits plan (Contd.)

B) Long-term service benefit liability

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of unfunded obligations	1.65	1.41
Expense recognised in the statement of profit and loss	0.29	0.29
Discount rate (p.a.)	7.25%	6.95%

39. Contingent liabilities and commitments

(a) Contingent liabilities not provided for in respect of :

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Disputed claims against the company not acknowledged as debts	4.23	1.85

(b) Capital and other commitments

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Capital commitments (Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances))		
Tangible	1.64	0.25
Intangible	0.13	0.24
(ii) Other commitments (towards partially disbursed / sanctioned but not disbursed)	4,479.84	2,903.08

40. (a) Changes in capital and asset structure arising from Financing Activities

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

(b) Changes in liability arising from Financing Activities

For the year ended 31 March 2022

(₹ in Crore)

Particulars	As at 1 April 2021	Cash flows	Other*	As at 31 March 2022
Debt Securities	11,332.08	5,507.20	(350.13)	16,489.15
Borrowing other than Debt Securities	20,268.52	4,221.80	2.85	24,493.17
Deposits	-	510.00	-	510.00
Lease Liability	31.96	(10.54)	18.87	40.29
Total	**31,632.56**	**10,228.46**	**(328.41)**	**41,532.61**

For the year ended 31 March 2021

(₹ in Crore)

Particulars	As at 1 April 2020	Cash flows	Other*	As at 31 March 2021
Debt Securities	7,823.59	3,217.18	291.31	11,332.08
Borrowing other than Debt Securities	17,776.85	2,486.83	4.84	20,268.52
Deposits				
Lease Liability	38.70	(7.73)	0.99	31.96
Total	**25,639.14**	**5,696.28**	**297.14**	**31,632.56**

* Other includes interest accrued and EIR adjustments

41. Disclosure of transactions with related parties as required by Ind AS 24

(₹ in crore)

Name of the related party and nature of relationship	Nature of Transaction	Year ended 31 March 2022		Year ended 31 March 2021	
		Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
A. Holding Company, Subsidiaries & Fellow Subsidiaries :					
1 Bajaj Finserv Limited (Ultimate Holding company)	Secured non-convertible debentures issued		(350.00)	-	(150.00)
	Interest paid on non-convertible debentures	9.00			
2 Bajaj Finance Limited (Holding company)	Contribution to Equity (4,88,33,33,329 shares of ₹10 each)		(4,883.33)	-	(4,883.33)
	Security deposit received		(0.08)		(0.08)
	Rent received	0.19	-	0.19	
	Assets purchased	0.27	-	0.09	
	Assets sale	0.38		0.07	
	Purchase of loan portfolio	738.79		300.13	-
	Direct assignment of loan portfolio	1,503.69			-
	Business support charges paid	7.86		4.71	-
	Business support charges received	1.14		1.50	-
	Fees and commission received	44.64		61.28	
	ESOP recharge cost	19.23		20.41	-
	Investment in Inter Corporate Deposits	4,900.00			-
	Investment repayment received	4,900.00			
	Interest income on investments in inter-corporate deposits	3.82			
	Short term loan taken	750.00		-	
	Short term loan repaid	750.00		-	
3 Bajaj Allianz General Insurance Company Ltd.(Fellow subsidiary)	Insurance expense	3.79	4.54	2.63	3.25
	Interest paid on non-convertible debentures	10.57	-	10.51	
	Asset Purchased	0.01		-	
	Secured non-convertible debentures issued		(100.00)	-	(150.00)
	Secured non-convertible debentures repaid	50.00	-	-	
4 Bajaj Allianz Life Insurance Company Ltd (Fellow subsidiary)	Insurance expense	11.61	0.80	15.22	3.06
	Interest paid on non-convertible debentures	33.99	-	16.96	-
	Unsecured non-convertible debentures issued	217.00	(651.00)		(434.00)
5 Bajaj Finserv Direct Limited (Fellow subsidiary)	Business support charges paid	1.05	(0.91)	0.09	-
	Assets purchased		-	0.12	-
	Assets sale	0.00		(0.02)	
	Other Receipts	-	-	0.07	
B. Key Management Personnel and their relatives					
1 Sanjiv Bajaj (Non Executive Director)	Sitting Fees	0.17		0.07	
2 Lila Poonawalla (Non Executive Director)	Sitting Fees	0.17	-	0.07	-
3 Anami Narayan Roy (Non Executive Director)	Sitting Fees	0.11		0.03	-
4 Omkar Goswami (Non Executive Director)	Sitting Fees	0.01		0.04	-
5 Atul Jain (Chief Executive Officer)	Remuneration (including perquisites)	8.14	(1.14)	7.51	(1.80)
	Fair value of stock options grated by Holding Company	4.46		3.23	-
6 Gaurav Kalani (Chief Financial Officer)	Remuneration (including perquisites)	1.64	(0.63)	0.99	(0.25)
	Fair value of stock options grated by Holding Company	0.64	-	0.47	

41. Disclosure of transactions with related parties as required by Ind AS 24 (contd.)

(₹ in crore)

Name of the related party and nature of relationship	Nature of Transaction	Year ended 31 March 2022		Year ended 31 March 2021	
		Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
C. Entities in which KMP & their relatives have significant influence					
1 Bajaj Auto Ltd.	Security deposit (paid)	0.00	0.03	-	0.02
	Rent expense	0.06		0.05	
2 Bajaj Holdings and Investment Limited	Secured non-convertible debentures issued				(150.00)
	Secured non-convertible debentures repaid	150.00			
	Interest paid on non-convertible debentures	10.41	-	10.41	-
3 Maharashtra Scooters Limited	Secured non-convertible debentures issued		(50.00)		(25.00)
	Interest paid on non-convertible debentures	1.50			
4 Hind Musafir Agency Ltd	Services received	1.25	(0.18)	0.73	(0.04)
5 Poddar Housing And Development Limited	Interest income	1.07	-	1.56	0.13
	Loan given		-	-	13.00
	Loan repayment received	13.00		-	
6 Ashwin Vijaykumar Jain	Interest income	0.00		0.01	0.00
	Loan given			0.15	0.15
	Loan repayment received	0.15			
D. Post employment benefit entity					
1 Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	2.00		3.65	

Note:-

1. Transactions value are excluding taxes and duties.

2. Amount in bracket denotes credit balance.

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

4. Related parties as defined under clause 9 of the Indian Accounting Standard - 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business and on arms' length basis. All outstanding balances are to be settled in cash and are unsecured except secured non-convertible debentures issued to related parties which are disclosed appropriately.

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

6. NCD transaction includes only issuance from primary market, and outstanding balance is balances of NCDs held by related parties as on reporting dates.

42. Relationship with Struck off Companies

(₹ in crore)

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company	Balance outstanding 31st March 2022	Balance outstanding 31st March 2021
Gayathri Techoocrats Private Limited	Loan Given	No	0.15	0.21
CSE Computer Solutions East Pvt Ltd	Loan Given	No	0.37	0.38

43. Capital

The Company actively manages its capital base to cover risks inherent to its business and meets the capital adequacy requirements of the regulator, Reserve Bank of India/National Housing Bank. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI/NHB.

(i) Capital management

Objective

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

Planning

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

The Company monitors its capital adequacy ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO).

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

(ii) Regulatory capital

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Tier I capital	6,469.01	5,820.36
Tier II capital	259.95	178.68
Total capital	**6,728.96**	**5,999.04**
Total risk weighted assets	**34,126.15**	**28,119.67**
Tier I CRAR	18.95%	20.70%
Tier II CRAR	0.76%	0.63%
Total CRAR	**19.71%**	**21.33%**

44. Analytical Ratios

Ratio	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)	6,728.96	34,126.15	19.71%	21.33%	-8.22%	NA
Tier I CRAR	6,469.01	34,126.15	18.95%	20.70%	-9.23%	NA
Tier II CRAR	259.95	34,126.15	0.76%	0.63%	17.11%	NA
Debt Equity Ratio	41,492.32	6,741.36	6.15	5.24	14.89%	NA
Liquidity Coverage Ratio	1,074.48	818.95	131.20%	NA	NA	NA

Note : Liquidity Coverage Ratio was not appliable as at 31 March 2021

45. Events after reporting date

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

The Company has allotted 1,828,822,235 equity shares having face value of Rs. 10/- each under right issue to its parent company viz. Bajaj Finance Ltd on 7th April 2022 at a premium of Rs. 3.67/- per share involving aggregate amount of Rs. 28,999,999,952.45.

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

S D APTE & CO. Chartered Accountants

46. Fair values

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

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

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

Valuation framework

The Company has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.
The Company's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Valuation methodologies adopted

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

- Fair values of investments held for trading under FVTPL have been determined under level 1 (refer note 46) using quoted market prices of the underlying instruments;
- Fair value of loans held for a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. The fair value of these loans have been determined under level 3.

The Company has determined that the carrying values of cash and cash equivalents, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

47. Fair value hierarchy

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

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

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

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value as at 31 March 2022:

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading designated under FVTPL	31 March 2022	1,248.27			1,248.27
Loans designated under FVOCI	31 March 2022	-	35,044.84		35,044.84

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value as at 31 March 2021:

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31 Mar 2021	2,757.32	-	-	2,757.32
Loans designated under FVOCI	31 Mar 2021	-	25,178.92	-	25,178.92

47. Fair value hierarchy (Contd.)

Fair value of financial instruments not measured at fair value as at 31 March 2022:

(₹ in crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Cash and cash equivalents	407.03	407.03			407.03
Bank balances other than cash and cash equivalents	0.14	0.14	-	-	0.14
Trade receivables	237.33			237.33	237.33
Loans at amortised cost*	11,437.23		-	11,437.23	11,437.23
Other financial assets	18.48		-	18.48	18.48
Total financial assets	**12,100.21**	**407.17**	-	**11,693.04**	**12,100.21**
Financial liabilities					
Trade payables	36.41		-	36.41	36.41
Other payables	38.17			38.17	38.17
Debt securities	16,489.15		16,545.35		16,545.35
Borrowings (other than debt securities)	24,493.17		-	24,493.17	24,493.17
Deposits	510.00	-		510.00	510.00
Other financial liabilities	174.42		-	174.42	174.42
Total financial liabilities	**41,741.32**	-	**16,545.35**	**25,252.17**	**41,797.52**

*Substantial portion of loans are at floating rate of interest, hence does not have material impact on fair valuation.

Fair value of financial instruments not measured at fair value as at 31 March 2021:

(₹ in crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Cash and cash equivalents	461.78	461.78		-	461.78
Bank balances other than cash and cash equivalents	255.00	255.00		-	255.00
Trade receivables	310.66	-		310.66	310.66
Loans at amortised cost*	8,239.98	-	-	8,239.98	8,239.98
Investments	508.72	508.72	-		508.72
Other financial assets	33.99	-	-	33.99	33.99
Total financial assets	**9,810.13**	**1,225.50**	-	**8,584.63**	**9,810.13**
Financial liabilities					
Trade payables	20.90	-	-	20.90	20.90
Other payables	21.28	-	-	21.28	21.28
Debt Securities	11,332.08		11,491.68	-	11,491.68
Borrowings (other than debt securities)	20,268.52	-	-	20,268.52	20,268.52
Other financial liabilities	151.14	-	-	151.14	151.14
Total financial liabilities	**31,793.92**	-	**11,491.68**	**20,461.84**	**31,953.52**

*Substantial portion of loans are at floating rate of interest, hence does not have material impact on fair valuation.

48. Risk management objectives and policies

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

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Liquidity and funding risk	Liquidity risk arises from mismatches in the timing of cash flows. Funding risk arises from: • inability to raise incremental borrowings to fund business requirement or repayment obligations • when long term assets cannot be funded at the expected term resulting in cashflow mismatches; • Amidst volatile market conditions impacting sourcing of funds from banks and money markets	Board appointed Risk Management Committee (RMC) and Asset Liability Committee (ALCO)	Liquidity and funding risk is: • measured by -identification of gaps in the structural and dynamic liquidity statements. - assessment of incremental borrowings required for meeting the repayment obligation, the Company's business plan and prevailing market conditions. liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework. • monitored by - assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory framework for HFCs. - a constant calibration of sources of funds in line with emerging market conditions in banking and money markets. - periodic reviews by ALCO of liquidity position, LCR and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company. • managed by the Company's treasury team under liquidity risk management framework through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans under the guidance of ALCO and Board.
Market risk	Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the market variables such as interest rates, foreign exchange rates and equity prices.	Board appointed RMC and ALCO	Market risk is: • measured using basis point value (PV01), modified duration analysis and other measures to determine movements in our portfolios and impact on our income, including the sensitivity of net interest income. Market risks for the Company encompass, interest rate risks on investment portfolios as well as the floating rate assets and liabilities with differing maturities. • monitored by assessments of fluctuation in the interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities; and • managed by the Company's treasury team under the guidance of ALCO and Investment Committee.

48. Risk management objectives and policies (Contd.)

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Credit Risk	Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company.	Board appointed RMC and Chief Risk Officer (CRO)	Credit risk is: • measured as the amount at risk due to repayment default by customers or counterparties to the Company. Various metrics such as instalment default rate, overdue position, instalment moratorium, restructuring, one time resolution plan, debt management efficiency, credit bureau information, contribution of stage 2 and stage 3 assets etc. are used as leading indicators to assess credit risk. • monitored by RMC and CRO using level of credit exposures, portfolio monitoring, contribution of repeat customers, bureau data, concentration risk of geography, customer and portfolio; and assessment of any major change in the business environment including economic, political as well as natural calamity / pandemic. • managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and reviews of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, debt management and risk containment along with business. The same is periodically reviewed by the Board appointed RMC.
Operational risk	Operational risk is the risk arising from inadequate or failed internal processes or controls, its people and system and also from external events.	Board appointed RMC / Senior Management and Audit Committee (AC)	Operational risk is: • measured by KPI's set for each of the processes/ functions, system and control failures and instances of fraud. • monitored by deviations identified in each of the set KPI's for the processes/controls, periodical review of technology platforms and review of control processes as part of internal control framework. • managed by in house compliance units established across different businesses and functions, operations and internal audit function under the guidance of RMC and AC.

(a) **Liquidity and funding risk**

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

The Company maintains a judicious mix of borrowings from banks, money markets and continues to diversify its sources of borrowings with an emphasis on longer tenor borrowings. This strategy of balancing varied sources of funds and long tenor borrowings along with liquidity buffer framework has helped the Company maintain a healthy asset liability position and interest rate during the financial year 2021-22 (FY2022) - the weighted average cost of borrowing was 6.18% versus 7.73% despite highly uncertain market conditions. The overall borrowings including debt securities stood at ₹ 41,492 crore as of 31 March 2022.

The Company continuously monitors liquidity in the market; and as a part of its ALM Strategy maintains a liquidity buffer through an active investment desk to reduce this risk. The Company endeavours to maintain liquidity buffer of 5% to 8% of its overall borrowings in normal market scenario. The Company continued to maintain significantly higher amount of liquidity buffer to safeguard itself against any significant liquidity risk emanating from economic volatility owing to continued Covid pandemic. The average liquidity buffer for FY2022 was ₹ 2276 crore. With easing of economic volatility, the Company has brought down its liquidity buffer in a calibrate manner to ₹ 1655 crore as on 31 March 2022.

RBI vide Circular No. RBI/2019-20/86 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 has issued guidelines on liquidity risk framework for NBFCs. It covers various aspects of liquidity risk management such as granular level classification of buckets in structural liquidity statement, tolerance limits thereupon, and liquidity risk management tools and principles. The Company has a policy on Liquidity Risk Management Framework which covers liquidity risk management policy, strategies and practices, liquidity coverage ratio (LCR), stress testing, contingency funding plan, maturity profiling, liquidity risk measurement – stock approach, currency risk, interest rate risk and liquidity risk monitoring framework.

48. Risk management objectives and policies (Contd.)

(a) Liquidity and funding risk (Contd.)

The Company exceeds the regulatory requirement of LCR which mandated maintaining 50% of expected net cash outflows for a stressed scenario in high quality liquid assets (HQLA) by December 2021; which has to be increased to 100% by December 2025 in a phased manner. Currently, the LCR requirement is at 50% for the Company, which and will move to 60% from 1 December 2022. As at 31 March 2022, the Company maintained a LCR of 131.20%, well in excess of the RBI's stipulated norm of 50%.

The Company focuses on funding the balance sheet through long term liabilities against relatively shorter tenor assets. This practice lends itself to having an inherent ALM advantage due to large EMI inflow emanating from short tenor businesses which puts it in an advantageous position for servicing of its near term obligations.

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

(₹ in crore)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Debt securities	7,963.53	11,267.77	19,231.30	6,979.24	5,517.74	12,496.98
Borrowings (other than debt securities)	6,369.90	21,750.95	28,120.85	4,943.42	18,724.77	23,668.19
Deposits	85.03	456.55	541.58	-		
Trade payables	36.41	-	36.41	20.90		20.90
Other payables	38.17	-	38.17	21.28		21.28
Other financial liabilities	149.50	32.12	181.62	130.33	25.70	156.03
Total	**14,642.54**	**33,507.39**	**48,149.93**	**12,095.18**	**24,268.20**	**36,363.38**

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

(₹ in crore)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	407.03	-	407.03	461.78	-	461.78
Bank balances other than cash and cash equivalents	0.01	0.13	0.14	254.98	0.02	255.00
Trade receivables	55.43	181.90	237.33	167.55	143.11	310.66
Loans	2,660.43	43,821.64	46,482.07	1,736.52	31,682.38	33,418.90
Investments	1,248.27	-	1,248.27	3,266.04	-	3,266.04
Other financial assets	13.16	5.32	18.48	27.05	6.94	33.99
Non-financial assets						
Current tax assets (net)		9.08	9.08	-	4.46	4.46
Deferred tax assets (net)		15.58	15.58	-	15.26	15.26
Property, plant and equipment		78.09	78.09	-	64.32	64.32
Intangible assets under development		1.46	1.46	-	-	-
Other intangible assets	-	19.11	19.11		14.57	14.57
Other non financial assets	10.44		10.44	13.40		13.40
Total assets	**4,394.77**	**44,132.31**	**48,527.08**	**5,927.32**	**31,931.06**	**37,858.38**
LIABILITIES						
Financial liabilities						
Trade payables	36.41		36.41	20.90	-	20.90
Other payables	38.17		38.17	21.28	-	21.28
Debt securities	1,423.27	9,065.88	16,489.15	6,704.50	4,627.58	11,332.08
Borrowings (other than debt securities)	4,950.26	19,542.91	24,493.17	3,709.49	16,559.03	20,268.52
Deposits	65.00	445.00	510.00			-
Other financial liabilities	145.62	28.80	174.42	128.33	22.81	151.14
Non-financial liabilities						
Current tax liabilities (net)	20.06		20.06	7.39		7.39
Provisions	1.44	2.61	4.05	0.88	1.41	2.29
Other non-financial liabilities	20.29		20.29	22.56	-	22.56
Total Liabilities	**12,700.52**	**29,085.20**	**41,785.72**	**10,615.33**	**21,210.83**	**31,826.16**

48. Risk management objectives and policies (Contd.)

(b) Market risk

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

Interest rate risk

On investments

The Company holds shorter duration investment portfolio and thus it has a minimum fair value change impact on its investment portfolio. The interest rate risk on the investment portfolio and corresponding fair value change impact is monitored using VaR and the parameters for monitoring the same are defined in its investment policy.

Sensitivity analysis as at 31 March 2022 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Investment at FVTPL	1,248.27	1,248.27	(2.35)	2.35
Investment at amortised cost	-	-	-	-

Sensitivity analysis as at 31 March 2021 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Investment at FVTPL	2,757.32	2,757.32	(3.09)	3.09
Investment at amortised cost	508.72	508.72	-	-

On assets and liabilities

Interest rate sensitivity on fixed and floating rate assets and liabilities with differing maturity profiles is measured by using the duration gap analysis. The same is monitored monthly by ALCO.

Sensitivity analysis as at 31 March 2022 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Loans	46,482.07	46,482.07	-	-
Debt Securities	16,489.15	16,545.35	(248.77)	263.38
Borrowings (other than debt securities)	24,493.17	24,493.17	-	-

Sensitivity analysis as at 31 March 2021 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Loans	33,418.90	33,418.90	-	-
Debt Securities	11,332.08	11,491.68	(115.51)	122.72
Borrowings (other than debt securities)	20,268.52	20,268.52	-	-

(c) Credit Risk

Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company. The Company has a diversified lending model and focuses on six broad categories viz: (i) home loans, (ii) loan against property (iii) lease rental discounting, (iv) developer loans, (v) rural mortgage loans and (vi) unsecured loans. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

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

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

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 2 day past due (DPD) on the reporting date and are accordingly transferred from stage 1 to stage 2. For stage 1 an ECL allowance is calculated based on a 12-month point in time probability of default (PD). For stage 2 and 3 assets, a life time ECL is calculated based on a lifetime PD.

48. Risk management objectives and policies (Contd.)

(c) Credit Risk (Contd.)

One time restructuring (OTR) of loan accounts was permitted by RBI vide circulars dated 6 August 2020 'resolution framework for COVID-19 related stress' and 'Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances' and circulars dated 5 May 2021 'Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' and 'Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)'. The Company has considered OTR as an indicator of significant increase in credit risk and accordingly classified such loans as stage 2. Further, the Company has, on demonstration of regular payment of 12 instalments of principal and/or interest- post renegotiation and subject to no overdues and no other indicators of significant increase in credit risk on the reporting date, reclassified such loans to stage 1.

Computation of impairment on financial instruments

The Company calculates impairment on financial instruments as per ECL approach prescribed under Ind AS 109 'Financial instrument'. ECL uses three main components: PD (Probability of Default), LGD (loss given default) and EAD (exposure at default) along with an adjustment considering forward macro economic conditions. For further details of computation of ECL please refer to significant accounting policies note no 3.4 (i).

The Company recalibrates components of its ECL model periodically by: (1) using the available incremental and recent information, except where such information do not represent the future outcome, and (2) assessing changes to its statistical techniques for a granular estimation of ECL. The incremental information of the portfolio performance, in both FY2021 and FY2022, was not considered appropriate for recalibration of ECL model. This was due to continued distortion caused by multiple wave of covid pandemic leading to lockdowns which resulted in very low economic activity, distortion of customers financial position and volatile repayment behaviour, leading to RBI announcing EMI moratorium and OTR. Given the temporary distortion of input variables, the Company has not recalibrated components of its ECL model.

Trade receivables and other financial assets were subjected to simplified ECL approach under Ind AS 109 'Financial instruments'.

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

Lending verticals	PD			EAD	LGD
	Stage 1	Stage 2	Stage 3		
Home loans	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers, and also basis DPD bucket approach, for retail loans and management evaluation/judgement for wholesale loans.		100%	EAD is ascertained based on past trends of proportion of outstanding at time of default to the opening outstanding of the analysis period.	LGD is ascertained using past trends of recoveries for each set of portfolios and discounted using a reasonable approximation of the original effective rates of interest.
Loan against property					
Rural mortgage loans					
Lease rental discounting					
Developer loans					
Other loans					

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

As at 31 March 2022

(₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	44,601.52	581.39	139.61	1,598.09	22.30	6.75
Allowance for ECL	246.56	122.48	74.89	13.39	5.69	4.58
ECL Coverage ratio	0.55%	21.07%	53.64%	0.84%	25.52%	67.85%

As at 31 March 2021

(₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	31,706.12	633.98	116.12	1,290.05	25.38	3.01
Allowance for ECL	169.91	123.81	43.36	8.77	8.07	1.84
ECL Coverage ratio	0.54%	19.53%	37.34%	0.68%	31.80%	61.13%

Collateral valuation

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

48. **Risk management objectives and policies (Contd.)**

(c) **Credit Risk (Contd.)**

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

Product Group	Nature of securities
Home loans	Equitable mortgage of residential properties.
Loan against property	Equitable mortgage of residential and commercial properties.
Rural mortgage loans	
Lease rental discounting	
Developer loans	

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

Analysis of Concentration Risk

The Company focuses on granularisation of loans portfolios by expanding its geographic reach to reduce geographic concentrations while continually calibrating its product mix across its six categories of lending mentioned above.

Measurement uncertainty and sensitivity analysis of ECL estimates

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

Methodology

The global as well as the Indian economy has passed through a difficult phase in FY2022. The macro numbers have been a reflection of the impact which multiple waves of COVID-19 had on the industry, prices, employment and economy as a whole. The Company has adopted the use of three scenarios, representative of its view of forecast economic conditions, required to calculate unbiased expected loss. They represent a most likely outcome i.e. central scenario and two less likely outer scenarios referred to as the Upside and Downside scenarios. The Company has assigned a 10% probability to the two outer scenarios, while the Central scenario has been assigned an 80% probability. These weights are deemed appropriate for the unbiased estimation of impact of macro factors on ECL. The key scenario assumptions are used keeping in mind external forecasts and management estimates which ensure that the scenarios are unbiased.

The Company use multiple economic factors and test their correlations with past loss trends witnessed. These were GDP growth rates, growth of bank credit, wholesale price index (WPI), consumer price index (CPI), industrial production index, unemployment rate, crude oil prices and policy interest rates. Based on past correlation trends, CPI (inflation) and unemployment rate were the two factors with acceptable correlation with past loss trends which were in line with Management views on the drivers of portfolio trends. These factors were assigned appropriate weights to measure ECL in forecast economic conditions.

During the year, the macro variables have been tested for their resilience in the difficult operating conditions of lockdown, loss of business on account of continued COVID-19 scare and social distancing norms. The first half of the year saw the second Covid wave hitting the country. While the GDP numbers on a y-o-y basis might not be a correct indicator due to the Covid base impact of FY21, the Q-o-Q GDP growth registered a decline of 16.9% in Q1 FY22. The Unemployment rate which had touched a peak of 23% in Apr'20, again went up to double digit in 2nd Covid wave and touched a high of 12% in May'21 and remained elevated in Jun'21 as well. For these two months, the consumer price index (CPI or inflation) crossed the RBI comfort level of 6%. Later again in Jan'22, it crossed 6%. Even IIP, which due to base effect of FY21, remained positive, in double digits till Aug'21 moved to a marginal growth of just 1% from Nov'21 to Feb'22. While FY21 could be considered as a period of immense stress, the current year too was a period of low recovery.

The central scenario taken by the Company takes into account the stress and the downside risk prevalent during most part of the year, by capturing the macro variables numbers of the most difficult period of COVID-19 pandemic i.e. the second wave.

Amongst the list of macro-indicators, unemployment and inflation are the two variables which are very critical from the perspective of individual and corporates financial health. Unemployment has a direct relation with the income levels and thus the growth of the economy from the expenditure side. Inflation and inflationary expectations affect the disposable income of people. Both these macro-variables directly and indirectly impact the disposable income of the people, which eventually drives the economy.

48. Risk management objectives and policies (Contd.)

(c) Credit Risk (Contd.)

For Unemployment, the Company has considered data published by a leading business information (BI) company engaged in monitoring of Indian economic indicators. The Unemployment rate, which after removing the extreme Covid impact of first quarter from FY21 and FY22, shows an increase from 7.2% to 7.44% in the current scenario, while due to multiple factors including the ongoing Ukraine-Russia stand-off and the situation has become uncertain, forecasting these numbers could lead to biased outcomes. It is acknowledged that there is no reliably ascertainable direct impact of these crisis on the Indian economy and accordingly the estimates have been arrived at.

While formulating the Central Scenario, the Company has considered that the unemployment number may see an increase in the immediate short run and may remain at an average of 7% over the next few years. The geo-political uncertainty has to be watched closely for evaluating its impact on the macro fundamental in the long run.

For the downside scenario, the Company believes that the downside risks might have passed, however, there are uncertainties creeping in and that may take the current expected levels of 6.7% cross the double digit by the first half of next financial year, which would be the peak unemployment rate. Going forwards, however, the downside scenario assumes it to fall from the peak and normalise to around 7% within next three years.

For the upside scenario, the Company acknowledges various surveys and studies indicating improving employment situation as also industrial recovery. While forecasting, a cautious stance is adopted that the unemployment levels after reaching the peak in June 2022 quarter, though may improve to a best case of 4% by the end of June 2023 but may come back to an historical (excluding COVID period) 4 year average of 7.1%. The unemployment numbers as such captured the impact of potential disruption that multiple waves of Covid may cause in short run.

CPI had started to improve significantly in Q4 FY21 ranging from 4.06% to 5.52%, soared significantly to nearly 6.3% for two successive months of May and June 2021 owing to the advent of second wave of Covid-19. Post decline of second wave, CPI normalised to 4.5% to 5% corridor between September to November 2021. CPI again went up to upwards of 6% in Q4 FY22 and closed at a high of 6.95% in March 2022. Elevated level of inflation poses significant challenges from credit risk perspective.

While the Central Scenario assumed by the Company considers the high inflation in Q4 FY22. Considering RBI projections, disruption on the supply side, and possible impact of future Covid-19 waves, the Company expects inflation to range between 5.1% to 6.35% during FY23, suggesting inflation to remain moderately elevated compared to pre-Covid long term average.

For the downside scenario, the Company considers that the inflation risk still remains and, therefore, assumes the inflation to see a increase on account of demand-supply imbalances and touch a peak of around 8.88% in Q1 FY23, before easing off to the average of pre-COVID period in the eight year time horizon.

For the upside scenario, we believe that there would be certain factors which might come into play viz, base effect, higher food grain production, better supply chain management and improving trade scenario etc, and, therefore, inflation may see easing to a base of around 3% before averaging back to the pre-COVID levels.

Risk management amidst Covid-19

The country faced the second wave of Covid in the April-June 2022 quarter. It led to higher levels of infections and fatality causing severe toll on life. Fortunately, the curtailment actions by the government were more localised and well calibrated at city and specific zone levels enabling continuity and minimal disruption to economic activity throughout the country. Though this caused a marginal uptick in instalment default rate and compression in debt management efficiencies for a period of three months, the revival was quick and strong. As a result, unlike the first wave, the impact on the portfolio and loan losses was not as severe for the Company. Adequate investment in debt management services in FY2021 has helped in curtailing the impact on the portfolio amidst the second wave as well.

In a calibrated manner throughout the year, the Company continued to relax the underwriting norms it had tightened during the first wave. It has brought back its underwriting norms to pre-Covid standards from the second half of the year. The gradual relaxation of underwriting and sharp vigilance on portfolio quality have ensured that risk performance of portfolio remains in line or better than the pre-Covid metrics. Further, this agile, calibrated and closely monitored approach to credit risk and timely investment in deepening of debt management services have enabled the Company to weather the pandemic well.

The third wave which started in mid-December 2021 had no significant impact on risk metrics both for new business and the overall portfolio.

The Company carried out multiple risk simulations to assess the potential impact of the second and third wave of the pandemic on portfolio risk and absorbed additional credit costs based on these simulations. The Company saw elevated level of loan losses of ₹ 181 crores in FY2022 owing to the disruption caused by the second and third waves. Given the risk of potential future waves of pandemic and other factors which could impact the Company's risk performance, the Company is carrying management overlay for macro economics factors and COVID-19 of ₹ 211 crore as on 31 March 2022 to account for any tail risk which may emerge from the pandemic and other uncertainities.

48. Risk management objectives and policies (Contd.)

(c) Credit Risk (Contd.)

ECL sensitivity to future economic conditions

(₹ in crore)

ECL coverage of financial instruments under forecast economic conditions	As at 31 March 2022	As at 31 March 2021
Gross carrying amount of loans	46,949.66	33,774.66
Reported ECL	467.59	355.76
Reported ECL coverage	1.00%	1.05%
Assumptions for stressed central scenario		
Base ECL without macro overlay (based on empirical evidences)	256.59	187.56
Add : Management overlay for Covid-19	177.00	118.20
ECL before management overlay for macro economic factors	433.59	305.76
ECL amounts for alternate scenario		
Central Scenario (80%)	459.49	305.76
Downside scenario (10%)	606.49	903.06
Upside scenario (10%)	393.49	208.46
Reported ECL	**467.59**	**355.76**
Management overlay for Macro economics factors and COVID-19		
Management overlay representing COVID-19 stress	177.00	118.20
Management overlay for macro economic factors	34.00	50.00
ECL coverage ratios by scenario		
Central scenario (80%)	0.98%	0.91%
Downside scenario (10%)	1.29%	2.67%
Upside scenario (10%)	0.84%	0.62%

(d) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analysed to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

49. Employee stock option plan

The Nomination and Remuneration Committee of the holding Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

As on 31 March 2022

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
16-May-19	3,002.75	1,37,550	38,592	57,516	26,152	15,290	96,108
19-May-20	1,938.60	2,55,000	36,044	1,67,900	24,305	26,751	2,03,944
27-Apr-21	4,736.55	1,15,446	-	1,07,352	-	8,094	1,07,352
Total		5,07,996	74,636	3,32,768	50,457	50,135	4,07,404

As on 31 March 2021

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
16-May-19	3,002.75	1,37,550	23,929	98,127	10,430	5,064	1,22,056
19-May-20	1,938.60	2,55,000	-	2,45,450	-	9,550	2,45,450
Total		3,92,550	23,929	3,43,577	10,430	14,614	3,67,506

49. Employee stock option plan (Contd.)

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Grant date	27-Apr-21	19-May-20
No. of options granted	1,15,446	2,55,000
Weighted average fair value (₹)	2,108.92	787.24

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

As on 31 March 2022

Total for all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	3,67,506	1938.60-3002.75	2,292.03	4.51
Granted during the year	1,15,446	4,736.55	4,736.55	-
Cancelled during the year	35,521	1938.60-4736.55	2,882.51	
Exercised during the year	40,027	1938.60-3002.75	2,356.58	
Outstanding at the end of the year	4,07,404	1938.60-4736.55	2,926.90	5.77
Exercisable at the end of the year	74,636	1938.60-3002.75	2,488.84	3.89

As on 31 March 2021

Total for all grants	No. of options	Range of exercise prices	Weighted average exercise	Weighted average remaining
Outstanding at the beginning of the year	1,37,550	3,002.75	3,002.75	3.98
Granted during the year	2,55,000	1,938.60	1,938.60	
Cancelled during the year	14,614	1938.60-3002.75	2,307.35	-
Exercised during the year	10,430	3,002.75	3,002.75	-
Outstanding at the end of the year	3,67,506	1938.60-3002.75	2,292.03	4.51
Exercisable at the end of the year	23,929	1938.60-3002.75	3,002.75	2.40

The weighted average market price of equity shares for options exercised during the year is ₹ 6,158.33 (Previous year ₹ 4,642.40).

Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (₹)*
16-May-19	7.09%	3.5 -6.5 years	34.03%	0.13%	3,002.75
19-May-20	5.07%	3.5 -6.5 years	42.95%	0.83%	1,938.60
27-Apr-21	5.65%	3.5 -6.5 years	47.51%	0.21%	4,736.55

For the year ended 31 March 2022, the Company has accounted expense of ₹ 19.23 crore as employee benefit expenses (note no 32) on the aforesaid employee stock option plan (Previous year ₹ 13.36 crore).

50. Utilisation of Borrowed funds

Details of transaction where the Company has received fund from entities (Funding Party) with the understanding that the Company shall directly or indirectly lend or invest in other entities.

(₹ in crore)

Name of Funding Party	Date of fund received	Amount of fund received	Name of other intermediaries' or ultimate beneficiaries	Date of fund loaned	Amount of fund loaned
Karuna Ventures Pvt Ltd **Address:** Second floor, Plot No. 30, Galaxy, 1st Main road, JP Nagar, 3rd Phase, Bangalore Urban, Karnataka, 560078 **PAN:** AADCK7179G **CIN:** U74110KA2009PTC050575	07-Dec-21	65.00	Tenshi Kaizen Private Limited **Address:** Plot no. 46, Higher pharmatech pvt. ltd., 1st phase, KIADB industrial area, Harohalli, Ramanagar, Karnataka, 562112 **PAN:** AABCHX8221	09-Dec-21	61.50
Premsagar Infra Realty Private Limited **Address:** 191/A/2A/1/2, Tower E, Tech Park One, Next to don bosco school, off airport road Yerwada pune 411006 **PAN:** AAACP5702B **CIN:** U55701PN1991PTC134103	18-Nov-21	445.00	A2Z Online Services Private Limited **Address:** Third floor Tower E Tech Park One, Next to Don Bosco School, Yerwada, Pune-411006 **PAN:** AACCA5376J	29-Nov-21	420.00

The Company does not have relationship in terms of Companies Act 2013 and Ind AS 24 with the funding parties and beneficiaries companies.

In respect of above transactions, relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

51. **Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February 2021 (as amended)**

51.1 Principal Business Criteria

Principal Business Criteria for the Company to be classified as "Housing Finance Company" as per the Paragraph 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, updated as on 28 December, 2021 is given below:

Criteria	% as at 31 March 2022*	% as at 31 March 2021*
Percentage of total assets towards housing finance	55.90%	48.05%
Percentage of total assets towards housing finance for individuals	50.93%	44.13%

*Minimum regulatory percentage to be complied as on March 31, 2022 is 50% and 40% respectively.

51.2 Disclosures:

51.2.1 Capital

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
(i) CRAR (%)	19.71%	21.33%
(ii) CRAR Tier I capital (%)	18.95%	20.70%
(iii) CRAR Tier II capital (%)	0.76%	0.63%
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt instruments	-	-

51.2.2 Reserve Fund u/s 29C of NHB Act, 1987

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year:		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	126.96	78.32
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	74.40	32.40
Total	**224.02**	**110.72**
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	81.93	48.64
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	-	22.66
c) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	60.00	42.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Additional amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	208.89	126.96
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	22.66
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	134.40	74.40
Total	**365.95**	**224.02**

S1.2.3 Investments

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Value of investments		
(i) Gross value of investments		
(a) In India	1,247.52	3,264.06
(b) Outside India		
(ii) Provisions for (depreciation) / appreciation*		
(a) In India	0.75	1.98
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	1,248.27	3,266.04
(b) Outside India	-	
Movement of provisions held towards (depreciation) / appreciation on investments		
(i) Opening balance	1.98	7.57
(ii) Add: Provisions made during the year (Net of appreciation)	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	1.23	5.59
(iv) Closing balance	0.75	1.98

* Represents unrealised gain due to fair value change

S1.2.4 Derivatives

The Company has not entered into any derivative / forward rate agreement / interest rate swap / exchange traded interest rate derivative during the current year and previous year.

51.2.5 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as at 31 March 2022

(₹ in crore)

Particulars	1 day to 7days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 month & upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 Years	Total
Liabilities											
Borrowings from bank	-	-	74.79	176.96	1,106.47	908.55	2,733.49	12,892.38	5,626.72	1,023.81	24,493.17
Deposits	-	-	-	-	-	-	65.00	445.00	-	-	510.00
Market borrowing	766.16	499.30	9.98	818.72	725.54	1,997.46	2,606.11	7,415.77	329.75	1,320.36	16,489.15
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	467.11	324.71	419.05	932.02	891.26	2,653.10	4,469.39	12,850.68	8,145.66	15,329.09	46,482.07
Investments*	530.78	450.68	-	-	-	517.50	-	0.13	-	-	1,499.09
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of advances have been shown based on behavioural pattern.

*Investments includes fixed deposits of ₹ 250.82 crore shown under Note 5 - cash and cash equivalents & Note 6 - Bank balances other than cash and cash equivalents to the financial statements.

51.2.5 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as at 31 March 2021

(₹ in crore)

Particulars	1 day to 7days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 month & upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 Years	Total
Liabilities											
Borrowings from bank	-	-	65.63	286.31	653.70	937.80	1,766.05	10,043.68	4,611.41	1,903.94	20,268.52
Deposits	-	-	-	-	-	-	-	-	-	-	-
Market borrowing	1,291.15	-	598.54	1,599.35	812.36	512.23	1,890.87	4,124.23	-	503.35	11,332.08
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	397.04	173.01	404.21	763.37	738.07	2,092.12	3,716.74	10,465.55	6,081.89	8,586.91	33,418.90
Investments*	2,757.32	254.98	-	758.89	-	-	-	0.02	-	-	3,771.21
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of advances have been shown based on behavioural pattern.

*Investments includes fixed deposits of ₹ 505.17 crore shown under Note 5 - cash and cash equivalents & Note 6 - Bank balances other than cash and cash equivalents to the financial statements.

51.2.6 Exposure

51.2.6.1 Exposure to Real Estate Sector

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Direct Exposure		
(i) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	33,470.90	24,495.15
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	9,950.08	7,022.72
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential		
b) Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		-
Total Exposure to Real Estate Sector	**43,420.98**	**31,517.87**

51.2.6.2 Exposure to Capital Market

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;		
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;		
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;		-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

51.2.6.3 Details of financing of parent company products

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

51.2.6.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

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

51.2.6.5 Unsecured Advances

The Company has unsecured advances of ₹ 1603.48 crore (Previous year: ₹ 1299.76 crore). The Company has not granted any advances against intangible collateral.

51.2.6.6 Exposure to group companies engaged in real estate business

The Company does not have any exposure to group companies engaged in real estate business during the current and previous year.

51.3 Miscellaneous

51.3.1 Registration obtained from other financial sector regulators

The Company has obtained registration from Financial Intelligence Units, India vide Registration No. FIHI C00119.

51.3.2 Disclosure of penalties imposed by NHB/RBI and other regulators

During the financial year 2021-22, there were no penalties imposed by NHB or any other regulators. (Previous year 2020-21 : ₹ 50,000/-)

51.3.3 Related party Transactions

Refer Note no. 41 Disclosure of transactions with related parties as required by Ind AS 24

51.3.4 Group Structure

Diagrammatic representation of group structure given below:

Bajaj Holdings & Investment Limited (BHIL) (Entities in which KMP and their relatives have significant influence)

- **Bajaj Finserv Limited (BHIL holds 39.16%) (Ultimate Holding Company)**
  - Bajaj Allianz General Insurance Company Limited (Ultimate Holding Company holds 74%)
  - Bajaj Allianz Life Insurance Company Limited (Ultimate Holding Company holds 74%)
  - Bajaj Finserv Direct Ltd (Ultimate Holding Company holds 80.13%)
  - Bajaj Finserv Health Ltd (Ultimate Holding Company holds 100%)
  - Bajaj Finserv Mutual Fund Trustee Ltd (Ultimate Holding Company holds 100%)
  - Bajaj Finserv Asset Management Ltd (Ultimate Holding Company holds 100%)
  - Bajaj Finserv Ventures Ltd (Ultimate Holding Company holds 100%)
  - **Bajaj Finance Limited (Parent Company holds 52.49%)**
    - **Bajaj Housing Finance Limited (Parent Company holds 100%)**
    - Bajaj Financial Securities Limited (Parent Company holds 100%)
- Bajaj Auto Limited (BHIL holds 33.43%) (Entities in which KMP and their relatives have significant influence)

Above shareholding is as of 31 March 2022

51.3.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

(₹ in crore)

Rating Agency	Instruments	Rating assigned	Migration in ratings during the year	As at 31 March 2022	As at 31 March 2021
India Ratings	Non-Convertible Debenture & Subordinated debt	IND AAA/Stable	NIL	4,000.00	500.00
	Long-Term Bank Rating	IND AAA/Stable	NIL	30,000.00	15,600.00
	Short-Term Bank Rating	IND A1+	Nil	1,000.00	1,400.00
	Commercial Paper	IND A1+	Nil	6,000.00	5,000.00
CRISIL	Non-Convertible Debenture	CRISIL AAA/Stable	Nil	27,969.70	10,580.00
	Subordinated debt	CRISIL AAA/Stable	Nil	1,000.00	500.00
	Long-Term / Short-Term Bank Rating	CRISIL AAA/Stable	Nil	11,000.00 *	9,000.00
	Commercial Paper	CRISIL A1+	NIL	6,000.00	5,000.00

* Combined limit for long-term and short-term bank rating

51.3.6 Remuneration of Directors

The Company has paid sitting fees of ₹ 0.50 crore (previous year: ₹ 0.22) to the directors during the current year.

51.4 **Additional Disclosures**

51.4.1 **Provisions and Contingencies**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account (₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax/deferred tax and tax adjustments of earlier years	250.24	159.99
3. Provision towards NPA / Impairment loss allowance on stage 3 assets	34.27	36.19
4. Provision for Standard Assets / Impairment loss allowance on stage 1&2 *	77.56	198.95
5. Other Provision and Contingencies	-	-
*** Breakup of provision for Standard Assets / Impairment loss allowance on stage 1&2**		
Commercial Real Estate	7.73	14.77
Commercial Real Estate-Residential Housing	7.12	4.31
Others	62.71	179.87
Total	**77.56**	**198.95**

Break up of Loan & Advances and Provisions thereon (₹ in crore)

Particulars	Housing		Non-Housing	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Standard Assets				
a) Total Outstanding Amount	27,150.25	18,219.90	19,653.05	15,435.63
b) Provisions made	205.07	164.36	183.05	146.20
Sub-Standard Assets				
a) Total Outstanding Amount	57.70	52.49	57.80	64.07
b) Provisions made	32.44	19.93	32.22	21.79
Doubtful Assets – Category-I				
a) Total Outstanding Amount	9.60	1.27	21.29	1.30
b) Provisions made	5.65	0.73	8.69	0.75
Doubtful Assets – Category-II				
a) Total Outstanding Amount	0.34	-	0.13	-
b) Provisions made	0.34	-	0.13	-
Doubtful Assets – Category-III				
a) Total Outstanding Amount		-		
b) Provisions made				
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Total				
a) Total Outstanding Amount	27,217.39	18,273.66	19,732.27	15,501.00
b) Provisions made	243.50	185.02	224.09	170.74

51.4.2 **Draw Down from Statutory Reserve created u/s 29C of the National Housing Bank Act, 1987**

The Company has not drawn any amount from Statutory Reserve created u/s 29C of the National Housing Bank Act, 1987 during the current year.

51.4.3 **Concentration of Public Deposits, Advances, Exposures and NPAs**

51.4.3.1 **Concentration of Public Deposits (for Public Deposit taking/holding HFCs)**

The Company is non public deposit taking housing finance company and has not accepted any public deposits during the current year.

51.4.3.2 **Concentration of Loans & Advances** (₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Total Loans & Advances to twenty largest borrowers	3,980.29	2,381.91
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	8.48%	7.05%

51.4.3.3 Concentration of all Exposure (including off-balance sheet exposure)

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Total Exposure to twenty largest borrowers / customers	4,186.56	2,556.47
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	8.14%	6.97%

51.4.3.4 Concentration of NPAs

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
Total Exposure to top ten NPA accounts	16.02	13.25

51.4.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at 31 March 2022	As at 31 March 2021
Housing Loans:		
Individuals	0.27%	0.31%
Builders/Project Loans	0.04%	0.08%
Corporates	0.00%	0.00%
Others	0.00%	0.00%
Non-Housing Loans:		
Individuals	0.55%	0.56%
Builders/Project Loans	0.19%	0.00%
Corporates	0.09%	0.20%
Others	0.00%	0.00%

51.4.4 Movement of NPAs

(₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
(I) Net NPAs to Net Advances (%)	0.14%	0.22%
(II) Movement of NPAs (Gross)		
a) Opening balance	119.13	23.70
b) Additions during the year	153.26	115.82
c) Reductions during the year	126.03	20.39
d) Closing balance	146.36	119.13
(III) Movement of Net NPAs		
a) Opening balance	73.93	14.69
b) Additions during the year	46.81	66.72
c) Reductions during the year	53.85	7.48
d) Closing balance	66.89	73.93
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	45.20	9.01
b) Provisions made during the year	106.45	49.10
c) Write-off/write-back of excess provisions	72.18	12.91
d) Closing balance	79.47	45.20

51.4.5 Overseas Assets

The Company has not held any overseas assets as on reporting date (P.Y.Nil)

51.4.6 **Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

The Company does not have any SPVs sponsored in current year and previous year which were required to be consolidated as per accounting Norms.

51.4.7 **Disclosure of Complaints**

Customers Complaints*

Particulars	As at 31 March 2022	As at 31 March 2021
a) No. of complaints pending at the beginning of the year	0	27
b) No. of complaints received during the year	505	2126
c) No. of complaints redressed during the year	505	2153
d) No. of complaints pending at the end of the year	0	0

*includes complaints reported through NHB - GRIDS Portal is 111 (previous year 415)

52. **Disclosure of Frauds as per NHB (ND)/DRS/Policy Circular No.92/2018-19 dated 05 February, 2019**

There was no fraud reported to NHB/RBI during the financial year ended 31 March 2022 (Previous year: Nil)

53. The Company has not granted any loans against collateral of gold jewellery in current year and previous year.

54. **Disclosures in respect of Liquidity Risk Management Framework as referred in para 3.1.1 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Annex II referred in para 15A of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016**

54.1 **Funding Concentration based on significant counterparty (both deposits and borrowings)**

Particulars	As at 31 March 2022	As at 31 March 2021
i) Number of Significant Counterparties*	25	25
ii) Amount(in ₹ crore)	35,583.91	28,334.15
iii) Percentage of funding concentration to total deposits#	NA	NA
iv) Percentage of funding concentration to total liabilities	85.16%	89.03%

* Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies. Funding concentration based on significant counterparty has been computed using Latest Beneficiary Position instead of original subscribers.

Total public deposits

54.2 **Disclosures on Top 20 large deposits is not applicable being non deposit taking NBFCs**

54.3 **Top 10 borrowings** (₹ in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
i) Total amount of top 10 borrowings	26,333.26	18,689.10
ii) Percentage of amount of top 10 borrowings to total borrowings	63.47%	59.14%

Funding concentration based on significant counterparty has been computed using Latest Beneficiary Position instead of original subscribers.

54.4 **Funding Concentration based on significant instrument/product*** (₹ in crore)

Particulars	As at 31 March 2022	Percentage of total liabilities	As at 31 March 2021	Percentage of total liabilities
i) Non-convertible debentures	12,491.92	29.90%	8,470.67	26.62%
ii) Loans from bank	24,493.17	58.62%	20,268.52	63.69%
iii) Commercial paper	3,997.23	9.57%	2,861.41	8.99%
iv) Deposits	510.00	1.22%	-	0.00%

* Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Total liabilities are excluding Equity share capital and Other equity

54.5 Stock ratio

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Commercial paper as a percentage of total public funds*	9.63%	9.05%
(ii) Commercial paper as a percentage of total liabilities	9.57%	8.99%
(iii) Commercial paper as a percentage of total assets	8.24%	7.56%
(iv) Non convertible debentures (original maturity of less than 1 year) as a percentage of total public funds*	NA	NA
(v) Non convertible debentures (original maturity of less than 1 year) as a percentage of total liabilities	NA	NA
(vi) Non convertible debentures (original maturity of less than 1 year) as a percentage of total assets	NA	NA
(vii) Other short term liabilities as a percentage of total public funds*#	20.98%	24.54%
(viii) Other short term liabilities as a percentage of total liabilities #	20.83%	24.36%
(ix) Other short term liabilities as a percentage of total assets #	17.93%	20.48%

Total liabilities are excluding equity share capital and other equity.

* Public funds are considered as total of borrowings from NCD, CP, Bank Loans and ICDs.

Other short term liabilities are residual maturities with in 12 months of Bank loan, NCDs and other liabilities(excl. CPs).

54.6 Institutional set-up for liquidity risk management

The Company manages its Liquidity Risk Management Framework through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans under the guidance of ALCO and Board. For qualitative disclosure on liquidity risk management, refer note no. 48.

55. Disclosures in respect of Guidelines on Maintenance of Liquidity Coverage Ratio (LCR) as referred in para 3.1.2 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Annex II referred in para 15A of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Appendix I

	Q3 FY22		Q4 FY22	
	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High Quality Liquid Assets				
1. **Total High Quality Liquid Assets (HQLA)	**571.15**	**571.15**	**896.65**	**896.65**
Cash Outflows				
2. Deposits (for deposit taking companies)			-	-
3. Unsecured wholesale funding	500.00	575.00	932.47	1,072.34
4. Secured wholesale funding	409.86	471.33	674.20	775.33
5. Additional requirements, of which	-	-		
(i) Outflows related to derivative exposures and other collateral requirements	-	-		
(ii)	-	-		
(iii) Credit and liquidity facilities				
6. Other contractual funding obligations	1,165.04	1,339.79	1,271.68	1,462.43
7. Other contingent funding obligations	-	-	-	-
8. TOTAL CASH OUTFLOWS	**2,074.89**	**2,386.13**	**2,878.35**	**3,310.10**
Cash Inflows				
9. Secured lending	-	-	-	-
10. Inflows from fully performing exposures	415.22	311.41	478.03	358.52
11. Other cash inflows	5,711.26	4,283.44	4,421.18	3,315.89
12. TOTAL CASH INFLOWS	**6,126.48**	**4,594.85**	**4,899.21**	**3,674.41**
		Total Adjusted Value		Total Adjusted Value
13. TOTAL HQLA		**571.15**		**896.65**
14. TOTAL NET CASH OUTFLOWS		**596.53**		**827.52**
15. LIQUIDITY COVERAGE RATIO (%)		**95.75%**		**108.35%**
16. NHB Requirment w.e.f. Dec 21 (%)		**50.00%**		**50.00%**
17. NHB Requirment Amount		**298.27**		**413.76**

****Components of HQLA**

High Quality Liquid Assets (HQLA)			Actual	Stressed
1. Assets to be included as HQLA without any haircut	571.15	571.15	896.65	896.65
2. Assets to be considered for HQLA with a minimum haircut of 15%		-		-
3. Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	
4. Approved securities held as per the provisions of section 45 IB of RBI Act		-	-	
Total HQLA	**571.15**	**571.15**	**896.65**	**896.65**

55. Disclosures in respect of Guidelines on Maintenance of Liquidity Coverage Ratio (LCR) as referred in para 3.1.2 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Annex II referred in para 15A of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. (Contd.)

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

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The LCR levels for the balance sheet date is derived by arriving the stressed expected cash inflow and outflow for the next 30 calendar days. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%.

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

For the purpose of HQLA the Company considers: (1) Unencumbered government securities, (2) Cash and Bank balances.
The LCR is computed by dividing the stock of HQLA by its total net stressed cash outflows over next 30 days. LCR guidelines have become effective from 1 December 2021, requiring HFCs to maintain minimum LCR of 50%. LCR is gradually required to be increased to 100% by 1 December 2025. HFCs are required to maintain LCR of 50% as on 31 March 2022.

56. Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated 13 March 2020 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109

56.1 Policy for sales out of amortised cost business model portfolios

Refer Note No. 4.4 (i) (b)

56.2 A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial Instruments'

As at 31 March 2022 (₹ in Crore)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) – (4)	(6)	(7) = (4) – (6)
(a) Performing Assets						
Standard	Stage 1	46,199.61	259.95	45,939.66	210.32	49.63
	Stage 2	603.69	128.17	475.52	43.28	84.89
Subtotal (a)		**46,803.30**	**388.12**	**46,415.18**	**253.60**	**134.52**
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	114.99	64.66	50.33	18.48	46.18
(ii) Doubtful up to						
1 year	Stage 3	30.90	14.34	16.56	8.86	5.48
1 to 3 years	Stage 3	0.47	0.47	-	0.22	0.25
More than 3 years	Stage 3	-	-	-	-	-
Subtotal (ii)		31.37	14.81	16.56	9.08	5.73
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**146.36**	**79.47**	**66.89**	**27.56**	**51.91**
(c) Other Items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	46,199.61	259.95	45,939.66	210.32	49.63
	Stage 2	603.69	128.17	475.52	43.28	84.89
	Stage 3	146.36	79.47	66.89	27.56	51.91
	Total	**46,949.66**	**467.59**	**46,482.07**	**281.16**	**186.43**

* Computed on the value as per the IRACP norms

As at 31 March 2021 (₹ in Crore)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) – (4)	(6)	(7) = (4) – (6)
(a) Performing Assets						
Standard	Stage 1	32,996.17	178.68	32,817.49	142.95	35.73
	Stage 2	659.36	131.88	527.48	50.25	81.63
Subtotal (a)		**33,655.53**	**310.56**	**33,344.97**	**193.20**	**117.36**
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	116.56	43.72	72.84	17.49	26.23
(ii) Doubtful up to:						
1 year	Stage 3	2.57	1.48	1.09	0.71	0.77
1 to 3 years	Stage 3	-		-	-	-
More than 3 years	Stage 3	-	-	-		
Subtotal (ii)		2.57	1.48	1.09	0.71	0.77
(iii) Loss	Stage 3	-	-	-	-	
Subtotal (b)		**119.13**	**45.20**	**73.93**	**18.20**	**27.00**
(c) Other items	Stage 1	-	-	-		-
	Stage 2			-	-	
	Stage 3	-		-	-	
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	32,996.17	178.68	32,817.49	142.95	35.73
	Stage 2	659.36	131.88	527.48	50.25	81.63
	Stage 3	119.13	45.20	73.93	18.20	27.00
	Total	**33,774.66**	**355.76**	**33,418.90**	**211.40**	**144.36**

* Computed on the value as per the IRACP norms

57. **Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 For the half year ended 30 September 2021**

(₹ in Crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31 March 21	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year #	Of (A) amount paid by the borrowers during the half-year*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 30 September 2021
	(A)	(B)	(C)	(D)	(E)
Personal loans	501.90	41.59	10.20	31.54	428.77
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**0.00**	**41.59**	**10.20**	**31.54**	**428.77**

For the half year ended 31 March 2022

(₹ in Crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 30 September 21 (A)[$]	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year[#]	Of (A) amount paid by the borrowers during the half-year[*]	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31 March 2022
	(A)	(B)	(C)	(D)	(E)
Personal Loans	573.78	27.16	0.92	26.81	519.81
Corporate persons	-	-		-	-
Of which, MSME:	2.22	-	-	(0.07)	2.29
Others	1.47	-	-	(0.08)	1.55
Total	**3.69**	**27.16**	**0.92**	**26.66**	**523.65**

represents debt that slipped into NPA and was subsequently written off during the half-year.

* represents receipts net of interest accruals and drawdown, if any and account roll back to standard during the half year.

$ Includes account restructured under OTR 2.0 upto 30 September 2021.

There were 415 borrower accounts having an aggregate exposure of ₹ 90.68 crore to the Company as at 31 March 2022, where resolution plans had been implemented under OTR1.0 and now modified under RBI's Resolution Framework 2.0 dated 5 May 2021.

58. **Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021**

(₹ in Crore)

Details of transfer through assignment in respect of loans not in default	Year ended 31 March 2022		Year ended 31 March 2021
Entity	Banks	NBFC	Banks
Count of loan accounts assigned (in numbers)	9468	2063	12,864
Amount of loan account assigned	1,367.41	1,503.68	1,881.63
Retention of beneficial economic interest (MRR)	5%/10%	1%	10%
Weighted average maturity (residual maturity in months)	189.97	139.56	193.80
Weighted average holding period (in months)	20.57	18.45	21.41
Coverage of tangible security	1	1	1.00
Rating-wise distribution of rated loans	N/A	N/A	N/A

(₹ in Crore)

Details of acquired through assignment in respect of loans not in default	Year ended 31 March 2022	Year ended 31 March 2021
Entity	HFC	NBFC
Count of loan accounts assigned (in numbers)	2,855	1,171
Amount of loan account assigned	738.78	300.13
Retention of beneficial economic interest (MRR)*	1%	10%
Weighted average maturity (residual maturity in months)	184.99	158.93
Weighted average holding period (in months)	54.76	41.1
Coverage of tangible security	100%	100%
Rating-wise distribution of rated loans	N/A	N/A

* Retained by the originator

(₹ in Crore)

Details of stressed loans transferred during the yea	Year ended 31 March 2022			Year ended 31 March 2021		
	To ARC	To permitted transferees	To other transferees	To ARC	To permitted transferees	To other transferees
No. of accounts	797	-	-		-	-
Aggregate principal outstandingof loans transferred	107.56	-	-	-	-	-
Weighted average residual tenor of the loans transferred (in ye	6.36		-		-	-
Net book value of loans transferred (at the time of transfer)	70.87	-	-	-	-	
Aggregate consideration	53.18	-	-		-	-
Additional consideration realized in respect of accounts transferred	-		-		-	-

Includes 12 written off accounts (Previous year Nil) with aggregate outstanding of ₹ 2.70 crore (Previous year ₹ Nil) and consideration received thereon ₹ 1.07 (Previous year ₹ Nil).

59. Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated 24 September 2021

The Company has not entered into any Securitisation transactions during the current year and previous year.

60. Amounts less than ₹ 50,000 have been shown at actual against respective line items which are statutorily required to be disclosed.

As per our report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No.: 105049W

Shailesh Shah
Partner
Membership No.: 033632

Pune: 25 April, 2022

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

S R B C & CO LLP
Chartered Accountants

Ground Floor
Panoshal Tech Park, Yerwada
(Near Don Bosco School)
Pune - 411 006, India
Tel: +91 20 6603 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Bajaj Housing Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bajaj Housing Finance Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to note 3 to the financial statements, which describes the uncertainty caused by the continuing COVID-19 pandemic and the related probable events which could impact the Company's estimates of impairment of loans to customers. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of financial assets as at balance sheet date (expected credit losses) *(as described in note 8 of the financial statements)*	
Ind AS 109 requires the Company to provide for impairment of its loan receivables (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management for: • Staging of loans (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); • Grouping of borrowers based on homogeneity by using appropriate statistical techniques; • Estimation of behavioral life; • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/ minimal historical defaults. **Additional considerations on account of COVID-19** Considering the evolving nature of the COVID-19 pandemic, which has continued to impact the Company's business operations, resulting in higher loan losses, the Company has maintained a management overlay of Rs.166 crore as part of its ECL, to reflect among other things the increased risk of deterioration in macro-economic factors. Given the unique nature of the pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory measures and the Company's responses thereto, the actual credit loss can be different than that being estimated. In view of such high degree of management's judgement involved in estimation of ECL, accentuated by the COVID-19 pandemic and related events, it is a key audit matter.	• Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020. • Read and assessed the Company's policy with respect to one-time restructuring offered to customers pursuant to the "Resolution Framework for COVID-19-related Stress" issued by RBI on August 6, 2020 and tested the implementation of such policy on a sample basis. • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. • Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages. • Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of Company's policy on one time restructuring. • Tested the ECL model, including assumptions and underlying computation. Assessed the floor/ minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. • Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic). • Assessed disclosures included in the financial statements in respect of expected credit losses including the specific disclosures made with regards to the impact of COVID-19 on ECL estimation.
(b) IT systems and controls	
Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, hence we	• We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various

Key audit matters	How our audit addressed the key audit matter
identified IT systems and controls over financial reporting as a key audit matter for the Company. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.	interfaces, configuration and other identified application controls. • We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized. • We tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization. • In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.

Other Information

The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 38 to the financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

UDIN: 21213935AAAABO1943

Pune
April 26, 2021

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Bajaj Housing Finance Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities.

(b) 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 service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and services tax and cess which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer.

Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.

(x) Based upon the audit procedures performed for the purpose of reporting on the true and fair view of the financial statements and according to the information and explanations given by the management,

we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

UDIN: 21213935AAAABO1943

Pune
April 26, 2021

Annexure 2 referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date

Report on Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Bajaj Housing Finance Limited (the "Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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.

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

Meaning of Internal Financial Controls with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on issued by the ICAI.

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

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

UDIN: 21213935AAAABO1943

Pune
April 26, 2021

Bajaj Housing Finance Limited

Balance Sheet as at 31 March 2021

(₹ in crore)

	Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	5	461.78	658.72
(b)	Bank balances other than cash and cash equivalents	6	255.00	-
(c)	Trade receivables	7	310.66	118.47
(d)	Loans	8	33,418.90	27,975.41
(e)	Investments	9	3,266.04	2,508.02
(f)	Other financial assets	10	33.99	8.37
	Total financial assets		**37,746.37**	**31,268.99**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)		4.46	11.10
(b)	Deferred tax assets (net)	11	15.26	-
(c)	Property, plant and equipment	12	64.32	77.80
(d)	Intangible assets	12	14.57	7.98
(e)	Other non-financial assets	13	14.36	6.55
	Total non financial assets		**112.97**	**103.43**
	Total assets		**37,859.34**	**31,372.42**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables	14		
	(I) Trade payables			
	(i) Total outstanding dues to micro enterprises and small enterprises		-	0.24
	(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises		20.90	30.35
	(II) Other payables			
	(i) Total outstanding dues to micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises		21.28	17.83
(b)	Debt securities	15	11,332.08	7,823.59
(c)	Borrowings (other than debt securities)	16	20,268.52	17,776.85
(d)	Other financial liabilities	17	144.63	73.59
	Total financial liabilities		**31,787.41**	**25,722.45**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)		7.39	7.07
(b)	Provisions	18	2.29	2.28
(c)	Deferred tax liabilities (net)	11	-	11.43
(d)	Other non-financial liabilities	19	30.03	44.06
	Total non-financial liabilities		**39.71**	**64.84**
(3)	**EQUITY**			
(a)	Equity share capital	20	4,883.33	4,883.33
(b)	Other equity	21	1,148.89	701.80
	Total equity		**6,032.22**	**5,585.13**
	Total liabilities and equity		**37,859.34**	**31,372.42**
	Summary of significant accounting policies	4		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No.: 324982E/E300003

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

Pune: 26 April, 2021

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajeev Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

Bajaj Housing Finance Limited

Statement of Profit and Loss for the year ended 31 March 2021

(₹ in crore)

	Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
	Revenue from Operations			
	(i) Interest income	22	2,877.43	2,303.08
	(ii) Fees and commission income	23	74.62	100.08
	(iii) Net gain on fair value changes	24	59.85	73.71
	(iv) Sale of services	25	142.15	169.15
	(v) Others	26	0.65	-
(I)	**Total Revenue from operations**		**3,154.70**	**2,646.02**
(II)	Other Income	27	0.58	0.21
(III)	**Total Income (I) + (II)**		**3,155.28**	**2,646.23**
	Expenses			
	(i) Finance costs	28	1,965.87	1,616.03
	(ii) Fees and commission expense	29	1.33	1.30
	(iii) Impairment on financial instruments	30	247.21	124.33
	(iv) Employee benefits expenses	31	245.76	248.51
	(v) Depreciation and amortisation expenses	12	21.77	23.14
	(vi) Other expenses	32	60.16	65.47
(IV)	**Total Expenses**		**2,542.10**	**2,078.78**
(V)	**Profit before tax (III) - (IV)**		**613.18**	**567.45**
	Tax expense			
	(i) Current tax		187.00	126.10
	(ii) Deferred tax charge / (credit)		(27.01)	20.02
(VI)	**Total tax expense**	11	**159.99**	**146.12**
(VII)	**Profit after tax (V)- (VI)**		**453.19**	**421.33**
	Other Comprehensive Income			
	(A) (i) Items that will not be reclassified to profit or loss:			
	Re-measurement gains/(losses) on defined benefit plans		1.27	(1.99)
	(ii) Income tax effect relating to these items that will not be reclassified to profit or loss		(0.32)	0.39
	Subtotal (A)		**0.95**	**(1.60)**
	(B) (i) Items that will be reclassified to profit or loss in subsequent periods:		-	-
	(ii) Income tax effect relating to these items that will be reclassified to profit or loss in subsequent periods		-	-
	Subtotal (B)		-	-
(VIII)	**Other comprehensive income for the year, net of tax (A + B)**		**0.95**	**(1.60)**
(IX)	**Total comprehensive income for the year (VII+VIII)**		**454.14**	**419.73**
(X)	Earnings per equity share (Nominal value per share ₹ 10/-)			
	Basic (₹)	33	0.93	1.12
	Diluted (₹)	33	0.93	1.12
	Summary of significant accounting policies	4		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No.: 324982E/E300003

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

Pune: 26 April, 2021

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajeev Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

Bajaj Housing Finance Limited
Statement of Changes in Equity for the year ended 31 March 2021

a. Equity share capital

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Balance at the beginning of the year	4,883.33	3,550.00
Changes in equity share capital during the year (refer note no. 20(a))	-	1,333.33
Balance at the end of the year	**4,883.33**	**4,883.33**

b. Other equity

For the year ended 31 March 2021 (₹ in crore)

Particulars	Note No.	Reserves and Surplus				Total other equity
		Securities Premium	Statutory reserve in terms of NHB Act	Retained earnings	Capital Contribution from Holding-ESOPs	
Balance as at 31 March 2020		**166.67**	**110.72**	**417.36**	**7.05**	**701.80**
Profit after tax		-	-	453.19	-	453.19
Other comprehensive income (net of tax)		-	-	0.95	-	0.95
Total		**166.67**	**110.72**	**871.50**	**7.05**	**1,155.94**
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987		-	113.30	(113.30)	-	-
Less: Payment to holding company towards employee stock option plan (Refer Note no 46)		-	-	-	(7.05)	(7.05)
Balance as at 31 March 2021	21	**166.67**	**224.02**	**758.20**	**-**	**1,148.89**

For the year ended 31 March 2020 (₹ in crore)

Particulars	Note No.	Reserves and Surplus				Total other equity
		Securities Premium	Statutory reserve in terms of NHB Act	Retained earnings	Capital Contribution from Holding-ESOPs	
Balance as at 31 March 2019		**-**	**26.45**	**81.90**	**-**	**108.35**
Profit after tax		-	-	421.33	-	421.33
Other comprehensive income (net of tax)		-	-	(1.60)	-	(1.60)
Total		**-**	**26.45**	**501.63**	**-**	**528.08**
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987		-	84.27	(84.27)		-
Add: Issue of equity shares to Holding Company		166.67	-	-	-	166.67
Add: Fair value of ESOPs issued by Holding Company		-	-	-	7.05	7.05
Balance as at 31 March 2020	21	**166.67**	**110.72**	**417.36**	**7.05**	**701.80**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No.: 324982E/E300003

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

Pune: 26 April, 2021

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajeev Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

Bajaj Housing Finance Limited

Statement of cash flows for the year ended 31 March 2021

(₹ in crore)

	Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A.	**Cash flow from operating activities**		
	Profit before tax	**613.18**	**567.45**
	Adjustments for:		
	Interest income	(2,877.43)	(2,303.08)
	Depreciation and amortisation expenses	21.77	23.14
	Impairment on financial instruments	247.21	124.33
	Finance Costs	1,965.87	1,616.03
	Net (gain)/ loss on disposal of property, plant and equipment	0.44	0.49
	Share based payments to employees	-	7.05
	Service fees for management of assigned portfolio of loans	(103.74)	(129.81)
	Net (gain)/ loss on financial instruments measured at FVTPL	(59.85)	(73.71)
		(192.55)	**(168.11)**
	Cash inflow from interest on loans	2,840.61	2,286.61
	Cash inflow from service asset	38.52	16.53
	Cash outflow towards finance cost	(1,669.72)	(1,247.51)
	Cash generated from operations before working capital changes	**1,016.86**	**887.52**
	Working capital changes:		
	(Increase) / decrease in trade receivables	(1.97)	(1.30)
	(Increase) / decrease in loans	(5,698.50)	(10,763.52)
	(Increase) / decrease in other financial assets	(275.64)	(0.56)
	(Increase) / decrease in other non-financial assets	(8.63)	(2.52)
	Increase / (decrease) in trade payables	(9.69)	14.53
	Increase / (decrease) in other payables	3.45	(11.27)
	Increase / (decrease) in other financial liabilities	77.78	(257.50)
	Increase / (decrease) in provisions	1.28	(4.72)
	Increase / (decrease) in other non-financial liabilities	(14.03)	23.26
		(4,909.09)	(10,116.08)
	Income taxes paid (net of refunds)	(180.04)	(128.13)
	Net cash used in operating activities (A)	**(5,089.13)**	**(10,244.21)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(6.60)	(24.70)
	Proceeds from sale of property, plant and equipment	1.51	1.12
	Purchase of intangible assets	(8.43)	(3.65)
	Purchase of investments measured at FVTPL	(21,391.29)	(55,545.26)
	Proceeds from sale of investments measured at FVTPL	21,076.84	54,866.91
	Purchase of investments measured under amortised cost	(3,475.00)	-
	Proceeds from sale of investments measured under amortised cost	2,975.00	-
	Interest received on investments measured at FVTPL, Amortised Cost and cash equivalent fixed deposits	30.93	12.02
	Net cash used in investing activities (B)	**(797.04)**	**(693.56)**
C.	**Cash flow from financing activities**		
	Issue of equity share capital (including securities premium)	-	1,500.00
	Payment to holding on account of recharge liability	(7.05)	-
	Debt securities issued (net)	3,217.18	(178.77)
	Borrowings other than debt securities issued (net)	2,486.83	10,174.57
	Payment of lease liability	(7.73)	(6.29)
	Net cash generated from financing activities (C)	**5,689.23**	**11,489.51**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(196.94)**	**551.74**
	Cash and cash equivalents at the beginning of the year	658.72	106.98
	Cash and cash equivalents at the end of the year	**461.78**	**658.72**

Bajaj Housing Finance Limited
Statement of cash flows for the year ended 31 March 2021

Notes:

1) The above statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard 7 - Statement of cash flows.

2) Components of cash and cash equivalents are disclosed in note no. 5.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No.: 324982E/E300003

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

Pune: 26 April, 2021

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajeev Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

1. Corporate information

The Company (earlier known as 'Bajaj Financial Solutions Limited') was incorporated as a subsidiary of Bajaj Finserv Limited ('BFS') on 13 June 2008, is a company limited by shares and domiciled as well as having its operations in India. The Company was acquired by Bajaj Finance Limited (BFL) from BFS in November 2014 to conduct housing finance business in a dedicated subsidiary company and accordingly the Company's name was changed to Bajaj Housing Finance Limited (BHFL) on 14 November 2014. It got registered with National Housing Bank ('NHB') as a non deposit taking Housing Finance Company vide certificate no 09.0127.15 on 24 September 2015. BHFL is a 100% subsidiary of BFL and started its operation in financial year 2017-18 (FY2018). The Company has a diversified lending model and focuses on six broad categories viz: (i) home loans, (ii) loan against property (iii) lease rental discounting, (iv) developer financing, (v) rural mortgage loans and (vi) unsecured loans. The Company has its registered office at Akurdi, Pune Maharashtra, India and its principal place of business is at 5th floor, B2 Building, Cerebrum IT Park, Kalyani Nagar, Pune Maharashtra, India.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 26 April 2021, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 ('the RBI Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The Company uses accrual basis of accounting except in case of significant uncertainties.(Refer note no. 4.1(i), 4.1(ii)(a) and 4.1(ii)(d))

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on 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 outbreak of COVID-19 has not affected the going concern assumption of the Company.

3. Presentation of Financial Statements

The Company presents its balance sheet in order of liquidity.

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

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS.

Critical accounting estimates and judgements:

The preparation of the Company's financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

i) Business model assessment (Refer note no. 4.4.(i))
ii) Fair value of financial instruments (Refer note no. 4.15, 43, and 44)
iii) Effective interest rate (EIR) (Refer note no. 4.1.(i))
iv) Impairment of financial assets (Refer note no. 4.4.(i), 8, 45)
v) Provisions and other contingent liabilities (Refer note no. 4.10 and 38(a))
vi) Provision for tax expenses (Refer note no. 4.6)
vii) Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 4.7)

Estimation of impairment allowance on financial assets amidst COVID-19 pandemic

Estimates and associated assumptions used for determining the impairment allowance on the Company's financial assets, are based on historical experience and other emerging factors emanating from the COVID-19 pandemic which may also influence the expected credit loss. The Company has used One Time Restructuring (OTR) and repayment moratorium on loans as early indicators suggesting higher flow rates and loss given default and accordingly accounted for commensurate expected credit loss. The Company believes that the factors considered are reasonable under the current circumstances and information available. However, the uncertainty caused by resurgence of the COVID-19 pandemic and related events could further influence the estimate of credit losses.

4. **Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 **Income**

(i) **Interest income**

The Company recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all incomes and cost attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments / receipts through the expected life of the financial asset / financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets (as set out in note no. 4.4 (i) regarded as 'Stage 3'), the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired (as outlined in note no. 4.4 (i)), the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

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

(ii) **Other revenue from operations**

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 - 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 - 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

(a) Fees and commission

The Company recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery. Bounce charges levied on customers for non payment of instalment on the contractual date is recognised on realisation.

Fees on value added services and products are recognised on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment / closure of loan and are recognised on realisation.

(b) Net gain on fair value changes

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

(c) Sale of services

The Company, on de-recognition of financial assets where a right to service the derecognised financial assets for a fee is retained, recognises the fair value of future service fee income over service obligations cost on net basis as service fee income in the statement of profit and loss and, correspondingly creates a service asset in balance sheet. Any subsequent increase in the fair value of service assets is recognised as service income and any decrease is recognised as an expense in the period in which it occurs. The embedded interest component in the service asset is recognised as interest income in line with Ind AS 109 - 'Financial instruments'.

Other revenues on sale of services are recognised as per Ind AS 115 - 'Revenue from contracts with customers' as articulated above in 'other revenue from operations'.

(d) Other operating income

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

(iii) **Other Income**

Other income is accounted on accrual basis, except in case of significant uncertainties.

(iv) **Taxes**

Incomes are recognised net of the goods and services tax, wherever applicable.

4.2 **Expenditures**

(i) **Finance Cost**

Borrowing costs on financial liabilities is recognised using the EIR method (Refer note no. 4.1.(i)).

4. Summary of significant accounting policies (Contd.)

(ii) Fees and commission expenses

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

(iii) Other expenses

Expenses are recognised net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

4.3 Cash and cash equivalents

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

4.4 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities, debt securities and other borrowings, equity capital etc. are some examples of financial instruments.

All financial instruments are at amortised cost, unless otherwise specfied.

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

(i) Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Initial measurement

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss. Generally, the transaction price is treated as fair value unless proved to the contrary.

Subsequent measurement

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

a) Debt instruments at amortised cost
b) Debt instruments at FVOCI
c) Debt instruments at FVTPL

a) Debt instruments at amortised cost:

The Company measures its financial assets at amortised cost if both the following conditions are met:
- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the nature of portfolio, and the period for which the interest rate is set.

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. 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 financial assets going forward.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios on the books of the Company, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/ or asset reconstruction companies without affecting the business model of the Company.

After initial measurement, such financial assets are subsequently measured at amortised cost on Effective Interest Rate (EIR). For further details, refer note no. 4.1(i). The expected credit loss (ECL) calculation for debt instruments at amortised cost is explained in subsequent notes in this section.

b) Debt instruments at FVOCI:

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognized in the Other Comprehensive Income (OCI). The interest income on these assets are recognised in profit or loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

Debt instruments such as mortgage loans portfolio where the Company periodically resorts to partially selling the loans by way of assignment to willing buyers are classified as FVOCI.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from other comprehensive income to profit or loss.

4. Summary of significant accounting policies (Contd.)

c) Debt instruments at FVTPL:

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the balance sheet at fair value. Interest and dividend income is recorded in interest income and dividend income respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

The Company's investments into mutual funds, commercial papers and certificate of deposits for trading and short term cash flow management have been classified under this category.

Derecognition of Financial Assets:

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

a) The rights to receive cash flows from the asset have expired; or
b) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Company does not have any continuing involvement in the same.

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

On derecognition of a financial asset in its entirety, the difference between:
- The carrying amount (measured at the date of derecognition) and
- The consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

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

Impairment on financial assets:

A) General Approach
Expected credit losses ('ECL') are recognised for applicable financial assets held under amortised cost, debt instruments measured at FVOCI, and certain loan commitments as per the Board approved policy.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Life time ECL is recognised for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

One time restructuring of loan accounts allowed by RBI vide circular resolution framework for COVID-19 related stress to the extent having no overdues have been considered to have a significant increase in credit risk and accordingly classified under stage 2.

Financial assets (and the related impairment allowances) are written off in full, when there is no realistic prospect of recovery. The Company may apply enforcement activities to certain qualifying financial assets written off.

The treatment of the different stages of financial assets and the methodology of determination of ECL is set out below.

a) Credit impaired (stage 3)
The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

a) Contractual payments of either principal or interest are past due for more than 90 days;
b) The loan is otherwise considered to be in default.

Restructured loans where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

Interest income is recognised by applying the effective interest rate to the net amortised cost amount i.e. gross carrying amount less ECL allowance.

4. Summary of significant accounting policies (Contd.)

b) Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, 30 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk. Based on other indications such as borrower's frequently delaying payments beyond due dates though not 30 days past due are included in stage 2 for mortgage loans.

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

c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using application / behavioural score cards and other performance indicators, determined statistically.

d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

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

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

The Company recaliberates above components of its ECL model on a periodical basis by using the available incremental and recent information as well as assessing changes to its statistical techniques for a granular estimation of ECL.

A more detailed description of the methodology used for ECL is covered in the 'credit risk' section of note no. 45.

B) Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and other financial assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and other financial assets and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

(ii) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings.

Initial measurement:

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

Subsequent measurement:

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method (Refer note no 4.1 (i)). Any gains or losses arising on derecognition of liabilities are recognised in profit or loss.

Derecognition:

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

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

4. Summary of significant accounting policies (Contd.)

4.5 Investment in subsidiaries

Investment in subsidiaries are recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/ amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

4.5 Taxes

(i) Current income tax

Current 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 (ICDS) 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.

Current tax relating to items recognised outside the profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other 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.

(ii) Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

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. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity.

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.

4.6 Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 - 'Property, plant and equipment'.

Recognition and Derecognition

Property, plant and equipment is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income/expenses in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on property, plant and equipment:

(a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.

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

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

(d) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

(e) Tangible assets which are depreciated over useful life different than those indicated in Schedule II are as under:

Nature of assets	Useful life as per Schedule II	Useful life adopted by the Company
Computers	3 years	4 years
Leasehold improvements	3 years	Primary lease period or 5 years whichever is less

For the above class of asset, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Act.

(f) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4. Summary of significant accounting policies (Contd.)

4.7 Intangible assets and amortization thereof

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

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognised in the statement of profit and loss when the asset is derecognised.

4.8 Impairment on non-financial assets

An assessment is done at each balance sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

4.9 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.10 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.

4.11 Retirement and other employee benefits

(i) Gratuity: Payment for present liability of future payment of gratuity is made to the approved gratuity fund viz. Bajaj Auto Ltd. gratuity fund trust, which 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. (BALICL). However, any deficits in Plan Assets managed by LIC and BALICL as compared to actuarial liability determined by an appointed Actuary using the projected unit credit method are recognised as a liability. Gains or losses through remeasurements of the net defined benefit liability/ (assets) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments are recognised in statement of profit and loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (e.g.. Employees' Provident Fund Organisation (EPFO)) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Since the Company pays all Provident fund & Pension fund contributions to EPFO, no actuarial assumptions are required to measure the obligation or the expense and there is no possibility of any actuarial gain or loss. Moreover, the obligations are measured on an undiscounted basis, except where they are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

(iii) Compensated absences: Privilege leave entitlements are recognised as a liability as per the rules of the Company. The liability for accumulated leaves which can be availed and/or encashed at any time during the tenure of employment is recognised using the projected unit credit method at the actuarially determined value by an appointed actuary. The liability for accumulated leaves 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.

Remeasurements on defined benefit plans, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

4.12 Employee Stock Option Scheme

The Holding Company operates Employee Stock Option Scheme through a trust formed for the purpose and had issued ESOPs to the employees of the Company.

The cost of transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised in employee benefits expenses at fair value of recharge liability over the period in which the service conditions are fulfilled and settled in cash.

4. Summary of significant accounting policies (Contd.)

4.13 Leases

With effect from 1 April 2019, the Company has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Company has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate and directly attributable cost. Subsequently, the lease liability is –

(i) increased by interest on lease liability;

(ii) reduce by lease payment made; and

(iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-Use assets

At the time of initial recognition, the Company measures 'Right-of-Use assets' as present value of all lease payment discounted using the Company's incremental cost of borrowing rate w.r.t said lease contract. Subsequently, 'Right-of-Use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Company.

4.14 Fair value measurement

The Company measures its qualifying financial instruments at fair value on each balance sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place 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. For a detailed information on the fair value hierarchy, refer note no. 43 and 44.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

4.15 Change in accounting estimates

The Company has changed the following accounting estimates in property, plant and equipments :

1. Change of estimated useful life of Computer and Vehicles from 3 years to 4 years and from 4 years to 8 years respectively.
2. Depreciation method for Building has been changes from WDV method to SLM method.

Had the Company applied the estimates followed in the previous year, the profit before tax for the period would had been lower by ₹ 2.83 crore.

(5) Cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	-	-
Balances with banks:		
In current accounts	211.61	7.24
Fixed deposits (with original maturity less than 3 months)	250.17	651.48
Total	**461.78**	**658.72**

(6) Bank balances other than cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
In fixed deposits orignal maturity more than 3 months	255.00	-
Total	**255.00**	**-**

(7) Trade receivables

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Considered good - Unsecured		
Service asset*	180.05	114.83
Fees, commission and others**	130.61	3.64
Total	**310.66**	**118.47**

* includes receivable from related parties ₹ 36.01 crore (Previous year: ₹ 47.99)

** includes receivable from related parties ₹ nil (Previous year: ₹ 0.74)

Impairment allowance recognised on trade and other receivables is ₹ Nil (Previous year: ₹ Nil).

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

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

(8) Loans

(₹ in crore)

Particulars	As at 31 March 2021			As at 31 March 2020		
	At amortised Cost	At FVOCI*	Total	At amortised Cost	At FVOCI*	Total
Term Loan						
Secured						
Against equitable mortgage of immovable property	6,993.76	25,462.46	32,456.22	5,415.50	21,742.46	27,157.96
Less: Impairment loss allowance	53.54	283.54	337.08	30.61	82.92	113.53
	6,940.22	**25,178.92**	**32,119.14**	**5,384.89**	**21,659.54**	**27,044.43**
Unsecured						
Unsecured loans	1,318.44	-	1,318.44	938.07	-	938.07
Less: Impairment loss allowance	18.68	-	18.68	7.09	-	7.09
	1,299.76	-	**1,299.76**	**930.98**	-	**930.98**
Total	**8,239.98**	**25,178.92**	**33,418.90**	**6,315.87**	**21,659.54**	**27,975.41**
Out of above:						
Loans in India						
Public sector	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
	-	-	-	-	-	-
Others	8,312.20	25,462.46	33,774.66	6,353.57	21,742.46	28,096.03
Less: Impairment loss allowance	72.22	283.54	355.76	37.70	82.92	120.62
	8,239.98	**25,178.92**	**33,418.90**	**6,315.87**	**21,659.54**	**27,975.41**
Loans outside India	-	-	-	-	-	-
Total	**8,239.98**	**25,178.92**	**33,418.90**	**6,315.87**	**21,659.54**	**27,975.41**

*The net value is the fair value of these loans

Includes advances to related parties ₹ 13.17 crore (Previous year: ₹ nil)

Summary of loans by stage distribution (₹ in crore)

Particulars	As at 31 March 2021				As at 31 March 2020			
	Stage 1	Stage 2*	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	32,996.17	659.36	119.13	33,774.66	27,778.42	293.91	23.70	28,096.03
Less: Impairment loss allowance	178.68	131.88	45.20	355.76	89.01	22.60	9.01	120.62
Net carrying amount	**32,817.49**	**527.48**	**73.93**	**33,418.90**	**27,689.41**	**271.31**	**14.69**	**27,975.41**

*Net carrying amount in Stage 2 includes nondelinquent account restructured under RBI resolution framework for COVID-19-related Stress of ₹.366 crore where there were no overdue as of 31 March 2021.

(8) Loans (Contd.)

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

(₹ in crore)

Particulars	For the year ended 31 March 2021							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	**27,778.42**	**89.01**	**293.91**	**22.60**	**23.70**	**9.01**	**28,096.03**	**120.62**
Transfer during the year								
Transfer to stage 1	11.19	1.17	(10.59)	(1.05)	(0.60)	(0.12)	-	(0.00)
Transfer to stage 2	(413.53)	(1.33)	416.16	2.23	(2.63)	(0.90)	(0.00)	-
Transfer to stage 3	(102.54)	(0.38)	(33.86)	(4.02)	136.40	4.40	-	-
	(504.88)	**(0.54)**	**371.71**	**(2.84)**	**133.17**	**3.38**	**(0.00)**	**(0.00)**
Impact of changes in credit risk on account of stage movements		(1.11)		89.72		34.68	-	123.29
Changes in opening credit exposures (additional disbursement net of repayments)	(7,855.31)	15.86	(79.03)	8.62	(30.91)	8.09	(7,965.25)	32.57
New credit exposures during the year, net of repayments	13,577.94	75.46	72.77	13.78	4.87	1.74	13,655.58	90.98
Amounts written off during the year					(11.70)	(11.70)	(11.70)	(11.70)
Balance as at the end of the year	**32,996.17**	**178.68**	**659.36**	**131.88**	**119.13**	**45.20**	**33,774.66**	**355.76**

(₹ in crore)

Particulars	For the year ended 31 March 2020							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	17,291.64	22.55	59.63	3.30	9.50	3.36	17,360.77	29.21
Transfer during the year								
Transfer to stage 1	16.21	1.12	(15.85)	(1.07)	(0.36)	(0.05)	0.00	-
Transfer to stage 2	(278.51)	(0.46)	278.51	0.46	-	-	-	-
Transfer to stage 3	(97.12)	(0.17)	(14.07)	(1.05)	111.19	1.22	-	-
	(359.42)	0.49	248.59	(1.66)	110.83	1.17	0.00	-
Impact of changes in credit risk on account of stage movements		(1.00)		22.89		8.36	-	30.25
Changes in opening credit exposures (additional disbursement net of repayments)	(5,327.63)	15.33	(90.47)	(7.08)	(74.78)	22.99	(5,492.88)	31.24
New credit exposures during the year, net of repayments	16,173.83	51.64	76.16	5.15	11.07	6.05	16,261.06	62.84
Amounts written off during the year	-	-	-	-	(32.92)	(32.92)	(32.92)	(32.92)
Balance as at the end of the year	**27,778.42**	**89.01**	**293.91**	**22.60**	**23.70**	**9.01**	**28,096.03**	**120.62**

Details of impairment of financial instruments disclosed in the statement of profit and loss :

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net impairment loss allowance charge/ (release) for the year	235.14	91.41
Amounts written off during the year	11.70	32.92
Impairment on loans	**246.84**	**124.33**
Add: Impairment on other assets	0.37	-
Impairment on financial instruments	**247.21**	**124.33**

(9) Investments

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(i) At fair value through profit or loss		
In mutual funds	2,755.34	2,500.45
Add: Fair value gains	1.98	7.57
Total (i)	**2,757.32**	**2,508.02**
(ii) At Amortised cost		
In Fixed deposits	508.72	-
Total (ii)	**508.72**	-
Total	**3,266.04**	**2,508.02**

Out of above:

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
In India	3,266.04	2,508.02
Outside India	-	-
	3,266.04	**2,508.02**

* Impairment allowance recognised on these investments is ₹ Nil (Previous year ₹ Nil).

(10) Other financial assets

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Security deposits*	5.53	5.75
Advances to related parties	6.41	2.07
Other Advances**	22.05	0.55
Total	**33.99**	**8.37**

Impairment allowance recognised on other financial assets is ₹ Nil (Previous year: ₹ Nil).

* Includes security deposits with related parties ₹ 0.02 crore (Previous year ₹ 0.02 crore)

** See note no. 52.3

(11) Deferred tax assets (net)

Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit before tax	613.18	567.45
At corporate tax rate of 25.17% (Previous year: 25.17%)	**154.34**	**142.83**
Tax on expenditure not considered for tax provision (net of allowance)	5.76	2.39
Tax on additional deductions	(0.11)	(0.10)
Tax impact due to revaluation of deferred tax due to change in Income tax rate*	-	1.00
Tax expense (effective tax rate of 26.09%, Previous year 25.75%)	**159.99**	**146.12**

* Company opted for reduced corporate tax rate of 25.17% under section 115BAA of the Income Tax Act, 1961

Deferred tax assets/ (liabilities) recorded in balance sheet (₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax relates to the following:		
Deferred tax assets		
Disallowance u/s 43B of the Income Tax Act, 1961	0.22	0.52
Depreciation and amortisation	0.97	1.11
Impairment on Financial Instruments	76.91	24.23
Lease liability	0.94	0.46
Total of deferred tax assets	**79.03**	**26.32**
Deferred tax liabilities		
Deduction of special reserve as per section 36(1)(viii) of the Income Tax Act, 1961	18.72	8.15
EIR impact on financial instruments measured at amortised cost	44.55	27.70
Unrealised net gain on fair value changes	0.50	1.90
Total of deferred tax liabilities	**63.77**	**37.75**
Deferred tax assets/ (liabilities), net	**15.26**	**(11.43)**

Changes in deferred tax assets/ (liabilities) recorded in profit or Loss (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Deferred tax relates to the following:		
Disallowance u/s 43B of the Income Tax Act, 1961	(0.02)	1.34
Impairment on financial instruments	(52.68)	(17.92)
Depreciation and amortisation	0.14	(1.21)
EIR impact on financial instruments measured at amortised cost	16.85	30.81
Deduction of special reserve as per section 36(1)(viii) of the Income Tax Act, 1961	10.57	6.00
Lease liability	(0.48)	(0.46)
Unrealised net gain/(loss) on fair value changes	(1.40)	1.46
Total	**(27.01)**	**20.02**

Changes in deferred tax recorded in other comprehensive income (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Deferred tax relates to the following:		
Disallowance u/s 43B of the Income Tax Act, 1961	0.32	(0.39)
	0.32	**(0.39)**

(12) Property, plant and equipment and intangible assets

For the year ended 31 March 2021

(₹ in crore)

Particulars	Gross Block				Depreciation and amortisation				Net block
	As at 1 April 2020	Additions	Deductions/ adjustments	As at 31 March 2021	As at 1 April 2020	Deductions/ adjustments	For the year	As at 31 March 2021	As at 31 March 2021
Property, plant and equipment [a]									
Buildings	2.39	-		2.39	0.34		0.04	0.38	2.01
Computers	15.96	0.14	1.40	14.70	6.13	0.58	1.60	7.15	7.55
Furniture and Fixtures	10.64	0.26	0.09	10.81	3.43	0.04	0.85	4.24	6.57
Vehicles	6.92	2.15	0.63	8.44	2.33	0.31	0.76	2.78	5.66
Office equipment	11.79	3.03	1.28	13.54	3.01	0.70	3.59	5.90	7.64
Lease hold improvement	12.23	1.02	0.47	12.78	3.71	0.27	2.67	6.11	6.67
Right-of-use - Premises	44.91	0.96	0.05	45.82	8.09	0.09	9.60	17.60	28.22
Total (i)	**104.84**	**7.56**	**3.92**	**108.48**	**27.04**	**1.99**	**19.11**	**44.16**	**64.32**
Intangible assets [b]									
Computer Software	9.77	9.25	-	19.02	1.79	-	2.66	4.45	14.57
Total (ii)	**9.77**	**9.25**	**-**	**19.02**	**1.79**	**-**	**2.66**	**4.45**	**14.57**
Total (i) + (ii)	**114.61**	**16.81**	**3.92**	**127.50**	**28.83**	**1.99**	**21.77**	**48.61**	**78.89**

For the year ended 31 March 2020

(₹ in crore)

Particulars	Gross Block				Depreciation and amortisation				Net block
	As at 1 April 2019	Additions	Deductions/ adjustments	As at 31 March 2020	As at 1 April 2019	Deductions/ adjustments	For the year	As at 31 March 2020	As at 31 March 2020
Property, plant and equipment [a]									
Buildings	2.39	-	-	2.39	0.24	-	0.10	0.34	2.05
Computers	9.69	7.03	0.76	15.96	1.86	0.43	4.70	6.13	9.83
Furniture and Fixtures	7.53	3.04	(0.07)	10.64	1.62	0.01	1.82	3.43	7.21
Vehicles	3.83	3.42	0.33	6.92	0.74	0.10	1.69	2.33	4.59
Office equipment	7.57	4.95	0.73	11.79	1.00	0.07	2.08	3.01	8.78
Lease hold improvement	6.84	6.26	0.87	12.23	1.03	0.37	3.05	3.71	8.52
Right-of-use - Premises	28.74*	16.90	0.73	44.91	-	0.10	8.19	8.09	36.82
Total (i)	**66.59**	**41.60**	**3.35**	**104.84**	**6.49**	**1.08**	**21.63**	**27.04**	**77.80**
Intangible assets [b]									
Computer Software	6.85	2.92	-	9.77	0.28	-	1.51	1.79	7.98
Total (ii)	**6.85**	**2.92**	**-**	**9.77**	**0.28**	**-**	**1.51**	**1.79**	**7.98**
Total (i) + (ii)	**73.44**	**44.52**	**3.35**	**114.61**	**6.77**	**1.08**	**23.14**	**28.83**	**85.78**

* Represents right to use assets recognised on application of Ind AS 116 (revised) w.e.f April 01, 2019.

Note

(a) See note no. 4.6 and 4.13

(b) See note no. 4.7

(13) Other non-financial assets

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances	0.62	1.44
Indirect tax credits available for utilisation	0.96	0.92
Advances to suppliers and others*	12.78	4.19
Total	**14.36**	**6.55**

* includes advances to related parties ₹ 6.31 crore (Previous year: ₹ 0.17 crore)

* Impairment allowance recognised on advances to suppliers and others is ₹ 0.37 crore (Previous year: ₹ Nil).

(14) Payables

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payables		
Total outstanding dues of micro enterprises and small enterprises#	-	0.24
Total outstanding dues of creditors other than micro enterprises and small enterprises*	20.90	30.35
Total	**20.90**	**30.59**
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises**	21.28	17.83
Total	**21.28**	**17.83**

*Includes payable to related parties ₹ 0.04 crore (Previous year ₹ 4.80 crore).

**Includes payable to related parties ₹ 1.80 crore (Previous year ₹ 5.58).

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

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount due to suppliers under MSMED Act, as at the year end (since Paid)	-	0.24
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	0.04	4.95
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16) (₹ 1,313)	-	0.12
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

(15) Debt securities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
At amortised cost		
Secured		
Privately placed redeemable non-convertible debentures*#	7,963.33	6,119.32
	7,963.33	6,119.32
Unsecured		
Borrowings by issue of Commercial Paper	2,861.41	1,450.88
Privately placed partly paid redeemable non-convertible debentures$	507.34	253.39
	3,368.75	1,704.27
Total	**11,332.08**	**7,823.59**
Out of above		
In India	11,332.08	7,823.59
Outside India	-	-
Total	**11,332.08**	**7,823.59**

*Privately placed redeemable non-convertible debentures are secured by a first pari-passu charge by mortgage of Company's office at Unit No.804, admeasuring 2,610 sq. ft. 8th Floor, Block-A of Wing Delta, bearing old Door nos. 113 to 122 and 128 to 134 and New No.177, Raheja Towers, Anna Salai, Mount Road, Chennai – 600 002 of nominal value and debts/ loan receivables under financing activity as stated in the respective information memorandum.

Related parties are current holders of ₹ 476.55 crore in aggregate of the above debt securities (Previous year ₹ 301.10).

$ Related parties are current holders of ₹ 436.76 crore in aggregate of the above debt securities (Previous year ₹ 218.20).

(15) Debt securities (Contd.)

Terms of repayment of non convertible debenture (NCDs) as at 31 March 2021 (₹ in crore)

Original maturity (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at par and redeemable at par					
Upto 365	-	-	-	-	-
366-730	-	900.00	-	-	900.00
731-1095	758.47	165.00	1,075.00	-	1,998.47
1096-1460	79.97	960.00	-	-	1,039.97
More than 1460	-	-	-	504.00	504.00
Issued at par and redeemable at premium					
Upto 365	-	-	-	-	-
366-730	428.29	-	-	-	428.29
731-1095	1,848.50	834.26	-	-	2,682.76
1096-1460	-	-	-	-	-
More than 1460					-
Issued at discount and redeemable at par	-	-	-	-	
Upto 365	-	-	-	-	-
366-730	-	-	-	-	-
731-1095	-	26.35	-	-	26.35
1096-1460	-	-	-	-	-
More than 1460	-	-	-	-	-
Interest accrued and impact of EIR					890.83
Total					**8,470.67**

Interest rate ranges from 4.85 % p.a. to 9.21 % p.a. as at 31 March 2021

As at 31 March 2021, partly called and paid unsecured debentures of ₹ 507.35 crore.

Amount to be called and paid is ₹105 crore each in Feb 2022,Feb 2023, Feb 2024 and ₹120 crore in Feb 2025

Amount to be called and paid is ₹147 crore each in Mar 2022,Mar 2023, Mar 2024 and ₹168 crore in Mar 2025

Terms of repayment of non convertible debenture (NCDs) as at 31 March 2020 **(₹ in crore)**

Original maturity of NCDs (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at par and redeemable at par					
731-1095	-	758.32	165.00	-	923.32
1096-1460	100.00	79.80	960.00	-	1,139.80
More than 1460	-	-	-	252.00	252.00
Issued at par and redeemable at premium					
366-730	320.00	-	-	-	320.00
731-1095	-	428.29	-	-	428.29
1096-1460	-	1,848.51	834.26	-	2,682.77
Issued at discount and redeemable at par					
366-730	-	-	-	-	-
731-1095	-	-	-	-	-
1096-1460	-	-	24.50	-	24.50
Interest accrued and impact of EIR					602.03
Total					**6,372.71**

Interest rate ranges from 6.94% p.a. to 9.21% p.a. as at 31 March 2020

As at 31 March 2020, partly called and paid unsecured debentures of ₹ 253.39 crore.

Amount to be called and paid is ₹105 crore each in Feb 2021, Feb 2022,Feb 2023, Feb 2024 and ₹120 crore in Feb 2025

Amount to be called and paid is ₹147 crore each in Mar 2021, Mar 2022,Mar 2023, Mar 2024 and ₹168 crore in Mar 2025

Terms of repayment of commercial paper as at 31 March 2021 **(₹ in crore)**

Original maturity (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par					
Upto 365	2,861.98	-	-	-	2,861.98
Interest accrued and impact of EIR					(0.57)
Total					**2,861.41**

Interest rate ranges from 3.65 % p.a. to 4.55 % p.a.as at 31 March 2021

Face value of commercial paper is ₹ 2,925 crore as at 31 March 2021 (Previous year ₹ 1,515 crore)

Terms of repayment of commercial paper as at 31 March 2020 (₹ in crore)

Original maturity (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par					
Upto 365	1,452.13	-	-	-	1,452.13
Interest accrued and impact of EIR					(1.25)
Total					**1,450.88**

Interest rate ranges from 6.60% p.a. to 7.85% p.a. as at 31 March 2020

Face value of commercial paper is ₹ 1,515 crore as at 31 March 2020

(16) Borrowings (other than debt securities)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
At amortised cost		
Secured*		
Term loans from banks	20,187.36	17,714.41
Loans repayable on demand from banks		
Cash credit	61.16	49.77
Working capital demand loan	20.00	12.67
Total	**20,268.52**	**17,776.85**
Out of above:		
In India	20,268.52	17,776.85
Outside India	-	-
Total	**20,268.52**	**17,776.85**

* Secured against hypothecation of book debts, loan receivables and other receivables.

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

Terms of repayment of term loans as at 31 March 2021 (₹ in crore)

Original maturity of loan (In no.of days)	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 years		Total
	No. of instalments	₹ in crore	No. of instalments	₹ in crore	No. of instalments	₹ in crore	No. of instalments	₹ in crore	₹ in crore
Monthly									
Upto 365	-	-	-	-	-	-	-	-	-
366 to 730	5	62.50	-	-	-	-	-	-	62.50
731 to 1095	7	87.50	4	50.00	-	-	-	-	137.50
More than 1095	-	-	-	-	-	-	-	-	-
Quarterly									
Upto 365	8	165.00	-	-	-	-	-	-	165.00
366 to 730	20	406.25	13	280.63	-	-	-	-	686.88
731 to 1095	44	741.25	26	546.88	12	255.63	-	-	1,543.75
More than 1095	20	164.58	74	1,314.17	85	1,724.79	115	3,715.42	6,918.96
Half yearly									
Upto 365	-	-	-	-	-	-	-	-	-
366 to 730	6	230.77	-	-	-	-	-	-	230.77
731 to 1095	7	332.85	7	270.77	-	-	-	-	603.62
More than 1095	2	154.00	15	896.85	26	1,342.62	47	2,067.69	4,461.15
Yearly									
Upto 365	1	50.00	-	-	-	-	-	-	50.00
366 to 730	1	25.00	2	200.00	-	-	-	-	225.00
731 to 1095	4	210.00	1	25.00	2	275.00	-	-	510.00
More than 1095	6	323.32	10	550.00	10	475.00	8	730.00	2,078.32
On maturity (Bullet)									
Upto 365	-	-	-	-	-	-	-	-	-
366 to 730	-	-	-	-	-	-	-	-	-
731 to 1095	3	677.50	-	-	-	-	-	-	677.50
More than 1095	-	-	1	211.25	5	1,611.25	1	25.00	1,847.50
Interest accrued and impact of EIR									(11.08)
Total									**20,187.36**

Interest rate ranges from 5.17 % p.a. to 8.35 % p.a. as at 31 March 2021

Terms of repayment of working capital demand loan as at 31 March 2021 (₹ in crore)

Original maturity of loan (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Upto 365	20.00	-	-	-	20.00
Interest accrued and impact of EIR					-
Total					**20.00**

Interest rate ranges from 6.70 % p.a. to 7.20 % p.a. as at 31 March 2021

Terms of repayment of term loans as at 31 March 2020

Original maturity of loan (In no.of days)	Due within 1 year		Due 1 to 2 Years		Due 2 to 3 Years		More than 3 years		Total
	No. of instalments	₹ in crore	No. of instalments	₹ in crore	No. of instalments	₹ in crore	No. of instalments	₹ in crore	₹ in crore
Quarterly									
Upto 365	-	-	-	-	-	-	-	-	-
366 to 730	30	486.46	14	300.00	-	-	-	-	786.46
731 to 1095	18	282.29	50	947.90	21	491.67	-	-	1,721.86
More than 1095	4	16.67	20	164.58	82	1,482.31	166	3,476.71	5,140.27
Half yearly									
Upto 365	-	-	-	-	-	-	-	-	-
366 to 730	3	192.46	6	230.77	-	-	-	-	423.23
731 to 1095	2	154.00	6	307.85	7	270.77	-	-	732.62
More than 1095	-	-	2	154.00	13	846.85	69	3,253.96	4,254.81
Yearly									
Upto 365	3	80.00	-	-	-	-	-	-	80.00
366 to 730	1	30.00	1	25.00	-	-	-	-	55.00
731 to 1095	5	223.34	4	210.00	1	25.00	-	-	458.34
More than 1095	-	-	6	323.32	10	550.00	23	1,015.96	1,889.28
On maturity (Bullet)									
Upto 365	-	-	-	-	-	-	-	-	-
366 to 730	4	50.00	5	62.50	-	-	-	-	112.50
731 to 1095	1	100.00	10	765.00	4	50.00	-	-	915.00
More than 1095	1	50.00	-	-	1	211.25	5	899.71	1,160.96
Interest accrued and impact of EIR									(15.92)
Total									**17,714.41**

Interest rate ranges from 6.59% p.a. to 9.00% p.a. as at 31 March 2020

Terms of repayment of working capital demand loan as at 31 March 2020 (₹ in crore)

Original maturity of loan (In no. of days)	Due within 1 year	Due 1 to 2 Years	Due 2 to 3 Years	More than 3 years	Total
Upto 365	12.67	-	-	-	12.67
Interest accrued and impact of EIR					
Total					**12.67**

Interest rate ranges from 7.80% p.a. to 8.10% p.a. as at 31 March 2020

(17) Other financial liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Security deposits*	0.08	0.08
Lease Liability***	31.96	38.70
Others**	112.59	34.81
Total	**144.63**	**73.59**

*Includes amounts pertaining to related parties ₹ 0.08 crores (previous year 0.08 crores)

**Includes amounts pertaining to related parties ₹ 0.26 (previous year 0.12 crores)

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

a. Lease Liability Movement

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as on 1 April 2019	38.70	28.74
Add :		
Addition during the year	0.96	16.90
Interest on Lease Liability	2.58	2.79
Lease modification/ adjustments	0.34	
Less :		
Derecognised during the year	0.31	0.65
Lease rental payments	10.31	9.08
Balance as on 31 March 2020	**31.96**	**38.70**

b. Lease rentals of ₹ 0.96 crores (Previous year ₹ 1.13 crores)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 :

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
-Not later than one year	11.23	10.90
-Later than one year but not later than five years	22.90	32.00
-Later than five years	2.72	3.49

d. Maturity Analysis of Lease Liability as at 31 March 2021:

(₹ in crore)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Lease Liability	9.23	22.73	8.15	30.55

(18) **Provisions**

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
Compensated absences	0.88	1.16
Other long term service benefits	1.41	1.12
Total	**2.29**	**2.28**

(19) **Other non-financial liabilities**

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory Dues	14.89	18.58
Others	15.14	25.48
Total	**30.03**	**44.06**

(20) Equity share capital

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised		
6,000,000,000 (6,000,000,000) equity shares of ₹ 10 each	6,000.00	6,000.00
Issued		
4,883,333,329 (4,883,333,329) equity shares of ₹ 10 each	4,883.33	4,883.33
Subscribed and paid up		
4,883,333,329 (4,883,333,329) equity shares of ₹ 10 each fully called up and paid up	4,883.33	4,883.33
Total	**4,883.33**	**4,883.33**

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

Equity share capital issued, subscribed and fully paid up	As at 31 March 2021		As at 31 March 2020	
	Nos.	₹ in crore	Nos.	₹ in crore
Outstanding at the beginning of the year	4,883,333,329	4,883.33	3,550,000,000	3,550.00
Add: Issue of equity shares on right basis	-	-	1,333,333,329	1,333.33
Outstanding at the end of the year	**4,883,333,329**	**4,883.33**	**4,883,333,329**	**4,883.33**

1,333,333,329 fully paid-up equity shares of face value of ₹ 10/- each were allotted at premium of Rs.1.25 per share on 5 February 2020 to Bajaj Finance Limited, holding company of the Company on rights basis.

b. **Terms/rights/restrictions 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. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. **Shares held by holding company (face value ₹10 per share)**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Nos.	₹ in crore	Nos.	₹ in crore
Bajaj Finance Limited*	4,883,333,329	4,883.33	4,883,333,329	4,883.33

* A subsidiary of Bajaj Finserv Ltd.

d. **Details of shareholders holding more than 5% shares in the Company (face value ₹10 per share)**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Nos.	% Holding	Nos.	% Holding
Bajaj Finance Limited (Holding Company)	4,883,333,329	100.00%	4,883,333,329	100.00%

(21) Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Securities premium		
Balance as at the beginning of the year	166.67	-
Add: Received during the year		
On right issue of shares	-	166.67
Balance as at the end of the year (i)	**166.67**	**166.67**
(ii) Statutory reserve in terms of Section 29C of the NHB Act, 1987		
Balance as at the beginning of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987	78.32	19.05
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	32.40	7.40
Total	**110.72**	**26.45**
Addition / appropriation / withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	48.64	59.27
b) Additional amount transferred u/s 29C of the NHB Act, 1987	22.66	-
c) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	42.00	25.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Additional amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
	-	-
c) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987		
Balance as at the end of the year		
a) Statutory Reserve u/s 29C of the NHB Act, 1987	126.96	78.32
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	-
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	74.40	32.40
Balance as at the end of the year (ii)	**224.02**	**110.72**
(iii) Retained earnings		
Balance as at the beginning of the year	**417.36**	**81.90**
Profit for the year	453.19	421.33
Item of other comprehensive income recognised directly in retained earnings		
On defined benefit plan	0.95	(1.60)
	871.50	**501.63**
Less: Appropriations:		
Transfer to statutory reserve in terms of Section 29C of the NHB Act, 1987	48.64	59.27
Transfer to additional statutory reserve in terms of Section 29C of the NHB Act, 1987	22.66	-
Transfer to special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	42.00	25.00
Total appropriations	**113.30**	**84.27**
Balance as at the end of the year (iii)	**758.20**	**417.36**
(iv) Capital Contribution from Holding-ESOPs		
Balance as at the beginning of the year	7.05	-
Add: fair value of stock options issued by holding company	-	
Less: Payment to holding company towards employee stock option plan (Refer Note no 46)	(7.05)	7.05
Balance as at the end of the year (iv)	**-**	**7.05**
Total (i) to (iv)	**1,148.89**	**701.80**

Nature and purpose of other equity:

i. Securities premium

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

ii. Statutory Reserve in terms of Section 29C of the National Housing Bank Act, 1987

Reserve Fund is created as per the Section 29C of the National Housing Bank Act, 1987, which requires every housing finance company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. However, the Company has transferred twenty five percent of it's net profit during the year to the reserve fund. This includes Special Reserve created to avail the deduction as per the provisions of Section 36(1)(viii) of the Income Tax Act, 1961 on profits derived from the business of providing long-term finance for construction or purchase of houses in India for residential purposes.

iii. Retained earnings

Retained earnings represents the surplus in profit and loss account after appropriation.

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:

(a) actuarial gains and losses; and

(b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset).

iv. Capital Contribution from Holding-ESOPs

Represents fair value of ESOPs issued by the Holding Company to the employees of the Company

v. Other comprehensive income

On loans

The Comapny recognises changes in the fair value of loans measured under FVOCI in other comprehensive income and impairment loss allowances are recognised in profit or loss. The table gives details of movement of fair value changes:

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	-	-
Fair value changes	200.62	62.97
Impairment loss allowances transferred to profit or loss	(200.62)	(62.97)
Balance as at the end of the year	-	-

(22) Interest income

(₹ in crore)

Particulars	Year ended 31 March 2021				Year ended 31 March 2020			
	On financial assets measured at				On financial assets measured at			
	Amortised Cost	FVOCI	FVTPL	Total	Amortised Cost	FVOCI	FVTPL	Total
On loans*	816.96	2,015.85	-	2,832.81	630.67	1,660.60	-	2,291.27
On investments	-	-	1.53	1.53	-	-	0.83	0.83
On deposits with Banks	43.09	-	-	43.09	10.98	-	-	10.98
Total	**860.05**	**2,015.85**	**1.53**	**2,877.43**	**641.65**	**1,660.60**	**0.83**	**2,303.08**

*As per Effective Interest Rate (EIR). Refer note no. 4.1(i)

(23) Fees and commission income

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Distribution income	14.75	65.26
Fees on value added services and products	4.94	16.77
Service and administration charges	50.40	15.78
Foreclosure income	4.53	2.27
Total	**74.62**	**100.08**

(24) Net gain on fair value changes

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net gain/ (loss) on financial instruments measured at fair value through profit or loss		
On trading portfolio		
Realised gain/(loss) on investments at FVTPL	65.44	67.66
Unrealised gain/(loss) on investments at FVTPL	(5.59)	6.05
Total	**59.85**	**73.71**

(25) Sale of services

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Service charges	38.41	39.34
Service fees for management of assigned portfolio of loans	103.74	129.81
Total	**142.15**	**169.15**

(26) Others

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Bad debt recoveries	0.58	-
Miscellaneous charges and receipts	0.07	-
Total	0.65	-

(27) Other income

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Income from Rent	0.19	0.17
Interest on income tax refund	0.37	-
Miscellaneous income	0.02	0.04
Total	**0.58**	**0.21**

(28) Finance costs

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
On financial liabilities measured at amortised cost:		
On debt securities	623.89	649.98
On borrowings other than debt securities	1,335.04	963.26
On lease liability	2.58	2.79
Other finance cost	4.36	-
Total	**1,965.87**	**1,616.03**

(29) Fees and commission expense

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Commission and incentives	0.04	0.50
Loan portfolio management service charges	1.29	0.80
Total	**1.33**	**1.30**

(30) Impairment on financial instruments

(₹ in crore)

Particulars	Year ended 31 March 2021			Year ended 31 March 2020		
	At Amortised Cost	At FVOCI	Total	At Amortised Cost	At FVOCI	Total
On loans	40.82	206.02	246.84	35.80	88.53	124.33
On Others	0.37	-	0.37	-	-	-
Total	**41.19**	**206.02**	**247.21**	**35.80**	**88.53**	**124.33**

(31) Employee benefits expenses

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Employees emoluments	209.23	223.05
Contribution to provident fund and other funds	12.01	10.44
Share based payments to employees	13.36	7.05
Staff welfare expenses	11.16	7.97
Total	**245.76**	**248.51**

(32) Other expenses

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Information technology expenses	11.44	8.17
Repairs and maintenance	7.50	5.92
Travelling expenses	7.05	14.85
Advertisement, branding and promotion	5.91	9.10
Communication expenses	5.54	3.45
Outsourcing / back office expenses	3.75	3.47
Rent, taxes and energy cost	3.41	3.83
Legal and professional charges	1.79	2.14
Bank charges	1.64	1.52
Printing and stationery	0.98	1.83
Customer experience	0.71	0.15
Net loss on sale of property, plant and equipment	0.44	0.49
Director's fees	0.22	0.18
Business support services	0.21	0.41
Insurance	0.12	0.17
Auditor's fees and expenses*	0.10	0.09
Expenditure towards Corporate Social Responsibility activities **	3.91	0.56
Miscellaneous expenses	5.44	9.14
Total	**60.16**	**65.47**

* Payment to auditor (net of GST credit availed)

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
As auditor		
Audit fee	0.01	0.01
Tax audit fee	0.00	0.00
Limited review fee	0.01	0.01
In other capacity		
Other services	0.08	0.04
Reimbursement of expenses	-	0.03
Total	**0.10**	**0.09**

** Corporate Social Responsibility expenditure

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) Gross amount required to be spent by the Company during the year	3.91	0.56
(b) Amount spent in cash during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	3.91	0.56
Total	3.91	0.56

(33) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net profit attributable to equity shareholders (₹ in crore) (A)	453.19	421.33
Weighted average number of equity shares for basic and diluted earnings per share (B)	4,883,333,329	3,754,007,285
Earning Per Share (basic & diluted) (₹) (A/B)	**0.93**	**1.12**

(34) **Segment information**

The Company operates in a single reportable segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.

(35) **Transfer of financial assets that are derecognised in their entirety but where the Company has continuing involvement**

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

(36) **Revenue from contract with customers**

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Type of Services		
Distribution income	14.75	65.26
Fees on value added services and products	4.94	16.77
Service and administration charges	50.40	15.78
Foreclosure income	4.53	2.27
Sale of services	142.15	169.15
Total	**216.77**	**269.23**
Geographical markets		
India	216.77	269.23
Outside India	-	-
Total	**216.77**	**269.23**
Timing of revenue recognition		
Services transferred at a point in time	216.77	269.23
Services transferred over time	-	-
Total	**216.77**	**269.23**

Contract balances (₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Service assets	180.05	114.83
Fees, commission and other receivables	0.56	3.20

Impairment allowance recognised for contract balances is Nil (Previous year: Nil)

(37) Employee benefits plan

(I) Defined benefit plans

A) Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age.

(i) Movement in defined benefit obligations (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Defined benefit obligation as at the beginning of the year	**17.13**	**11.87**
Current service cost	3.70	2.48
Interest on defined benefit obligation	1.14	0.89
Remeasurement (gain)/ loss:		
Actuarial (gain)/ loss arising from change in financial assumptions	(0.32)	1.50
Actuarial (gain)/ loss arising from change in demographic assumptions	-	-
Actuarial (gain)/ loss arising on account of experience changes	(1.03)	0.63
Benefits paid	(0.34)	(0.69)
Liabilities assumed / (settled)*	0.98	0.45
Defined benefit obligation as at the end of the year	**21.25**	**17.13**

* On account of business combination within the group

(ii) Movement in plan assets (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Fair value of plan asset as at the beginning of the year	**17.37**	**9.75**
Employer contributions	3.53	6.93
Interest on plan assets	1.20	0.79
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.08)	0.14
Benefits paid	(0.34)	(0.69)
Assets acquired / (settled)*	0.98	0.45
Fair value of plan asset as at the end of the year	**22.66**	**17.37**

* On account of business combination within the group

(iii) Reconciliation of net liability/ (asset) (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net defined benefit liability/ (asset) as at the beginning of the year	**(0.24)**	**2.12**
Expense charged to statement of profit & loss	3.63	2.58
Amount recognised in other comprehensive income	(1.27)	1.99
Employers contribution	(3.53)	(6.93)
Net defined benefit liability/ (asset) as at the end of the year	**(1.41)**	**(0.24)**

(iv) Expenses charged to the statement of profit and loss (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	3.70	2.48
Interest cost	(0.07)	0.10
Total	**3.63**	**2.58**

(v) Remeasurement (gains)/losses in other comprehensive income (₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening amount recognised in other comprehensive income	**4.68**	**2.69**
Changes in financial assumptions	(0.32)	1.50
Changes in demographic assumptions	-	-
Experience adjustments	(1.03)	0.63
Actual return on plan assets less interest on plan assets	0.08	(0.14)
Closing amount recognized in other comprehensive income	**3.41**	**4.68**

(vi) Amount recognised in Balance Sheet

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of funded defined benefit obligation	21.25	17.13
Fair value of plan assets	22.66	17.37
Net defined benefit liability recognised in balance sheet	**(1.41)**	**(0.24)**

(vii) Key actuarial assumptions

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.95%	6.80%
Salary escalation rate (p.a.)	11.00%	11.00%
Category of plan assets		
Insurer managed funds	100.00%	100.00%

(viii) Sensitivity analysis for significant assumptions is as shown below:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Discount rate	Salary Escalation Rate	Discount rate	Salary Escalation Rate
Impact of increase in 50 bps on defined benefit obligation	-4.84%	4.99%	-5.03%	5.19%
Impact of decrease in 50 bps on defined benefit obligation	5.21%	-4.69%	5.42%	-4.86%

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

(ix) Projected plan cash flow

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Maturity Profile		
Expected benefits for year 1	1.15	0.86
Expected benefits for year 2	1.30	0.96
Expected benefits for year 3	1.48	1.07
Expected benefits for year 4	1.58	1.22
Expected benefits for year 5	1.60	1.26
Expected benefits for year 6	1.60	1.28
Expected benefits for year 7	1.62	1.29
Expected benefits for year 8	1.63	1.30
Expected benefits for year 9	1.87	1.31
Expected benefits for year 10 and above	34.86	29.13

(x) Expected contribution to fund in the next year

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Expected contribution to fund in the next year	3.00	1.50

B) Long-term service benefit liability

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of unfunded obligations	1.41	1.12
Expense recognised in the statement of profit and loss	0.29	0.39
Discount rate (p.a.)	6.95%	6.80%

(38) Contingent liabilities and commitments

(a) Contingent liabilities not provided for in respect of :

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Disputed claims against the company not acknowledged as debts	1.85	0.79

(b) Capital and other commitments (₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Capital commitments (Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances))	0.49	1.05
(ii) Other commitments (towards partially disbursed / un-encashed loans)	2,903.08	515.65

(39) **Changes in liability arising from financing activities**

For the year ended 31 March 2021 (₹ In Crore)

Particulars	As at 1 April 2020	Cash flows	Other	As at 31 March 2021
Debt Securities	7,823.59	3,217.18	291.31	11,332.08
Borrowing other than Debt Securities	17,776.85	2,486.83	4.84	20,268.52
Lease Liability	38.70	(7.73)	0.99	31.96
Total	**25,639.14**	**5,696.28**	**297.14**	**31,632.56**

For the year ended 31 March 2020 (₹ In Crore)

Particulars	As at 1 April 2019	Cash flows	Other	As at 31 March 2020
Debt Securities	7,632.36	(178.77)	370.00	7,823.59
Borrowing other than Debt Securities	7,603.77	10,174.57	(1.49)	17,776.85
Lease Liability	-	(6.29)	44.99	38.70
Total	**15,236.13**	**9,989.51**	**413.50**	**25,639.14**

(40) **Disclosure of transactions with related parties as required by Ind AS 24**

(₹ in crore)

Name of the related party and nature of relationship		Nature of Transaction	Year ended 31 March 2021		Year ended 31 March 2020	
			Transaction Value	Outstanding amounts carried in Balance	Transaction Value	Outstanding amounts carried in Balance Sheet
A. Holding Company, Subsidiaries & Fellow Subsidiaries :						
1	Bajaj Finserv Limited (Ultimate Holding company)	Secured non-convertible debentures issued		(150.34)	-	-
2	Bajaj Finance Limited (Holding company)	Contribution to Equity (4,88,33,33,329 shares of ₹10 each)	-	(4,883.33)	1,500.00	(4,883.33)
		Security deposit received	-	(0.08)	-	(0.08)
		Rent received	0.19	-	0.17	0.02
		Assets purchased	0.09	-	0.30	-
		Assets sale	0.07	-	0.33	0.18
		Purchase of loan portfolio	300.13	-	-	-
		Direct assignment of loan portfolio	-	-	1,454.20	-
		Business support charges paid	4.72	-	5.00	(4.67)
		Business support charges received	1.50	-	1.50	-
		Fees and commission received	42.46	-	46.67	0.50
		ESOP recharge cost	13.36	-	7.05	7.05
		Settlement of ESOP	20.41	-		
		Service Asset Income	(1.47)	36.01	53.33	47.99
		Amount received against service asset income	14.67		7.34	-
		Interest income on Service Assets	4.15		2.00	-
		Others receipts	-	-	0.02	-
		Other payments	-	-	0.12	-

(40) Disclosure of transactions with related parties as required by Ind AS 24 (contd.) (₹ in crore)

	Name of the related party and nature of relationship	Nature of Transaction	Year ended 31 March 2021		Year ended 31 March 2020	
			Transaction Value	Outstanding amounts carried in Balance	Transaction Value	Outstanding amounts carried in Balance Sheet
3	Bajaj Allianz General Insurance Company Ltd. (Fellow subsidiary)	Insurance premium adjusted (including cancellation receipts)	0.04	0.02	1.09	(0.12)
		Insurance expense	2.63	3.25	0.91	0.09
		Interest paid on non-convertible debentures	10.51			
		Secured non-convertible debentures issued	-	(150.99)	-	(150.94)
4	Bajaj Allianz Life Insurance Company Ltd. (Fellow subsidiary)	Insurance premium adjusted (including cancellation receipts)	18.30	(0.26)	198.53	0.46
		Insurance expense	0.88	3.06	0.50	0.07
		Loan insurance expense	14.34	-		
		Interest paid on non-convertible debentures	16.96	-		
		Unsecured non-convertible debentures issued	-	(436.76)	-	(218.20)
5	Bajaj Finserv Direct Limited (Fellow subsidiary)	Business support charges paid	0.09	-	4.92	(0.13)
		Assets purchased	0.12	-	0.11	-
		Assets sale	(0.02)	-	0.19	0.05
		Other Receipts	0.07	-	0.13	-
B. Key Management Personnel and their relatives						
1	Sanjiv Bajaj (Non Executive Director)	Sitting Fees	0.07	-	0.06	-
2	Nanoo Pamnani (Non Executive Director)	Sitting Fees	-		0.06	-
3	Lila Poonawalla (Non Executive Director)	Sitting Fees	0.07	-	0.06	-
4	Anami Narayan Roy (Non Executive Director)	Sitting Fees	0.03	-	-	-
5	Omkar Goswami (Non Executive Director)	Sitting Fees	0.04	-	-	-
6	Atul Jain (Chief Executive Officer)	Remuneration	7.51	(1.80)	9.76	(5.58)
		Fair value of ESOPs issued by Holding Company	3.23		4.33	-
C. Other entities						
1	Bajaj Auto Ltd.	Security deposit (paid)	-	0.02	-	0.02
		Interest expense on lease obligation	0.00		0.01	-
		Lease liability recognised at inception	-	(0.04)	0.13	(0.09)
		Payment towards lease obligation	0.05		0.04	-
2	Bajaj Holdings and Investment Limited	Secured non-convertible debentures issued	-	(150.16)	-	(150.16)
		Interest paid on non-convertible debentures	10.41			
3	Maharashtra Scooters Limited	Secured non-convertible debentures issued		(25.06)		-
4	Hind Musafir Agency Ltd.	Services received	0.73	(0.04)	2.43	-
5	Poddar Housing And Developm	Loan given	-	13.00	-	-
		Interest Income	1.71	0.02	-	-
6	Ashwin Vijaykumar Jain	Loan given	0.15	0.15	-	-
		Loan repayment received	0.00		-	
		Interest Income	0.01	0.00	-	-
D. Post employment benefit entity						
1	Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	3.65	-	2.50	-
2	Bajaj Auto Senior Staff Group Gratuity Fund	Gratuity contribution	-	-	4.50	-

(40) Disclosure of transactions with related parties as required by Ind AS 24 (contd.) (₹ in crore)

Note: -

1. Transactions value are excluding taxes and duties.

2. Amount in bracket denotes credit balance.

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

4. Related parties as defined under clause 9 of the Indian Accounting Standard - 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business and on arms' length basis. All outstanding balances are to be settled in cash and are unsecured.

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

6. NCD transaction includes only issuance from primary market, and outstanding balance is balances of NCDs held by related parties as on reporting dates.

(41) Capital

The Company actively manages its capital base to cover risks inherent to its business and meets the capital adequacy requirements of the regulator, Reserve Bank of India/National Housing Bank. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI/NHB

(i) Capital management

Objective

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

Planning

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

The Company monitors its capital adequacy ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO).

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

(ii) Regulatory capital (₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Tier I capital	5,820.36	5,495.58
Tier II capital	178.68	151.25
Total capital	**5,999.04**	**5,646.83**
Total risk weighted assets	**28,119.67**	**22,450.99**
Tier I CRAR	20.70%	24.48%
Tier II CRAR	0.63%	0.67%
Total CRAR	**21.33%**	**25.15%***

* CRAR computed for the year ended 31 March 2020 is based on the financial statement of the Company which complies in all material respects with previous GAAP, as noted by the Board of Directors for regulatory and supervisory purposes pursuant to the NHB Circular No. NHB (ND)/DRS/Policy Circular No. 89/2017-18 dated June 14, 2018.

(42) Events after reporting date

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

(43) Fair values

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

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

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

Valuation framework

The company has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.
The company's valuation framework includes:
• Benchmarking prices against observable market prices or other independent sources;
• Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Valuation methodologies adopted

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:
• Fair values of investments held for trading under FVTPL have been determined under level 1 (refer note 44) using quoted market prices of the underlying instruments;
• Fair value of loans held for a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. The fair value of these loans have been determined under level 3.

The Company has determined that the carrying values of cash and cash equivalents, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

(44) Fair value hierarchy

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

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

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

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value as at 31 March 2021:

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading designated under FVTPL	31 March 2021	2,757.32	-	-	2,757.32
Loans designated under FVOCI	31 March 2021	-	25,178.92	-	25,178.92

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value as at 31 March 2020:

(₹ in crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	31 Mar 2020	2,508.02	-	-	2,508.02
Loans designated under FVOCI	31 Mar 2020	-	21,659.54	-	21,659.54

Fair value of financial instruments not measured at fair value as at 31 March 2021: (₹ in crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Cash and cash equivalents	461.78	461.78	-	-	461.78
Bank balances other than cash and cash equivalents	255.00	255.00	-	-	255.00
Trade receivables	310.66	-	-	310.66	310.66
Loans	8,239.98	-	-	8,239.98	8,239.98
Investments	508.72	508.72	-	-	508.72
Other financial assets	33.99	-	-	33.99	33.99
Total financial assets	**9,810.13**	**1,225.50**	**-**	**8,584.63**	**9,810.13**
Financial liabilities					
Trade payables	20.90	-	-	20.90	20.90
Other payables	21.28	-	-	21.28	21.28
Debt securities	11,332.08	-	11,491.68	-	11,491.68
Borrowings (other than debt securities)	20,268.52	-	-	20,268.52	20,268.52
Other financial liabilities	144.63	-	-	144.63	144.63
Total financial liabilities	**31,787.41**	**-**	**11,491.68**	**20,455.33**	**31,947.01**

*Substantial portion of loans are at floating rate of interest, hence does not have material impact on fair valuation.

Fair value of financial instruments not measured at fair value as at 31 March 2020: (₹ in crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Cash and cash equivalents	658.72	658.72	-	-	658.72
Trade receivables	118.47	-	-	118.47	118.47
Loans at amortised cost*	6,315.87	-	-	6,315.87	6,315.87
Other financial assets	8.37	-	-	8.37	8.37
Total financial assets	**7,101.43**	**658.72**	**-**	**6,442.71**	**7,101.43**
Financial liabilities					
Trade payables	30.59	-	-	30.59	30.59
Other payables	17.83	-	-	17.83	17.83
Debt Securities	7,823.59	-	7,925.42	-	7,925.42
Borrowings (other than debt securities)	17,776.85	-	-	17,776.85	17,776.85
Other financial liabilities	73.59	-	-	73.59	73.59
Total financial liabilities	**25,722.45**	**-**	**7,925.42**	**17,898.86**	**25,824.28**

*Substantial portion of loans are at floating rate of interest, hence does not have material impact on fair valuation.

(45) Risk management objectives and policies

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

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Market Risk	Liquidity risk arises from mismatches in the timing of cash flows. Funding risk arises from: • inability to raise incremental borrowings to fund business requirement or repayment obligations • when long term assets cannot be funded at the expected term resulting in cashflow mismatches; • Amidst volatile market conditions impacting sourcing of funds from banks and money markets	Board appointed Committee of Directors and ALCO	Liquidity and funding risk is: • measured by -identification of gaps in the structural and dynamic liquidity statements. - assessment of incremental borrowings required for meeting the repayment obligation as well as the Company's business plan in line with prevailing market conditions. • monitored by - assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory directions for NBFCs. - a constant calibration of sources of funds in line with emerging market conditions in banking and money markets - periodic reviews by ALCO relating to the liquidity position and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company. • managed by the Company's treasury team under through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans under the guidance of ALCO and Board.
Credit Risk	Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company	Board appointed RMC and Chief Risk Officer (CRO)	Credit risk is: • measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various metrics such as EMI default rate, overdue position, collection efficiency, customers non performing loans etc. are used as leading indicators to assess credit risk. • monitored by RMC and CRO using level of credit exposures, portfolio monitoring, repurchase rate, bureau data of portfolio performance and industry, geographic, customer and portfolio concentration risks and assessment of any major change in the business environment including economic, political as well as natural calamity / pandemic. • managed by a robust control framework by the risk and collection department. This is acheived by continuously aligning credit and collection policies and resourcing, obtaining external data from credit bureaus and reviews of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, collection and fraud containment along with business. The same is periodically reviewed by the Board appointed risk management committee(RMC).
Operational risk	Operational risk is the risk arising from inadequate or failed internal processes or controls, its people and system and also from external events	Board appointed RMC / Senior Management and Audit Committee (AC)	Operational risk is: • measured by KPI's set for each of the processes/ functions, system and control failures and instances of fraud. • monitored by deviations identified in each of the set KPI's for the processes/controls, periodical review of technology platforms and review of control processes as part of internal control framework. • managed by in house compliance units established across different businesses and functions, operations and internal audit function under the guidance of RMC and AC.

Liquidity and funding risk

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

The Company maintains a judicious mix of borrowings from banks, money markets and continues to diversify its sources of borrowings with an emphasis on longer tenor borrowings. This strategy of balancing varied sources of funds and long tenor borrowings along with liquidity buffer framework has helped the Company maintain a healthy asset liability position during the financial year 2020-21.

The Company continuously monitors liquidity in the market; and as a part of its ALM strategy, the Company maintains a liquidity buffer managed by an active investment desk to reduce this risk.

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

(₹ in crore)

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 12 months	*After 12 months*	*Total*	*Within 12 months*	*After 12 months*	*Total*
Debt securities	6,979.24	5,517.74	12,496.98	2,177.16	6,779.81	8,956.97
Borrowings (other than debt	4,943.42	18,724.77	23,668.19	3,105.72	18,976.87	22,082.59
Trade payables	20.90	-	20.90	30.59	-	30.59
Other payables	21.28	-	21.28	17.83	-	17.83
Other financial liabilities	121.82	22.81	144.63	42.96	30.63	73.59
Total	**12,086.67**	**24,265.32**	**36,351.98**	**5,374.26**	**25,787.31**	**31,161.57**

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

(₹ in crore)

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 12 months	*After 12 months*	*Total*	*Within 12 months*	*After 12 months*	*Total*
Assets						
Financial assets						
Cash and cash equivalents	461.78	-	461.78	658.72	-	658.72
Bank balances other than cash and cash equivalents	254.98	0.02	255.00	-	-	-
Trade receivables	167.55	143.11	310.66	118.47	-	118.47
Loans	1,736.52	31,682.38	33,418.90	1,256.51	26,718.90	27,975.41
Investments	3,266.04	-	3,266.04	2,508.02	-	2,508.02
Other financial assets	27.05	6.94	33.99	2.62	5.75	8.37
Non-financial assets						
Current tax assets (net)	-	4.46	4.46	-	11.10	11.10
Deferred tax assets (net)	-	15.26	15.26	-	-	-
Property, plant and equipment	-	64.32	64.32	-	77.80	77.80
Other intangible assets	-	14.57	14.57	-	7.98	7.98
Right of use Assets	-	-	-	-	-	-
Other non-financial assets	14.36	-	14.36	6.55	-	6.55
Total assets	**5,928.28**	**31,931.06**	**37,859.34**	**4,550.89**	**26,821.53**	**31,372.42**
LIABILITIES						
Financial liabilities						
Trade payables	20.90	-	20.90	30.59	-	30.59
Other payables	21.28	-	21.28	17.83	-	17.83
Debt securities	6,704.50	4,627.58	11,332.08	1,997.22	5,826.37	7,823.59
Borrowings (other than debt	3,709.49	16,559.03	20,268.52	1,724.76	16,052.09	17,776.85
Other financial liabilities	121.82	22.81	144.63	42.96	30.63	73.59
Non-financial liabilities						
Current tax liabilities (net)	7.39	-	7.39	7.07	-	7.07
Provisions	0.88	1.41	2.29	1.16	1.12	2.28
Deferred tax liabilities (net)	-	-	-	-	11.43	11.43
Other non-financial liabilities	30.03	-	30.03	44.06	-	44.06
Total Liabilities	**10,616.29**	**21,210.83**	**31,827.12**	**3,865.65**	**21,921.64**	**25,787.29**

Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The Company do not have any exposure to foreign exchange rate and equity price risk.

Interest rate risk

On Investments

The Company holds shorter duration investment portfolio and thus it has a minimum fair value change impact on its investment portfolio. The interest rate risk on the investment portfolio and corresponding fair value change impact is monitored using VaR and the parameters for monitoring the same are defined in its investment policy.

Sensitivity analysis as at 31 March 2021 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Investment at FVTPL	2,757.32	2,757.32	(3.09)	3.09
Investment at amortised cost	508.72	508.72	-	-

Sensitivity analysis as at 31 March 2020 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Investment at FVTPL	2,508.02	2,508.02	(3.00)	3.00

On assets and liabilities

Interest rate sensitivity on fixed and floating rate assets and liabilities with differing maturity profiles is measured by using the duration gap analysis. The same are computed monthly and sensitivity of the market value of equity assuming varied changes in interest rates are presented and monitored by ALCO.

Sensitivity analysis as at 31 March 2021 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Loans	33,418.90	33,418.90	-	-
Debt Securities	11,332.08	11,491.68	(115.51)	122.72
Borrowings (other than debt securities)	20,268.52	20,268.52	-	-

Sensitivity analysis as at 31 March 2020 : (₹ in crore)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1 % increase	1 % decrease
Loans	27,975.41	27,975.41	-	-
Debt Securities	7,823.59	7,925.42	(105.18)	110.07
Borrowings (other than debt securities)	17,776.85	17,776.85	-	-

Credit Risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. The Company has a diversified lending model and focuses on six broad categories viz: (i) home loans, (ii) loan against property (iii) lease rental discounting, (iv) developer loans, (v) rural mortgage loans and (vi) unsecured loans. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

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

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

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due ('DPD') and are accordingly transferred from stage 1 to stage 2. For stage 1 an ECL allowance is calculated based on a 12-month Point in Time ('PIT') probability weighted probability of default ('PD'). For stage 2 and 3 assets a life time ECL is calculated based on a lifetime PD.

Computation of impairment on financial instruments

The Company calculates impairment on financial insturments ECL approach prescribed under Ind AS 109 'Financial instruments'. ECL uses three main components: PD, LGD (loss given default) and EAD (exposure at default) along with an adjustment considering forward macro economic conditions (for a detailed note for methodology of computation of ECL please refer to
significant accounting policies note no 4.4(i).

The Company recaliberates components of its ECL model on a periodical basis by using the available incremental and recent information as well as assessing changes to its statistical techniques for a granular estimation of ECL. During the year, the Company recognised an additional impairment on financial instruments of ₹ 30.80 crore on account of recaliberation of its ECL model.

Financial instruments other than Loans were subjected to simplified ECL approach under Ind AS 109 'Financial instruments'.

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

Lending verticals	PD			EAD	LGD
	Stage 1	Stage 2	Stage 3		
Home loans	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers.		100%	EAD is computed based on past trends of proportion of outstanding at time of default to the outstanding on reporting date	Past trends of recoveries for each set of portfolios are discounted at reasonable approximation of the original effective rates of interest.
Loan against property					
Rural mortgage loans					
Lease rental discounting	External ratings or internal evaluation with a management overlay for each customer or customer industry segment.			EAD is computed given the time to default based on historic trends across rating profile	
Developer loans					
Other loans	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers.			EAD is computed based on past trends of proportion of outstanding at time of default to the outstanding on reporting date	

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

As at 31 March 2021 (₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	31,706.12	633.98	116.12	1,290.05	25.38	3.01
Allowance for ECL	169.91	123.81	43.36	8.77	8.07	1.84
ECL Coverage ratio	0.54%	19.53%	37.34%	0.68%	31.80%	61.13%

As at 31 March 2020 (₹ in crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	26,849.38	286.74	21.84	929.04	7.17	1.86
Allowance for ECL	83.89	21.73	7.91	5.12	0.87	1.10
ECL Coverage ratio	0.31%	7.58%	36.22%	0.55%	12.13%	59.14%

Collateral valuation

The nature of products across these broad categories are either secured by collateral or unsecured. Although collateral is an important risk mitigant of credit risk, the Company's practice is to lend on the basis of the its assessment of the customer's ability to repay rather than placing primary reliance on collateral. Based on the nature of product and the Company's assessment of the customer credit risk, a loan may be offered with suitable collateral. Depending on its form, collateral can have a significant financial effect in mitigating the Company's credit risk.

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

Product Group	Nature of securities
Home loans	Equitable mortgage of residential properties.
Loan against property	Equitable mortgage of residential and commercial properties.
Rural mortgage loans	
Lease rental discounting	
Developer loans	

The Company periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics. The Company exercises its right to repossess properties mortgaged to it for delinquent customers. The repossessed assets are either sold or released to delinquent customers in case they come forward to settle their dues. The Company does not record repossessed assets on its balance sheet as non–current assets held for sale.

Analysis of Concentration Risk

The Company continues to grow its granularity of its products by expanding its geographic reach in order to reduce geographic concentrations while continually calibrating its product mix across its six categories of lending mentioned above.

Measurement uncertainty and sensitivity analysis of ECL estimates

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

Methodology

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

The Company has used multiple economic factors and tested their correlations with past loss trends witnessed. The economic factors tested were GDP growth rates, growth of bank credit, wholesale price index (WPI), consumer price index (CPI), industrial production index, crude oil prices, exchange rate and policy interest rates. Based on past correlation trends, CPI and policy interest rates were the two factors having acceptable correlation with past loss trends which were in line with management views on the drivers of portfolio trends. These factors were assigned appropriate weights to measure ECL in future economic conditions.

Given the Covid-19 pandemic, the Company has considered additional stress in the central and downside scenarios:
- Central Scenario: Centre for Monitoring Indian Economy (CMIE) released its latest estimate of unemployement rate which was at a elevated level of ~23% for March 2020 end till first week of April 2020 - this was significantly higher from 7.66% published for December 2019. Similarly, CPI which hovered between 3.42% to 5.86% for quarter ending September 2019 and December 2019, resepctively, has been projected to peak at 6.54% in September 2020 for stressed central scenario - representing anticipated stress impact due to lockdown and disruption in supply chains and increased prices for food and beverages.
- Downside Scenario: The Company has considered additional stress impact on unemployment rate as estimated by moody's forecast of Covid-19 scenarios for current expected credit loss (CECL).

Risk management amidst Covid-19

The unprecedented health scare caused by Covid-19 which led to a countrywide lockdown is going to have a varying impact on different sectors of the economy. Salaried individuals may have to contend with a scenario of reduced income and/or job losses. Corporates, SMEs and MSMEs will struggle on account of reduced economic activities and business rhythm that is no longer efficient due to severe disruption in both demand and supply. All these will lead to major cash flow constraints and erosion in the asset value. These developments in turn will severely test risk management frameworks across the financial sector.

On 27 March 2020, the RBI, in order to provide relief on debt servicing obligations, permitted financial institutions to offer moratorium to their borrowers on instalments falling due between 1 March 2020 to 31 May 2020. With uncertainties caused by Covid-19 pandemic including the pace of easing of the lockdown restrictions, the time needed to restart the economy and attaining some level of normalcy, the credit performance and repayment behaviour of the customers need to be monitored closely.

An analysis of the customer segments seeking moratorium and their past repayment behaviour reflects heightened anxiety from customer. Expectations of elevated default on timely payment of instalments and collection related constraints are likely to result in higher credit costs than witnessed hitherto. The Company has committed for making requisite investment to deepen its collections infrastructure to control its credit costs.

Based on early indicators of moratorium and delayed payment metrics observed in April 2020, the Company has made a contingency provision of ₹ 116.11 crore in FY2021 (₹ 50 crore in FY2020) including incremental ECL of ₹ 30.80 crore assessed under the stressed macro impact.

ECL sensitivity to future economic conditions

(₹ in crore)

ECL coverage of financial instruments under forecast economic conditions	As at 31 March 2021	As at 31 March 2020
Gross carrying amount of loans	33,774.66	28,096.03
Reported ECL	355.76	120.62
Reported ECL coverage	1.05%	0.43%
Assumptions for stressed central scenario		
Base ECL without macro overlay (based on emperical evidences)	187.56	68.53
Add : Management overlay for Covid-19	118.20	49.50
Central Scenario	305.76	118.03
ECL amounts for alternate scenario		
Central Scenario (80%)	305.76	118.03
Downside scenario (10%)	903.06	154.01
Upside scenario (10%)	208.46	107.90
Reported ECL	**355.76**	**120.62**
Management overlay for Macro economics factors and Covid-19	168.20	52.09
Additional Management overlay during year ended 31 March 2021, representing Covid-19 stress	116.11	50.00
ECL coverage ratios by scenario		
Central scenario (80%)	0.91%	0.42%
Downside scenario (10%)	2.67%	0.55%
Upside scenario (10%)	0.62%	0.38%

(46) Employee stock option plan

The Nomination and Remuneration Committee of the holding Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants as of 31 March 2021 are given as under:

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
16-May-19	3002.75	137,550	23,929	98,127	10,430	5,064	122,056
19-May-20	1938.60	255,000	-	245,450	-	9,550	245,450
Total		392,550	23,929	343,577	10,430	14,614	367,506

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Grant date	19-May-20	16-May-19
No. of options granted	255,000	137,550
Weighted average fair value (₹)	787.24	1,257.94

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

Total for all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	137,550	3,002.75	3,002.75	3.98
Granted during the year	255,000	1,938.60	1,938.60	
Cancelled during the year	14,614	1938.6-3002.75	2,307.35	
Exercised during the year	10,430	3,002.75	3,002.75	
Outstanding at the end of the year	367,506	1938.6-3002.75	2,292.03	4.51
Exercisable at the end of the year	23,929	1938.6-3002.75	3,002.75	2.40

The weighted average market price of equity shares for options exercised during the year is ₹ 4,642.40

Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (₹)*
16-May-19	7.09%	3.5 -6.5 years	34.03%	0.13%	3,002.75
19-May-20	5.07%	3.5 -6.5 years	42.95%	0.83%	1,938.60

For the year ended 31 March 2021, the Company has accounted expense of ₹ 13.36 crore as employee benefit expenses (note no.31) on the aforesaid employee stock option plan (Previous year ₹ 7.05 crore).

(47) Reserve Bank of India ('RBI') issued guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020 and subsequent guidelines on EMI moratorium dated 17 April 2020 and 23 May 2020, the Company had offered moratorium in accordance with its Board approved policies to its customers based on requests as well as on a suo-moto basis between 1 March 2020 to 31 August 2020. For such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period.

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Amount in SMA/Overdue categories as of 29 February 2020	22.32	22.32
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular (as of 29 February 2020)	14.29	5.98
Respective amount where asset classification benefit is extended (outstanding as of 29 February 2020)*	11.98	0.64
Provision made in terms of paragraph 5 of the circular as at the end of moratorium (As per para 4, applicable to NBFC's covered under Ind AS)	2.65	0.32
Provisions adjusted against slippages in terms of paragraph 6 of the circular	2.17	-
Residual provisions as of 31 March 2021 in terms of paragraph 6 of the circular	0.48	0.32

*** Loan outstanding as of 31 March 2021 and corresponding expected credit loss provision on the same are as below:**

Loan outstanding where the Company continues to have asset classification benefit	3.47	0.64
Corresponding expected credit loss provision (excluding management and macro-economic overlays)	0.62	0.32

(48) Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 have been prepared in compliance with Indian Accounting Standards (Ind AS) whereas comparative figure have been disclosed on the basis of previous GAAP pursuant to the NHB circular no. NHB (ND)/DRS/Policy Circular No.89/2017-18 dated June 14, 2018.

48.1 Principal Business Criteria

Principal Business Criteria for the Company to be classified as "Housing Finance Company" as per the Paragraph 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 is given below:

Criteria	% as at 31 March 2021*
Percentage of total assets towards housing finance	47.86%
Percentage of total assets towards housing finance for individuals	43.96%

**Minimum regulatory percentage to be complied from March 31, 2022 onwards*

48.2 Disclosures:

48.2.1 Capital

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(i) CRAR (%)	**21.33%**	**25.15%**
(ii) CRAR Tier I capital (%)	20.70%	24.48%
(iii) CRAR Tier II capital (%)	0.63%	0.67%
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt instruments	-	-

48.2.2 Reserve Fund u/s 29C of NHB Act, 1987

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year:		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	78.32	19.05
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	32.40	7.40
Total	**110.72**	**26.45**
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	48.64	59.27
b Additional amount transferred u/s 29C of the NHB Act, 1987	22.66	-
c Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	42.00	25.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Additional amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
c) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	126.96	78.32
b) Additional statutory Reserve u/s 29C of the NHB Act, 1987	22.66	-
c) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	74.40	32.40
Total	**224.02**	**110.72**

48.2.3 Investments

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Value of investments		
(i) Gross value of investments		
(a) In India	3,268.02	2,500.45
(b) Outside India		
(ii) Provisions for depreciation/ appreciation*		
(a) In India	1.98	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	3,266.04	2,500.45
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	7.57	-
(ii) Add: Provisions made during the year (Net of appreciation)	-	-
(iii) Less: Write-off / Written-bank of excess provisions during the year	5.59	-
(iv) Closing balance	1.98	-

* Represents unrealised gain due to fair value change

48.2.4 Derivatives

The company has not entered into any derivative / forward rate agrement / interest rate swap / exchange traded interest rate derivative during the current year and previous year.

48.2.5.1 Securitisation

The company has not entered into any Securitisiation transactions during the current year and previous year.

48.2.5.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Number of accounts	-	59
Aggregate outstanding (net of provision)	-	7.54
Aggregate consideration	-	5.92
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain / (loss) over net book value	-	(1.62)

48.2.5.3 Details of Assignment transactions undertaken by HFCs

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(i) No. of accounts	12,863	25,155
(ii) Aggregate value of accounts assigned	1,881.37	4,822.62
(iii) Aggregate consideration for assigned portion	1,881.37	4,822.62
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

48.2.5.4 Details of non-performing financial assets purchased / sold

(a) Details of non performing financial assets purchased

The Company has not purchased any non performing financial asset during the current and previous year.

(b) Details of non performing financial assets sold (other than sale to ARCs)

(₹ in crore)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Number of accounts sold	-	240
Aggregate outstanding (net of provision)	-	25.85
Aggregate consideration received	-	15.18

48.2.6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as at 31 March 2021 (₹ in crore)

Particulars	1 day to 7days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 month & upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 Years	Total
Liabilities											
Borrowings from bank	-	-	65.63	286.31	653.70	937.80	1,766.05	10,043.68	4,611.41	1,903.94	20,268.52
Market borrowing	1,291.15	-	598.54	1,599.35	812.36	512.23	1,890.87	4,124.23	-	503.35	11,332.08
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	397.04	173.01	404.21	763.37	738.07	2,092.12	3,716.74	10,465.55	6,081.89	8,586.91	33,418.90
Investments	2,757.32	254.98	-	758.89	-	-	-	0.02	-	-	3,771.21
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of advances have been shown based on behavioural pattern.

*Investments includes fixed deposits of ₹ 505.17 crore shown under Note 5 - cash and cash equivalents & Note 6 - Bank balances other than cash and cash equivalents to the financial statements.

48.2.6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as at 31 March 2020 (₹ in crore)

Particulars	Up to 30/31 days (one month)	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 Years	Total
Liabilities											
Borrowings from bank	38.54	19.79	247.75	253.55	1,755.58	7,468.97	6,930.44	1,511.86	153.85	-	18,380.33
Market borrowing	-	-	73.73	429.75	1,368.65	5,098.68	-	-	-	1,800.00	8,770.81
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	526.90	384.38	386.50	1,113.81	2,067.43	6,421.93	4,506.46	3,432.82	3,741.59	5,639.77	28,221.59
Investments	1,651.66	500.27	1,000.00	-	-	-	-	-	-	-	3,151.93
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of certain items of Assets and Liabilities have been shown based on behavioural pattern. Borrowings from Bank includes undrawn credit limit of ₹587.56 crores sanctioned by banks. Market Borrowing includes to be called and paid amount of ₹1,548.00 Crores.

*Investments includes short term fixed deposits of ₹ 651.48 crore shown under Note 5 - cash and cash equivalents to the financial statements.

48.2.7 Exposure

48.2.7.1 Exposure to Real Estate Sector

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
a) Direct Exposure		
(i) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	24,495.15	22,118.25
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	7,022.72	4,598.31
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	**31,517.87**	**26,716.56**

48.2.7.2 Exposure to Capital Market

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

48.2.7.3 Details of financing of parent company products

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

48.2.7.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

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

48.2.7.5 Unsecured Advances

The Company has unsecured advances of ₹ 1299.76 crore (Previous year: ₹ 952.65 crore). The Company has not granted any advances against intangible collateral.

48.2.7.6 Exposure to group companies engaged in real estate business

The Company does not have any exposure to group companies engaged in real estate business during the current and previous year.

48.3 Miscellaneous

48.3.1 Registration obtained from other financial sector regulators

The Company has obtained registration from Financial Intelligence Units, India vide Registration No. FIHFC00119.

48.3.2 Disclosure of penalties imposed by NHB/RBI and other regulators

The National Housing Board vide its press release dated September 1, 2020 imposed a monetary penalty of ₹ 50,000/- on account of contravention of para 27A of the Housing Finance Companies (NHB) Directions, 2010 and para 10 (2) of issuance of NCDs on private placement basis (NHB) Direction, 2014[1]. The said penalty does not have any material impact on the Company. (FY 2019-20 - ₹ 5,000/-).

48.3.3 Related party Transactions

Refer Note no. 40 Disclosure of transactions with related parties as required by Ind AS 24

48.3.4 Group Structure

Diagrammatic representation of group structure given below:

Bajaj Holdings & Investment Limited (BHIL) (Entities in which KMP and their relatives have significant influence)

- **Bajaj Finserv Limited (BHIL holds 39.16%) (Ultimate Holding Company)**
  - Bajaj Allianz General Insurance Company Limited (Ultimate Holding Company holds 74%)
  - Bajaj Allianz Life Insurance Company Limited (Ultimate Holding Company holds 74%)
  - **Bajaj Finance Limited (Parent Company holds 52.74%)**
    - **Bajaj Housing Finance Limited (Parent Company holds 100%)**
    - Bajaj Financial Securities Limited (Parent Company holds 100%)
- Bajaj Auto Limited (BHIL holds 33.43%) (Entities in which KMP and their relatives have significant influence)

Above shareholding is as of 31 March 2021

48.3.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

(₹ in crore)

Rating Agency	Instruments	Rating assigned	Migration in ratings during the year	As at 31 March 2021	As at 31 March 2020
India Ratings	Non-Convertible Debenture & Subordinated debt	IND AAA/Stable	NIL	500.00	500.00
	Long-Term Bank Rating	IND AAA/Stable	NIL	15,600.00	15,600.00
	Short-Term Bank Rating	IND A1+	NIL	1,400.00	1,300.00
	Commercial Paper	IND A1+	NIL	5,000.00	5,000.00
CRISIL	Non-Convertible Debenture	CRISIL AAA/Stable	NIL	10,580.00	10,000.00
	Subordinated debt	CRISIL AAA/Stable	NIL	500.00	500.00
	Long-Term Bank Rating	CRISIL AAA/Stable	NIL	9,000.00*	10,000.00*
	Short-Term Bank Rating	CRISIL A1+	NIL		
	Commercial Paper	CRISIL A1+	NIL	5,000.00	5,000.00

* Combined limit for long-term and short-term bank rating

48.3.6 Remuneration of Directors

The Company has paid sitting fees of ₹ 0.22 crore (previous year: ₹ 0.18) to the directors during the current year.

48.4 Additional Disclosures

48.4.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account (₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income tax/deferred tax and tax adjustments of earlier years	159.99	140.32
3. Provision towards NPA	36.19	6.14
4. Provision for Standard Assets *	198.95	80.50
5. Other Provision and Contingencies	-	-
*** Breakup of provision for Standard Assets**		
Commercial Real Estate	14.77	14.12
Commercial Real Estate-Residential Housing	4.31	8.80
Others	179.87	57.58
Total	**198.95**	**80.50**

Break up of Loan & Advances and Provisions thereon (₹ in crore)

Particulars	Housing		Non-Housing	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Standard Assets				
a) Total Outstanding Amount	18,219.90	16,217.85	15,435.63	11,989.43
b) Provisions made	164.36	68.45	146.20	82.80
Sub-Standard Assets				
a) Total Outstanding Amount	52.49	13.53	64.07	9.80
b) Provisions made	19.93	4.51	23.79	4.51
Doubtful Assets – Category-I				
a) Total Outstanding Amount	1.27	-	1.30	-
b) Provisions made	0.73	-	0.75	-
Doubtful Assets – Category-II				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Total				
a) Total Outstanding Amount	18,273.66	16,231.38	15,501.00	11,999.23
b) Provisions made	185.02	72.96	170.74	87.31

48.4.2 Draw Down from Statutory Reserve created u/s 29C of the National Housing Bank Act, 1987

The Company has not drawn any amount from Statutory Reserve created u/s 29C of the National Housing Bank Act, 1987 during the current year.

48.4.3 Concentration of Public Deposits, Advances, Exposures and NPAs

48.4.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

The Company is non public deposit taking housing finance company and has not accepted any public deposits during the current year.

48.4.3.2 Concentration of Loans & Advances

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Total Loans & Advances to twenty largest borrowers	2,381.91	1,369.36
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	7.05%	4.85%

48.4.3.3 Concentration of all Exposure (including off-balance sheet exposure)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Total Exposure to twenty largest borrowers / customers	2,556.47	1,396.89
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	6.97%	4.86%

48.4.3.4 Concentration of NPAs

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Total Exposure to top ten NPA accounts	13.25	7.44

48.4.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at 31 March 2021	As at 31 March 2020
Housing Loans:		
Individuals	0.31%	0.09%
Builders/Project Loans	0.08%	0.00%
Corporates	0.00%	0.00%
Others	0.00%	0.00%
Non-Housing Loans:		
Individuals	0.56%	0.11%
Builders/Project Loans	0.00%	0.00%
Corporates	0.20%	0.00%
Others	0.00%	0.00%

48.4.4 Movement of NPAs

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(I) Net NPAs to Net Advances (%)	0.22%	0.05%
(ii) Movement of NPAs (Gross)		
a) Opening balance	23.70	9.45
b) Additions during the year	115.82	23.33
c) Reductions during the year	20.39	9.45
d) Closing balance	119.13	23.33
(III) Movement of Net NPAs		
a) Opening balance	14.69	6.57
b) Additions during the year	66.72	14.31
c) Reductions during the year	7.48	6.57
d) Closing balance	73.93	14.31
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	9.01	2.88
b) Provisions made during the year	49.10	9.02
c) Write-off/write-back of excess provisions	12.91	2.88
d) Closing balance	45.20	9.02

48.4.5 Overseas Assets

The Compnay has not held any overseas assets as on reporting date (P.Y.Nil).

48.4.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

The Company does not have any SPVs sponsored in current year and previous year which were required to be consolidated as per accounting Norms.

48.4.7 Disclosure of Complaints

Customers Complaints*

Particulars	As at 31 March 2021	As at 31 March 2020
a) No. of complaints pending at the beginning of the year	27	0
b) No. of complaints received during the year	2126	1221
c) No. of complaints redressed during the year	2153	1194
d) No. of complaints pending at the end of the year	0	27

*includes complaints reported through NHB - GRIDS Portal is 415 (previous year 60)

(49) Disclosure of Frauds as per NHB (ND)/DR5/Policy Circular No.92/2018-19 dated 05 February, 2019

There was no fraud reported to NHB/RBI during the financial year ended 31 March 2021 (Previous year: ₹ 161.63 lakh)

(50) The Company has not granted any loans against collateral of gold jewellery in current year and previous year.

(51) Disclosure as required by Liquidity Risk Management Framework for Non-Banking Financial Companies

51.1 Funding Concentration based on significant counterparty (both deposits andborrowings)

Particulars	As at 31 March 2021
i) Number of Significant Counterparties*	25
ii) Amount(in ₹ crore)	28,334.15
iii) Percentage of funding concentration to total deposits	NA
iv) Percentage of funding concentration to total liabiities	89.03%

* Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies.

51.2 Top 10 borrowings (₹ in crore)

Particulars	As at 31 March 2021
i) Total amount of top 10 borrowings	18,689.10
ii) Percentage of amount of top 10 borrowings to total borrowings	59.14%

51.3 Funding Concentration based on significant instrument/product* (₹ in crore)

Particulars	As at 31 March 2021	Percentage of total liabilities
i) Non-convertible debentures	8,470.67	26.61%
ii) Loans from bank	20,268.52	63.68%
iii) Commercial paper	2,861.41	8.99%

* Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

Total liabilities are excluding Equity share capital and Other equity.

51.4 Stock ratio

Particulars	As at 31 March 2021
(i) Commercial paper as a percentage of total public funds*	9.05%
(ii) Commercial paper as a percentage of total liabilities	8.99%
(iii) Commercial paper as a percentage of total assets	7.56%
(iv) Non convertible debentures as a percentage of total public funds*	26.81%
(v) Non convertible debentures as a percentage of total liabilities	26.61%
(vi) Non convertible debentures as a percentage of total assets	22.37%
(vii) Other short term liabilities as a percentage of total public funds*#	12.38%
(viii) Other short term liabilities as a percentage of total liabilities #	12.29%
(ix) Other short term liabilities as a percentage of total assets #	10.33%

Total liabilities are excluding equity share capital and other equity.

*Public funds is as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

Other short term liabilities are excluding Commercial paper & short term non convertible debentures.

(52) Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated 13 March 2020 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

52.1 Policy for sales out of amortised cost businessmodel portfolios

Refer Note No. 4.4 (i) (b)

52.2 A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

(₹ In Crore)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) – (4)	(6)	(7) = (4) ~ (6)
(a) Performing Assets						
Standard	Stage 1	32,996.17	178.68	32,817.49	142.95	35.73
	Stage 2	659.36	131.88	527.48	50.25	81.63
Subtotal (a)		**33,655.53**	**310.56**	**33,344.97**	**193.20**	**117.36**
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	116.56	43.72	72.84	17.49	26.23
(ii) Doubtful up to:						
1 year	Stage 3	2.57	1.48	1.09	0.71	0.77
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal (ii)		2.57	1.48	1.09	0.71	0.77
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**119.13**	**45.20**	**73.93**	**18.20**	**27.00**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	32,996.17	178.68	32,817.49	142.95	35.73
	Stage 2	659.36	131.88	527.48	50.25	81.63
	Stage 3	119.13	45.20	73.93	18.20	27.00
	Total	**33,774.66**	**355.76**	**33,418.90**	**211.40**	**144.36**

* Computed on the value as per the IRACP norms

52.3 **Accounts that are past due beyond 90 days but not treated as impaired**

Particulars	Amount Outstanding	Overdue Amounts
(i) No of accounts that are past due beyond 90 days but not treated as impaired as at March 31, 2021	1	1
(ii) Total amount outstanding as at March 31, 2021 (₹ in Crore)	20.63	20.63

The Company, following the directives of Ministry of Finance, has refunded the interest on interest charged to customers, in November 2020 and has sought refund from Government of India through its nodal agency, State Bank of India, in December 2020. The Company is awaiting final confirmation from the nodal agency on the status of the claim / refund. The amount claimed from Government of India through its nodal agency, State Bank of India is past due for more than 90 days, the Audit Committee has approved for not treating this outstanding as impaired.

(53) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020

(₹ In Crore)

Type of borrower	Number of accounts where resolution plan has been implemented	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
	(A)	(B)	(C)	(D)	(E)
Personal Loans	3,210	529.83	-	0.01	63.20
Corporate persons*	-	-	-		
Of which, MSMEs	-	-	-		
Others	-	-	-		
Total	**3,210**	**529.83**	**-**	**0.01**	**63.20**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Overall provision for Expected Credit Loss (ECL) as off 31 March 2021 is ₹ 93.45 crore.

(54) In accordance with the instructions in the RBI circular dated 7 April 2021, the Bank shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount of such 'interest on interest' finalised by the Indian Banks Association (IBA) in consultation with other industry participants / bodies. Accordingly, the Company has refunded/adjusted an amount of ₹ 0.56 crore in respect of eligible borrowers based on the above reliefs during the year ended 31 March 2021.

The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts. The Company had implemented the ex-gratia scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme.

(55) Amounts less than ₹ 50,000 have been shown at actual against respective line items which are statutorily required to be disclosed.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No.: 324982E/E300003

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

Pune: 26 April, 2021

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajeev Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

(56) Annexure as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021.

Schedule to the Balance Sheet

(₹ in crore)

Particulars	Amount outstanding as at 31 March 2021	Amount overdue
Liabilities Side		
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures		
Secured	7,963.33	-
Unsecured	507.34	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans	20,187.36	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	2,861.41	-
(f) Public Deposits (As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021.)	-	-
(g) Other Loans (Cash credit and working capital demand loan)	81.16	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

(₹ in crore)

Particulars	Amount outstanding as at 31 March 2021
Assets side	
3	
Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
(a) Secured	32,119.14
(b) Unsecured	1,299.76
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
(i) Lease assets including lease rentals under sundry debtors	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards asset financing activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
5 Break-up of Investments	
Current Investments	
1 Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	2,757.32
(iv) Government Securities	-
(v) Others (Certificate of Deposits and Commercial Paper)	
2 Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	508.72

(₹ in crore)

Particulars	Amount outstanding as at 31 March 2021
Long Term investments	
1 Quoted	
(i) Share	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2 Unquoted	
(i) Shares	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above:(Please see Note 2 below)

(₹ in crore)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties:			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	13.15	-	13.15
2 Other than related parties	32,105.99	1,299.76	33,405.75
	32,119.14	**1,299.76**	**33,418.90**

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

(₹ in crore)

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than related parties	3,266.04	3,266.04
	3,266.04	**3,266.04**

8 Other information

(₹ in crore)

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	119.13
(ii) Net Non-Performing Assets*	
(a) Related parties	-
(b) Other than related parties	73.93
(iii) Assets acquired in satisfaction of debt	

* Provision for ECL Stage 3 has been considered.

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman

Rajeev Jain
Managing Director

Atul Jain
Chief Executive Officer

Gaurav Kalani
Chief Financial Officer

R Vijay
Company Secretary

Pune: 26 April, 2021

ANNEXURE J

BAJAJ HOUSING FINANCE LIMITED

11 May 2023

The Manager,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001

Dear Sir/Madam,

Sub: Filing of ALM statement as per SEBI Framework for listing of Commercial Paper

Pursuant to Chapter XVII – Listing of Commercial Paper of the Operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, please find enclosed the Asset Liability Management statement for the half year ended 31 March 2023. The same has been submitted to National Housing Bank.

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For **BAJAJ HOUSING FINANCE LIMITED**

ATUL PATNI

Digitally signed by ATUL PATNI
Date: 2023.05.11 19:18:54 +05'30'

ATUL PATNI
COMPANY SECRETARY
Email id: atulpatni@bajajfinserv.in
CC: Catalyst Trusteeship Limited, Pune (Debenture Trustee)

Bajaj Housing Finace Limited Statement Of Structural Liquidity As On Period Ending 31st March 2023

(Amt in Rs. crore)

RESIDUAL MATURITY	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
A. OUTFLOWS											
1. Capital Funds	-	-	-	-	-	-	-	-	-	6,712	6,712
a) Equity capital										6,712	6,712
b) Non-redeemable or perpetual preference capital											-
c) Others											-
d) Preference capital - redeemable/non-perpetual											-
2. Reserves & surplus										3,791	3,791
3. Gifts, grants, donations & benefactions											-
4. Notes, bonds & debentures	-	-	18	89	110	1,726	2,969	9,423	1,834	3,320	19,490
a) Plain vanilla bonds/debentures	-	-	18	89	110	1,726	2,969	9,296	1,834	3,320	19,363
b) Bonds/debentures with embedded options (including zero-coupon/deep discount bonds)								127			127
c) Fixed rate notes											-
5. Deposits	-	-	-	-	-	6	3	167	-	-	176
a) Term deposits from public											-
b) Inter Corporate Deposits (ICDs)	-	-	-	-	-	6	3	167	-	-	176
c) Commercial Papers (CPs)											-
6. Borrowings	18	-	483	110	1,316	1,434	3,810	10,827	12,426	3,655	34,078
a) Term money borrowings	-	-	60	110	1,316	1,374	3,547	10,344	11,943	2,802	31,495
b) Bank borrowings in the nature of WCDL, CC etc.	18						142				159
c) From RBI, NHB, Govt, & others	-	-	423	-	-	60	121	483	483	854	2,424
7. Current Liabilities & provisions:	75	-	221	1	1	4	30	61	12	0	406
a) Sundry creditors	75	-	221	1	1	4	28	47	12	0	390
b) Expenses payable (other than interest)											-
c) Advance income received, receipts from borrowers pending adjustment											-
d) Interest payable on bonds/deposits											-
e) Provisions for NPAs											-
f) Provisions (other than for NPAs)	-	-	-	-	-	-	2	14	-	-	16
8. Contingent Liabilities	950	550	860	944	727	1,537	4,061	5,659	540	4,008	19,837
a) Letters of credit/guarantees											-
b) Loan commitments pending disbursal (outflows)	812	470	736	944	727	1,537	4,061	5,659	539	4,008	19,493
c) Lines of credit committed to other institutions (outflows)	138	80	125	-	-	-	-	-	-	-	342
d) Outflows on account of forward exchange contracts, rupee/dollar swap & bills rediscounted									1		1
9. Others (Please specify, if any)											-
(A) TOTAL OUTFLOWS	1,042	550	1,583	1,144	2,154	4,707	10,873	26,136	14,812	21,488	84,489
(A_1) CUMULATIVE OUTFLOWS	1,042	1,592	3,175	4,319	6,473	11,180	22,053	48,190	63,002	84,489	

Bajaj Housing Finace Limited Statement Of Structural Liquidity As On Period Ending 31st March 2023

(Amt in Rs. crore)

RESIDUAL MATURITY	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
B. INFLOWS											
1. Cash											-
2. Remittance in transit											-
3. Balances with banks (in India only)	94	-	-	-	-	0	0	15	-	-	109
a) Current account	94										94
b) Deposit /short-term deposits	-	-	-	-	-	0	0	15	-	-	15
c) Money at call & short notice											-
4. Investments (net of provisions)	363	215	25	99	-	699	599	-	-	-	2,001
a) Mandatory investments											-
b) Non Mandatory Listed			25	99	-	699	599	-		-	1,422
c) Non Mandatory unlisted securities (e.g. shares, etc.)											-
d) Non-mandatory unlisted securities having a fixed term maturity	363	215									578
e) Venture capital units											-
5. Advances (Performing)	714	413	647	1,358	1,304	3,715	6,478	17,820	10,295	19,321	62,064
a) Bills of exchange and promissory notes discounted & rediscounted											-
b) Term loans (only rupee loans)	714	413	647	1,358	1,304	3,715	6,478	17,820	10,295	19,321	62,064
c) Corporate loans/short term loans											-
6. Non-performing loans (May be shown net of the provisions, interest suspense held)	-	-	-	-	-	-	-	-	45	5	50
a) Sub-standard											
i) All overdues and instalments of principal falling due during the next three years											-
ii) Entire principal amount due beyond the next three years									45		45
b) Doubtful and loss											
i) All instalments of principal falling due during the next five years as also all overdues											-
ii) Entire principal amount due beyond the next five years										5	5
7. Inflows from assets on lease											-
8. fixed assets (excluding assets on lease)	-	-	-	-	-	-	-	-	-	85	85
9. Other assets :	-	-	8	6	6	25	39	100	58	103	344
(a) Intangible assets and items not representing cash inflows.	-	-	-	-	-	-	-	-	-	28	28
(b) Other items (such as accrued income, other receivables, staff loans, etc.)											-
c) Others (Please specify, if any)	-	-	8	6	6	25	39	100	58	74	316
10. Lines of credit committed by other institutions (inflows)	-	-	1,050	673	931	742	4,194	4,127	1,697	6,421	19,835
11. Bills rediscounted (inflow)											-
12. Inflows on account of forward exchange contracts, dollar/rupee swaps (sell/buy)									1		1
13. Others (Please specify, if any)											-
(B) TOTAL INFLOWS	1,171	628	1,730	2,137	2,241	5,181	11,309	22,061	12,096	25,935	84,489
C. Mismatch (B - A)	129	78	147	993	87	474	436	-4,076	-2,716	4,447	-
D. Cumulative mismatch	129	207	354	1,346	1,434	1,908	2,344	-1,731	-4,447	-	
E. Mismatch as % to Outflows (C as % of A)	12.33%	14.24%	9.27%	86.77%	4.06%	10.08%	4.01%	-15.59%	-18.33%	20.69%	
F. Cumulative Mismatch as % to Cumulative Outflows (D as % to A1)	12.33%	12.99%	11.14%	31.17%	22.15%	17.07%	10.63%	-3.59%	-7.06%	0.00%	

ASSET LIABILITY MANAGEMENT (ALM) DISCLOSURES AS PER SEBI NCS REGULATIONS, 2021, READ WITH CHAPTER IV OF SEBI MASTER CIRCULAR NO.SEBI/HO/DDHS/POD1/P/CIR/2023/119 DATED JULY 07, 2023.

Bajaj Housing Finance limited for March 23

1. Classification of loans/advances given to according to:

a. Type of loans

S. No	Type of loans	AUM (₹ in Cr)
1	Secured	67,151.04
2	Unsecured	2,076.84
	Total assets under management (AUM)	**69,227.88**

b. Sectoral Exposure

S. No	Segment-wise break-up of AUM	Percentage of AUM
1	Retail	
	HL	59.28%
	Non HL	12.77%
	Others	2.56%
2	Wholesale	
	Developer Finance	8.70%
	LAP	2.04%
	LRD	14.65%
	Others	0%
	Total	**100%**

c. Denomination of loans outstanding by ticket size:

S. No	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs. 2 lakh	0.49%
2	Rs. 2-5 lakh	1.66%
3	Rs. 5-10 lakh	3.70%
4	Rs. 10-25 lakh	12.83%
5	Rs. 25-50 lakh	19.59%
6	Rs. 50 lakh-1 crore	16.50%
7	Rs. 1-5 crore	9.64%
8	Rs. 5-25 crore	10.76%
9	Rs. 25-100 crore	14.92%
10	>Rs. 100 crore	9.92%
	Total	**100.00%**

d. Denomination of loans outstanding by LTV

Sr. No.	LTV (for retail loans)	Percentage of AUM
1	Upto 40%	17%
2	40-50%	9%
3	50-60%	12%
4	60-70%	20%
5	70-80%	37%
6	80-90%	5%
	Total	**100%**

e. Geographical classification of borrowers (For retail loans)

S. No	Top 5 states	Percentage of AUM
1	MAHARASHTRA	30%
2	KARNATAKA	18%
3	TELANGANA	16%
4	DELHI	9%
5	GUJARAT	7%
	Total	81%

f. Details of top 20 borrowers with respect to concentration of advances as on March 31, 2023

₹ in crore

S. No	Particulars	Amount/Percentage
1	Total advances to twenty largest borrowers	5,613.23
2	Percentage of advances to twenty largest borrowers to total advances to our Company	8.96%

g. Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2023

₹ in crore

S. No	Particulars	Amount/Percentage
1	Total advances to twenty largest borrowers	6,140.49
2	Percentage of advances to twenty largest borrowers to total advances to our Company	8.92%

h. Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines

S. No	Movement of gross NPA	Amount in Cr
1	Opening gross NPA	146.36
2	- Additions during the year	120.40
3	- Reductions during the year	129.43
4	Closing balance of gross NPA	137.33

	Movement of provisions for NPA	Amount in Cr
1	Opening balance	79.47
2	- Provisions made during the year	69.96
3	- Write-off / write-back of excess provisions	62.09
4	Closing balance	87.34

Note: gross NPA recognition policy is in line with RBI guidelines

g. Segment-wise gross NPA

As at 31 March 2023	Gross NPAs	Gross NPAs% to total advances in the sector
Housing Loans:		
Individuals	62.97	0.19%
Builders/Project Loans	0.03	0.00%
Non-Housing Loans:		
Individuals	69.95	0.51%
Builders/Project Loans	-	-
Corporates	4.38	0.05%
Total Gross NPAs	**137.33**	**0.22%**

2. Residual maturity profile of assets and liabilities (in line with the RBI format) (Rs. in Cr) as on March 23:

Particulars	1 day to 7days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 month & upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 Years	Total
Liabilities											
Borrowings from bank	17.72	-	59.54	110.31	1,315.90	1,373.53	3,688.89	10,344.20	11,943.00	2,801.59	31,654.70
ICD	-	-	-	-	-	6.42	2.81	166.54	-	-	175.77
NHB Refinance	-	-	-	-	-	60.33	120.65	482.62	482.62	853.79	2,000.00
Market borrowing	-	-	441.42	88.88	109.72	1,726.39	2,969.48	9,422.90	1,835.64	3,320.49	19,914.92
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets	-	-	-	-	-	-	-	-	-	-	-
Advances	716.27	414.79	648.93	1,352.93	1,299.34	3,701.59	6,455.73	17,767.08	10,288.57	19,468.65	62,113.89
Investments*	363.49	215.00	24.88	99.36	-	699.15	599.06	14.96	-	-	2,015.90
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of advances have been shown based on behavioural pattern.

*Investments includes fixed deposits of ₹ 14.99 crore shown under Note 5 - cash and cash equivalents & Note 6 - Bank balances other than cash and cash equivalents to the financial statements.

3. Details of borrowing made by HFC :

a. Portfolio Summary of borrowings made by HFC

		BHFL
i)	Bank/ Institutional Borrowings – Secured/Unsecured	
	Term Loans Bank and National Housing Bank	33,654.70
	ICD	175.77
	Cash Credit / WCDL/ STL/ Line of Credit	-
	Total Bank Borrowings (A)	**33,830.47**
ii)	Other Borrowings	
	Secured long term NCDs	18,476.39
	Unsecured long term NCDs	1,015.04
	Short term debt including Commercial Papers	423.49
	Total Other Borrowings (B)	**19,914.92**
	Total Borrowings (A)+(B)	**53,745.39**

b. Quantum and percentage of Secured Vs. Unsecured borrowings :

PFB quantum & % of secured and unsecured as on March'23 (standalone basis).

Particulars	Amount	Mix
Secured	52,131.09	97%
Unsecured	1,614.30	3%
Total	**53,745.39**	

4. Details of change in shareholding

   Any change in promoters holding in company during last financial year beyond the threshold prescribed by Reserve Bank of India :- No change

5. Others

a. Lending policy:

Credit policy is a guiding document for the lending operations of the company. The Credit policy and the processes defined in it, have evolved over the years and the same has been approved by the company's board. The underlying objective of this policy is to provide a framework for efficient and standardized lending process and thereby ensuring customer satisfaction, risk mitigation, and regulatory compliance.

Please find below approach of M/s Bajaj Housing Finance Ltd (BHFL) in detail mentioning the processes for doing KYC, due diligence and processes for credit assessment, credit decision, collateral check and servicing.

Origination of loans

Mortgage loans are originated through more than 208 sourcing branches located Pan India. Once a potential customer is identified, the Sales Officer will collect the following documents from the customer:

1. BHFL Loan Application Form (duly filled)
2. Know Your Customer (KYC) documents – PAN Card, Address Proof, Passport Copy etc.
3. Copy of the title documents
4. Customer's latest pay slips / audited annual financial statements / Details of loans along with their repayment schedules / Copy of bank statements / Details of group companies / Other documents as per BHFL's internal credit policy

Appraisal of loans

Based on these documents, the Sales Officer makes a credit file and creates a loan application in pennant system, BHFL's loan origination platform. The file is then processed by the concerned Credit Officer, who does the following checks:

1. Completeness of the Credit File and acceptance of Target Segment criteria.
2. Verifies the KYC documents and relevant documents.
3. Evaluates the salary income / customer's cash flow, financials and business as per BHFL's internal credit policy.
4. Does other checks like RBI Defaulter List, BIFR List, Credit Ratings, Google Checks on Entity and Directors etc.
5. If all the checks are positive, the customer's loan eligibility is computed based on BHFL's internal policy.

If the customer's loan eligibility meets the customer's requirement of loan, the Sales and Credit Officers will engage with the customer (typically salaried profile or the owner of the business). Based on the customer's discussion and the assessment by the Credit Officer, taking into account the strengths and weaknesses of the customer's business model / cash flow, the Credit Officer may or may not decide to recommend the case.

Most Credit Officers are assigned a credit limit. Should the Credit Officer decide to proceed with the loan application, he or she may approve the loan if the loan amount falls within his or her credit approval limits. Otherwise, the loan application is sent electronically to the loan approving authority. Once the loan is

approved, a sanction letter is issued to the customer stipulating the loan amount, tenor, pricing, security etc.

Technical Evaluation and Legal Documentation

Post approval of the loan, the credit officer also initiates the title search and valuation of the property to the internal / external empanelled legal and technical vendors. Post execution of legal documents, completion of mortgage and subject to compliance with LTV norms, the loan is disbursed to the customer.

Loan Repayment

The loan is to be repaid by way of Equated Monthly Installments (EMI) comprising principal and interest. Interest is calculated by way of monthly rests. Repayment by way of EMI commences from the month following the month in which full disbursement is availed. Pending final disbursement, Pre-EMI or interest on the amount disbursed is payable. In some instance the monthly repayment may comprise of simple interest on the loan and the loan is repaid at the end of the term through a single bullet payment.

Regulatory Compliance

In compliance with the NHB & RBI guidelines, the KYC documents of all customers are received and verified from original prior to the disbursement of the loan.

Grievance Mechanism

BHFL is committed to providing effective and prompt service to its customers. BHFL Limited has enabled access to grievance redressal mechanism in both online and offline modes. In addition to above, the social media platforms are also monitored to identify customer grievances and negative feedback.

Risk Management

BHFL has a robust risk management framework which is bottoms up assessing risks at the appraisal level and the mitigants.

BHFL also has an internal credit and operation review process which audits implementation of processes and policy compliance internally and feedback shared with branches for taking corrective action or a change in the process.

Collection and Recovery Mechanism

The objective of the Collection function is to control future delinquency/stress and minimize current losses. The key to managing NPAs and curb future losses is to pre-define longevity of relationship and appropriate action thereto. The function aims at preserving the sustainable units that are affected by certain internal & external factors and on the other hand creating gravity among intentional defaulters. There is a dedicated Collection vertical for mortgages in BHFL and the framework is designed to minimize the incurring losses through an orderly and coordinated collection approach.
There are 3 approaches to Mortgage Collections:

- The Funnel Approach
- The Remedial Approach
- The Legal Approach

b. Classification of loans/advances given to associates, entities/person relating to the board, senior management, promoters, others, etc.:
   Nil out of the NCD proceeds. For more information, Investors can refer to the related party disclosure provided in the annual report.

c. The company has utilized NCD proceeds of last 3 financial year in its own balance sheet in line with the purpose mentioned in the IMs and in accordance with the guidelines

ANNEXURE K

G.D. Apte & Co.
Chartered Accountants
GDA House, Plot No. 85
Right Bhusari Colony Paud Road,
Pune - 411 038, Maharashtra

Khandelwal Jain & Co.
Chartered Accountants
6-B&C, PIL Court, 6th Floor, 111
M.K. Road, Churchgate,
Mumbai 400 020, Maharashtra

Independent Auditor's Certificate under Para 63.2 of Chapter XI of the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021.

To,
The Board of Directors,
Bajaj Housing Finance Limited
Cerebrum IT Park, B2 Building, 5th Floor,
Kumar City, Kalyani Nagar,
Pune - 411014

Re: Issue of Series - 31, secured, redeemable, non-convertible debentures (NCDs) of face value of Rs 1 lakh each for NCDs, aggregating to Rs 15,000 crore (including green shoe option to retain oversubscription) on a private placement basis through one or more tranches (the "GID NCD Issue")

1 We G.D. Apte & Co, Chartered Accountants and Khandelwal Jain & Co, Chartered Accountants, the Joint Statutory Auditors of the Company have been requested by the management to certify whether the Company is complying with the eligibility conditions as set forth in Chapter XI of the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, as amended ('the RBI Directions') dated February 17, 2021 issued by the Reserve Bank of India ('RBI') for sharing relevant information with the investors in connection with the proposed GID issue of non-convertible debentures of Rs 1 lakh each aggregating to Rs 15,000 crores on a private placement basis in one or more tranches (the 'Proposed GID NCD issue')

Management's Responsibility for the Certificate

2 The preparation of the accompanying statement containing the relevant eligibility conditions, set forth in Chapter XI of the RBI Directions and any other law that may be applicable to the Company in connection with the Proposed GID NCD issue (the 'Statement'), and compliance with such eligibility conditions is the responsibility of the management of the Company including the creation and maintenance of all accounting and other records supporting the contents of Statement. This responsibility includes the design, implementation and maintenance of internal control relevant to preparation and

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G.D. APTE & CO. Chartered Accountants

presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for ensuring that the Company complies with the relevant requirements issued by the RBI or National Housing Bank ('NHB') in this regard.

3 The management is also responsible for ensuring submission of all necessary information to the RBI or NHB in this regard as applicable

Auditors' Responsibility

4 Pursuant to the requirements of the RBI Directions, it is our responsibility to provide a limited assurance as to whether the Company has met the eligibility conditions set forth in Chapter XI of the RBI Directions in connection with the Proposed GID NCD issue, those indicated in Part A of the Statement "Eligibility conditions to be fulfilled prior to issue". The conditions indicated in Part B of the Statement "Eligibility conditions to be fulfilled post-issue" will be required to be complied by the Company upon completion of the issue and relevant tranches, which is scheduled subsequent to the date of this Report. Accordingly, the compliance with conditions indicated in Part B of the Statement has not been commented upon.

5 We conducted our examination of the Statement, in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. Our scope of work did not include verification of compliance with other requirements of the other circulars and notifications issued by regulatory authorities from time to time and any other laws and regulations applicable to the Company. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company, taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express an opinion.

6 We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Service Engagements.

7 A limited assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained is substantially lower

KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS

G.D. APTE & CO. CHARTERED ACCOUNTANTS

than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Accordingly, we have performed the following procedures in respect of Part A of the Statement:

a) Obtained and read a copy of the General Information Document in respect of the Proposed GID NCD issue and verified the particulars mentioned in Part A of the Statement;

b) Obtained and read a copy of the rating letters dated 5th September 2023 issued by CRISIL Ratings Limited and verified the rating details mentioned in Part A of the Statement;

c) Obtained and read a copy of the consent letter dated 7th September 2023 issued by Catalyst Trusteeship Limited for acting as the Debenture Trustees in connection with the Proposed GID NCD issue;

d) Obtained the certified copy of the Board Resolution for approval of borrowing limits dated 24th July 2023 in order to compare the borrowing limits available with the size of the Proposed GID NCD issue indicated in Part A of the Statement; and

e) Obtained a representation from the management that the conditions indicated in Part B of the Statement shall be complied with by the Company upon completion of the Proposed GID NCD issue and respective tranches which may be issued under the General Information Document.

Conclusion

8 Based on the procedures performed by us, as stated in paragraph 7 above, and according to the information, explanations and management representations provided to us, nothing has come to our attention that causes us to believe that the Company, in all material respects, has not met the eligibility conditions set forth in Chapter XI of the RBI Directions in connection with the Proposed GID NCD issue, as indicated in Part A of the Statement.

Restriction on Use

9 This Report is intended solely for the use of the management of the Company for the purpose specified in paragraph 1 above and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Report is shown or into whose hands it may come. This Report relates only to the items specified above and does not extend to any financial statements of the Company taken

as a whole. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For G.D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Umesh S. Abhyankar
Partner
Membership Number: 113053
UDIN: 23113053BGWTDF6570

Pune, September 14, 2023

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105049W

Shailesh Shah
Partner
Membership Number: 033632
UDIN: 23033632BGXWJC6219

Mumbai, September 14, 2023

Statement for Compliance with eligibility conditions mentioned in the Master Direction- Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 (Chapter XI) (the "RBI Directions")

Re: Issue of Series - 31, secured, redeemable, non-convertible debentures of face value of Rs 1 lakh each for "NCDs", aggregating Rs 15,000 crore (including green shoe option to retain oversubscription) on a private placement basis through one or more tranches (the "General Information Document/Placement Memorandum/ Offer Document")

Para	Eligibility condition	Compliance remarks by the Company
Part A: Eligibility conditions to be fulfilled prior to issue		
57	**Purpose of the issue**	
57(1)	A housing finance company shall issue non-convertible debentures for deployment of funds on its own balance sheet.	Complied – As per the General Information Document Series 31, Dated 14th Sept 2023, funds raised through NCDs will be utilized for deployment of funds on the company's own balance sheet.
57(2)	No housing finance company shall issue non-convertible debentures to facilitate resource requests of or utilization by group entities/ parent company/ associates.	
59	**Rating Requirements**	
59(1)	A housing finance company having minimum NOF as prescribed in Paragraph 5 and intending to issue non-convertible debentures shall obtain credit rating for the same from one of the credit rating agencies, viz., the Credit Rating Information Services of India Ltd. (CRISIL) or the Investment Information and Credit Rating Agency of India Ltd. (ICRA) or the Credit Analysis and Research Ltd. (CARE), or the FITCH Ratings India Pvt. Ltd or Brickwork Ratings India Pvt. Ltd or such other agencies registered with Securities and Exchange Board of India (SEBI) or such other credit rating agencies as may be specified by the Reserve Bank of India from time to time, for the purpose.	Complied – Net owned funds of the Company are more than the prescribed amount in paragraph 5 of the RBI directions. Complied – The Company has obtained rating, covering this NCD issue, from a rating agency viz. Crisil Rating Limited vide letter dated September 5th, 2023.
59(2)	The housing finance company should have minimum credit rating of moderate degree of safety regarding timely servicing of financial obligations.	Complied – The Company has been assigned highest credit rating (AAA) from rating agency mentioned above.
59(3)	The housing finance company shall ensure at the time of issuance of the non- convertible debentures that the rating so obtained is current and has not fallen due for review.	Complied – The rating letter dated September 5, 2023, issued by the Credit rating agency are valid for the issue and have not fallen due for review.
60	**Maximum no. of investors and minimum amount of subscription per investor**	
60(1)	There shall be a limit of 200 subscribers for every financial year, for issuance of NCDs with a maximum subscription of less than ₹1 crore, and such subscription shall be fully secured.	Not applicable – Since the minimum subscription of Rs 1 crore.
60(2)	There shall be no limit on the number of subscribers in respect of issuances with a minimum subscription of ₹1 crore and above; and the option to create	Not applicable – Since the minimum subscription of Rs 1 crore.

	security in favour of subscribers will be with the issuers. Such unsecured debentures shall not be treated as public deposits as defined in these directions.	
60(3)	The minimum subscription per investors shall be ₹20,000/-.	Not applicable – Minimum subscription per investor for NCD issue is Rs.1 crore
60(4)	The issuance of private placement of NCDs shall be in two separate categories, those with a maximum subscription of less than ₹1 crore and those with a minimum subscription of ₹1 crore and above per investor.	Minimum subscription per investor for NCD issue is Rs.1 crore
61	**Limits and the amount of issue of non- convertible debentures**	
61(1)	The aggregate amount of non-convertible debentures issued by a housing finance company shall be within such limit as may be approved by the Board of Directors of the housing finance company or the quantum indicated by the Credit Rating Agency for the rating granted, whichever is lower.	Complied – The aggregate of NCDs issued and outstanding, including this NCD issue, are within the limit approved by the Board of Directors vide resolution dated July 24, 2023.
62	**Conditions for issue of non- convertible debentures**	
62(1)	A housing finance company shall have in place, a Board approved policy for resource planning which, inter alia, should cover the planning horizon and the periodicity of private placement of non-convertible debentures	Complied – Board of Directors has approved policy for resource raising covering the planning horizon and the periodicity of private placement of non-convertible debentures.
62(2)	The offer document for private placement should be issued within a maximum period of 6 months from the date of the Board Resolution authorizing the issue.	Complied – General Information Document is under Board resolution dated July 24, 2023,
63	**Procedure for Issuance**	
63(1)	1. The housing finance company shall disclose to the prospective investors, its financial position as per the standard market practice.	Complied:
	2. In particular, the offer document should include the names and designations of the officials who are authorized to issue such offer document.	General Information Document covers key financial parameters. Board resolution specifying the name of authorized signatories is enclosed as annexure in the information memorandum. Offer document covers purpose of the issue as given below:
	3. The Board resolution and the offer document must contain information on purpose for which the resources are being raised.	*"Objects of this issue including green shoe option, will be utilized for deployment of funds on the company's own balance sheet. "*

63(1)	4. The offer document may be printed or typed "For Private Circulation Only". General information including the address of the Registered Office of the HFC, date of opening/ closing of the issue, maturity period, rate of interest, etc. shall be clearly mentioned in the offer document.	GID has general information including registered office address, issue opening and closing date, maturity dates and rate of interest.
64	**Debenture Trustee**	
64(1)	Every housing finance company issuing non-convertible debentures shall appoint a Debenture Trustee for each issue.	Complied – The Company has appointed a SEBI registered Debenture Trustee for the NCD Issue and has obtained consent letter dated September 07, 2023 from the Debenture Trustee i.e. Catalyst Trusteeship Limited (formerly, GDA Trusteeship Limited). The Consent has been attached with the General Information Document.
64(2)	Any entity that is registered as a Debenture Trustee with the Securities and Exchange Board of India under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, shall be eligible to act as Debenture Trustee for issue of the non-convertible debentures.	
Part B: Eligibility conditions to be fulfilled post-Issue		
58	**Maturity**	
58(1)	NCDs shall not be issued for maturities of less than 12 months from the date of issue.	Will be complied at the time of issuance of Tranche placement memorandum / Key Information document (KID).
58(2)	The exercise date of option (put/call), if any, attached to the non- convertible debentures shall not fall within the period of one year from the date of issue.	
58(3)	No roll-over of non-convertible debentures is permitted.	
58(4)	The tenor of the non-convertible debentures shall not exceed the validity period of the credit rating of the instrument, if any.	
61	**Limits and the amount of issue of non- convertible debentures**	
61(2)	The total amount of non-convertible debentures proposed to be issued shall be completed within a period of 30 days from the date on which the housing finance company opens the issue for subscription.	Will be complied at the time of issuance of Tranche placement memorandum /KID.
63	**Procedure for Issuance**	
63(3)	The requirements of all the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, or any other law, that may be applicable, shall be complied with by the housing finance company.	Will be Complied by the Company. The Company generally complies with requirements of all the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, or any other law, that are applicable.

63(4)	The Debenture Certificate shall be issued within the period prescribed in the Companies Act, 2013 or any other law as in force at the time of issuance.	Will be complied. The Debenture certificates shall be issued on allotment date.
64	**Debenture Trustee**	
64(3)	Any information as required by NHB, HFCs shall procure such information from Debenture Trustee and shall submit it to the NHB from time to time.	Will be complied as and when information is requested by NHB.
65	**Security cover for non-convertible debentures**	
65(1)	A housing finance company issuing non-convertible debentures shall ensure that at all points of time such debentures are fully secured.	Security cover shall be maintained till the maturity and post maturity charge is removed after receiving no-objection certificate ("NOC") from Debenture Trustee.
65(2)	In case, at the stage of issue, the security cover is insufficient/ not created, the issue proceeds shall be placed under escrow until creation of security, which in any case should be within one month from the date of issue.	Security cover will be created with in applicable timeframe for each tranche.
66	**Preference for Dematerialization**	
	While option is available to the housing finance companies to issue non- convertible debentures in dematerialized or physical form, they are encouraged to issue debentures in dematerialized form.	Will be complied after allotment of the debentures.
67	**Loan against Debentures**	
	No housing finance company shall extend loans against the security of its own debentures issued either by way of private placement or public issue.	The Company shall not extend loans against the security of its debentures.
68	**Board's report**	
	The Board's report attached to every balance sheet laid before a housing finance company in general meeting shall include a statement showing: -	
68(1)	The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance company after the date on which the non-convertible debentures became due for redemption; and	Nil
68(2)	The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date referred to in clause (1) as aforesaid.	Nil

For Bajaj Housing Finance Limited

Authorized Signatories
Date 14th September 2023

ANNEXURE L

TERMS OF OFFER

Summary of Term Sheet

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year).	Bajaj Housing Finance Limited _____ Secured Rated Listed Redeemable Non-Convertible Debenture. Date of Maturity: Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs.
Issuer	Bajaj Housing Finance Limited
Type of Instrument	Secured Rated Listed Redeemable Non-Convertible Debenture
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Mode of Issue	Private Placement
Eligible Investors	• Companies and Bodies Corporate including Public Sector Undertakings; • Commercial Bank, • Regional Rural Banks, • Financial Institutions, • Insurance Companies, • Non-banking finance companies and Residuary NBFCs • Mutual funds • Foreign institutional investors • Foreign portfolio investors as permitted under the SEBI (Foreign Portfolio Investors) Regulations, 2014 • Venture Capital Funds • National Investment Funds • Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their investment guidelines • Any other investor authorized to invest in these Debentures
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	Proposed to be listed on the wholesale debt segment of BSE as per SEBI Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 10 August 2021, updated by Master Circular dated 7 July 2023, the listing will be done within T+ 3 working days from the date of closure of each tranche of issue. In case of further issuance where bond is already listed on the exchange, necessary arrangements will be made to give effect of further issuance.
Rating of the Instrument	"CRISIL AAA/Stable" by Crisil Limited
ISIN	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Issue Size	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Past Issue History (In case of Further issuance)	Will be updated on case to case basis
Minimum subscription	Rs. 1 Crore
Option to retain oversubscription (Amount)	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Objects of the Issue / Purpose for which there is requirement of funds	Proceeds of the NCD issue shall be used for deployment of funds on the company's own balance sheet.
In case the issuer is a NBFC and the objects of the issue entail loan to any	N.A.

entity who is a 'group company' then disclosures shall be made in the following format:	
Details of the utilization of the Proceeds	Upto 100% funds will be utilized as per the objects of the issue.
Coupon / ~~Dividend~~ Rate	A Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Step Up/Step Down Coupon Rate	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Coupon/~~Dividend~~ Payment Frequency	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Coupon / ~~Dividend~~ payment dates	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Cumulative / non-cumulative, in case of dividend	N.A.
Coupon Type (Fixed, floating or other structure)	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.,)	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Day Count Basis (Actual/Actual)	Actual/Actual Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year-basis.
Interest on Application Money	N.A.
Default Interest Rate	2% p.a. over the coupon rate will be payable by the Company for the defaulting period.
Tenor	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Redemption Date	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Redemption Amount	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Redemption Premium /Discount	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Cash Flows	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Issue Price	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Premium/ Discount at which security is issued and the effective yield as a result of such premium/ discount	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Premium/ Discount at which security is redeemed and the effective yield as a result of such premium/ discount	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Put Date	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Put Price	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Call Date	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Call Price	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs

Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Face Value	The face value of each NCD shall be Rs. 1,00,000/- (Rupees One Lakh) and in case of re-issuance at the original face value as applicable, subject to any amendment(s) or modification(s) specified by SEBI in this regard from time to time.
Minimum Application and in multiples of thereafter	Such number of NCDs qualifying for minimum subscription of Rs. 1 Crore and thereafter multiple of 1 debenture unit (i.e. in multiples of Rs. 1 lakh or Rs. 10 lakh, as applicable)
Issue Timing	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Issue Opening Date	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Issue Closing date	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Date of earliest closing of the issue, if any	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Pay-in Date	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Deemed Date of Allotment	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Issuance mode of the Instrument	Dematerialized mode only
Trading mode of the Instrument	Dematerialized mode only
Settlement mode of the Instrument	The pay-in of subscription monies for the Tranche Debentures shall be made by way of transfer of funds from the bank account(s) of the eligible investors (whose bids have been accepted) as registered with the EBP into the account of the relevant clearing corporation, as specified below. For amounts payable by the Issuer to any Debenture Holder pursuant to the terms of the Transaction Documents, Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the Debenture Holder shall be the mode of settlement.
Mode of Payment	RTGS / NEFT/ FUND TRANSFER
Depository	NSDL / CDSL
Disclosure of Interest/Dividend / redemption dates	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Business Day	Means any day of the week (excluding non-working Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/supplemented from time to time) in Mumbai and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai and "Business Days" shall be construed accordingly.
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any

	due date, which shall be the date falling 15 (Fifteen) calendar days prior to any due date.
Manner of bidding in the issue	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Manner of allotment	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Type of Bidding	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Manner of settlement	Shall be disclosed in the Term Sheet/ Key Information Document to be issued in relation to each tranche/ series of NCDs
Designated Account details of ICCL	HDFC Bank: Beneficiary Name: INDIAN CLEARING CORPORATION LTD Account Number: ICCLEB IFSC Code: HDFC0000060 Mode: NEFT/RTGS IFSC Code: HDFC0000060
Settlement cycle	As per deal details for each issue
Business Day Convention	As per SEBI Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 10 August 2021, updated by Master Circular dated 7 July 2023– a) If any interest payment falls due on a holiday, such interest (as calculated up to the day preceding the original date of payment) will be paid on the next working day. Date of subsequent interest payment(s) shall remain unchanged. b) If payment of redemption proceeds (i.e. principal amount along with last interest payment) falls due on a holiday, such redemption proceeds will be paid on the preceding working day. The amount of interest in such case will be calculated upto the date preceding the actual date of payment of redemption proceeds.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in Annex. F of the General Information Document and all covenants applicable to the issue covered in the Offer Document and the Transaction Documents, and there is no other side letter.
Security **(Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/Placement Memorandum).**	The Debentures repayment, interest thereon, Trustees' remuneration and all other monies relating thereto will be secured by a first pari-passu charge on book debts/loan receivables, provided that such security cover shall be equivalent to 1.00 time the aggregate outstanding value of debentures to be issued under this General Information Document.
Transaction Documents	• General Information Document; • Key Information Document: • Debenture Trust Deed; • Debenture Trustee Agreement; • Deed of Hypothecation • Any other document as agreed between the Company and the Debenture Trustee. (Together referred to as "**Transaction Documents**")

Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document / General Information Document	The Issue shall be secured by a charge created by the Issuer in favor of the Debenture Trustee (for the benefit of the Debenture Holders) being an first ranking pari-passu charge by way of hypothecation comprising of the assets of the Issuer as follows: (a) On and from the date of execution of the Deed of Hypothecation, the Issuer shall create a charge over the Hypothecated Property in terms thereof. The Security Cover to be maintained by the Issuer shall be equal to 1 (One) time the aggregate principal amount outstanding of the Debentures and the accrued Coupon thereon ("Security Cover"). It is clarified that the Security Cover shall be sufficient to cover the principal and coupon amounts outstanding under the Debentures at all times. The Issuer undertakes: (i) to maintain the value of Security Cover at all times till the obligations under the Issue are discharged; (ii) to create the charge over the Hypothecated Property by executing a duly stamped Debenture Trust Cum Hypothecation Deed") prior to the listing (iii) to perfect the charge over the Hypothecated Property by filing the relevant form immediately and no later than 30 (Thirty) calendar days from the date of execution of the Debenture Trust Cum Hypothecation Deed;
Due diligence certificate issued by the Debenture Trustee	The due diligence certificate issued by the Debenture Trustee to BSE in accordance with the SEBI Master circular for Debenture Trustees No. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 updated as on July 6, 2023, is annexed hereto as Annexure - H to General Information Document
Terms and conditions of debenture trustee agreement including fees charged by Debenture Trustees(s). details of security to be created	Please refer to Annexure G to General Information Document. Debenture Trustee Agreement has been executed as per required regulation on September 13, 2023 i.e. before opening of the issue. The remuneration of the Debenture Trustee shall be as per the letter dated September 7, 2023 as may be amended/modified from time to time
Conditions Precedent to Disbursement	1. The Issuer has obtained in-principle approval of the stock exchange for listing of Debentures; 2. Execution Debenture Trust Deed- In case delay in execution of trust deed issuer will pay 2% p.a. to the investor till the execution of trust deed; 3. Such other undertaking as may be required from the Company.
Conditions Subsequent to Disbursement	1. Filing of the relevant documents, *inter alia,* return of allotment etc. with the Registrar of Companies within the timelines specified under the rules under the Companies Act, 2013. 2. Completion of the listing of Debentures on BSE within 3 (three) Working Days from the closure of issue. 3. Filling of the relevant form with the Registrar of Companies for the registration of charge over the Hypothecated Property within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation. 4. Execution of any other documents as customary for transaction

	of a similar nature and size.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As set out in Annexure E to General Information Document Manner of Voting/ conditions of joining Inter Creditor Agreement - Manner of Voting shall be as detailed in the Inter Creditor Agreement which shall be executed in terms of Regulation 15 (7) of SEBI (Debenture Trustee) Regulations 1993, Subject to the approval of Debenture holders and conditions as may be specified by SEBI from time to time, the debenture trustee, on behalf of debenture holder, may enter into inter creditor agreements provided under the framework specified by RBI
Creation of recovery expense fund	The issuer has created recovery expense fund in favour of BSE Ltd. in the form of Bank guarantee of Rs. 25 Lakh
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As listed in Annexure E to General Information Document
Provisions related to Cross Default Clause	N.A.
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders. Further, the Debenture Trustee has undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI (Debenture Trustees) Regulations, 1993, read with the Master circulars for Debenture Trustee dated 31 March 2023 updated as on July 6, 2023,, as amended from time to time, issued by SEBI.
Risk factors pertaining to the issue	Please read the Risk Factors given in the General Information Document
Governing Law and Jurisdiction	The Debentures will be governed by and shall be construed in accordance with the existing Indian laws. Any dispute between the Company and the Debenture holder will be subject to the jurisdiction at Pune.
Covenants	1. The execution of Trust Deed and Charge documents will be created before listing of securities with Exchange. 2. **Default in Payment:** In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period. 3. **Delay in Listing:** In case of delay in listing of the debt securities beyond the timelines specified in SEBI Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 10 August 2021, updated by Master Circular dated 7 July 2023, issuer shall pay penal interest of 1% p.a. over coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing) 4.The company shall pay interest for the delayed period as per the provision of Companies Act / SEBI (ICDR) Regulations, if the allotment is not made within the prescribed time limit and / or the Refund Orders are not dispatched to the investors within 15 days from the date of the closure of the Issue, for the delay beyond the 15 days' period. 5. As per NCS Regulation dated 9 August 2021 "While the debt securities are secured to the tune of 100% of the principal and

	interest amount or as per the terms of General Information Document / Offer Document, The Company will make available adequate funds for this purpose.

Key Information Document

(Series 31 under General Information Document No.1/2023-24 dated 14 September 2023)

Date of allotment - 23 April 2024

Type of Placement Memorandum: Private Placement (For private circulation only)

Private Placement of Secured, Rated, Listed, Redeemable Non- Convertible Debentures for upto Rs 1,500 Crore (Rupees One Thousand Five Hundred Crore) (Including Green Shoe option), under General Information Document No.1/2023-24 ("GID") dated 14 September 2023 of Secured, Rated, Listed, Redeemable Non- Convertible Debenture of face value of Rs.10,00,000/- (Rupees Ten Lakh) each for cash (in case of re-issuance at the original face value as applicable), aggregating to Rs. 15,000 Crore (Rupees Fifteen Thousand Crore Only) to be issued in various tranches including Green shoe option to retain over subscription.

This Key Information Document is issued in terms of and pursuant to the General Information Document dated 14 September 2023. All the terms, conditions, information and stipulations contained in the General Information Document are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same. This Key Information Document must be read in conjunction with the General Information Document and the Private Placement Offer Cum Application Letter. All capitalised terms used but not defined herein shall have the meaning ascribed to them in the General Information Document. *The information provided in the document may also be referred for Commercial Paper.*

This Key Information Document contains details of this Tranche of private placement of debentures and any material changes in the information provided in the General Information Document, as set out herein.

Accordingly, set out below are the updated particulars / changes in the particulars set out in the General Information Document, which additional / updated information / particulars shall be read in conjunction with other information /particulars appearing in the General Information Document. All other particulars appearing in the General Information Document shall remain unchanged.

UPDATED INFORMATION

3.3.3. Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue:

Name	Rating	Outlook	Date
CRISIL An S&P Global Company Krishnan Sitaraman **Crisil Limited** Crisil House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076 +91 22 3342 3000 /3342 8070 www.crisilratings.com crisilratingdesk@crisil.com	AAA	Stable	02 April 2024

Link of press release to be given:

Crisil:
https://www.crisil.com/en/home/our-businesses/ratings/company-factsheet.BAHOFL.html

3.3.8. About the Issuer

d) Details of branches or units where the issuer carries on its business activities as on 31 December 2023:

Branches / Units: 215

3.3.9. Expenses of the Issue:

Expenses of the Issue: Expenses of the issue along with a break-up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:

Sr No.	**Expenses**	**Amount (Rs.) #**	**% of total issue expense**	**% of total issue size**
1	Lead manager(s) fees*	-	-	-
2	Underwriting commission*	-	-	-
3	Brokerage, selling commission and upload fees	16,95,000.00	82.80%	0.03%
4	Fees payable to Registrar to the issue	1,000.00	0.05%	0.00%
5	Fees payable to the legal Advisors*	-	-	-
6	Advertising and marketing expenses*	-	-	-
7	Fees payable to regulators including stock exchanges	65,000.00	3.18%	0.00%
8	Expenses incurred on printing and distribution of issue stationary	-	-	-
9	Any other fees, commission, or payment under whatever nomenclature	2,86,000.00	13.97%	0.01%
Total		**20,47,000.00**	**100%**	

*Not Applicable, since the issue is made on private placement basis under section 42 of the Companies Act, 2013.

all the expenses mentioned in the table above are on issue total issue size (i.e. 565 crore including green shoe of Rs. 65 crore).

3.3.10. Financial Information:

b) Financial Results for the period ended 31 December 2023 with Limited Review Report is attached.

d) financial statements shall be accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.: attached.

(Amt. in Rs. crore)

Balance Sheet	**9M ENDED Dec 2023**	**FY2023**	**FY2022**	**FY 2021**
Assets				
Property, plant and equipment	84.08	84.92	78.09	64.32
Financial Assets	75,789.77	64,528.93	48,393.32	37,746.37
Non-financial assets Excl. Property, plant and equipment	113.67	40.29	55.67	47.69
Total assets	**75,987.52**	**64,654.14**	**48,527.08**	**37,858.38**
Liabilities				
Financial liabilities				
-Derivative financial instruments	-	-	-	-
-Trade payables	136.86	118.97	74.58	42.18
-Debt securities	24,951.09	19,914.92	16,489.15	11,332.08
-Borrowings (other than debt securities)	38576	33,654.70	24,493.17	20,268.52
-Deposits	181.13	175.77	510.00	-
-Other financial liabilities	204.15	211.62	174.42	151.14
Total financial liabilities	**64,049.23**	**54,075.98**	**41,741.32**	**31,793.92**
Non-financial liabilities				
-Current tax liabilities (net)	38.79	16.17	20.06	7.39
-Provisions	29.04	15.63	4.05	2.29
-Deferred tax Liabilities (net)	0	28.27	-	-
-Other non-financial liabilities	17.01	14.90	20.29	22.56
Total non-financial liabilities	**84.84**	**74.97**	**44.40**	**32.24**
Equity (equity and other equity)	**11,853.45**	**10,503.19**	**6,741.36**	**6,032.22**
Total equity and liabilities	**75,987.52**	**64,654.14**	**48,527.08**	**37,858.38**
Profit and Loss				
Revenue from operations	5,620.92	5,664.73	3,766.66	3,154.70
Other income	0.17	0.71	0.47	0.58
Total income	5,621.09	5,665.44	3,767.13	3,155.28
Total Expenses	**3,947.99**	**3,965.38**	**2,807.27**	**2,542.10**
Profit / loss after tax	**1,349.88**	**1,257.80**	**709.62**	**453.19**
Other Comprehensive income	0.38	4.15	-0.48	0.95
Total Comprehensive Income	**0.38**	**4.15**	**-0.48**	**0.95**
Earnings per equity share:				
Basic (₹)	2.01	1.88	1.45	0.93
Diluted (₹)	2.01	1.88	1.45	0.93
Cash Flow				
Net cash (used in) / generated from operating activities	NA	-14,331.77	-12,480.53	-5,075.77
Net cash (used in) / generated from investing activities	NA	-611.44	2,197.32	-797.04
Net cash (used in) / generated from financing activities	NA	14,630.06	10,228.46	5,675.87

Net Increase/Decrease in Cash and cash equivalents	NA	93.88	407.03	461.78
Cash and cash equivalents as per cash flow statement	NA	93.88	407.03	461.78
Additional information				
Net worth	11,853.45	10,503.19	6,741.36	6,032.22
Cash and Cash Equivalents	322.05	93.88	407.03	461.78
Loans	73,196.81	62,113.89	46,482.07	33,418.90
Loans (Principal Amount)				
Total Debts to Total assets	0.84	0.83	0.86	0.83
Interest Income	5,294.73	5,269.24	3,481.75	2,877.43
Interest Expense	3,413.31	3,211.32	2,155.31	1,965.87
Impairment on financial instruments	25.63	123.50	181.07	247.21
Bad Debt to Loans	NA	NA	NA	NA
% Stage 3 Loans on Loans (Principal loan)	0.25%	0.22%	0.31%	0.35%
% Net Stage 3 Loans on Loans (Principal Amount)	0.10%	0.08%	0.14%	0.22%
Tier I Capital Adequacy Ratio (%)	21.28%	22.19%	18.95%	20.70%
Tier II Capital Adequacy Ratio (%)	0.64%	0.78%	0.76%	0.63%

3.3.11. A brief history of the Issuer since its incorporation giving details of its following activities:-

a. Details of Share Capital as at last quarter end: 31 March 2024

Capital structure of the Company

As on 31 March 2024, the authorized share capital of the Company was Rs. 8,000 Crore and the issued, subscribed and paid-up share capital was Rs. 6,712.156 Crore.

The capital structure and share premium account of the Company as on last quarter ended 31 March 2024 is provided below:

Share Capital	**Amount (Rs.)**
Authorised share capital 8,00,00,00,000 Equity shares of face value Rs.10	80,00,00,00,000.00
Issued & Subscribed capital 67,121,55,564 Equity shares of face value Rs.10	67,121,555,640.00
Paid-up 67,121,55,564 Equity shares of face value Rs.10 (Since the present issue is of Non- Convertible Debentures, there will be no change in the Paid-up Share Capital after the present issue)	67,121,555,640.00
Share Premium Account	8,37,71,94,263.70

b. Changes in its capital structure as at last quarter end, for the preceding three financial years and current financial year: -

Date of Change (AGM/EGM)	**Particulars**
18 January 2022 (EGM)	Increase in authorised capital from Rs. 60,00,00,00,000 to Rs. 80,00,00,00,000 consisting of 8,00,00,00,000 equity shares of Rs. 10.

c. Details of the shareholding of the Company as at the latest quarter end, as per the format specified under the listing regulations as on 31 March 2024: -

Sr. No.	**Name of Share Holders**	**Total No. of Equity Shares (of face value Rs. 10)**	**% of Holding**
1.	Bajaj Finance Limited	6,71,21,54,964	100.00

Sr. No.	Name of Share Holders	Total No. of Equity Shares (of face value Rs. 10)	% of Holding
2.	Bajaj Finance Limited jointly with Shri Sanjivnayan Bajaj	100	0.00
3.	Bajaj Finance Limited jointly with Shri Madhur Bajaj	100	0.00
4.	Bajaj Finance Limited jointly with Shri Rajiv Bajaj	100	0.00
5.	Bajaj Finance Limited jointly with Shri Rajeev Jain	100	0.00
6.	Bajaj Finance Limited jointly with Shri V Rajagopalan	100	0.00
7.	Bajaj Finance Limited jointly with Shri Atul Jain	100	0.00
	Total	**6,71,21,55,564**	**100.00**

Shares pledged or encumbered by the promoter (if any): **Nil**

Pre-issue and post-issue shareholding pattern of the Company: Not Applicable

d. List of top 10 holders of equity shares of the Company as at the latest quarter end: - as on 31 March 2024

S. No.	Name of the shareholders	Total no of Equity Shares	No of shares in demat form	Total shareholding as % of total no of equity shares
1	Bajaj Finance Ltd	6,71,21,55,564*	6,71,21,54,964	100%

Note: *Out of the total number of equity shares held, 600 shares are held jointly (100 shares each, held by Bajaj Finance Limited jointly with six individuals)

3.3.12 Following details regarding the directors of the Company: -

The Board of the Company comprises of 1 Executive Director, 5 Non-executive Directors out of which 3 are Independent Directors

a. Details of the current directors of the Company:

Sr. No.	Name, Designation and DIN	Age (years)	Address	Director of the Company since	Details of other Directorship
1	Sanjivnayan Rahulkumar Bajaj Designation: Non-Executive Director - Chairman Occupation: Industrialist DIN: 00014615 Nationality: Indian	54	Bungalow No. 4, Bajaj Vihar Colony, Bajaj Auto Ltd. Complex, Mumbai Pune Road, Akurdi, Pune-411035	22 January 2018	Listed Companies: 1. Bajaj Auto Ltd. 2. Bajaj Holdings & Investment Ltd. 3. Bajaj Finserv Limited 4. Maharashtra Scooters Ltd. 5. Bajaj Finance Limited Unlisted Companies 1. Bajaj Allianz General Insurance Co. Ltd. 2. Bajaj Allianz Life Insurance Co. Ltd., 3. Bajaj Auto Holdings Ltd. 4. Bachhraj & Co Pvt. Ltd. 5. Bachhraj Factories Pvt. Ltd. 6. Bajaj Sevashram Pvt. Ltd. 7. Kamalnayan Investment & Trading Pvt. Ltd. 8. Rupa Equities Pvt Ltd. 9. Sanraj Nayan Investments Pvt Ltd. 10. Jamnalal Sons Pvt. Ltd. 11. Mahakalp Arogya Pratisthan. 12. Indian School of Business 13. Bhoopati Shikshan Pratisthan 14. Rahul Securities Pvt. Ltd.

Sr. No.	Name, Designation and DIN	Age (years)	Address	Director of the Company since	Details of other Directorship
					15.Bajaj Finserv Asse Management Ltd.
2	Rajeev Jain Designation: Non-Executive Director - Vice Chairman Occupation: Service DIN:01550158 Nationality: Indian	53	D-2, Ivy Glen, Marigold Premises, Kalyani Nagar, Pune – 411 014	10 November 2014	Listed Companies: 1. Bajaj Finance Limited
3	Anami N Roy Designation: Independent Director Occupation: Social Entrepreneur, Former Civil Servant DIN: 01361110 Nationality: Indian	73	62 Sagar Tarang, Worli Sea Face, Mumbai – 400 030	19 May 2020	Listed Companies: 1. GlaxoSmithKline Pharmaceuticals Ltd. 2. Bajaj Auto Limited. 3. Bajaj Finserv Limited. 4. Finolex Industries Limited 5. Bajaj Finance Limited 6. Siemens Limited Unlisted Companies: 1. Good Host Spaces Pvt. Ltd. 2. Vandana Foundation 3. Bajaj Allianz General Insurance Co Ltd 4. Bajaj Allianz Life Insurance Co Ltd
4	Atul Jain Designation: Managing Director Occupation: Service DIN: 09561712 Nationality: Indian	51	Flat No. 1402, 212 Riverwalk S.No-2/2/18 Plot No. 59C Pune 411006	1 May 2022	Listed Company: - Unlisted Companies: RMBS Development Company Limited (Nominee Director of Bajaj Finance Limited)
5	Dr. Arindam Bhattacharya Designation: Independent Director Occupation: Consultant DIN: 01570746 Nationality: Indian	62	L1/4, Second floor, Haus khaz, new Delhi-110016	1 May 2022	Listed Companies: 1. Lemon Tree Hotels Limited 2. Bajaj Holdings & Investment Limited 3. Info Edge (INDIA) Limited 4. Bajaj Finance Limited Unlisted Companies: 1. Fleur Hotels Pvt. Ltd.
6	Jasmine Chaney Designation: Independent Director Occupation: Consultant DIN: 07082359 Nationality: Indian	53	FL-08, Waters Apartment, S. No. 65, Ghorpadi, Sopan Baug, Pune – 411 001	1 April 2023	Unlisted Companies: 1. L F Retail Pvt Ltd 2. Bajaj Finserv Direct Limited

None of the directors of the company are appearing in the RBI defaulters list/ECPC defaulters list.

c. Directors are entitled for commission of Rs. 2,00,000 per meeting.

3.3.13. Any financial or other material interest of the directors, promoters or key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons: **Nil**

3.3.15 Details of the following liabilities of the issuer, as at the end of the preceding quarter, or if available, a later date: -

a. Details of Outstanding Secured Loan Facilities:-

Details of borrowings of the Company, as on the latest quarter end i.e., 31 December 2023:

Name of bank/Institution	Type of facility	Sanction Amt (Rs. crores)	Present O/s (Rs. crores)	Repayment terms	Credit Rating
ICICI Bank	CC/OD/WCDL/LOC	150.00	-	For OD - Flexible repayment. For WCDL - Maximum tenor of each tranche:180 days but within validity period of facility. Minimum tenor of each tranche: 7 days.	IND AAA Stable
Kotak Mahindra Bank	CC/OD/WCDL/LOC	50.00	-	Flexible repayment tenure.	IND AAA Stable
HSBC LTD	CC/OD/WCDL/LOC	75.00	-	On demand	IND AAA Stable
Yes Bank	CC/OD/WCDL/LOC	100.00	-	On demand	IND AAA Stable
IndusInd Bank	CC/OD/WCDL/LOC	250.00	-	CC/WCDL - Flexible repayment tenure (WCDL loan will be for minimum duration of 2 days and maximum duration of 12 months). OD - (Tenor max. 3 days, subsequent disbursement within period of sanction will be after a cooling period of 1 day after repayment of previous tranche.	IND AAA Stable
State Bank of India	CC/OD/WCDL/LOC	300.00	300.00	Flexible repayment tenure.	IND AAA Stable
Canara Bank	CC/OD/WCDL/LOC	50.00	-	In case of WCDL minimum period of 7 days and maximum of 365 days	CRISIL AAA Stable
Axis Bank	CC/OD/WCDL/LOC	50.00	-	On demand	CRISIL AAA Stable
Central Bank of India	CC/OD/WCDL/LOC	100.00	-	Flexible repayment tenure.	CRISIL AAA Stable
Bank of India	CC/OD/WCDL/LOC	150.00	45.00	On demand	CRISIL AAA Stable
HDFC Bank	CC/OD/WCDL/LOC	300.00	-	Flexible repayment tenure.	CRISIL AAA Stable
HDFC Bank	Non Fund Base	20.00	12.75	BG Limits	NA
Canara Bank	Term Loan	300.00	125.00	Loan shall be repaid in 4 equal semi-annual instalments after moratorium period of 4 years.	IND AAA Stable

State Bank of India	Term Loan	2,000.00	460.00	6 months moratorium (from date of first disbursal). 12 half yearly equated instalments of Rs.154 CR each and last instalment of Rs.152 CR in case of 100% disbursement and pro-rata in case of part disbursement	CRISIL AAA Stable
HDFC Bank	Term Loan	150.00	9.37	Repayment in equated quarterly instalment after the moratorium period of 1 year	IND AAA Stable
Canara Bank	Term Loan	1,000.00	78.13	Loan shall be repaid in 16 equal quarterly instalments after moratorium period of 1 year	IND AAA Stable
Punjab National Bank	Term Loan	100.00	20.00	To be repaid in 5 equal annual instalments of Rs.20 cr each. 1st Instalments shall fall due on 12 months from the date of 1st disbursement.	IND AAA Stable
Union Bank of India	Term Loan	250.00	50.00	Total Door-to-door tenor of the term loan shall be 5 years and the term loan to be repaid in five equal annual instalments of Rs.50.00 Crore each.	IND AAA Stable
Kotak Mahindra Bank	Term Loan	100.00	16.67	For each tranche repayment shall be in 12 quarterly instalments with first instalment beginning at end of 27th month from date of disbursement of each tranche	IND AAA Stable
Indian Bank	Term Loan	400.00	62.50	Repayable in 16 equal quarterly instalments (payable at end) [of Rs. 25 crore each in case of single drawdown] after moratorium period of 12 months from each drawdown	IND AAA Stable
Punjab National Bank	Term Loan	150.00	50.00	Repayable in three equal yearly instalments commencing from the end of 36th month from the date of disbursement.	CRISIL AAA Stable
HSBC LTD	Term Loan	200.00	75.00	3 Years - Principal repayment moratorium, 8 equal quarterly instalments post moratorium.	IND AAA Stable
Punjab National Bank	Term Loan	150.00	50.00	Repayment shall be made by way of six half yearly instalments after moratorium of two years.	IND AAA Stable
Union Bank of India	Term Loan	500.00	125.00	Repayable in 12 quarterly instalments after initial moratorium of 2 years from the date of disbursement.	IND AAA Stable
Indian Bank	Term Loan	500.00	93.75	Repayable in 16 equal quarterly instalments after moratorium period of 12 months from each drawdown	IND AAA Stable
State Bank of India	Term Loan	2,500.00	1,423.08	18 months moratorium from date of each disbursal, Semi-annual instalments thereafter	CRISIL AAA Stable
Bank of Maharashtra	Term Loan	500.00	125.00	Four equal annual instalments falling due at the end of 2nd, 3rd, 4th & 5th year after completion of initial moratorium period of 24 months from the date of availment of each tranche	IND AAA Stable
Union Bank of India	Term Loan	200.00	40.00	Total Door-to-door tenor of 60 months from the drawdown from each tranche, TL will be repaid in 5 yearly equal instalment from the date of disbursement without any moratorium	IND AAA Stable

Kotak Mahindra Bank	Term Loan	200.00	40.00	For each tranche, loan shall be repaid in 5 equal instalments at the end of 1st,2nd,3rd,4th,5th year of drawdown of respective tranche	IND AAA Stable
IndusInd Bank	Term Loan	300.00	300.00	After moratorium period of 5 Years i.e 63rd,66th,69th etc	IND AAA Stable
Central Bank of India	Term Loan	500.00	287.50	Repayable in 4 quarterly instalments at the end of 51st, 54th, 57th and 60th month from date of first draw down. Moratorium period of 4 years (from date of first disbursement)	IND AAA Stable
Punjab National Bank	Term Loan	500.00	200.00	3 yearly instalments after 36 months of moratorium	IND AAA Stable
Canara Bank	Term Loan	1,050.00	546.64	Loan shall be repaid in 24 equal quarterly instalment after moratorium of 1 year	CRISIL AAA Stable
HDFC Bank	Term Loan	500.00	156.25	Repayment in equated quarterly instalment after the moratorium period of 5 year	IND AAA Stable
HDFC Bank	Term Loan	300.00	105.00	Repayment in equated quarterly instalment after the moratorium period of 5 year	IND AAA Stable
HDFC Bank	Term Loan	900.00	360.00	Repayment in equated quarterly instalment after the moratorium period of 5 year	IND AAA Stable
Federal Bank	Term Loan	750.00	600.00	End of 24th month-150 crs, End of 36th month-225 crs,End of 48th month-375 crs	IND AAA Stable
HSBC LTD	Term Loan	200.00	200.00	Door to Door tenor of 3.5 years with 3 years moratorium	IND AAA Stable
Bank of India	Term Loan	1,000.00	1,000.00	Repayable in 8 quarterly instalment commencing 63rd month after a moratorium period of 5 years from date of availing each tranche	CRISIL AAA Stable
Central Bank of India	Term Loan	500.00	325.00	Quarterly instalment will start on end of 15th month till the end of 72th month from the date of each drawdown	IND AAA Stable
Kotak Mahindra Bank	Term Loan	250.00	150.00	Repayment in 5 equal instalment payable at the end of 1st,2nd,3rd,4th and 5th	IND AAA Stable
RBL Bank	Term Loan	500.00	142.86	7 equal principle instalments to be paid after 6,12,18,24,30,36 & 39th months respectively	IND AAA Stable
State Bank of India	Term Loan	1,000.00	833.32	12 months moratorium from date of each disbursal, Semi-annual instalments thereafter	IND AAA Stable
HDFC Bank	Term Loan	500.00	275.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Yes Bank	Term Loan	300.00	300.00	36 months moratorium from disbursal, payable in 3 equal instalment of yearly each	IND AAA Stable
HDFC Bank	Term Loan	500.00	275.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Karnataka Bank	Term Loan	250.00	250.00	Each tranche is repayable in 4 equal quarterly instalments after an initial holiday period of 42 months.	IND AAA Stable
Punjab National Bank	Term Loan	1,000.00	1,000.00	Moratorium of 3.5 yrs and after that repayment in equated half yearly instalment	IND AAA Stable
Federal Bank	Term Loan	500.00	500.00	Bullet repayment after 3 yrs	IND AAA Stable

Bank of India	Term Loan	500.00	500.00	Bullet repayment after 5 yrs	IND AAA Stable
HDFC Bank	Term Loan	400.00	240.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Punjab National Bank	Term Loan	600.00	500.00	6 equal yearly instalments form the date of each draw-down.	IND AAA Stable
Jammu & Kashmir Bank	Term Loan	300.00	300.00	Bullet repayment after 24th months form the date of availment of each tranche	IND AAA Stable
Union Bank of India	Term Loan	500.00	450.00	10 half yearly instalments after moratorium period of 12 months from availment of each tranche	IND AAA Stable
Canara Bank	Term Loan	2,000.00	2,000.00	Bullet repayment at the end of 60th month from the date of availment of each tranche	IND AAA Stable
HDFC Bank	Term Loan	500.00	350.00	Repayment in equated quarterly instalment after drawdown	IND AAA Stable
Bank of Baroda	Term Loan	3,000.00	3,000.00	Repaid in 8 equal half yearly instalment after moratorium period of 36 months from availment of each tranche	IND AAA Stable
Canara Bank	Term Loan	1,000.00	1,000.00	Door to Door tenor of 5 years with 3 years moratorium thereafter repayment in 2 yearly instalment form each tranche	IND AAA Stable
Punjab National Bank	Term Loan	2,000.00	1,666.67	Door to Door tenor of 6 years repayment in 6 equal yearly instalment form each tranche	IND AAA Stable
Indian Bank	Term Loan	500.00	437.50	Door to Door tenor of 5 years repaid in 8 equal half yearly instalment after moratorium period of 12 months from availment of each tranche	IND AAA Stable
South Indian Bank	Term Loan	200.00	200.00	Bullet repayment after 5 yrs from availment of each tranche	IND AAA Stable
State Bank of India	Term Loan	2,000.00	2,000.00	Door to Door tenor of 6.5 years repaid in equal quarterly instalment after moratorium period of 12 months from availment of last tranche	CRISIL AAA Stable
HDFC Bank	Term Loan	750.00	616.07	Door to Door tenor of 84 months repaid in equal quarterly instalment from availment of each tranche	IND AAA Stable
HDFC Bank	Term Loan	750.00	642.86	Door to Door tenor of 84 months repaid in equal quarterly instalment from availment of each tranche	IND AAA Stable
Union Bank of India	Term Loan	1,000.00	1,000.00	Door to Door tenor of 7 Years for each drawdown. Repayment in 12 Half-Yearly installments after moratorium period of 12 months from availment of each tranche.	IND AAA Stable
IDBI Bank	Term Loan	500.00	500.00	60 Months with moratorium of 36 months from each tanche. 4 Half Yearly installments after completion of 6 months post moratorium of 36 months	IND AAA Stable
UCO Bank	Term Loan	500.00	500.00	Door to Door tenor of 7 Years for each drawdown. Repayment in 5 Yearly installments starting from each of year after end of moratorium period for each tranche.	IND AAA Stable
Axis Bank	Term Loan	1,000.00	928.57	Door to Door tenor of 7 Years including moratoriuym of 6 months. 14 equal Half Yearly installments	IND AAA Stable

				from end of 6th month from the date of first disbursement.	
Indian Bank	Term Loan	150.00	150.00	Door to Door tenor of 5 Years for each drawdown. Repayment in 8 half yearly installments after moratorium period of 12 months from availment of each tranche.	IND AAA Stable
Kotak Mahindra Bank	Term Loan	150.00	150.00	For each tranche repayment shall be in 5 equal instalments at the end of 1st, 2nd, 3rd, 4th and 5th year from drawdown of respective tranche.	IND AAA Stable
Bank of Baroda	Term Loan	1,500.00	1,500.00	Door to Door tenor of 84 months for each tranche. Repayment in 8 equal half yearly installments commencing after moratorium period of 36 months from the date of disbursement for each tranche.	IND AAA Stable
HDFC BANK	Term Loan	850.00	807.50	Tenor: 60 months, with NIL moratorium. Equal quarterly principle repayment thereafter.	IND AAA Stable
Union Bank of India	Term Loan	500.00	500.00	Door to Door tenor of 84 months for each drawdown. Repayment in 12 Half-Yearly installments after moratorium period of 12 months from availment of each tranche.	IND AAA Stable
Jammu & Kashmir Bank	Term Loan	350.00	350.00	Door to Door tenor of 6 years (i.e.72 months) from date of first disbursement of each tranche. Moratorium period of 36 months from the date of first disbursement of each tranche. Repayment in 3 annual installments after moratorium period of 36 months from the date of disbursement.	IND AAA Stable
Bank of India	Term Loan	500.00	500.00	Door to Door tenor of 84 months including moratorium period of 12 months. Repayment in 24 quarterly installments after moratorium period of 12 months from the date of first disbursement.	IND AAA Stable
Axis Bank	Term Loan	1,000.00	100.00	Door to Door tenor of 84 months including moratorium of 6 months. The loan will have lock in period of 2 years. Repayment in 14 equal Half Yearly installments from end of 6th month from the date of first disbursement.	IND AAA Stable
HDFC BANK	Term Loan	850.00	850.00	Tenor: 84 months, with nil moratorium, equal quarterly principal repayments, monthly interest repayment	IND AAA Stable
STATE BANK OF INDIA	Term Loan	2,000.00	750.00	Door to Door tenor of 6.5 years (Including moratorium of 12 months). Repayment:- 12 months moratorium, equal half yearly instalments thereafter.	IND AAA Stable

Note:

Security- The Secured working capital facilities from banks are secured by hypothecation of assets under finance, book debts and other receivables, ranking pari-passu, excluding assets which are specifically charged to others.

Asset Classification- Standard

Name of bank/Institution	Type of facility	Sanction Amt (Rs. crores)	Present O/s (Rs. crores)	Repayment terms	Credit Rating	Security
National Housing Finance (NHB)*	NHB refinance	4,999.59	4,791.53	Refinance Facility/Assistance. Repayment: - Equal Quarterly instalments.	IND AAA Stable	exclusive charge on specific LAN's

b. Details of Outstanding Unsecured Loan Facilities:- **Nil**

c. Details of Outstanding Non-Convertible Securities - as on 31 December 2023

i. Details of Secured Redeemable Non- Convertible Debentures

Sr. No.	Series	ISIN No.	Amt Issued (Rs in Cr) (Face Value)	Coupon	Date of Allotment	Tenor	Redemption Date/Schedule	Credit Rating	Secured/ Unsecured
1	22	INE377Y07201	675.00	6.00%	17-Mar-21	1091 Days	12-Mar-24	CRISIL AAA Stable	Secured
2	23	INE377Y07219	135.00	Zero Coupon	05-May-21	1101 Days	10-May-24	CRISIL AAA Stable	Secured
3	24	INE377Y07227	1,450.00	5.70%	28-May-21	1109 Days	10-Jun-24	CRISIL AAA Stable	Secured
4	25	INE377Y07235	985.00	5.60%	21-Jun-21	1096 Days	21-Jun-24	CRISIL AAA Stable	Secured
5	27	INE377Y07250	340.00	5.69%	06-Sep-21	1187 Days	06-Dec-24	CRISIL AAA Stable	Secured
6	29 T-1	INE377Y07276	330.00	5.75%	21-Sep-21	1308 Days	21-Apr-25	CRISIL AAA Stable	Secured
7	29 T-10	INE377Y07326	1,050.00	7.65%	21-Jul-22	1096 Days	21-Jul-25	CRISIL AAA Stable	Secured
8	29 T-11	INE377Y07334	625.00	7.42%	12-Aug-22	1096 Days	12-Aug-25	CRISIL AAA Stable	Secured
9	29 T-12	INE377Y07342	250.00	7.28%	29-Aug-22	731 Days	29-Aug-24	CRISIL AAA Stable	Secured
10	29 T-13	INE377Y07359	500.00	7.89%	08-Sep-22	3653 Days	08-Sep-32	CRISIL AAA Stable IND AAA Stable	Secured
11	29 T-2	INE377Y07284	221.00	7.25%	29-Oct-21	3652 Days	29-Oct-31	CRISIL AAA Stable IND AAA Stable	Secured
12	29 T-3	INE377Y07250	225.00	5.69%	12-Nov-21	1120 Days	06-Dec-24	CRISIL AAA Stable	Secured
13	29 T-4	INE377Y07284	50.00	7.25%	17-Dec-21	3603 Days	29-Oct-31	CRISIL AAA Stable IND AAA Stable	Secured
14	29 T-5	INE377Y07284	300.00	7.25%	27-Jan-22	3562 Days	29-Oct-31	CRISIL AAA Stable IND AAA Stable	Secured

15	29 T-6	INE377Y07292	2,000.00	5.84%	21-Feb-22	730 Days	21-Feb-24	CRISIL AAA Stable	Secured
16	29 T-7	INE377Y07300	255.00	7.70%	23-May-22	1824 Days	21-May-27	CRISIL AAA Stable IND AAA Stable	Secured
17	29 T-8	INE377Y07300	841.00	7.70%	01-Jul-22	1785 Days	21-May-27	CRISIL AAA Stable IND AAA Stable	Secured
18	29 T-9	INE377Y07318	1,000.00	7.42%	12-Jul-22	731 Days	12-Jul-24	CRISIL AAA Stable	Secured
19	30 T-1	INE377Y07367	500.00	7.84%	23-Sep-22	3653 Days	23-Sep-32	CRISIL AAA Stable IND AAA Stable	Secured
20	30 T-2	INE377Y07334	475.00	7.42%	14-Oct-22	1033 Days	12-Aug-25	CRISIL AAA Stable	Secured
21	30 T-3	INE377Y07375	390.00	7.92%	09-Nov-22	1223 Days	16-Mar-26	CRISIL AAA Stable	Secured
22	30 T-4-Option I	INE377Y07383	500.00	7.98%	18-Nov-22	1826 Days	18-Nov-27	CRISIL AAA Stable IND AAA Stable	Secured
23	30 T-8	INE377Y07375	475.00	7.92%	24-Mar-23	1088 Days	16-Mar-26	CRISIL AAA Stable	Secured
24	30 T-4 Option II	INE377Y07334	1,000.00	7.42%	18-Nov-22	998 Days	12-Aug-25	CRISIL AAA Stable	Secured
25	30 T-5	INE377Y07300	250.00	7.70%	08-Dec-22	1625 Days	21-May-27	CRISIL AAA Stable IND AAA Stable	Secured
26	30 T-6	INE377Y07391	725.00	7.83%	14-Dec-22	1094 Days	12-Dec-25	CRISIL AAA Stable	Secured
27	30 T-7	INE377Y07409	750.00	8.04%	09-Feb-23	3653 Days	09-Feb-33	CRISIL AAA Stable	Secured
28	30 T-9	INE377Y07375	2,000.00	7.92%	13-Apr-23	1068 Days	16-Mar-26	CRISIL AAA Stable	Secured
29	30 T-10	INE377Y07417	500.00	7.90%	28-Apr-23	1827 Days	28-Apr-28	CRISIL AAA Stable IND AAA Stable	Secured
30	30 T-11	INE377Y07425	50.00	7.78%	26-May-23	1096 Days	26-May-26	CRISIL AAA Stable IND AAA Stable	Secured
31	30 T-11	INE377Y07425	450.00	7.78%	26-May-23	1096 Days	26-May-26	CRISIL AAA Stable	Secured
32	30 T-12	INE377Y07433	275.00	7.85%	01-Sep-23	1827 Days	01-Sep-28	CRISIL AAA Stable IND AAA Stable	Secured
33	30 T-12	INE377Y07433	575.00	7.85%	01-Sep-23	1827 Days	01-Sep-28	CRISIL AAA Stable	Secured
34	31 T-1	INE377Y07433	9.00	7.85%	19-Oct-23	1779 Days	01-Sep-28	CRISIL AAA Stable IND AAA Stable	Secured
35	31 T-1	INE377Y07433	491.00	7.85%	19-Oct-23	1779 Days	01-Sep-28	CRISIL AAA Stable	Secured
36	31 T-2	INE377Y07425	500.00	7.78%	27-Oct-23	942 Days	26-May-26	CRISIL AAA Stable IND AAA Stable	Secured

Note: - The Secured Redeemable Non-Convertible Debentures are secured by:

(i)a first pari-passu charge by mortgage of Company's Office Unit No.804, admeasuring 2610 sq. ft. 8th Floor, Block, A of Wing Delta, bearing old Door nos. 113 to 122 and 128 to 134 and New Door No.177, Raheja Towers, Anna Salai, Mount Road, Chennai – 600 002 **and/or**

(ii) the book debts and receivables of the Company, in favour of the Trustees viz., Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Limited).

ii. Unsecured Non-Convertible Debentures as on last quarter ended i.e. 31 December 2023:

Sr. No.	Series	ISIN No.	Issue Size	Amt received (Rs in Cr)	Coupon	Date of Allotment	Tenor	Date of Maturity	Credit Rating
1	15	INE377Y08076	750.00	105.00	8.00%	31-Jan-20	5486 Days	07-Feb-35	CRISIL AAA Stable
2	15	INE377Y08076		105.00	8.00%		5122 Days	07-Feb-35	
3	15	INE377Y08076		105.00	8.00%		4757 Days	07-Feb-35	
4	15	INE377Y08076		105.00	8.00%		4390 Days	07-Feb-35	
5	18	INE377Y08084	1,050.00	147.00	7.70%	13-Mar-20	5474 Days	09-Mar-35	
6	18	INE377Y08084		147.00	7.70%		5110 Days	09-Mar-35	
7	18	INE377Y08084		147.00	7.70%		4746 Days	09-Mar-35	
8	18	INE377Y08084		147.00	7.70%		4379 Days	09-Mar-35	

d. Details of outstanding Commercial Paper as at the end of the last quarter 31 December 2023:-

Sr.No	ISIN	Tenor	Coupon	Amount Outstanding	Allotment Date	Redemption date	Rating	Secured/Unsecured	IPA
1	INE377Y14AK6	365 Days	7.55%	125.00	22-Aug-23	21-Aug-24	IND A1+	Unsecured	Central Bank of India
2	INE377Y14AK6	363 Days	7.55%	25.00	24-Aug-23	21-Aug-24	IND A1+	Unsecured	Central Bank of India
3	INE377Y14AL4	218 Days	7.38%	500.00	23-Aug-23	28-Mar-24	IND A1+	Unsecured	Central Bank of India
4	INE377Y14AM2	308 Days	7.48%	350.00	25-Aug-23	28-Jun-24	IND A1+	Unsecured	Central Bank of India
5	INE377Y14AP5	91 Days	7.53%	300.00	22-Dec-23	22-Mar-24	IND A1+	Unsecured	Central Bank of India
6	INE377Y14AQ3	91 Days	7.53%	200.00	27-Dec-23	27-Mar-24	IND A1+	Unsecured	Central Bank of India
7	INE377Y14AO8	91 Days	7.41%	500.00	14-Dec-23	14-Mar-24	IND A1+	Unsecured	Central Bank of India

e. List of top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on 31 December 2023:

S.No.	Name of holder	Category	Face Value	Holding of debt securities as a percentage of total debt securities outstanding of the issuer	Face Value (Rs.in Crs)
1	STATE BANK OF INDIA	BNK	10 LAC	18.72%	4,300.00
2	BANDHAN MUTUAL FUND (IDFC MUTUAL FUND)	MUT	10 LAC	7.65%	1,757.50
3	HDFC MUTUAL FUND	MUT	10 LAC	4.92%	1,130.00
4	NPS TRUST	TRU	10 LAC	4.55%	1,046.00
5	SBI MUTUAL FUND	MUT	10 LAC	4.37%	1,005.00
6	AXIS MUTUAL FUND	MUT	10 LAC	4.21%	968.00

7	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	IFI	5.60 LAC	3.78%	868.00
8	KOTAK MAHINDRA TRUSTEE COMPANY LTD	MUT	10 LAC	3.74%	860.00
9	LIFE INSURANCE CORPORATION OF INDIA - P & GS FUND	IFI	10 LAC	3.26%	750.00
10	ICICI PRUDENTIAL MUTUAL FUND	MUT	10 LAC	2.81%	645.00

f. List of top 10 holders of commercial paper in terms of value (in cumulative basis) as on 31 December 2023:-

Sr No.	Names of commercial paper holders	Category	Amt in Crs (Face Value)	% of total CP O/S.
1	STATE BANK OF INDIA	BNK	400.00	20.45%
2	AXIS MUTUAL FUND	MUT	300.00	15.34%
3	KOTAK MAHINDRA TRUSTEE COMPANY LTD	MUT	300.00	15.34%
4	HDFC MUTUAL FUND	MUT	200.00	10.22%
5	ICICI PRUDENTIAL MUTUAL FUND	MUT	200.00	10.22%
6	TATA MUTUAL FUND	MUT	125.00	6.39%
7	BANDHAN MUTUAL FUND (IDFC MUTUAL FUND)	MUT	100.00	5.11%
8	MAX LIFE INSURANCE CO LTD DISCONTINUED FUND LIFE	IFI	100.00	5.11%
9	MIRAE ASSET MUTUAL FUND	MUT	100.00	5.11%
10	HSBC MUTUAL FUND	MUT	100.00	5.11%

g. Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) from financial institutions of financial creditors:- **Nil** apart from the above details.

3.3.16 The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.:- **Nil**

3.3.17 Where the issuer is a Non-Banking Finance Company or Housing Finance Company additional disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

Latest ALM statement for the half year ended 30 September 2023 is attached as Annexure.

3.3.18 Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letter of comfort issued by the Company, in the preceding three years and the current financial year - **NIL**

3.3.31 Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts-

- Board of Directors have authorized issue of NCDs vide its resolution dated 25 January 2024.
- Consent of Trustees for the NCD issue was given on 16 April 2024.
- Consent of Registrar to the Issue to the General Information Document was given on 14 September 2023.

- Consent of bankers to issue, solicitors or advocates to the issue, legal advisors, lead managers to the issue and lenders is not applicable since the issue is made on private placement basis for issue of non-convertible debentures governed by section 42 of Companies Act, 2013 and EBP guidelines prescribed by SEBI.

3.3.32 The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.

Catalyst Trusteeship Limited is debenture trustee to the issue. They have given consent to act as trustee to the issue which is attached as Annexure.

Consent letter dated 16 April 2024 given by Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Ltd) for acting as trustees for the debentures offered under this issue.

3.3.41 Other matters and reports:

J. The Company has deposited amount of Rs. 10,000 towards fine levied by BSE, for delayed submission of record date intimation under regulation 60(2) of SEBI LODR Regulation, 2015 for ISIN - INE377Y07318.

Authority for the placement

This private placement of Debentures is being made pursuant to the special resolution of shareholders approved on 24 July 2023 authorizing the board to make offer or invitation to eligible persons to subscribe to the NCDs of the company on private placement basis in one or more series/tranches within the overall borrowing limits approved by the members at their meeting held on 19 May 2023 from time to time and Board resolution dated 25 January 2024 delegating the authority for borrowing of fund.

TERMS SHEET

Summary of Term Sheet

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year).	Bajaj Housing Finance Limited 7.78% Secured Rated Listed Redeemable Non-Convertible Debenture. Date of Maturity: 26 May 2026
Issuer	Bajaj Housing Finance Limited
Type of Instrument	Secured Rated Listed Redeemable Non-Convertible Debenture
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Mode of Issue	Private Placement
Eligible Investors	• Companies and Bodies Corporate including Public Sector Undertakings; • Commercial Bank, • Regional Rural Banks, • Financial Institutions, • Insurance Companies, • Non-banking finance companies and Residuary NBFCs • Mutual funds • Foreign institutional investors • Foreign portfolio investors as permitted under the SEBI (Foreign Portfolio Investors) Regulations, 2014 • Venture Capital Funds • National Investment Funds • Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their investment guidelines • Any other investor authorized to invest in these Debentures
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	Proposed to be listed on the wholesale debt segment of BSE as per SEBI Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 10 August 2021, updated by Master Circular dated 7 July 2023, the listing will be done within T+3 working days from the date of closure of each tranche of issue. In case of further issuance where bond is already listed on the exchange, necessary arrangements will be made to give effect of further issuance.
Rating of the Instrument	"CRISIL AAA/Stable" by Crisil Limited
ISIN (In case of Further issuance)	INE377Y07425
Issue Size	Rs. 500 Crore plus Rs. 1000 Crore
Past Issue History (In case of Further issuance)	Total Rs. 2,035 Crore issued. 1st Tranche - ₹ 500 Crores 2nd Tranche - ₹ 500 Crores 3rd Tranche - ₹ 500 Crores 4th Tranche - ₹ 535 Crores
Minimum subscription	Rs. 1 Crore
Option to retain oversubscription (Amount)	Retain oversubscription upto Rs.1000 Crore
Objects of the Issue / Purpose for which there is requirement of funds	Proceeds of the NCD issue shall be used for deployment of funds on the company's own balance sheet.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not Applicable
Details of the utilization of the Proceeds	Upto 100% funds will be utilized as per the objects of the issue.

Coupon / ~~Dividend~~ Rate	7.78%
Step Up/Step Down Coupon Rate	Not Applicable
Coupon/~~Dividend~~ Payment Frequency	1st Coupon payable on 26 May 2024, annually thereafter
Coupon / ~~Dividend~~ payment dates	1st interest payment – 26 May 2024 2nd interest payment – 26 May 2025 3rd interest & Principal payment – 26 May 2026
Cumulative / non-cumulative, in case of dividend	Not Applicable
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.,)	Not Applicable
Day Count Basis (Actual/Actual)	Actual/Actual Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year-basis.
Interest on Application Money	Not Applicable
Default Interest Rate	2% p.a. over the coupon rate will be payable by the Company for the defaulting period.
Tenor (residual)	763 days
Redemption Date	26 May 2026
Redemption Amount	Rs. 10,00,000 per NCD
Redemption Premium /Discount	Not Applicable

CASH FLOWS		**Re-Issuance**
1st Coupon Date	Date*	26-May-2024
	No of Days	366
	Amount (₹) Per NCD	77,800.00
2nd Coupon Date	Date*	26-May -2025
	No of Days	365
	Amount (₹) Per NCD	77,800.00
3rd Coupon Date	Date*	26-May-2026
	No of Days	365
	Amount (₹) Per NCD	77,800.00
Principal/ Redemption Amount	Date*	26-May-2026
	No of Days	1096
	Amount (₹) Per NCD	10,00,000
Coupon Rate		7.78%
Tenor (Days) (Residual)		763 Days
Redemption Date		26 May 2026
Redemption Premium/Discount		NA
Coupon Payment Frequency		Annually & On Maturity
Coupon Type		Fixed
Issue Price **Accrued interest (In case of re-issuance)**		Clean Price: 99.5645 per ₹100 per NCD. ₹ 7.0785 per ₹100 per NCD. (Accrued interest calculated for 333 days i:e 26 May 2023 to 23 April 2024)
Premium/ Discount at which security is issued and the effective yield as a result of such premium/ discount		Discount of ₹0.4355 per ₹100 per NCD (Effective Yield 8.00%)

** Payment dates subject to change as per the holidays declared in that particular year. Payment convention to be followed as per SEBI Operational circular dated 10 August 2021, updated by 7 July 2023.*	
Premium/ Discount at which security is redeemed and the effective yield as a result of such premium/ discount	Not Applicable
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
Face Value	Rs. 10,00,000 per NCD
Minimum Application and in multiples of thereafter	10 Debentures of face value ₹10 Lakh each i.e. ₹1 Crore and in multiples of one debenture (₹10 Lakh each) thereafter.
Issue Timing	Issue Open- 10.30 a.m. and Issue closes on 11.30 a.m. (subject to changes as per EBP)
Issue Opening Date	22 April 2024
Issue Closing date	22 April 2024
Date of earliest closing of the issue, if any	22 April 2024
Pay-in Date	23 April 2024
Deemed Date of Allotment	23 April 2024
Issuance mode of the Instrument	Dematerialized mode only
Trading mode of the Instrument	Dematerialized mode only
Settlement mode of the Instrument	The pay-in of subscription monies for the Tranche Debentures shall be made by way of transfer of funds from the bank account(s) of the eligible investors (whose bids have been accepted) as registered with the EBP into the account of the relevant clearing corporation, as specified below. For amounts payable by the Issuer to any Debenture Holder pursuant to the terms of the Transaction Documents, Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the Debenture Holder shall be the mode of settlement.
Mode of Payment	RTGS / NEFT/ FUND TRANSFER
Depository	NSDL / CDSL
Disclosure of Interest/Dividend / redemption dates	As per above mentioned.
Business Day	Means any day of the week (excluding non-working Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/supplemented from time to time) in Mumbai and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai and "Business Days" shall be construed accordingly.
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any due date, which shall be the date falling 15 (Fifteen) calendar days prior to any due date.
Manner of bidding in the issue	Open bidding
Manner of allotment	Multiple Price
Type of Bidding	Coupon based

Manner of settlement	Through Indian Clearing Corporation Ltd
Designated Account details of ICCL	HDFC Bank: Beneficiary Name: INDIAN CLEARING CORPORATION LTD Account Number: ICCLEB IFSC Code: HDFC0000060 Mode: NEFT/RTGS IFSC Code: HDFC0000060
Settlement cycle (working day)	Settlement shall be on T+1 day
Business Day Convention	As per SEBI Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 10 August 2021, updated by Master Circular dated 7 July 2023– a) If any interest payment falls due on a holiday, such interest (as calculated up to the day preceding the original date of payment) will be paid on the next working day. Date of subsequent interest payment(s) shall remain unchanged. b) If payment of redemption proceeds (i.e. principal amount along with last interest payment) falls due on a holiday, such redemption proceeds will be paid on the preceding working day. The amount of interest in such case will be calculated upto the date preceding the actual date of payment of redemption proceeds.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in Annex. F of the General Information Document and all covenants applicable to the issue covered in the Offer Document and the Transaction Documents, and there is no other side letter.
Security **(Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/Placement Memorandum).**	The Debentures repayment, interest thereon, Trustees' remuneration and all other monies relating thereto will be secured by a first pari-passu charge on book debts/loan receivables, provided that such security cover shall be equivalent to 1.00 time the aggregate outstanding value of debentures to be issued under this General Information Document.
Transaction Documents	• General Information Document; • Key Information Document: • Debenture Trust Deed; • Debenture Trustee Agreement; • Deed of Hypothecation • Any other document as agreed between the Company and the Debenture Trustee. (Together referred to as "**Transaction Documents**")
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer	The Issue shall be secured by a charge created by the Issuer in favor of the Debenture Trustee (for the benefit of the Debenture Holders) being an first ranking pari-passu charge by way of hypothecation comprising of the assets of the Issuer as follows: (a) On and from the date of execution of the Deed of Hypothecation, the Issuer shall create a charge over the Hypothecated Property in terms thereof. The Security Cover to be maintained by the Issuer shall be equal to 1 (One) time the aggregate principal amount outstanding of the Debentures and the accrued Coupon thereon ("Security Cover"). It is clarified that the Security Cover

Document / General Information Document	shall be sufficient to cover the principal and coupon amounts outstanding under the Debentures at all times. The Issuer undertakes: (i) to maintain the value of Security Cover at all times till the obligations under the Issue are discharged; (ii) to create the charge over the Hypothecated Property by executing a duly stamped Debenture Trust Cum Hypothecation Deed") prior to the listing (iii) to perfect the charge over the Hypothecated Property by filing the relevant form immediately and no later than 30 (Thirty) calendar days from the date of execution of the Debenture Trust Cum Hypothecation Deed;
Due diligence certificate issued by the Debenture Trustee	The due diligence certificate issued by the Debenture Trustee to BSE in accordance with the SEBI Master circular for Debenture Trustees No. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 updated as on July 6, 2023, is annexed hereto as Annexure - H to General Information Document
Terms and conditions of debenture trustee agreement including fees charged by Debenture Trustees(s). details of security to be created	Please refer to Annexure G to General Information Document. Debenture Trustee Agreement has been executed as per required regulation on September 13, 2023 i.e. before opening of the issue. The remuneration of the Debenture Trustee shall be as per the letter dated September 7, 2023 as may be amended/modified from time to time
Conditions Precedent to Disbursement	1. The Issuer has obtained in-principle approval of the stock exchange for listing of Debentures; 2. Execution Debenture Trust Deed- In case delay in execution of trust deed issuer will pay 2% p.a. to the investor till the execution of trust deed; 3. Such other undertaking as may be required from the Company.
Conditions Subsequent to Disbursement	1. Filing of the relevant documents, *inter alia,* return of allotment etc. with the Registrar of Companies within the timelines specified under the rules under the Companies Act, 2013. 2. Completion of the listing of Debentures on BSE within 3 (three) Working Days from the closure of issue. 3. Filling of the relevant form with the Registrar of Companies for the registration of charge over the Hypothecated Property within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation. 4. Execution of any other documents as customary for transaction of a similar nature and size.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As set out in Annexure E to General Information Document Manner of Voting/ conditions of joining Inter Creditor Agreement - Manner of Voting shall be as detailed in the Inter Creditor Agreement which shall be executed in terms of Regulation 15 (7) of SEBI (Debenture Trustee) Regulations 1993, Subject to the approval of Debenture holders and conditions as may be specified by SEBI from time to time, the debenture trustee, on behalf of debenture holder, may enter into inter creditor agreements provided under the framework specified by RBI
Creation of recovery expense fund	The issuer has created recovery expense fund in favour of BSE Ltd. in the form of Bank guarantee of Rs. 25 Lakh
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As listed in Annexure E to General Information Document

Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders. Further, the Debenture Trustee has undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI (Debenture Trustees) Regulations, 1993, read with the Master circulars for Debenture Trustee dated 31 March 2023 updated as on July 6, 2023, as amended from time to time, issued by SEBI.
Risk factors pertaining to the issue	Please read the Risk Factors given in the General Information Document
Governing Law and Jurisdiction	The Debentures will be governed by and shall be construed in accordance with the existing Indian laws. Any dispute between the Company and the Debenture holder will be subject to the jurisdiction at Pune.
Covenants	b. The execution of Trust Deed and Charge documents will be created before listing of securities with Exchange. 2. **Default in Payment:** In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period. c. **Delay in Listing:** In case of delay in listing of the debt securities beyond the timelines specified in SEBI Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated 10 August 2021, updated by Master Circular dated 7 July 2023, issuer shall pay penal interest of 1% p.a. over coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing) 4.The company shall pay interest for the delayed period as per the provision of Companies Act / SEBI (ICDR) Regulations, if the allotment is not made within the prescribed time limit and / or the Refund Orders are not dispatched to the investors within 15 days from the date of the closure of the Issue, for the delay beyond the 15 days' period. 5. As per NCS Regulation dated 9 August 2021 "While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of General Information Document / Offer Document, The Company will make available adequate funds for this purpose.

DECLARATION BY THE DIRECTORS THAT –

a. The Company has complied with the provisions of the Companies Act, 2013 and Rules made thereunder.
b. The compliance with the Companies Act, 2013 and Rules made thereunder does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.
c. The monies received under the Offer shall be used only for the purposes and objects indicated in the Shelf Placement Memorandum.

We are authorized by the Board of Directors of the Company by resolution dated 25 January 2024 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Bajaj Housing Finance Limited

Bajaj Housing Finance Ltd.

Rahul Gupta

Place: Pune
Date: 22 April 2024

Rahul Gupta **Atul Patni**
Authorised Signatory

ABBREVIATIONS USED

BHFL	Bajaj Housing Finance Limited
AGM	Annual General Meeting
EGM	Extraordinary General Meeting
NHB	National Housing Bank
LAN	Loan Account Number
BNK	Bank
MUT	Mutual Fund
TRU	Trust
IFI	International Financial Institution
BSE	BSE Limited
NCD	Non-Convertible Debentures
SEBI LODR Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
NBFC	Non-Banking Financial Company
SEBI	Securities and Exchange Board of India
EBP	Electronic Bidding Platform
NSDL	National Securities Depository Limited
CDSL	Central Depository Services (India) Limited
RTGS	Real Time Gross Settlement
NEFT	National Electronic Funds Transfer
SEBI ICDR Regulations ,2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
KID	Key Information Document
GID	General Information Document
CC	Cash Credit
OD	Overdraft
WCDL	Working Capital Demand Loan
LOC	Letter of Credit
BG	Bank Guarantee
TL	Term Loan
Rs.	Indian Rupees

CL/DEB/23-24/873/9 **16.04.2024**

To,
Mr. Atul Patni
Company Secretary,
Bajaj Housing Finance Ltd.
3rd floor, Panchshil Tech Park,
Plot 43/1, 43/2 & 44/2,
Viman Nagar, Pune-411014

Dear Sir,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 500 Crores with a green shoe option to retain oversubscription upto ₹ 1000 Crores aggregating to ₹ 1500.00 Crores. (Series 31 Tranche 9)

We refer to the communication dated April 16, 2024 via email, informing that your company proposes to issue Secured Redeemable Non-Convertible of ₹ 500 Crores with a green shoe option to retain oversubscription up to ₹ 1000 Crores aggregating to ₹ 1500 Crores under **"Series 31 Tranche 9"** on private placement basis and requesting us to act as debenture trustee.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to create the security within the timeline as per relevant Laws / Regulations and in the Placement Memorandum/Offer Document / Information Memorandum / Disclosure Document/ Shelf Placement Memorandum/ Tranche Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Debt Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Yours faithfully,

For Catalyst Trusteeship Limited

Catalyst Trusteeship Limited

Authorized Signatory
Name: Suyash Sawant
Designation: Assistant Manager

CL/23-24/ 06812 ***(Annexure IIA)***

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM
(Applicable for Secured and Unsecured Issuances)

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB.: ISSUE OF SECURED, RATED, LISTED, REDEEMABLE NON- CONVERTIBLE DEBENTURES FOR UPTO RS 1500 CRORE (FIFTEEN HUNDRED CRORE) OF FACE VALUE OF RS.10,00,000/- (RUPEES TEN LAKH) EACH FOR CASH, AGGREGATING TO RS. 15,000 CRORE (RUPEES FIFTEEN THOUSAND CRORE ONLY) TO BE ISSUED IN VARIOUS TRANCHES INCLUDING GREEN SHOE OPTION TO RETAIN OVER SUBSCRIPTION BY BAJAJ HOUSING FINANCE LIMITED ON PRIVATE PLACEMENT BASIS ("SERIES 31- TRANCHE 9").

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: April 18, 2024

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Ms. Kalyani Pandey
Compliance Officer

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF BAJAJ HOUSING FINANCE LIMITED AT ITS MEETING HELD ON 25 JANUARY 2024:

"RESOLVED THAT in supersession of the resolution passed by the Board of Directors at their meeting held on 24 July 2023, and pursuant to the provisions of the Companies Act, 2013 and rules made thereunder and other applicable statutory and regulatory requirements the consent of the Board be and is hereby accorded to borrow from time to time such sum or sums of money as it may deem requisite for the purpose of the business of the Company, inter alia, through secured/unsecured Bank Borrowings i.e. term loans/cash credit/ WCDL/STL/ Line of Credit and through Other Borrowings i.e. secured long term non-convertible debentures (NCDs)/unsecured long term NCDs/long term subordinated debts, short term debt including commercial papers, Triparty repo(TREPS) in one or more tranches, inter corporate loans and external commercial borrowings (whether in Rupees or in foreign currency) upto a sum of Rs. 85,000 crore (including the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) AND THAT Shri Atul Jain – Managing Director, Shri Gaurav Kalani – Chief Financial Officer, and Shri Vijay Solanki, Treasurer, be and are hereby severally authorised to change the sub-limits and also permit interchangeability within the overall borrowing limit of Rs.85,000 crore:

(Rs. In Crore)

Sr. No.	Particulars	Amount
i)	Bank/ Institutional Borrowings – Secured / Unsecured	
	–Term Loans	35,000
	-NHB Refinance	12,000
	–Cash Credit / WCDL/ STL/ Line of Credit**	2,000
	Total Bank Borrowings (A)	49,000
ii)	Other Borrowings	
	Secured long term NCDs/Trust Bonds	25,000
	Unsecured long term NCDs	2,000
	Unsecured long term NCDs (Tier II subordinated debt)	750
	Short term debt including Commercial Papers	6,000
	Triparty Repo	1,000
	Inter Corporate Loans (Unsecured)	500
	External Commercial Borrowings (Equivalent Indian Rupees)	750
	Total Other Borrowings (B)	36,000
	Total Borrowings (A)+(B)	85,000

* Figures have been rounded to nearest two decimal points
**CC/OD balances are as per Financials

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013, and rules made thereunder and other applicable statutory and regulatory requirements, the non-convertible debentures be issued within the aforesaid limits, in terms of Information Memorandum/Key Information Document to be issued by the Company from time to time.

RESOLVED FURTHER THAT the proceeds from the issue of non-convertible debentures shall be used for deployment of funds on the Company's own balance sheet.

RESOLVED FURTHER THAT:

A. Following officers be and are hereby authorised (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to discuss, negotiate and finalise the terms and conditions of the said borrowing/s and to convey acceptance on behalf of the Company and agree to such amendment/s and revision/s in the terms and conditions thereof, as may be acceptable to the Company from time to time:

Sr. No.	Authorised Signatory	Designation
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10.	Shri Vikas Narde	Finance Controller
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
4.	Shri Ganesh Balasubramanian	Senior Lead – Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

B. Following officers be and are hereby authorised (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to finalise and approve the Information Memorandum / Key Information document , obtain rating from credit rating agency, appoint debenture and/or deposit trustees, create security, fix record date/s for interest payments / redemption, execute documents in respect of issue of commercial paper/s or debenture trust deed/s and such other security document/s, agreement/s and undertaking/s as may be required in connection therewith and take such steps as may be necessary from time to time, on behalf of the Company:

Sr. No.	Authorised Signatory	Designation
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignmer
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets

9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10.	Shri Vikas Narde	Finance Controller
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operatio
4.	Shri Ganesh Balasubramanian	Senior Lead – Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

C. The following officers be and are hereby authorised (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to execute documents for availing borrowings from banks, FIs, other entities including term loan agreement/s, demand promissory note/s, undertaking/s, deed/s of adherence to the security trustee agreement and unattested hypothecation deed in favour of security trustee, Banks, Financial Institutions and other entities and such other security documents to be executed with the aforementioned counterparties as may be required from time to time:

Sr. No.	Authorised Signatory	Designation
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10.	Shri Vikas Narde	Finance Controller
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
4.	Shri Ganesh Balasubramanian	Senior Lead – Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

D. Any two of the following employees of the Company be and are hereby jointly authorised up to 31 March 2025, to execute and sign all documents including term loan agreement/s, demand promissory note/s, undertaking/s, deed/s of adherence to the security trustee agreement and unattested hypothecation deed in favour of security trustee and such other security or loan documents as may be required for availing or in connection with various term loans/ External Commercial Borrowings and other credit facilities availed or to be availed by the Company within the borrowing limits approved by the Board:

Sr.no.	Employee Name	Designation
1.	Shri Santosh Tripathi	National Manager - Home Loans

2.	Shri Kushal Singh	Zonal Manager- Home Loans
3.	Shri Sachin Sharma	Regional Manager- Operations
4.	Shri Amber Aggarwal	Senior Regional Manager - Credit

E. Any two of the following employees of the Company be and are hereby jointly authorized, up to 31 March 2025, to sign and present for registration with the Registrar / Sub - registrar having appropriate jurisdiction, if need be, debenture trust cum mortgage deed, hypothecation deed and all other documents in favour of debenture trustee viz., Catalyst Trusteeship Limited in connection with Non - Convertible Debentures (NCDs) issued on private placement basis:

Sr. No.	Employee Name	Designation
1.	Shri R Mamallan	Zonal Manager-Branch Operations
2.	Shri Benhur Kirubakaran	Zonal Manager- Home Loans
3.	Shri Mir Rehan Hussain	Zonal Manager – Collateral
4.	Shri Gopichandran S	Senior Regional Manager -Operations

F. The Common Seal of the Company, if required, be affixed to such document/s and deed/s in the presence of any one of the following employees:

Sr. No.	Authorised Signatory	Designation
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10.	Shri Vikas Narde	Finance Controller
11.	Shri Vishal Khator	National Lead - Finance & Accounts
12.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
13	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
14.	Shri Ganesh Balasubramanian	Senior Lead - Finance & Accounts
15.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office
16.	Shri Santosh Tripathi	National Manager- Home Loans
17.	Shri Amber Aggarwal	Senior Regional Manager - Credit
18.	Shri Kushal Singh	Zonal Manager- Home Loans
19.	Shri Sachin Sharma	Regional Manager- Operations
20.	Shri R Mamallan	Zonal Manager - Branch Operations
21.	Shri Benhur Kirubakaran	Zonal Manager - Home Loan
22.	Shri Mir Rehan Hussain	Zonal Manager – Collateral
23.	Shri Gopichandran S	Senior Regional Manager - Operations

Corporate Office: 5th Floor, B2 Building, Cerebrum IT Park, Kumar City, Kalyani Nagar, Pune 411014, Maharashtra
Registered Office: Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune 411035, Maharashtra
Corporate Identity Number (CIN): U65910PN2008PLC132228
Tel: +91 20718 78060 | **Email:** bhflwecare@bajajfinserv.in

G. The following officers of the Company be and are hereby severally authorised to take procedural steps and comply with the formalities in connection with the issue, allotment, dematerialisation, listing on stock exchange(s), admission of debentures and/or commercial papers on National Securities Depository Limited / Central Depository Services (India) Limited, to present and lodge the debenture trust deed/s before the concerned sub-registrar for registration and admit execution thereof, to sign the applications, execute affidavits etc., in respect of the same and to complete all formalities regarding the registration of trust deed/s and other matters pertaining to these debentures:

Sr. No.	Authorised Signatory	Designation
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office
8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10.	Shri Vikas Narde	Finance Controller
11	Shri Vishal Khator	National Lead - Finance & Accounts
12.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
13.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
14.	Shri Ganesh Balasubramanian	Senior Lead - Finance & Accounts
15.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

H. The following officers of the Company be and are hereby authorized (jointly by any two of Group A or jointly by any one of Group A with any one from Group B) to decide upon bankers and open bank accounts for Cash Credit/Overdraft/term loan/WCTL/receipt of application money on debentures and to honour cheques, bills of exchange, promissory notes drawn, accepted and endorsed or made on behalf of the Company and to act on any instructions so given relating to the said accounts whether the same be overdrawn or not relating to the transactions of the Company and to avail internet banking facility in respect of the aforesaid accounts and the below mentioned authorised signatories, be and are hereby authorised, in the manner specified below, to operate the said accounts, sign, execute and endorse all required forms, documents and agreements in favour of the Banks to avail such facility:

Sr. No.	Authorised Signatory	Designation
Group A		
1.	Shri Atul Jain	Managing Director
2.	Shri Gaurav Kalani	Chief Financial Officer
3.	Shri Vijay Solanki	Treasurer
4.	Shri Niraj Adiani	Chief Risk Officer
5.	Shri Atul Patni	Company Secretary
6.	Shri Digesh Dave	Senior Head - Treasury, Banking and Assignment
7.	Shri Rahul Gupta	Head - Treasury, Mid-Office

8.	Shri Soheb Khan	Head - Treasury, Markets
9.	Shri R Ramasubramanian	Senior Head - Operations & Service
10.	Shri Vikas Narde	Finance Controller
Group B		
1.	Shri Vishal Khator	National Lead - Finance & Accounts
2.	Shri Deepak Bhansali	Deputy National Lead - Finance & Accounts
3.	Shri Aniruddha Kulkarni	National Lead - Operations, Centralised Operations
4.	Shri Ganesh Balasubramanian	Senior Lead - Finance & Accounts
5.	Shri Rohit Bhore	Senior Lead - Treasury, Mid Office

RESOLVED FURTHER THAT the aforesaid authorizations shall remain and valid so long as the said officials continue to be in the employment of the Company."

FOR BAJAJ HOUSING FINANCE LIMITED

ATUL PATNI

Digitally signed by ATUL PATNI
Date: 2024.02.08 17:46:49 +05'30'

ATUL PATNI
COMPANY SECRETARY
FCS:-10094

Place : Pune

RL/BAHOFL/320233/NCD/0424/83282/98217772
April 02, 2024

Mr. Vijay Solanki
Treasurer
Bajaj Housing Finance Limited
4th Floor S.No. 208/1-B
Viman Nagar
Pune - 411014
9673993485

Dear Mr. Vijay Solanki,

Re: CRISIL rating on the Rs.42717.8 Crore Non Convertible Debentures of Bajaj Housing Finance Limited.

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated March 04, 2024 bearing Ref. no: RL/BAHOFL/320233/NCD/0324/80787/98217772

Rating outstanding on the captioned debt instruments is "CRISIL AAA/Stable" (pronounced as "CRISIL triple A rating" with Stable outlook). Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk..

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Malvika Bhotika
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

CRISIL Ratings

Rating Rationale

June 01, 2023 | Mumbai

Bajaj Housing Finance Limited

'CRISIL AAA/Stable' assigned to Non Convertible Debentures; Rated amount enhanced for Commercial Paper

Rating Action

Total Bank Loan Facilities Rated	**Rs.16000 Crore**
Long Term Rating	**CRISIL AAA/Stable (Reaffirmed)**

Rs.15000 Crore Non Convertible Debentures	**CRISIL AAA/Stable (Assigned)**
Rs.7000 Crore Non Convertible Debentures	**CRISIL AAA/Stable (Reaffirmed)**
Rs.8708.1 Crore Non Convertible Debentures	**CRISIL AAA/Stable (Reaffirmed)**
Rs.7500 Crore (Enhanced from Rs.6000 Crore) Commercial Paper	**CRISIL A1+ (Reaffirmed)**
Non Convertible Debentures Aggregating Rs.12009.7 Crore	**CRISIL AAA/Stable (Reaffirmed)**
Subordinated Debt Aggregating Rs.1000 Crore	**CRISIL AAA/Stable (Reaffirmed)**

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AAA/Stable**' rating to the Rs 15000 crore Non-Convertible Debentures and reaffirmed its 'CRISIL AAA/Stable/CRISIL A1+' ratings on the Bank Loan facilities and other debt facilities of Bajaj Housing Finance Limited (BHFL).

CRISIL Ratings has also withdrawn its rating on the Rs 1095 crore non-convertible debentures (see the Annexure - Details of Rating Withdrawn' for details) on receipt of independent confirmation that these instruments are fully redeemed, in line with its withdrawal policy.

The ratings centrally factor in expectation of strong financial, operational and managerial support for BHFL from its parent, Bajaj Finance Ltd (BFL: 'CRISIL AAA/ Stable/CRISIL A1+'), both on an ongoing basis, and in the event of distress. The expectation reflects the strategic importance of BHFL to BFL, and the strong moral obligation of the latter to support the former. The rating strength is augmented by the established track record of BFL in the housing finance segment.

Analytical Approach

For the purpose of the rating, CRISIL Ratings has factored in expectation of support that BHFL is expected to receive from BFL, both on an ongoing basis, and in the event of distress given its high strategic importance to BFL as the company's housing finance arm and the strong moral obligation of the parent to support the same.

Key Rating Drivers & Detailed Description

Strengths:

Expectation of strong support from BFL

BFL holds 100% stake in BHFL, its housing finance arm. In September 2015, BHFL received a certificate for the housing finance business from the National Housing Bank (NHB). The parent, BFL is a subsidiary of Bajaj Finserv Ltd, the financial services arm of the Bajaj group. Registered with the RBI as a systemically important, deposit-taking, non-banking finance company (NBFC-D-SI), BFL has emerged as one of the largest retail asset financing NBFCs in India. It has a diversified product suite, comprising key businesses such as vehicle loans (two- and three-wheelers manufactured by Bajaj Auto Ltd), consumer durable loans, personal loans, mortgage loans, small business loans, and loans against securities, commercial finance, and rural finance.

CRISIL Ratings believes BHFL is strategically important to BFL, being its vehicle for growing the mortgage business, which is a key focus area. Also, conducting the mortgage business through a housing finance company (HFC) enables more efficient use of capital. With BFL having infused over Rs 7000 crores from fiscal 2017 till fiscal 2022, BHFL has a sizeable networth of around Rs 10,503 crore as on March 31, 2023. BFL plans to hold a majority stake and is willing to infuse additional capital to support growth requirements over the medium term. BHFL plans to follow a conservative gearing policy and maintain capital adequacy well above the regulatory norms. The shared name also enhances BFL's moral obligation to support BHFL.

Established track record of BFL in home loans

BFL is present in the highly competitive mortgage business since fiscal 2011 and has an experienced management team. Including BHFL, it has scaled up its mortgage book to around Rs 69,228 crore as on March 31, 2023 as compared to Rs 53,322 crore as on March 31, 2022, while maintaining strong asset quality metrics. The management has laid down prudent underwriting practices and focuses on existing customers having exposure to other banks.

All majority of incremental mortgage disbursements are done via BHFL. According to the management, BHFL will maintain its focus on home loans, which should constitute around 60% of total loans in the medium term. Loans against property including LRD, will constitute another 25%, while developer financing, rural mortgages and other loans will account for the rest.

Weakness:

Early stage of operations

As BFL's vehicle facilitating growth in the mortgage business, BHFL has attained significant size and scale in the past three years, also reflected in its share within overall assets under management (AUM) for the Bajaj group. The company started operations in July 2017 and

recorded a compound annual growth rate (CAGR) of 196% over fiscals 2018-2023 to reach AUM of Rs 69,228 crore as on March 31, 2023. Consequently, the share of BHFL in the overall Bajaj Finance group AUM has increased to 28% as on March 31, 2023. The AUM for BHFL comprises primarily of home loans (59%; *around 90% loans to salaried class)*, followed by loans against property including lease rental discounting (16%), developer finance (9%), LAP including rural mortgages (13%) and unsecured loans (3%) as on March 31, 2023.

On the asset quality side, the gross non-performing assets (GNPA/stage 3 assets) remained comfortable at 0.22% as on March 31, 2023 compared to 0.31% as on March 31, 2022 and 0.35% as on March 31, 2021. Further, BHFL has restructured book of Rs 123 crore or ~0.2% of the loan book in line with the resolution framework for COVID-19 related stress provided by the Reserve Bank of India (RBI) as on March 31, 2023. Although asset quality performance has been healthy, significant proportion of the portfolio has witnessed strong growth over the past few years and remains under-seasoned. Therefore, the company's ability to manage collections and asset quality, especially amidst the current economic uncertainty, is a key monitorable.

While BHFL has demonstrated its ability to manage asset quality, this will be a key monitorable as the portfolio seasons. Furthermore, while the company has controlled its operating expenses as it has scaled up along with managing its borrowing cost, the credit cost remaining contained at 0.2% as for fiscal 2023 as compared to 0.4% in fiscal 2022 as against 0.6% in fiscal 2021. Therefore, impact of the ongoing economic uncertainty on the macroeconomic situation and hence, asset quality and profitability remain key monitorable.

Liquidity: Superior
The asset liability maturity (ALM) profile of BHFL remains adequate as of March 31, 2023. There were no inherent cumulative mismatches in the short-term book (up to 1 year; including the committed lines of credit).

As on March 31, 2023, cash and liquid investments stood at Rs 2,109.78 crore, along with unutilised cash credit/working capital demand loan (CC/WCDL) and unavailed term loans of Rs 5,565.5 crore, having six months cover of 1.05 times on debt repayments (including interest expenses) of Rs ~7,339 crore (from April'23 to September'23).

Outlook: Stable
CRISIL Ratings believes BHFL will benefit from strong financial, managerial, and operational support from BFL over the medium term.

Rating Sensitivity factors
Downward factors
* Downgrade in the credit rating of BFL by 1 notch or higher
* Any change in articulation of support philosophy by BFL towards BHFL, or adverse material change in ownership structure
* Significant deterioration in asset quality of BHFL's loan book

About the Company
BHFL, the housing finance arm of BFL, was incorporated as a wholly-owned subsidiary of Bajaj Finserv Ltd on June 13, 2008. During fiscal 2015, the company became the wholly-owned subsidiary of BFL. On September 24, 2015, BHFL received a Certificate of Registration from NHB to set up its housing finance company

Key Financial Indicators

As on/for the period/ for the year ended as per INDAS	Unit	March 31, 2023	March 31, 2022	March 31, 2021
Total Assets	**Rs crore**	**64,654**	**48,527**	**37,859**
Total income	**Rs crore**	**5,665**	**3767**	**3155**
Profit after tax	**Rs crore**	**1,258**	**710**	**453**
Gross NPA	**%**	**0.22**	**0.31**	**0.35**
Adjusted Gearing*	**Times**	**5.8**	**7.2**	**6.1**
Return on managed assets**	**%**	**2.0**	**1.4**	**1.1**

**Adjusted gearing = On-book borrowing as per IND-AS + DA (direct assignment) divided by Reported networth*
***Return on managed assets = Reported PAT divided by average of end year managed assets. Managed assets =Total reported assets + DA (direct assignment)*

Any other information: Not applicable

Note on complexity levels of the rated instrument:
CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

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Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity Date	Issue size (Rs.Crore)	Complexity Level	Rating outstanding with outlook
NA	Debentures^	NA	NA	NA	15000	Simple	CRISIL AAA/Stable
NA	Subordinate debt^	NA	NA	NA	500	Complex	CRISIL AAA/Stable
NA	Subordinate debt^	NA	NA	NA	500	Complex	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	2060	Simple	CRISIL AAA/Stable
INE377Y07367	Debentures	23-Sep-22	7.84%	23-Sep-32	500	Simple	CRISIL AAA/Stable
INE377Y07375	Debentures	09-Nov-22	7.92%	16-Mar-26	390	Simple	CRISIL AAA/Stable
INE377Y07391	Debentures	14-Dec-22	7.83%	12-Dec-25	1000	Simple	CRISIL AAA/Stable
INE377Y07409	Debentures	09-Feb-23	8.04%	09-Feb-33	750	Simple	CRISIL AAA/Stable

INE377Y08076	Debentures	31-Jan-20	8%	07-Feb-35	750	Simple	CRISIL AAA/Stable
INE377Y08084	Debentures	13-Mar-20	7.70%	09-Mar-35	1050	Simple	CRISIL AAA/Stable
INE377Y07417	Debentures	28-Apr-23	7.90%	28-Apr-28	500	Simple	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	1353	Simple	CRISIL AAA/Stable
INE377Y07318	Debentures	12-Jul-22	7.42%	12-Jul-24	1000	Simple	CRISIL AAA/Stable
INE377Y07326	Debentures	21-Jul-22	7.65%	21-Jul-25	1050	Simple	CRISIL AAA/Stable
INE377Y07334	Debentures	12-Aug-22	7.42%	12-Aug-25	625	Simple	CRISIL AAA/Stable
INE377Y07342	Debentures	29-Aug-22	7.28%	29-Aug-24	250	Simple	CRISIL AAA/Stable
INE377Y07359	Debentures	08-Sep-22	7.89%	08-Aug-32	500	Simple	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	3612.8	Simple	CRISIL AAA/Stable
INE377Y07268	Debentures	15-Sep-21	5.00%	15-Sep-23	1000	Simple	CRISIL AAA/Stable
INE377Y07276	Debentures	21-Sep-21	5.75%	21-Apr-25	330	Simple	CRISIL AAA/Stable
INE377Y07284	Debentures	29-Oct-21	7.25%	29-Oct-31	571	Simple	CRISIL AAA/Stable
INE377Y07292	Debentures	21-Feb-22	5.84%	21-Feb-24	2000	Simple	CRISIL AAA/Stable
INE377Y08068&	Debentures	13-Mar-20	7.70%	09-Mar-35	1050	Simple	CRISIL AAA/Stable
INE377Y07300	Debentures	23-May-22	7.70%	21-May-27	1096	Simple	CRISIL AAA/Stable
INE377Y08050#	Debentures	31-Jan-20	8%	07-Feb-35	750	Simple	CRISIL AAA/Stable
INE377Y07235	Debentures	21-Jun-21	5.60%	21-Jun-24	985	Simple	CRISIL AAA/Stable
INE377Y07243	Debentures	13-Aug-21	5.10%	11-Aug-23	225	Simple	CRISIL AAA/Stable
INE377Y07250	Debentures	06-Sep-21	5.69%	06-Dec-24	565	Simple	CRISIL AAA/Stable
INE377Y07227	Debentures	28-May-21	5.70%	10-Jun-24	1450	Simple	CRISIL AAA/Stable
INE377Y07219	Debentures	05-May-21	5.8% (XIRR)	10-May-24	135	Simple	CRISIL AAA/Stable
INE377Y07201	Debentures	17-Mar-21	6.00%	12-Mar-24	675	Simple	CRISIL AAA/Stable
INE377Y07177	Debentures	25-Sep-20	5.85%	25-Sep-23	200	Simple	CRISIL AAA/Stable
INE377Y07193	Debentures	24-Dec-20	5.00%	22-Dec-23	200	Simple	CRISIL AAA/Stable
NA	Commercial Paper	NA	NA	7-365 Days	7500	Simple	CRISIL A1+
NA	Cash Credit & Working Capital Demand Loan	NA	NA	NA	650	NA	CRISIL AAA/Stable
NA	Term loan-1	NA	NA	Door to Door Tenor of 5 years with a moratorium of 24 months from date of availment from date of availment	250	NA	CRISIL AAA/Stable
NA	Term loan-2	NA	NA	Door to Door tenor of 5 years with moratorium of 4 years from date of availment	200	NA	CRISIL AAA/Stable
NA	Term Loan-3	NA	NA	Door to Door tenor of 7 years with moratorium of 6	4000	NA	CRISIL AAA/Stable

				months from date of availment			
NA	Term Loan-4	NA	NA	Door to Door tenor of 5 years with moratorium of 4 years from date of availment from date of availment	500	NA	CRISIL AAA/Stable
NA	Term Loan- 5	NA	NA	Door to Door tenor of 4 years with moratorium of 24 months from date of availment	200	NA	CRISIL AAA/Stable
NA	Term Loan- 6	NA	NA	Door to Door tenor of 5 years with moratorium of 24 months from date of availment	150	NA	CRISIL AAA/Stable
NA	Term Loan-7	NA	NA	Door to Door Tenor of 7 years 6 months with a moratorium of 18 months from date of availment	2500	NA	CRISIL AAA/Stable
NA	Term Loan-8	NA	NA	Door to Door Tenor of 5 years with a moratorium of 24 months from date of availment	500	NA	CRISIL AAA/Stable
NA	Term Loan-9	NA	NA	Door to Door Tenor of 7 years with a moratorium of 1 Year from date of availment	1050	NA	CRISIL AAA/Stable
NA	Term Loan-10	NA	NA	Door to Door Tenor of 7 years with a moratorium of 5 Year from date of availment	1000	NA	CRISIL AAA/Stable
NA	Proposed Long Term Bank Loan Facility*	NA	NA	NA	5000	NA	CRISIL AAA/Stable

**Interchangeable with short-term bank facilities*

#partly-paid to the tune of Rs 315 crore

&partly-paid to the tune of Rs 441 crore
^Yet to be issued

Annexure: Details of ratings withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity Date	Issue size (Rs.Crore)	Complexity Level	Rating outstanding with outlook
INE377Y07185	Debentures	6-Nov-20	4.85%	4-Nov-22	900	Simple	Withdrawn
INE377Y07144	Debentures	13-Feb-20	7.10%	10-Feb-23	165	Simple	Withdrawn
INE377Y07151	Debentures	27-Feb-20	7.05%	24-Mar-23	30	Simple	Withdrawn

Annexure - Rating History for last 3 Years

	Current			2023 (History)		2022		2021		2020		Start of 2020
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	16000.0	CRISIL AAA/Stable		--	13-09-22	CRISIL AAA/Stable	14-09-21	CRISIL AAA/Stable	07-07-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	14-07-22	CRISIL AAA/Stable	04-06-21	CRISIL AAA/Stable	17-02-20	CRISIL AAA/Stable	--
			--		--		--	05-02-21	CRISIL AAA/Stable		--	--
Commercial Paper	ST	7500.0	CRISIL A1+		--	13-09-22	CRISIL A1+	14-09-21	CRISIL A1+	07-07-20	CRISIL A1+	CRISIL A1+
			--		--	14-07-22	CRISIL A1+	04-06-21	CRISIL A1+	17-02-20	CRISIL A1+	--
			--		--		--	05-02-21	CRISIL A1+		--	--
Non Convertible Debentures	LT	42717.8	CRISIL AAA/Stable		--	13-09-22	CRISIL AAA/Stable	14-09-21	CRISIL AAA/Stable	07-07-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	14-07-22	CRISIL AAA/Stable	04-06-21	CRISIL AAA/Stable	17-02-20	CRISIL AAA/Stable	--
			--		--		--	05-02-21	CRISIL AAA/Stable		--	--
Subordinated Debt	LT	1000.0	CRISIL AAA/Stable		--	13-09-22	CRISIL AAA/Stable	14-09-21	CRISIL AAA/Stable	07-07-20	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	14-07-22	CRISIL AAA/Stable	04-06-21	CRISIL AAA/Stable	17-02-20	CRISIL AAA/Stable	--
			--		--		--	05-02-21	CRISIL AAA/Stable		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit & Working Capital Demand Loan	**150**	**Bank of India**	**CRISIL AAA/Stable**
Cash Credit & Working Capital Demand Loan	**100**	**Central Bank Of India**	**CRISIL AAA/Stable**
Cash Credit & Working Capital Demand Loan	**300**	**HDFC Bank Limited**	**CRISIL AAA/Stable**
Cash Credit & Working Capital Demand Loan	**50**	**Syndicate Bank**	**CRISIL AAA/Stable**
Cash Credit & Working Capital Demand Loan	**50**	**Axis Bank Limited**	**CRISIL AAA/Stable**
Proposed Long Term Bank Loan Facility*	**5000**	**Not Applicable**	**CRISIL AAA/Stable**
Term Loan	**1000**	**Bank of India**	**CRISIL AAA/Stable**
Term Loan	**6500**	**State Bank of India**	**CRISIL AAA/Stable**
Term Loan	**250**	**HDFC Bank Limited**	**CRISIL AAA/Stable**
Term Loan	**200**	**Central Bank Of India**	**CRISIL AAA/Stable**
Term Loan	**500**	**Bank of Baroda**	**CRISIL AAA/Stable**
Term Loan	**700**	**Axis Bank Limited**	**CRISIL AAA/Stable**
Term Loan	**150**	**United Bank of India**	**CRISIL AAA/Stable**
Term Loan	**1050**	**Syndicate Bank**	**CRISIL AAA/Stable**

This Annexure has been updated on 01-June-23 in line with the lender-wise facility details as on 14-Jul-22 received from the rated entity

**-Interchangeable with short-term bank facilities*

Criteria Details

Links to related criteria
Rating Criteria for Finance Companies
CRISILs Criteria for rating short term debt

Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support
Criteria for Notching up Stand Alone Ratings of Companies based on Group Support

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CRISIL Ratings

Credit Bulletin

December 18, 2023 | Mumbai

Update on Bajaj Housing Finance Limited

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This Credit Bulletin is published solely to update the bank-wise facility details in line with RBI requirement. For other sections please refer to the previous Rating Rationale dated June 01, 2023.

Click Here to access the previous Rating Rationale.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit & Working Capital Demand Loan	50	Axis Bank Limited	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	150	Bank of India	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	50	Canara Bank	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	100	Central Bank Of India	CRISIL AAA/Stable
Cash Credit & Working Capital Demand Loan	300	HDFC Bank Limited	CRISIL AAA/Stable
Proposed Long Term Bank Loan Facility*	6650	Not Applicable	CRISIL AAA/Stable
Term Loan	1000	Bank of India	CRISIL AAA/Stable
Term Loan	150	Punjab National Bank	CRISIL AAA/Stable
Term Loan	1050	Canara Bank	CRISIL AAA/Stable
Term Loan	6500	State Bank of India	CRISIL AAA/Stable

**Interchangeable with short term bank facilities*

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Links to related criteria
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18 November 2023

To,
The Manager,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir/Madam,

Sub: Filing of ALM statement as per SEBI Framework for listing of Commercial Paper

Pursuant to Chapter XVII – Listing of Commercial Paper of the Master Circular SEBI/HO/DDHSPoD1/P/CIR/2023/119 dated 10 August 2021, updated as on 07 July 2023, please find enclosed the Asset Liability Management statement for the half year ended 30 September 2023. The same has been submitted to National Housing Bank.

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For **BAJAJ HOUSING FINANCE LIMITED**

ATUL PATNI

Digitally signed by ATUL PATNI
DN: c=IN, o=PERSONAL, pseudonym=e7ac81fd5dbd02797f9743039e005014, 2.5.4.20=5AAE04A824F23E7F4234B203C48371 7B85982AB735 5C1383CBD45D786BFB6727F, postalCode=302015, st=Rajasthan, serialNumber=be631870b4c02f2c1a8d7066c03720d7c34728b49688992331be74ff5c28a5fa, cn=ATUL PATNI
Date: 2023.11.18 23:40:04 +05'30'

ATUL PATNI
COMPANY SECRETARY
Email id: bhflinvestor.service@bajajfinserv.in
CC: Catalyst Trusteeship Limited, Pune (Debenture Trustee)

PART-1: STATEMENT OF STRUCTURAL LIQUIDITY AS ON PERIOD ENDING 30 SEPTEMBER 2023

(Amt in Rs. crore)

RESIDUAL MATURITY	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Column Code	C290	C291	C292	C293	C294	C295	C296	C297	C298	C299	C300
A. OUTFLOWS											
1. Capital Funds	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**6712.16**	**6712.16**
a) Equity capital										6712.16	**6712.16**
b) Non-redeemable or perpetual preference capital											**0.00**
c) Others											**0.00**
d) Preference capital - redeemable/non-perpetual											**0.00**
2. Reserves & surplus										4703.64	**4703.64**
3. Gifts, grants, donations & benefactions											**0.00**
4. Notes, bonds & debentures	**0.00**	**0.00**	**38.22**	**34.65**	**279.22**	**2975.92**	**3994.03**	**8107.63**	**3176.03**	**3320.88**	**21926.58**
a) Plain vanilla bonds/debentures	0.00	0.00	38.22	34.65	279.22	2975.92	3863.61	8107.63	3176.03	3320.88	**21796.17**
b) Bonds/debentures with embedded options (including zero-coupon/deep discount bonds)							130.42				**130.42**
c) Fixed rate notes											**0.00**
5. Deposits	**0.00**	**0.00**	**497.43**	**1337.71**	**0.00**	**485.40**	**648.65**	**1.20**	**0.00**	**0.00**	**2970.38**
a) Term deposits from public											**0.00**
b) Inter Corporate Deposits (ICDs)	0.00	0.00	0.00	0.00	0.00	2.96	176.61	1.20	0.00	0.00	**180.77**
c) Commercial Papers (CPs)	0.00	0.00	497.43	1337.71	0.00	482.43	472.04	0.00	0.00	0.00	**2789.61**
6. Borrowings	**0.14**	**0.00**	**99.79**	**557.16**	**1570.18**	**1663.08**	**3594.29**	**12481.41**	**12668.52**	**4874.92**	**37509.50**
a) Term money borrowings	0.00	0.00	54.78	257.16	1570.18	1516.50	3003.84	11308.75	11495.87	2859.54	**32066.63**
b) Bank borrowings in the nature of WCDL, CC etc.	0.14	0.00	45.01	300.00	0.00	0.00	297.29	0.00	0.00	0.00	**642.44**
c) From RBI, NHB, Govt, & others	0.00	0.00	0.00	0.00	0.00	146.58	293.16	1172.66	1172.65	2015.38	**4800.44**
7. Current Liabilities & provisions:	**89.73**	**0.00**	**212.86**	**0.00**	**0.00**	**3.98**	**75.83**	**43.18**	**8.92**	**0.13**	**434.63**
a) Sundry creditors	89.73	0.00	212.86	0.00	0.00	3.98	75.83	17.30	8.92	0.13	**408.75**
b) Expenses payable (other than interest)											**0.00**
c) Advance income received, receipts from borrowers pending adjustment											**0.00**
d) Interest payable on bonds/deposits											**0.00**
e) Provisions for NPAs											**0.00**
f) Provisions (other than for NPAs)								25.88			**25.88**
8. Contingent Liabilities	**347.80**	**468.11**	**568.63**	**593.49**	**736.63**	**1901.86**	**4736.28**	**6374.11**	**446.51**	**3969.08**	**20142.50**
a) Letters of credit/guarantees											**0.00**
b) Loan commitments pending disbursal (outflows)	254.89	343.06	416.72	593.49	736.63	1901.86	4736.28	6374.11	437.50	3969.08	**19763.63**
c) Lines of credit committed to other institutions (outflows)	92.91	125.05	151.90								**369.87**

PART-1: STATEMENT OF STRUCTURAL LIQUIDITY AS ON PERIOD ENDING

RESIDUAL MATURITY	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
d) Outflows on account of forward exchange contracts, rupee/dollar swap & bills rediscounted									9.01		9.01
9. Others (Please specify, if any)											0.00
(A) TOTAL OUTFLOWS	437.67	468.11	1416.93	2523.02	2586.04	7030.25	13049.08	27007.52	16299.98	23580.81	94399.40
(A_1) CUMULATIVE OUTFLOWS	437.67	905.78	2322.71	4845.73	7431.77	14462.02	27511.09	54518.61	70818.59	94399.40	
B. INFLOWS											
1. Cash											0.00
2. Remittance in transit											0.00
3. Balances with banks (in India only)	721.84	0.00	0.00	0.00	0.00	0.02	0.12	0.00	0.00	0.00	721.99
a) Current account	721.84										721.84
b) Deposit /short-term deposits	0.00	0.00	0.00	0.00	0.00	0.02	0.12	0.00	0.00		0.15
c) Money at call & short notice											0.00
4. Investments (net of provisions)	0.30	30.81	515.00	49.63	9.34	779.95	521.67	0.00	173.88	0.00	2080.59
a) Mandatory investments											0.00
b) Non Mandatory Listed	0.30	30.81	515.00	49.63	9.34	779.95	521.67	0.00	173.88	0.00	2080.59
c) Non Mandatory unlisted securities (e.g. shares, etc.)											0.00
d) Non-mandatory unlisted securities having a fixed term maturity											0.00
e) Venture capital units											0.00
5. Advances (Performing)	543.88	732.03	889.22	1657.06	1614.28	4536.87	8002.11	21300.85	12026.52	19584.32	70887.12
a) Bills of exchange and promissory notes discounted & rediscounted											0.00
b) Term loans (only rupee loans)	543.88	732.03	889.22	1657.06	1614.28	4536.87	8002.11	21300.85	12026.52	19584.32	70887.12
c) Corporate loans/short term loans											0.00
6. Non-performing loans (May be shown net of the provisions, interest suspense held)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	59.13	7.94	67.07
a) Sub-standard											
i) All overdues and instalments of principal falling due during the next three years											0.00
ii) Entire principal amount due beyond the next three years									59.13		59.13
b) Doubtful and loss											
i) All instalments of principal falling due during the next five years as also all overdues											0.00
ii) Entire principal amount due beyond the next five years										7.94	7.94
7. Inflows from assets on lease											0.00
8. fixed assets (excluding assets on lease)										77.95	77.95

PART-1: STATEMENT OF STRUCTURAL LIQUIDITY AS ON PERIOD ENDING

RESIDUAL MATURITY	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
9. Other assets :	**0.25**	**0.00**	**12.84**	**0.00**	**2.17**	**28.42**	**37.11**	**135.62**	**66.69**	**148.10**	**431.20**
(a) Intangible assets and items not representing cash inflows.										30.07	**30.07**
(b) Other items (such as accrued income, other receivables, staff loans, etc.)											**0.00**
c) Others (Please specify, if any)	0.25	0.00	12.84	0.00	2.17	28.42	37.11	135.62	66.69	118.03	**401.13**
10. Lines of credit committed by other institutions (inflows)	0.00	0.00	545.00	1101.22	1117.79	2061.56	1793.02	4433.16	1805.09	7276.66	**20133.50**
11. Bills rediscounted (inflow)											**0.00**
12. Inflows on account of forward exchange contracts, dollar/rupee swaps (sell/buy)											**0.00**
13. Others (Please specify, if any)											**0.00**
(B) TOTAL INFLOWS	**1266.27**	**762.84**	**1962.06**	**2807.91**	**2743.58**	**7406.82**	**10354.03**	**25869.63**	**14131.31**	**27094.97**	**94399.40**
C. Mismatch (B - A)	**828.60**	**294.73**	**545.13**	**284.89**	**157.55**	**376.57**	**-2695.05**	**-1137.89**	**-2168.68**	**3514.16**	**0.00**
D. Cumulative mismatch	**828.60**	**1123.33**	**1668.46**	**1953.34**	**2110.89**	**2487.46**	**-207.59**	**-1345.48**	**-3514.16**	**0.00**	
E. Mismatch as % to Outflows (C as % of A)	**189.32%**	**62.96%**	**38.47%**	**11.29%**	**6.09%**	**5.36%**	**-20.65%**	**-4.21%**	**-13.30%**	**14.90%**	
F. Cumulative Mismatch as % to Cumulative Outflows (D as % to A1)	**189.32%**	**124.02%**	**71.83%**	**40.31%**	**28.40%**	**17.20%**	**-0.75%**	**-2.47%**	**-4.96%**	**0.00%**	