

# CORPORATE INFORMATION

## Board of Directors

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**S Sreenivasan**

Chairman

**Manish Jain**

Manager

**Babu Rao**

**Ajita Kakade**

## Chief Financial Officer

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**Bhalchandra Deodhar**

## Company Secretary

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**Ravikumar Dugar**

## Auditors

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**G.M. Kapadia & Co.**

## Registered Office

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Bajaj Auto Limited Complex, Mumbai-Pune  
Road, Akurdi, Pune 411035

## Corporate Office

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Mantri IT Park, Unit-2, Tower-B, Nagar Road,  
Viman Nagar, Pune-411014

## Corporate Identity Number:

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U67120PN2010PLC136026

# G. M. KAPADIA & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

## INDEPENDENT AUDITOR'S REPORT

To the Members of Bajaj Financial Securities Limited

Report on the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Bajaj Financial Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

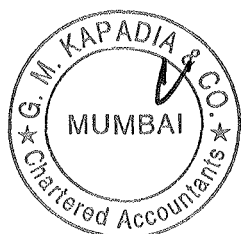
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act ("Ind AS"), of the state of affairs of the Company as at March 31, 2022 and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

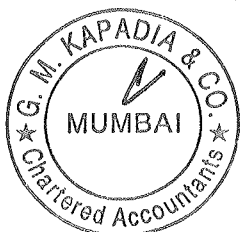


Key Audit Matter description	How the scope of our audit responded the key audit matter
<p>IT systems and Controls:</p> <p>Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, hence we identified IT systems and controls over financial reporting as a key audit matter for the Company.</p> <p>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.</p>	<p>We performed the following procedures on the IT infrastructure and applications relevant to financial reporting:</p> <p>Tested the design and operating effectiveness of the Company's IT access control over the information system that are important to financial reporting and various interfaces, configuration and other identified application controls.</p> <p>Carried of the test of controls with respect of the IT general controls This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>Tested the Company's periodic review of access rights. Carried of test of controls with respect to changes to systems for appropriate approval and authorization.</p> <p>Tested operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting.</p> <p>Tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</p>

**Information Other than the Standalone Financial Statements and Our Report thereon**

The Company's Board of Directors is responsible for the other information. The Other Information comprises the information included in Director's Report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this report. Our opinion on the standalone financial statements does not cover the Other Information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



If, based on the work we have performed on the Other Information that we obtained prior to the date of this auditor's report, we conclude that if there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

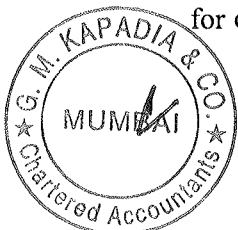
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

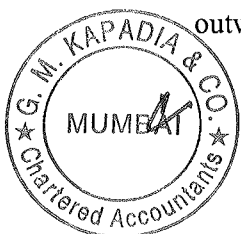
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



### Other Matters

The Standalone Financial Statements of the Company for the year ended March 31, 2021 were audited by other auditors of the Company. The predecessor audit firm have expressed an unmodified opinion dated April 26, 2021 on such Standalone Financial Statements.

Our Opinion is not modified in respect of this matter.

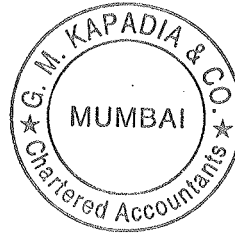
### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the 'Annexure A', a statement on the matters specified in the paragraph 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 Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - 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 financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
  - g) No managerial remuneration has been paid or provided by the Company to its directors for 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 does not have any pending litigation which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of 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.
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.

For G. M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No 104767W



A handwritten signature in black ink, appearing to read "Rajen Ashar".

Rajen Ashar  
Partner

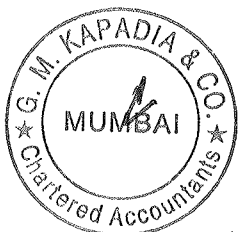
Membership No. 048243  
UDIN: 22048243AHSEVZ1997

Place: Mumbai  
Dated this 25 day of April, 2022

**Annexure A to the Independent Auditor's Report**

**Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirements' of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- (B) The Company has maintained proper records of Intangible assets showing full particulars of such assets;
- (b) As informed to us, the property plant and equipment and right-to-use assets have been physically verified by the management during the period according to a phased programme. In our opinion, such programme is reasonable having regard to the size of the Company and the nature of its assets. We have been further informed that no material discrepancies were noticed on such verification by the management between the book records and physical verification.
- (c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in are held in the name of the Company as at the balance sheet date.
- (d) The Company not has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order are not applicable;
- (e) As represented by the management there are no proceedings 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's business does not involve inventories and accordingly, the provision of the clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As stated in note no. 46(a) the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. We have not observed discrepancies in the quarterly returns or statements filed by the company with such banks as compared to the books of account maintained by the Company.
- (iii) The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year,
- (a) (A) The Company does not have any subsidiaries, joint ventures and associates and hence reporting under clause 3(iii)(a) (A) of the Order is not applicable.;
- (B) details of investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year are as under:





	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
-Subsidiaries - Joint Ventures - Associates - Others*	Nil	Nil	Nil	Nil
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries - Joint Ventures - Associates - Others			Rs.72,000.17 Lakhs	

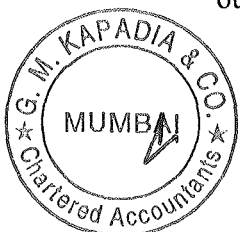
\* The Company is in the business of margin funding. The management has informed us that it would be impractical to determine the aggregate amount of loans granted during the year.

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest
- (c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) 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 clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the



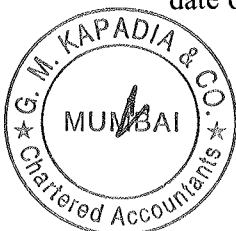
provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, to the extent applicable. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this regard.

- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause 3 (vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax and Goods and Services Tax. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, the Company has no disputed statutory dues as at March 31, 2022.
- (viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company does not have any subsidiaries, joint ventures or associate companies Accordingly, paragraph 3 (ix)(e) of the order is not applicable to the Company;
- (f) The Company does not have any subsidiaries, joint ventures or associate companies Accordingly, paragraph 3 (ix)(f) of the order is not applicable to the Company;
- (x) The Company has not raised money raised by way of initial public offer or further public offer (including debt instruments) nor any term loan during the period under audit. Accordingly, clause 3(x) of the Order is not applicable.
- (xi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according



to the information and explanations given to us, no material frauds have been noticed or reported during the period by the Company.

- (xii) The Company is not a chit fund or a Nidhi Company. Accordingly, the provision of the clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures
- (c) Based on the list of the whistle-blower complaints received by the management and the information and explanation given to us and the action taken by the management, we have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of audit procedures.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him covered under the provisions of section 192 of the Act. Accordingly, the provision of the clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) In our opinion, and according to the information and explanation given to us, in the group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016) there are 16 companies forming part of the promoter/promoter group of the Company which are CICs (These are unregistered CICs as per Para 9.1 of Notification No. RBI/2020-21/24 dated 13th August 2020 of the Reserve Bank of India).
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditor. No issues, objections or concerns were raised by the outgoing auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities

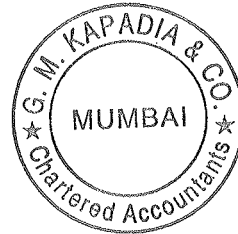


G. M. KAPADIA & CO

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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For G. M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No 104767W



*Rajen Ashar*

Rajen Ashar  
Partner

Membership No. 048243

UDIN: 22048243AHSEVZ1997

Place: Mumbai

Dated this 25 day of April, 2022

**Annexure B - referred to in paragraph 3(g) under "Report on Other Legal and Regulatory Requirements" of our report of even date**

**Report on the Internal Financial Control with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

### **Opinion**

We have audited the internal financial controls with reference financial statements of Bajaj Financial Securities Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system 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 statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

### **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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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 system with reference to 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 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 standalone 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 system with reference to financial statements.

#### **Meaning of Internal Financial Controls With reference to Financial Statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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



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statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For G. M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No 104767W



A handwritten signature in black ink, appearing to read "Rajen Ashar".

Rajen Ashar  
Partner

Place: Mumbai

Dated this 25 day of April, 2022

Membership No. 048243  
UDIN: 22048243AHSEVZ1997

**Bajaj Financial Securities Limited**  
**Balance Sheet as at 31 March 2022**

(₹ In Lakh)

	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	4	10,147.99	1,575.52
Bank balances other than cash and cash equivalents	5	27,092.30	5,787.72
Trade receivables	6	11,926.77	11,776.66
Loans	7	71,964.44	18,410.97
Investments	8	32,382.53	26,013.04
Other financial assets	9	27,402.19	1,735.05
<b>Total financial assets</b>		<b>1,80,916.22</b>	<b>65,298.96</b>
<b>Non-financial assets</b>			
Current tax assets (net)		26.08	23.60
Property, plant and equipment	11	1,528.64	553.79
Intangible assets	11	267.29	141.09
Other non-financial assets	12	280.37	143.97
<b>Total non-financial assets</b>		<b>2,102.38</b>	<b>862.45</b>
<b>Total assets</b>		<b>1,83,018.60</b>	<b>66,161.41</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Payables	13		
Trade payables		6.31	-
-Total outstanding dues of micro enterprises and small enterprises			
-Total outstanding dues of creditors other than micro enterprises and small enterprises		37,047.45	19,706.81
Other payables			
-Total outstanding dues of micro enterprises and small enterprises			
-Total outstanding dues of creditors other than micro enterprises and small enterprises		226.61	146.11
Debt Securities	14	69,933.61	9,835.31
Borrowings (other than debt securities)	15	5,001.33	8,058.87
Other financial liabilities	16	854.53	357.15
<b>Total financial liabilities</b>		<b>1,13,069.84</b>	<b>38,104.25</b>
<b>Non-financial liabilities</b>			
Current tax liabilities (net)		66.58	-
Provisions	17	60.70	24.70
Deferred tax liabilities (net)	10	118.47	47.77
Other non-financial liabilities	18	168.81	120.91
<b>Total non-financial liabilities</b>		<b>414.56</b>	<b>193.38</b>
<b>Equity</b>			
Equity share capital	19	63,164.71	26,400.00
Other equity	20	6,369.49	1,463.78
<b>Total equity</b>		<b>69,534.20</b>	<b>27,863.78</b>
<b>Total liabilities and equity</b>		<b>1,83,018.60</b>	<b>66,161.41</b>

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

On behalf of the Board of Directors

As per our report of even date

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



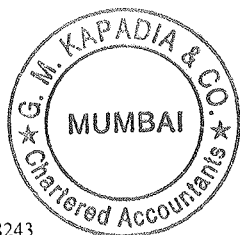
S Sreenivasan  
Chairman



Manish Jain  
Manager and CEO



Rajen Ashar  
Partner  
Membership number: 048243

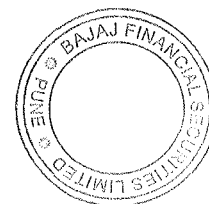



Bhalchandra Deodhar  
Chief Financial Officer



Ravi Dugar  
Company Secretary

Pune: 25 April 2022





**Bajaj Financial Securities Limited**  
Statement of Profit and Loss for the year ended 31 March 2022

		(₹ In Lakh)		
Particulars		Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>(I)</b>	<b>Revenue from operations</b>			
	Interest income	21	6,196.05	985.12
	Brokerage and Fee Income	22	5,401.78	2,244.38
	Net gain on fair value changes	23	833.96	365.23
	Other operating income		0.57	39.18
	<b>Total</b>		<b>12,432.36</b>	<b>3,633.91</b>
<b>(II)</b>	<b>Other income</b>		-	-
<b>(III)</b>	<b>Total income (I + II)</b>		<b>12,432.36</b>	<b>3,633.91</b>
<b>(IV)</b>	<b>Expenses</b>			
	Finance costs	24	2,915.30	306.82
	Fees and commission expense	25	2,247.32	143.52
	Impairment on financial instruments	26	26.51	9.06
	Employee benefits expense	27	1,834.21	969.87
	Depreciation and amortisation expenses	11	394.18	129.26
	Other expenses	28	2,750.76	1,199.15
	<b>Total expenses</b>		<b>10,168.28</b>	<b>2,757.68</b>
<b>(V)</b>	<b>Profit before tax (III - IV)</b>		<b>2,264.08</b>	<b>876.23</b>
<b>(VI)</b>	<b>Tax expense</b>			
	Current tax		505.00	256.34
	Deferred tax (credit)/charge		74.69	65.26
	<b>Total tax expense</b>	10	<b>579.69</b>	<b>321.60</b>
<b>(VII)</b>	<b>Profit after tax (V - VI)</b>		<b>1,684.39</b>	<b>554.63</b>
<b>(VIII)</b>	<b>Other comprehensive income</b>			
	<u>Items that will not be reclassified to profit or loss:</u>			
	-Remeasurement gains/(losses) on defined benefit plans		(15.96)	(0.94)
	-Tax impact on above		3.99	0.26
	-Changes in fair value of fair value through OCI (FVOCI) equity instruments		-	-
	-Tax impact on above		-	-
	<u>Items that will be reclassified to profit or loss in subsequent periods:</u>			
	-Changes in fair value of FVOCI debt securities		-	-
	-Tax impact on above		-	-
	<b>Other comprehensive income for the year (net of tax)</b>		<b>(11.97)</b>	<b>(0.68)</b>
<b>(IX)</b>	<b>Total comprehensive income for the year (VII + VIII)</b>		<b>1,672.42</b>	<b>553.95</b>
<b>(X)</b>	<b>Earnings per share:</b>	29		
	(Nominal value per share ₹ 10)			
	Basic (₹)		0.54	0.42
	Diluted (₹)		0.54	0.42

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

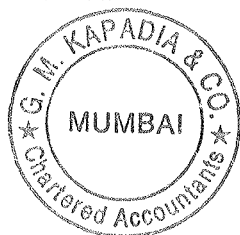
On behalf of the Board of Directors

As per our report of even date

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

*Rajen Ashar*

Rajen Ashar  
Partner  
Membership number: 048243



*S Sreenivasan*

S Sreenivasan  
Chairman

*Manish Jain*

Manish Jain  
Manager and CEO

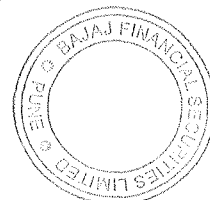
*Bhalchandra Deodhar*

Bhalchandra Deodhar  
Chief Financial Officer

*Ravi Dugar*

Ravi Dugar  
Company Secretary

Pune: 25 April 2022



**Bajaj Financial Securities Limited**  
Statement of changes in equity for the year ended 31 March 2022

**a. Equity share capital**

(₹ In Lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
At the beginning of the year	26,400.00	11,400.00
Changes in equity share capital during the year (refer note no. 19(a))	36,764.71	15,000.00
<b>At the end of the year</b>	<b>63,164.71</b>	<b>26,400.00</b>

**b. Other equity**

For the year ended 31 March 2022

(₹ In Lakh)

Particulars	Note No.	Retained earnings	Security Premium	Other comprehensive income	Total other equity
Balance as at 1 April 2021	20	1,464.46	-	(0.68)	1,463.78
Profit after tax		1,684.39	-	-	1,684.39
Shares issued during the year		-	3,233.29	-	3,233.29
Other comprehensive income for the year (net of tax)		-	-	(11.97)	(11.97)
<b>Total</b>		<b>3,148.85</b>	<b>3,233.29</b>	<b>(12.65)</b>	<b>6,369.49</b>
<b>Balance as at 31 March 2022</b>	<b>20</b>	<b>3,148.85</b>	<b>3,233.29</b>	<b>(12.65)</b>	<b>6,369.49</b>

For the year ended 31 March 2021

(₹ In Lakh)

Particulars	Note No.	Retained earnings	Security Premium	Other comprehensive income	Total other equity
Balance as at 1 April 2020	20	909.83	-	-	909.83
Profit after tax		554.63	-	-	554.63
Other comprehensive income for the year (net of tax)		-	-	(0.68)	(0.68)
<b>Total</b>		<b>1,464.46</b>	<b>-</b>	<b>(0.68)</b>	<b>1,463.78</b>
<b>Balance as at 31 March 2021</b>	<b>20</b>	<b>1,464.46</b>	<b>-</b>	<b>(0.68)</b>	<b>1,463.78</b>

The accompanying notes are an integral part of the financial statements

On behalf of the Board of Directors

As per our report of even date

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



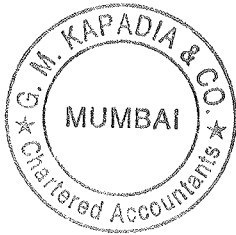
S Sreenivasan  
Chairman



Manish Jain  
Manager and CEO



Rajen Ashar  
Partner  
Membership number: 048243




Bhalchandra Deodhar  
Chief Financial Officer



Ravi Dugar  
Company Secretary

Pune: 25 April 2022



Bajaj Financial Securities Limited

Statement of Cash Flows for the year ended 31 March 2022

(₹ In Lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Operating activities</b>		
Profit before tax	2,264.08	876.23
Adjustments for:		
Interest income	(6,196.05)	(985.12)
Depreciation and amortisation	394.18	129.26
Share issue expenses	23.69	132.50
Net (gain)/loss on disposal of property, plant and equipment	26.04	0.27
Impairment on financial instruments	26.51	9.06
Finance costs	2,915.30	306.82
Net (gain)/ loss on financial instruments at fair value through profit or loss	(833.96)	(365.23)
	<b>(1,380.21)</b>	<b>103.79</b>
Cash inflow from interest on loans	4,355.46	648.87
<b>Cash from operation before working capital changes</b>	<b>2,975.25</b>	<b>752.66</b>
<b>Working capital changes:</b>		
(Increase) / decrease in other bank balances	(20,762.62)	(2,219.00)
(Increase) / decrease in trade receivables	(142.77)	(9,485.54)
(Increase) / decrease in other receivables	-	-
(Increase) / decrease in loans	(53,029.86)	(18,126.40)
(Increase) / decrease in other financial assets	(25,667.14)	9,516.53
(Increase) / decrease in other non-financial assets	(220.39)	(28.26)
Increase / (decrease) in trade payables	17,434.53	9,731.26
Increase / (decrease) in other payables	80.50	91.29
Increase / (decrease) in other financial liabilities	13.96	33.59
Increase / (decrease) in provisions	20.04	14.54
Increase / (decrease) in other non-financial liabilities	47.90	20.80
	<b>(82,225.85)</b>	<b>(10,451.19)</b>
Interest received on deposits with bank	653.58	97.93
Income tax paid (net of refunds)	(440.90)	(175.20)
<b>Net cash used in operating activities (A)</b>	<b>(79,037.92)</b>	<b>(9,775.80)</b>
<b>B. Investing activities</b>		
Purchase of property, plant and equipment	(719.16)	(64.57)
Purchase of intangible assets	(109.60)	(203.76)
Sale of property, plant and equipment	12.86	5.49
Purchase of investments measured at FVTPL (net)	(5,535.53)	(20,414.06)
<b>Net cash generated from/ (used in) investing activities (B)</b>	<b>(6,351.43)</b>	<b>(20,676.90)</b>
<b>C. Financing activities</b>		
Issue of equity share capital (including securities premium)	39,998.00	15,000.00
Share issue expenses	(23.69)	(132.50)
Debt Securities	59,763.68	9,746.33
Payment of lease liability	(137.95)	(43.68)
Cash outflow towards finance cost	(2,579.98)	(228.30)
Borrowings other than debt securities issued, net	(3,058.24)	6,558.87
<b>Net cash generated from financing activities (C)</b>	<b>93,961.82</b>	<b>30,900.72</b>
Net increase in cash and cash equivalents (A+B+C)	8,572.47	448.02
Cash and cash equivalents at the beginning of the year	1,575.52	1,127.50
<b>Cash and cash equivalents at the end of the year</b>	<b>10,147.99</b>	<b>1,575.52</b>

- 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.
- Components of cash and cash equivalents are disclosed in note no. 4.

On behalf of the Board of Directors

As per our report of even date

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



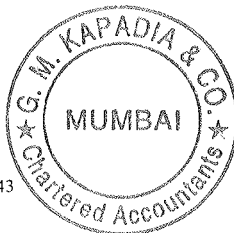
S Sreenivasan  
Chairman



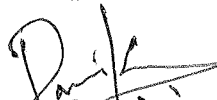
Manish Jain  
Manager and CEO



Rajen Ashar  
Partner  
Membership number: 048243




Bhalchandra Deodhar  
Chief Financial Officer



Ravi Dugar  
Company Secretary

Pune: 25 April 2022



**Bajaj Financial Securities Limited**  
**Notes to financial statements for the year ended 31 March 2022**

**1. Corporate information**

Bajaj Finance Securities Ltd. ('the Company', 'BFSL') (Corporate ID No.:U67120PN2010PLC136026) is incorporated on 7 April 2010 and domiciled in India. The Company is engaged in a single line of business as a provider of broking services to its clients in capital market. The Company is an unlisted public limited Company that is a wholly owned subsidiary of Bajaj Finance Limited (the "Parent"). The Company is registered as a "Stock Broker" with the Securities and Exchange Board of India ("SEBI") offering stock and derivative trading through NSE and BSE. The Company is registered as Depository Participant with both NSDL and CDSL in terms of Security and Exchange Board of India (Depository Participant) Regulations, 1996. The Company has its registered office at Akurdi, Pune Maharashtra, India and its principal place of business at Unit-2, Tower-B, Mantri IT Park, Nagar Road, Viman Nagar, Pune, Maharashtra, India.

The audited financial statements were subject to review 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 of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division III of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

The standalone financial statements are presented in Indian Rupee (INR), which is also the functional currency of the Company, in Lakh rounded off to two decimal places as permitted by Schedule III to the Act. The standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

**2.1 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. 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 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 specifically unless they are material in nature.

**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.:

- Business model assessment (Refer note no. 3.4.1)
- Fair value of financial instruments (Refer note no. 3.12, 41 and 42)
- Impairment of financial assets (Refer note no. 3.4.1, 7 and 12)
- Provisions and other contingent liabilities (Refer note no. 3.9)
- Provision for tax expenses (Refer note no. 3.5 (i))

**3. 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.

**3.1 Income**

- (i) The Company recognises revenue from contracts with customers 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.

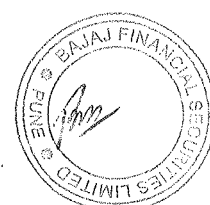
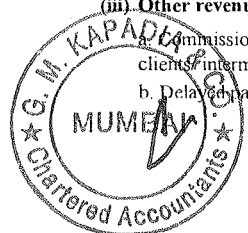
- a. Brokerage income with respect to stock broking activities is recognised on trade date in accordance with the terms of contract.
- b. Fee income is accounted for, on an accrual basis in accordance with the terms and conditions entered into between the Company and the counterparty.

- (ii) Interest income is recognised using effective interest rate method (EIR).

**(iii) Other revenue from operations**

a. Commission income in relation to public issue and other financial instruments is recognised based on mobilization and intimation received from the clients/intermediaries or over the periods as applicable.

b. Delayed payment charges are recognised on accrual basis.



(iv) **Net gain on fair value changes**

The Company designates 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.

(v) Profit/loss on sale of investment is recognised on trade date basis.

(vi) **Taxes**

Incomes are recognised net of the goods and services tax/ service tax, wherever applicable.

**3.2 Expenditures**

(i) **Finance costs**

Borrowing costs on financial liabilities are recognised using the EIR (refer note no. 3.1(ii)).

(ii) **Fees and commission expenses**

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

(iii) **Taxes**

Expenses are recognised net of the goods and services tax/ service tax, except where credit for the input tax is not statutorily permitted.

(iv) **Other expenses**

All the other expenses incurred and paid by the company in the financial year is accounted for in the same financial year.

**3.3 Cash and cash equivalents**

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

**3.4 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 etc. are some examples of financial instruments.

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.

Initial measurement

All financial instrument are recognised initially at fair value including transaction costs that are attributable to the acquisition of the financial instrument except in the case of financial instrument recorded at FVTPL where the transaction costs are charged to profit or loss.

(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 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.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into two categories:

- Debt instruments at amortised cost
- Debt instruments at FVTPL

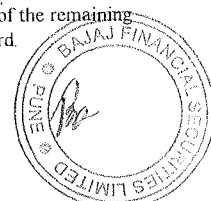
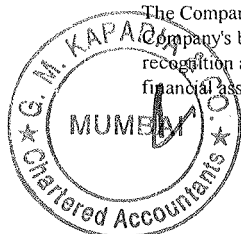
a) Debt instruments at amortised cost

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.

After initial measurement, such financial assets are subsequently measured at amortised cost on Effective Interest Rate (EIR). For further details, refer note no. 3.1(ii). The expected credit loss (ECL) calculation for debt instruments at amortised cost is explained in subsequent notes in this section.

#### **b) 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 are recorded in interest income 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 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:

- The right to receive cash flows from the asset have expired; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 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.

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.

#### **Impairment of financial assets:**

Expected Credit losses ('ECL') are recognised for financial assets held under amortised cost category. In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding.

The Company uses 12 month ECL for days past due less than 30 days which is stage I and lifetime ECL for days past due greater than 30 days and less than 90 days, stage II, and for days past due greater than 90, stage III. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss.

### **(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 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 and other borrowings.

#### **Subsequent measurement:**

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR method (Refer note no 3.1 (ii) ). Any gains or losses arising on derecognition of liabilities are recognised in the statement of profit and loss.

#### **Derecognition:**

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

### **(iii) Offsetting of financial instruments**

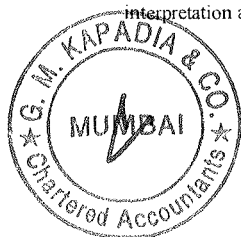
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

## **3.5 Taxes**

### **(i) Current 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 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.

**3.6 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'.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

*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 a useful life that is 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
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. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Act.

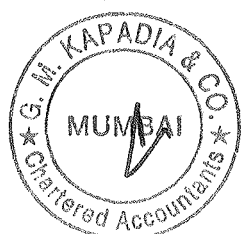
- (f) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the statement of profit and loss when the asset is derecognised.
- (g) 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.

**3.7 Intangible assets and amortisation thereof**

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

**3.8 Impairment of 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. The write down is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.



### 3.9 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.

### 3.10 Retirement and other employee benefits

- (i) Superannuation: Defined contribution to superannuation fund is made as per the scheme of the Company.
- (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: Accumulated privilege leave are recognised as an expense and paid during the same financial year.

### 3.11 Leases

#### 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 measured as –

- (i) increased by interest on lease liability;
- (ii) reduce by lease payment made; and
- (iii) remeasuring the carrying amount 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". "Right-of-Use assets" is depreciated on straight line basis over the lease period.

The exception given for low value assets and short term leases has been adopted by Company.

### 3.12 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. 41 and 42.

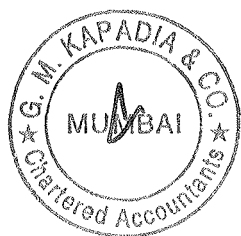
For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as 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.

### 3.13 Statement of cash flows

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 borrowings in which the turnover is quick, the amounts are large, and the maturities are short are defined as short term borrowings and shown on net basis in the statement of cash flows. Such items include commercial papers, cash credit, overdraft facility, working capital demand loan and triparty repo dealing and settlement. All other borrowings are terms as long term borrowings. Cash flows from deposits are shown on net basis as permitted under Ind AS 7





4. Cash and cash equivalents

Particulars	As at	
	31 March 2022	31 March 2021
Balance with banks		
-In current accounts	10,147.99	1,575.52
-In fixed deposits (with original maturity of 3 months or less)	-	-
<b>Total</b>	<b>10,147.99</b>	<b>1,575.52</b>

5. Bank balances other than cash and cash equivalents

Particulars	As at	
	31 March 2022	31 March 2021
Fixed deposits (with original maturity more than 3 months)	27,092.30	5,787.72
<b>Total</b>	<b>27,092.30</b>	<b>5,787.72</b>

\* Fixed deposit under lien with Indian Clearing Corporation Limited for margin requirement ₹ 878.25 Lakh (Previous year ₹ 53.74 Lakh), deposits with exchange for trade ₹ 65.90 Lakh (Previous year ₹ 480.51 Lakh), deposits with bank for Bank Guarantee ₹ 25,775.68 Lakh (Previous year ₹ 5,233.37 Lakh) and deposits with the Pension Fund Regulatory & Development Authority ₹ 21.28 Lakh (Previous year ₹ 20.10 Lakh).

6. Trade receivables

Particulars	As at	
	31 March 2022	31 March 2021
Trade receivables		
Receivables considered good - unsecured*	11,926.77	11,776.66
Less: impairment loss allowances	-	-
<b>Total</b>	<b>11,926.77</b>	<b>11,776.66</b>

\* Impairment allowance recognised on trade and other receivables is Nil (Previous year: Nil).  
- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.  
- No any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

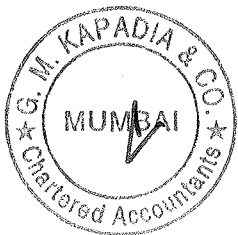
Trade Receivables aging as at 31 March 2022

Particulars	Not due	Unbilled due	Outstanding from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,780.56	1,302.99	5,767.93	75.11	0.18	-	-	11,926.77

Trade Receivables aging as at 31 March 2021

Particulars	Not due	Unbilled due	Outstanding from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	9,903.92	79.99	1,788.78	3.85	0.12	-	-	11,776.66

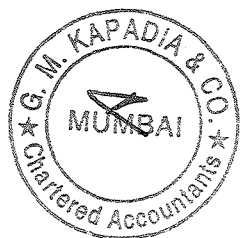
Particulars	As at	
	31 March 2022	31 March 2021
<b>7. Particulars</b>		
<b>(A) Term Loan</b>		
At amortised cost		
Margin trade funding	72,000.16	18,420.18
Less: impairment loss	35.72	9.21
<b>Total (A)</b>	<b>71,964.44</b>	<b>18,410.97</b>
<b>Out of above</b>		
<b>(I) Secured by:</b>		
Secured by tangible assets		
Collateral in the form of cash, securities in case of margin trade funding	72,000.16	18,420.18
Less: impairment loss allowances	35.72	9.21
<b>Total (I)</b>	<b>71,964.44</b>	<b>18,410.97</b>
<b>(II) Unsecured</b>	-	-
<b>Total (I+II)</b>	<b>71,964.44</b>	<b>18,410.97</b>
<b>Out of above</b>		
<b>(I) Loans in India</b>		
(i) Others	72,000.16	18,420.18
Less: impairment loss	35.72	9.21
<b>Total (I)</b>	<b>71,964.44</b>	<b>18,410.97</b>
<b>(II) Loans outside India</b>	-	-
<b>Total (I+II)</b>	<b>71,964.44</b>	<b>18,410.97</b>
<b>(B) At fair value through other comprehensive income</b>	-	-
<b>(C) At fair value through profit or loss</b>	-	-
<b>(D) At fair value designated at fair value through profit or loss</b>	-	-
<b>Total (A) + (B) + (C) + (D)</b>	<b>71,964.44</b>	<b>18,410.97</b>



Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans is as follows:

(₹ In Lakh)

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
As at 31 March 2021	18,420.18	9.21	-	-	-	-	18,420.18	9.21
Transfers during the year								
– transfers to stage 1	-	-	-	-	-	-	-	-
– transfers to stage 2	-	-	-	-	-	-	-	-
– transfers to stage 3	-	-	-	-	-	-	-	-
Impact of changes in credit risk on account of stage movements	-	-	-	-	-	-	-	-
Changes in opening credit exposures	-	-	-	-	-	-	-	-
New credit exposures during the year, net of repayments	53,579.98	26.51	-	-	-	-	53,579.98	26.51
Amounts written off during the year	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
As at 31 March 2022	72,000.16	35.72	-	-	-	-	72,000.16	35.72



(₹ In Lakh)

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
As at 31 March 2020	293.78	0.15	-	-	-	-	293.78	0.15
Transfers during the year								
- transfers to stage 1	-	-	-	-	-	-	-	-
- transfers to stage 2	-	-	-	-	-	-	-	-
- transfers to stage 3	-	-	-	-	-	-	-	-
Impact of changes in credit risk on account of stage movements	-	-	-	-	-	-	-	-
Changes in opening credit exposures	-	-	-	-	-	-	-	-
New credit exposures during the year, net of repayments	18,126.40	9.06	-	-	-	-	18,126.40	9.06
Amounts written off during the year	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>18,420.18</b>	<b>9.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,420.18</b>	<b>9.21</b>

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

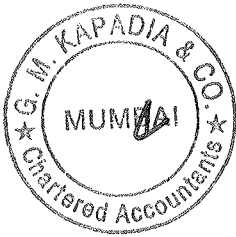
(₹ In Lakh)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Net impairment loss allowance charge/ (release) for the year	26.51	9.06
<b>Impairment on financial instruments</b>	<b>26.51</b>	<b>9.06</b>



8. Investments

Particulars	(₹ In Lakh)	
	As at 31 March 2022	As at 31 March 2021
<b>A. At fair value through profit or loss</b>		
In mutual funds*	31,534.57	25,679.13
Add: Fair value gains/ (losses)	847.96	333.91
<b>Total</b>	<b>32,382.53</b>	<b>26,013.04</b>
* Mutual Fund under lien with Indian Clearing Corporation Limited for margin requirement ₹ 11,184.8 Lakh (Previous year ₹25,538.58 Lakh)		
<b>Out of above</b>	<b>As at 31 March 2022</b>	<b>(₹ In Lakh) As at 31 March 2021</b>
In India	32,382.53	26,013.04
Outside India	-	-
<b>Total</b>	<b>32,382.53</b>	<b>26,013.04</b>
<b>B. At amortised cost</b>	-	-
<b>C. At fair value through other comprehensive income</b>	-	-
<b>Total (A+B+C)</b>	<b>32,382.53</b>	<b>26,013.04</b>



9. Other financial assets

Particulars	As at	(₹ In Lakh)
	31 March 2022	As at 31 March 2021
Security deposits	290.88	257.08
Margin with exchanges*	27,111.29	1,477.95
Other advances	0.02	0.02
<b>Total</b>	<b>27,402.19</b>	<b>1,735.05</b>
Less: impairment loss allowances	-	-
<b>TOTAL NET</b>	<b>27,402.19</b>	<b>1,735.05</b>

\*It includes Fixed Deposits placed with banks out of client funds with Indian Clearing Corporation Limited ₹ 111.29 Lakh (Previous year ₹ 1,477.95 Lakh)

10. Deferred tax assets (net)

Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	2,264.08	876.23
At corporate tax rate of 25.17% (Previous year 27.82%)	569.86	243.77
Tax on expenditure not considered for tax provision (net of allowance)	15.18	77.83
Tax on additional deductions	(0.78)	-
Tax impact due to revaluation of deferred tax due to change in Income tax rate*	(4.57)	-
<b>Tax expense (effective tax rate of 25.60%, Previous year 36.70%)</b>	<b>579.69</b>	<b>321.60</b>
Availment of MAT credit w.r.t. earlier years	-	-
<b>Total tax expense</b>	<b>579.69</b>	<b>321.60</b>

\* The Company opted for reduced corporate tax rate of 25.17% under section 115BAA of the Income Tax Act, 1961.

Deferred tax recorded in balance sheet

Particulars	As at	(₹ In Lakh)
	31 March 2022	As at 31 March 2021
Deferred tax relates to the following:		
<i>Deferred tax assets</i>		
Disallowance u/s 43B of the Income Tax Act, 1961	15.28	6.87
Impairment of financial instrument	14.64	2.56
Lease liability impact	11.68	3.55
Tax impact on carried forward losses	-	-
Other temporary difference	71.86	43.14
<b>Total of deferred tax assets</b>	<b>113.45</b>	<b>56.12</b>
<i>Deferred tax liabilities</i>		
Depreciation and amortisation	18.49	11.00
Unrealised net gain on fair value changes	213.44	92.89
<b>Total of deferred tax liabilities</b>	<b>231.93</b>	<b>103.89</b>
<b>Deferred tax assets/ (liabilities), net</b>	<b>(118.47)</b>	<b>(47.77)</b>

Changes in deferred tax recorded in profit or loss

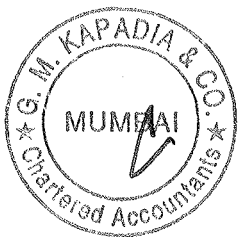
Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax relates to the following:		
Disallowance u/s 43B of the Income Tax Act, 1961	(4.41)	(4.05)
Impairment of financial instrument	(12.07)	(2.52)
Depreciation and amortisation	7.49	7.59
Unrealised net gain on fair value changes	120.54	87.68
Tax impact on carried forward losses	-	20.79
Lease liability impact	(8.13)	(1.09)
Other temporary difference	(28.72)	(43.14)
<b>Total</b>	<b>74.69</b>	<b>65.26</b>

Changes in deferred tax recorded in other comprehensive Income

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax relates to the following:		
Disallowance u/s 43B of the Income Tax Act, 1961	(3.99)	(0.26)
	<b>(3.99)</b>	<b>(0.26)</b>

Statement of MAT credit

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
MAT credit available as on 1 April 2021	-	102.25
MAT credit utilised during the year	-	(102.25)
MAT credit available as on 31 March 2022	-	-

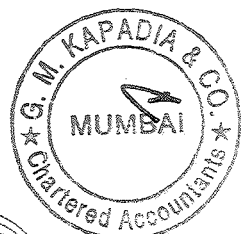


Bajaj Financial Securities Limited  
Notes to financial statements for the year ended 31 March 2022 (Contd.)

11 (A). Property, plant and equipment and intangible assets

For the financial year 2021-22

Particulars	Gross block				Depreciation and amortisation				(₹ In Lakh)
				As at				As at	Net block
	As at 1 April 2021	Additions	Deductions/ adjustments	31 March 2022	As at 1 April 2021	Deductions/ adjustments	For the year	31 March 2022	As at 31 March 2022
<b>Property, plant and equipment</b>									
Leasehold improvements	24.47	192.76	12.52	204.71	13.42	6.63	28.21	35.00	169.71
Computers	168.35	172.50	5.68	335.17	41.26	1.50	60.66	100.42	234.75
Office equipment	66.31	149.56	5.04	210.93	22.93	2.53	35.46	55.86	155.07
Furniture and fixtures	74.02	164.59	39.57	199.04	14.73	10.75	16.47	20.45	178.59
Right-of-use - Premises (b)	391.86	690.37	146.57	936.16	87.05	86.78	181.30	181.57	754.59
Vehicles	8.45	39.55	8.45	39.65	0.28	1.25	4.69	3.72	35.93
<b>Sub-total</b>	<b>733.46</b>	<b>1,410.03</b>	<b>217.83</b>	<b>1,925.66</b>	<b>179.67</b>	<b>109.44</b>	<b>326.79</b>	<b>397.02</b>	<b>1,528.64</b>
Capital work in progress	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible assets</b>									
Computer Software	172.85	193.59	-	366.44	31.76	-	67.39	99.15	267.29
<b>Sub-total</b>	<b>172.85</b>	<b>193.59</b>	<b>-</b>	<b>366.44</b>	<b>31.76</b>	<b>-</b>	<b>67.39</b>	<b>99.15</b>	<b>267.29</b>
Intangible assets under development	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>906.31</b>	<b>1,603.62</b>	<b>217.83</b>	<b>2,292.10</b>	<b>211.43</b>	<b>109.44</b>	<b>394.18</b>	<b>496.17</b>	<b>1,795.93</b>



For the financial year 2020-21

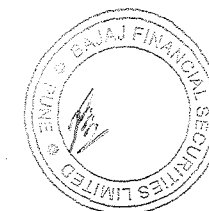
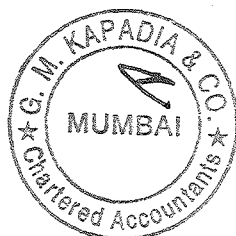
(₹ In Lakh)

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
<b>Property, plant and equipment</b>									
Leasehold improvements	24.47	-	-	24.47	5.95	-	7.47	13.42	11.05
Computers	124.34	49.39	5.38	168.35	14.13	1.06	28.19	41.26	127.09
Office equipment	60.91	6.73	1.33	66.31	10.37	-	12.56	22.93	43.38
Furniture and fixtures	74.02	-	-	74.02	7.63	-	7.10	14.73	59.29
Right-of-use - Premises (b)	188.47	203.39	-	391.86	39.43	-	47.62	87.05	304.81
Vehicles	-	8.45	-	8.45	-	-	0.28	0.28	8.17
<b>Sub-total (A)</b>	<b>472.21</b>	<b>267.96</b>	<b>6.71</b>	<b>733.46</b>	<b>77.51</b>	<b>1.06</b>	<b>103.22</b>	<b>179.67</b>	<b>553.79</b>
Capital work in progress	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible assets</b>									
Computer Software	56.09	116.76	-	172.85	5.61	-	26.15	31.76	141.09
<b>Sub-total (B)</b>	<b>56.09</b>	<b>116.76</b>	<b>-</b>	<b>172.85</b>	<b>5.61</b>	<b>-</b>	<b>26.15</b>	<b>31.76</b>	<b>141.09</b>
Intangible assets under development	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>528.30</b>	<b>384.72</b>	<b>6.71</b>	<b>906.31</b>	<b>83.12</b>	<b>1.06</b>	<b>129.37</b>	<b>211.43</b>	<b>694.88</b>

The Company has changed the estimated useful life of Computer and Vehicles from 3 years to 4 years and from 4 years to 8 years respectively in the FY 20-21. Had the Company applied the estimates followed in the previous year, the profit before tax for the period would have been lower by ₹ 609,736.

(a) See note no. 3.6 and 3.7

(b) Title deeds of all immovable properties are held in the name of the Company.



11 (B) Capital work in progress aging as at 31 March 2022

(₹ In Lakh)

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

Capital work in progress aging as at 31 March 2021

(₹ In Lakh)

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

11 (C) Intangible assets under development aging as at 31 March 2022

(₹ In Lakh)

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

Intangible assets under development aging as at 31 March 2021

(₹ In Lakh)

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

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





12. Other non-financial assets

Particulars	As at	
	31 March 2022	31 March 2021
Capital advances	3.01	97.31
Indirect tax credits available for utilisation (net)	146.89	-
Advances to suppliers and others	130.47	46.66
<b>Total</b>	<b>280.37</b>	<b>143.97</b>

13. Payables

Particulars	As at	
	31 March 2022	31 March 2021
<b>(I) Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises (MSME)	6.31	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	37,047.45	19,706.81
<b>Total</b>	<b>37,053.76</b>	<b>19,706.81</b>
<b>(II) Other payables</b>		
Total outstanding dues of micro enterprises and small enterprises (MSME)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	226.61	146.11
<b>Total</b>	<b>226.61</b>	<b>146.11</b>

\* Includes payable to related parties ₹ 1,228.69 (Previous year ₹ 336.00 Lakh)

Trade Payables aging as at 31 March 2022

Particulars	Not due	Unbilled due	Outstanding from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	6.31	-	-	-	-	6.31
(ii) Others	36,888.54	-	122.53	18.48	17.90	-	-	37,047.45

Trade Payables aging as at 31 March 2021

Particulars	Not due	Unbilled due	Outstanding from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-	-
(ii) Others	19,632.51	-	51.19	22.79	0.32	-	-	19,706.81

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

Particulars	As at	
	31 March 2022	31 March 2021
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	5.70	-
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	0.06	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	65.48	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	0.55	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	0.61	-

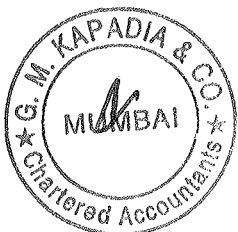
14. Debt Securities

Particulars	As at	
	31 March 2022	31 March 2021
<b>(A) At amortised cost</b>		
<b>(I) Secured</b>		
<b>(II) Unsecured</b>		
Commercial Paper	69,933.61	9,835.31
<b>Total</b>	<b>69,933.61</b>	<b>9,835.31</b>
<b>(B) At amortised cost</b>		
<b>In India</b>	69,933.61	9,835.31
<b>Outside India</b>	-	-
<b>Total</b>	<b>69,933.61</b>	<b>9,835.31</b>

(C) Terms of repayment of commercial papers

Original maturity (In no. of days)	As at 31 March 2022		
	Due within 1 year	More than 1 year	Total
Issued at discount and redeemable at par			
Up to 365	69,937.08	-	69,937.08
Impact of EIR	(3.47)	-	(3.47)
<b>Total</b>	<b>69,933.61</b>	<b>-</b>	<b>69,933.61</b>

- Interest rate ranges from 4.30% to 4.90% p.a as at 31 March 2022  
- Face value of commercial paper is 705 crore as at 31 March 2022



	As at 31 March 2021	
	Due within 1 year	More than 1 year
Original maturity (In no. of days)		
Issued at discount and redeemable at par Up to 365	9,836.34	-
Impact of EIR	(1.03)	
<b>Total</b>	<b>9,835.31</b>	<b>9,835.31</b>

- Interest rate ranges from 3.85% to 4.30% p.a as at 31 March 2021  
- Face value of commercial paper is 100 crore as at 31 March 2021

15. Borrowings (other than debt securities)

Particulars	As at	
	31 March 2022	31 March 2021
(A) In India		
At amortised cost		
Loan*	5,000.63	-
Overdraft facility	0.70	8,058.87
<b>Total</b>	<b>5,001.33</b>	<b>8,058.87</b>
Outside India	-	-
(B) In India		
At amortised cost		
Secured (Against hypothecation of loans, book debts and other receivables)	0.70	8,058.87
Unsecured	5,000.63	-
<b>Total</b>	<b>5,001.33</b>	<b>8,058.87</b>

\* Includes payable to related parties ₹ 5,000.63 (Previous year ₹ NIL)

Borrowings from banks and financial institutions have been used for the purpose for which they were availed

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

16. Other financial liabilities

Particulars	As at	
	31 March 2022	31 March 2021
Lease Liability	801.00	317.58
Others	53.53	39.57
<b>Total</b>	<b>854.53</b>	<b>357.15</b>

17. Provisions

Particulars	As at	
	31 March 2022	31 March 2021
Provision for employee benefits		
-Gratuity	47.60	19.61
-Leave encashment & availment	13.10	5.09
<b>Total</b>	<b>60.70</b>	<b>24.70</b>

18. Other non-financial liabilities

Particulars	As at	
	31 March 2022	31 March 2021
Statutory dues	123.99	118.80
Income received in advance	44.82	2.11
<b>Total</b>	<b>168.81</b>	<b>120.91</b>



19. Equity share capital

(₹ In Lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Authorised</b>		
700,000,000 (300,000,000) equity shares of ₹10 each	70,000.00	30,000.00
<b>Issued</b>		
631,647,052 (263,999,996) equity shares of ₹10 each	63,164.71	26,400.00
<b>Subscribed and paid up</b>		
631,647,052 (263,999,996) equity shares of ₹10 each fully called up and paid up	63,164.71	26,400.00
	<b>63,164.71</b>	<b>26,400.00</b>

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

Nos. (₹ In Lakh)

Equity share capital issued, subscribed and fully paid up

As at 1 April 2020	114,000,000	11,400.00
Add: Issued during the year	149,999,996	15,000.00
<b>As at 31 March 2021</b>	<b>263,999,996</b>	<b>26,400.00</b>
Add: Issued during the year	367,647,056	36,764.71
<b>As at 31 March 2022</b>	<b>631,647,052</b>	<b>63,164.71</b>

b. Terms/rights/restrictions attached to equity shares

(i) 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.

(ii) 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 amount. 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 Lakh)	Nos.	(₹ In Lakh)
Bajaj Finance Ltd.*	631,647,052	63,164.71	263,999,996	26,400.00

\* 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 Ltd.*	631,647,052	100%	263,999,996	100%

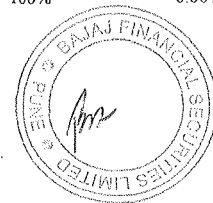
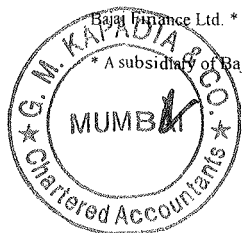
\* A subsidiary of Bajaj Finserv Ltd.

e. Shareholding Pattern of Promoters

Promoter Name	As at 31 March 2022		As at 31 March 2021		% Changes during the year
	Nos.	% Holding	Nos.	% Holding	
Bajaj Finance Ltd.*	631,647,052	100%	263,999,996	100%	0.00%

Promoter Name	As at 31 March 2021		As at 31 March 2020		% Changes during the year
	Nos.	% Holding	Nos.	% Holding	
Bajaj Finance Ltd.*	263,999,996	100%	114,000,000	100%	0.00%

\* A subsidiary of Bajaj Finserv Ltd.



20. Other equity

i. Securities premium

(₹ In Lakh)

Particulars	As at	As at
	31 March 2022	31 March 2021
Balance at the beginning of the year	-	-
Add: Received during the year	-	-
- On allotment of shares	3,235.29	-
Less: Share issue expenses as per section 52 of the Companies Act, 2013	2.00	-
Balance at the end of the year	3,233.29	-

ii. Retained earnings

(₹ In Lakh)

Particulars	As at	As at
	31 March 2022	31 March 2021
Balance at the beginning of the year	1,463.78	909.83
Profit for the year	1,684.39	554.63
Item of other comprehensive income recognised directly in retained earnings	-	-
-On defined benefit plan	(11.97)	(0.68)
Balance at the end of the year	3,136.20	1,463.78
Total other equity	6,369.49	1,463.78

iii. Nature and purpose of other equity

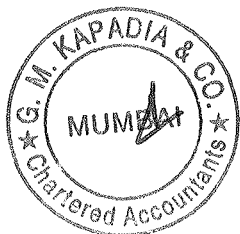
Securities premium

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.

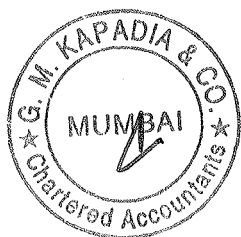
Retained earnings

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

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



21. Interest income	For the year ended 31 March 2022	(₹ In Lakh) For the year ended 31 March 2021
<b>Particulars</b>		
<b>At Amortised Cost</b>		
Interest on Loans and Delayed payment	5,000.51	655.45
Interest on deposits with bank	1,195.54	329.67
<b>Total</b>	<b>6,196.05</b>	<b>985.12</b>
<b>22. Brokerage and Fee Income</b>	<b>For the year ended 31 March 2022</b>	<b>(₹ In Lakh) For the year ended 31 March 2021</b>
<b>Particulars</b>		
Brokerage Income	2,964.03	1,182.41
Fees on value added services and products	246.16	131.85
Distribution income	2,191.59	930.12
<b>Total</b>	<b>5,401.78</b>	<b>2,244.38</b>
<b>23. Net gain on fair value changes</b>	<b>For the year ended 31 March 2022</b>	<b>(₹ In Lakh) For the year ended 31 March 2021</b>
<b>Particulars</b>		
Net gain /(loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
Realised gain/(loss) on debt instruments at FVTPL	319.91	196.75
Unrealised gain/(loss) on debt instruments at FVTPL	514.05	168.48
<b>Total net gain/(loss) on fair value changes</b>	<b>833.96</b>	<b>365.23</b>
<b>24. Finance costs</b>	<b>For the year ended 31 March 2022</b>	<b>(₹ In Lakh) For the year ended 31 March 2021</b>
<b>Particulars</b>		
<b>On financial liabilities measured at amortised cost:</b>		
On borrowings	2,852.85	295.18
On lease liability	62.45	11.64
<b>Total</b>	<b>2,915.30</b>	<b>306.82</b>
<b>25. Fees and commission expense</b>	<b>For the year ended 31 March 2022</b>	<b>(₹ In Lakh) For the year ended 31 March 2021</b>
<b>Particulars</b>		
Sourcing expenses	2,247.32	143.52
<b>Total</b>	<b>2,247.32</b>	<b>143.52</b>



26. Impairment on financial instruments

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
At amortised cost		
On loans	26.51	9.06
<b>Total</b>	<b>26.51</b>	<b>9.06</b>

27. Employee benefits expenses

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Employees emoluments	1,651.68	899.34
Contribution to provident fund and other funds	96.00	43.11
Staff welfare expenses	86.53	27.42
<b>Total</b>	<b>1,834.21</b>	<b>969.87</b>

28. Other expenses

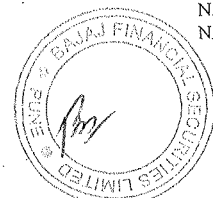
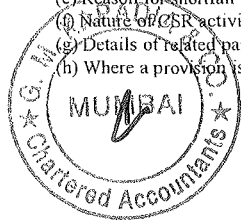
Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Insurance	0.12	0.30
Rent, taxes and energy cost	34.61	13.79
Communication expenses	506.85	191.18
Customer verification	415.07	60.85
Travelling expenses	16.85	2.70
Information technology expenses	846.66	596.24
Bank charges	3.02	0.64
Net loss on disposal of property, plant and equipment	26.04	0.37
Auditor's fees and expenses*	1.78	1.65
Advertisement, branding and promotion	369.96	48.38
Depository charges	40.99	14.38
Repairs and maintenance	67.48	3.58
Printing and stationery	7.87	3.68
Legal and professional charges	88.97	25.44
Share issue expenses	23.69	132.50
Expenditure towards Corporate Social Responsibility activities	7.70	-
Miscellaneous expenses	293.10	103.47
<b>Total</b>	<b>2,750.76</b>	<b>1,199.15</b>

Payment to auditor (net of service tax / CST credit availed)

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Audit fee	1.09	0.55
Tax audit fee	0.11	0.22
Limited review fees	0.48	0.22
<b>In other capacity:</b>		
Certification and others	0.10	0.62
Reimbursement of expenses	-	0.15
<b>Total</b>	<b>1.78</b>	<b>1.76</b>

Corporate Social Responsibility expenditure

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Gross amount required to be spent by the Company during the year	7.70	-
(b) Amount spent in cash during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	7.70	-
(c) Excess / (Shortfall) at the end of the year	-	-
(d) Total of previous years shortfall	Nil	Nil
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities (activities as per Schedule VII)	Activities mentioned in i	NA
(g) Details of related party transactions	Refer note 38	NA
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	NA



## 29. 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	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit attributable to equity shareholders (₹ In Lakh) (A)	1,684.39	554.63
Weighted average number of equity shares for basic earnings per share (B)	312,480,926	133,368,131
Earning per share (basic and diluted) (₹) (A/B)	0.54	0.42

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

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

## 31. Revenue from contract with customers

(₹ In Lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<u>Type of services</u>		
Brokerage Income	2,964.03	1,182.41
Fees on value added services and products	246.16	131.85
Distribution income	2,191.59	930.12
<b>Total</b>	<b>5,401.78</b>	<b>2,244.38</b>
<u>Geographical markets</u>		
India	5,401.78	2,244.38
Outside India	-	-
<b>Total</b>	<b>5,401.78</b>	<b>2,244.38</b>
<u>Timing of revenue recognition</u>		
Services transferred at a point in time	5,401.78	2,244.38
Services transferred over time	-	-
<b>Total</b>	<b>5,401.78</b>	<b>2,244.38</b>

## 32. Employee benefit plans

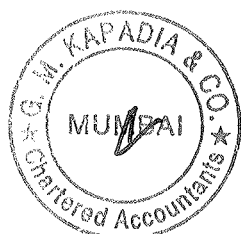
### (I) Defined benefit plans

#### 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 benefits. 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

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation as at the opening of the year	19.61	9.22
Current service cost	10.69	8.83
Past service cost	-	-
Interest on defined benefit obligation	1.34	0.63
Remeasurement gain/ (loss)	-	-
Actuarial loss / (gain) arising from change in financial assumptions	-	(0.26)
Actuarial loss / (gain) arising from change in demographic assumptions	3.34	(2.45)
Actuarial loss / (gain) arising on account of experience changes	12.62	3.64
Benefits paid	-	-
Liabilities assumed / (settled)*	-	-
Liabilities extinguished on settlements	-	-
<b>Defined benefit obligation as at the end of the year</b>	<b>47.60</b>	<b>19.61</b>



(ii) Movement in plan assets

Particulars	(₹ In Lakh)	
	As at 31 March 2022	As at 31 March 2021
Fair value of plan asset as at the beginning of the year	-	-
Employer contributions	-	-
Interest on plan assets	-	-
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	-	-
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
<b>Fair value of plan asset as at the end of the year</b>	<b>-</b>	<b>-</b>

(iii) Reconciliation of net liability/ asset

Particulars	(₹ In Lakh)	
	As at 31 March 2022	As at 31 March 2021
Net defined benefit liability/ (asset) as at the beginning of the year	19.62	9.22
Expense charged to statement of profit and loss	12.03	9.46
Amount recognised in other comprehensive income	15.96	0.94
Employers contribution	-	-
Impact of liability assumed or (settled)	-	-
<b>Net defined benefit liability/ (asset) as at the end of the year</b>	<b>47.61</b>	<b>19.62</b>

(iv) Expenses charged to the statement of profit and loss

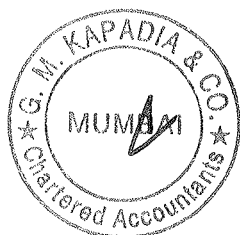
Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	10.69	8.83
Interest cost	1.34	0.63
<b>Total</b>	<b>12.03</b>	<b>9.46</b>

(vi) Remeasurement gains/ (losses) in other comprehensive income

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Opening amount recognised in other comprehensive income</b>		
Changes in financial assumptions	-	(0.26)
Changes in demographic assumptions	3.34	(2.45)
Experience adjustments	12.62	3.65
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
<b>Closing amount recognised outside profit or loss in other comprehensive income</b>	<b>15.96</b>	<b>0.94</b>

(vii) Amount recognised in balance sheet

Particulars	(₹ In Lakh)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of funded defined benefit obligation	-	-
Fair value of plan assets	-	-
Net funded obligation	-	-
Present value of unfunded defined benefit obligation	47.60	19.61
Amount not recognised due to asset limit	-	-
<b>Net defined benefit liability recognised in balance sheet</b>	<b>47.60</b>	<b>19.61</b>
Current	1.39	0.83
Non-current	46.21	18.78





(viii) Key actuarial assumptions

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	6.95%	6.95%
Salary escalation rate (p.a.)	11.00%	11.00%

(ix) A quantitative sensitivity analysis for significant assumptions as at 31 March 2022 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	(2.39)	2.45	(0.82)	0.85
Impact of decrease in 50 bps on defined benefit obligation	2.56	(2.32)	0.88	(0.80)

(x) Projected plan cash flow

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Maturity Profile</b>		
Expected benefits for year 1	1.39	0.83
Expected benefits for year 2	1.52	1.24
Expected benefits for year 3	2.78	1.24
Expected benefits for year 4	3.39	2.13
Expected benefits for year 5	4.16	2.17
Expected benefits for year 6	4.02	1.99
Expected benefits for year 7	3.89	1.84
Expected benefits for year 8	4.16	1.70
Expected benefits for year 9	4.40	1.58
Expected benefits for year 10 and above	79.88	24.40

(₹ In Lakh)

Particulars

For the year ended  
31 March 2022

For the year ended  
31 March 2021

Expected contribution to fund in next financial year

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.

33. Lease Liability

The Company's significant leasing arrangements are in respect of operating leases for premises which are renewable on mutual consent at agreed terms. Certain agreements provide for cancellations by either party or certain agreements contains clause for escalation of lease payments. The non-cancellable operating lease agreements are ranging from 36 to 60 months. There are no sub-leases.

(i) Lease Liability

Particulars	Amount (In ₹)
Balance as on 1 April 2021	317.58
Add:	
Addition during the year	690.87
Interest on Lease Liability	62.45
Less:	
Deletion during the year	69.50
Lease rental payments	200.40
Balance as on 31 March 2022	801.00

Particulars	Amount (In ₹)
Balance as on 1 April 2020	157.88
Add:	
Addition during the year	203.39
Interest on Lease Liability	11.63
Less:	
Deletion during the year	-
Lease rental payments	55.32
Balance as on 31 March 2021	317.58

(ii) The total future minimum lease rentals payable at the balance sheet date for non-cancellable portion of the leases are as under:

(₹ In Lakh)

Particulars

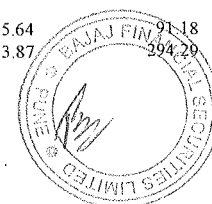
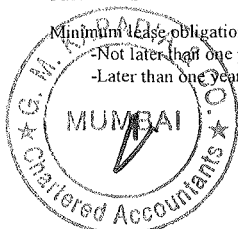
For the year ended  
31 March 2022

For the year ended  
31 March 2021

Minimum lease obligations:  
-Not later than one year  
-Later than one year but not later than five years

205.64  
753.87

91.18  
294.29



34. Capital and other commitments

Particulars	As at	
	31 March 2022	31 March 2021
Capital commitments [Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)]	562.71	213.25
	<u>562.71</u>	<u>213.25</u>

35. Unhedged foreign currency exposure

In INR crores	Unhedged		Hedged through forward or derivative		Natural Hedge	
	<=1 year	>1 year	<=1 year	>1 year	<=1 year	>1 year
<b>FCY Receivables</b>						
Exports	NA*	NA*	NA*	NA*	NA*	NA*
Loans to JV/WOS	NA*	NA*	NA*	NA*	NA*	NA*
Others	NA*	NA*	NA*	NA*	NA*	NA*
<b>FCY Payables</b>						
Imports	NA*	NA*	NA*	NA*	NA*	NA*
Trade Credits	NA*	NA*	NA*	NA*	NA*	NA*
ECBs	NA*	NA*	NA*	NA*	NA*	NA*
Other FCY loans	NA*	NA*	NA*	NA*	NA*	NA*
INR to USD swaps	NA*	NA*	NA*	NA*	NA*	NA*
<b>Total</b>	<b>NA*</b>	<b>NA*</b>	<b>NA*</b>	<b>NA*</b>	<b>NA*</b>	<b>NA*</b>

\*Not Applicable

Our audited EBID i.e. Profit after tax + Depreciation + Interest on debt + Lease rentals for the year ended March 31, 2022 is ₹ 4,951.20 Lakh (Previous year ₹1,052.22 Lakh)

36. Changes in liability

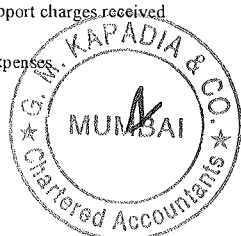
The Company does not have any financing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

37. Segment Information

The Company is engaged primarily in the business of stock broking activity and 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. Disclosure of transactions with related parties as required by Ind AS 24 'Related Party Disclosures'

Name of the related party and nature of relationship	Nature of Transaction	For the year ended 31 March 2022		For the year ended 31 March 2021	
		Transaction Value	Outstanding amounts carried in Balance Sheet	Transaction Value	Outstanding amounts carried in Balance Sheet
<b>(A) Holding company, subsidiaries and fellow subsidiary:</b>					
Bajaj Finserv Limited (Ultimate holding company)	Nil	-	-	-	-
Bajaj Housing Finance Limited (Holding company till 9 August 2018)	Nil	-	-	-	-
Bajaj Finance Limited (Holding company w.e.f. 10 August 2018)	Contribution to equity (63,16,46,452 (263,999,996) shares of ₹ 10 each)	40,000.00	(66,400.00)	15,000.00	(26,400.00)
	Short term loan availed	652,000	(5,000.00)	786,390.00	-
	Short term loan repaid	647,000	-	787,890.00	-
	Asset purchased	0.87	-	8.85	-
	Interest paid on short term loan	551.11	(0.63)	49.07	-
	Brokerage and other transaction charges received	146.31	-	101.07	-
	Demat Charges received	35.48	3.88	32.88	-
	Commission received	747.01	27.53	252.50	-
	Commission Paid	0.36	(0.39)	-	-
	NPS contribution received	243.12	-	-	-
	ESOP expenses	20.05	(20.05)	-	-
	Business support charges paid	22.68	-	18.65	-
	Business support charges received	98.38	7.29	-	-
Bajaj Allianz General Insurance Company Ltd. (Fellow subsidiary)	Insurance expenses	34.60	20.41	11.70	(0.69)



Bajaj Allianz Life Insurance Company Ltd. (Fellow subsidiary)	Insurance expenses	15.50	-	3.15	0.30
<b>(B) Individuals controlling voting power / exercising significant influence and their Relatives:</b>					
Sanjali Bajaj	Brokerage	0.48	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Sanjivnayan Bajaj	Brokerage	0.96	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Siddhantnayan Bajaj	Brokerage	0.48	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Deepa Rajivnayan Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75, outstanding ₹ 88)	-	-	-	-
Kriti Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Kumud Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Madhur Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Minal Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Neelima Bajaj Swamy	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Niravnayan Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Nimisha Jaipuria	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75 )	-	-	-	-
Niraj Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 150)	-	-	-	-
Rajivnayan Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21 22 ₹ 75)	-	-	-	-
Rishabnayan Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75, outstanding ₹ 88)	-	-	-	-
Shefali Bajaj	Brokerage	-	-	-	-
	Demat Charges and other transaction charges (transaction value FY 21-22 ₹ 75)	-	-	-	-
<b>(B) Key Management Personnel &amp; their Relatives:</b>					
Manish Jain (Director)	Brokerage	-	-	-	-
	Demat Charges and other transaction charges	-	-	-	-
Ajita Kakde	Brokerage	0.11	-	-	-
	Demat Charges and other transaction charges	0.01	-	-	-

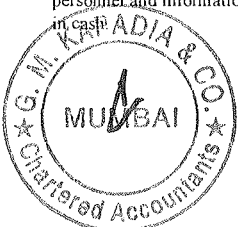
- Transaction values (TV) are excluding taxes and duties except closing balances.

- Amount in bracket denotes credit balance.

- During year ended the Company has undertaken sale of securities on behalf of the holding company's customer for recovery of loan, as at 31 March 2022 ₹ 1,228.69 Lakh (Previous year ₹ 336.00 Lakh) (net of brokerage and other charges) is payable to Bajaj Finance Limited towards such sale transaction on behalf of loan against securities customers of Bajaj Finance Limited.

- Related parties have been identified based on representations made by key managerial personnel and information available with the Company.

- 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



### 39. Capital

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and short term debt. The Company is not subject to any externally imposed capital requirements.

#### (i) Capital management

##### *Objective*

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

##### *Planning*

The Company's assessment of capital requirement is aligned to 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.

### 40. Events after reporting date

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

### 41. 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 investments held for trading under FVTPL have been determined under level 1 (refer note 42) using quoted market prices of the underlying instruments;

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term 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.

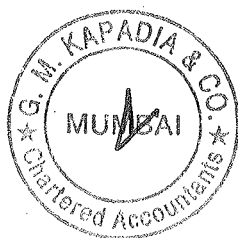
### 42. Fair value hierarchy

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

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

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

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



Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2022

(₹ In Lakh)

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)	
Assets measured at fair value:					
Mutual Fund	31-Mar-22	32,382.53	-	-	32,382.53
<b>Total</b>		<b>32,382.53</b>	<b>-</b>	<b>-</b>	<b>32,382.53</b>

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021

(₹ In Lakh)

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)	
Assets measured at fair value:					
Mutual Fund	31-Mar-21	26,013.04	-	-	26,013.04
<b>Total</b>		<b>26,013.04</b>	<b>-</b>	<b>-</b>	<b>26,013.04</b>

Fair value of financial instruments not measured at fair value as at 31 March 2022

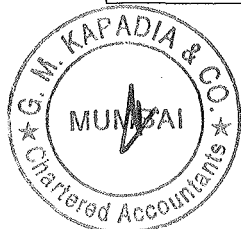
(₹ In Lakh)

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)	
<b>Financial Assets</b>					
Cash and cash equivalents	10,147.99	10,147.99	-	-	10,147.99
Bank balances other than (a) above	27,092.30	27,092.30	-	-	27,092.30
Trade receivables	11,926.77	-	-	11,926.77	11,926.77
Other receivables	-	-	-	-	-
Loans	71,964.44	-	-	71,964.44	71,964.44
Other financial assets	27,402.19	-	-	27,402.19	27,402.19
<b>Total financial assets</b>	<b>148,533.69</b>	<b>37,240.29</b>	<b>-</b>	<b>111,293.40</b>	<b>148,533.69</b>
<b>Financial liabilities</b>					
Trade payables	37,053.76	-	-	37,053.76	37,053.76
Other payables	226.61	-	-	226.61	226.61
Debt Securities	69,933.61	-	69,933.61	-	69,933.61
Borrowings (other than debt securities)	5,001.33	-	-	5,001.33	5,001.33
Other financial liabilities	854.53	-	-	854.53	854.53
<b>Total financial liabilities</b>	<b>113,069.84</b>	<b>-</b>	<b>69,933.61</b>	<b>43,136.23</b>	<b>113,069.84</b>

Fair value of financial instruments not measured at fair value as at 31 March 2021

(₹ In Lakh)

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)	
<b>Financial Assets</b>					
Cash and cash equivalents	1,575.52	1,575.52	-	-	1,575.52
Bank balances other than (a) above	5,787.72	5,787.72	-	-	5,787.72
Trade receivables	11,776.66	-	-	11,776.66	11,776.66
Other receivables	-	-	-	-	-
Loans	18,410.97	-	-	18,410.97	18,410.97
Other financial assets	1,735.05	-	-	1,735.05	1,735.05
<b>Total financial assets</b>	<b>39,285.92</b>	<b>7,363.24</b>	<b>-</b>	<b>31,922.68</b>	<b>39,285.92</b>
<b>Financial liabilities</b>					
Trade payables	19,706.81	-	-	19,706.81	19,706.81
Other payables	146.11	-	-	146.11	146.11
Debt Securities	9,835.31	-	9,835.31	-	9,835.31
Borrowings (other than debt securities)	8,058.87	-	-	8,058.87	8,058.87
Other financial liabilities	357.15	-	-	357.15	357.15
<b>Total financial liabilities</b>	<b>38,104.25</b>	<b>-</b>	<b>9,835.31</b>	<b>28,268.94</b>	<b>38,104.25</b>



43. Risk management objectives and policies

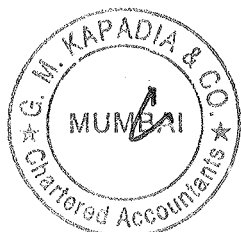
A summary of the major risks faced by the Company, its measurement, monitoring and management are described as under:

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Liquidity risk	Liquidity risk arises from mismatches in the timing of cash flows. Liquidity risk is the risk that the Company may not be able to generate sufficient cash flow at reasonable cost to meet expected and / or unexpected claims. It arises in the funding of lending, trading and investment activities and in the management of trading positions.	Risk Management Team and Treasury team	The Company aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.
Credit risk	It is risk of financial loss that the Company will incur a loss because its customer or counterparty to financial instruments fails to meet its contractual obligation. Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company	Risk Management Team	Credit risk is monitored by Risk management team using level of credit exposures, portfolio monitoring, bureau data of portfolio performance and industry.
Market Risk	Market risk arises when movements in market factors (interest rates, credit spreads and equity prices) impact the Company's income or the market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices and interest rate. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns. The Company classifies exposures to market risk into equity price risk and interest rate risk.	Risk Management Team	The Company's equity price risk is managed in accordance with internal policies by its Risk management team. The policies specifies stipulates risk-based margin requirements for margin-based trading in equity cash and derivative segment by its clients.

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

(₹ In Lakh)

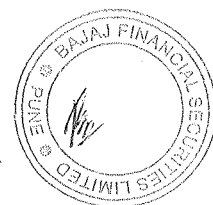
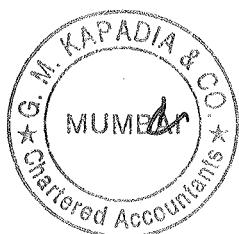
Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<u>Derivative Liability</u>	-	-	-	-	-	-
<u>Non Derivative Liability</u>						
Trade payables	37,053.76	-	37,053.76	19,706.81	-	19,706.81
Other payables	226.61	-	226.61	146.11	-	146.11
Borrowings (other than debt securities)	5,001.33	-	5,001.33	8,058.87	-	8,058.87
Debt Securities	70,500.00	-	70,500.00	10,000.00	-	10,000.00
Lease Liabilities	205.64	753.87	959.51	91.18	294.29	385.47
Other financial liabilities	53.53	-	53.53	39.57	-	39.57
<b>Total</b>	<b>113,040.87</b>	<b>753.87</b>	<b>113,794.74</b>	<b>38,042.54</b>	<b>294.29</b>	<b>38,336.83</b>



The table below shows an analysis of assets and liabilities analysed (maturity analysis) according to when they are to be recovered or settled.

(₹ In Lakh)

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
<b>ASSETS</b>						
<u>Financial assets</u>						
Cash and cash equivalents	10,147.99	-	10,147.99	1,575.52	-	1,575.52
Bank balances other than (a) above	13,702.67	13,389.63	27,092.30	3,476.65	2,311.07	5,787.72
Trade receivables	11,926.77	-	11,926.77	11,776.66	-	11,776.66
Other receivables	-	-	-	-	-	-
Loan	71,964.44	-	71,964.44	18,410.97	-	18,410.97
Investments	32,382.53	-	32,382.53	26,013.04	-	26,013.04
Other financial assets	27,111.29	290.90	27,402.19	1,477.95	257.10	1,735.05
<u>Non-financial assets</u>						
Current tax assets (net)	-	26.08	26.08	-	23.60	23.60
Deferred tax assets (net)	-	-	-	-	-	-
Property, plant and equipment	-	1,528.64	1,528.64	-	553.79	553.79
Intangible assets	-	267.29	267.29	-	141.09	141.09
Other non-financial assets	280.37	-	280.37	143.97	-	143.97
<b>Total assets</b>	<b>167,516.06</b>	<b>15,502.54</b>	<b>183,018.60</b>	<b>62,874.76</b>	<b>3,286.65</b>	<b>66,161.41</b>
<b>LIABILITIES</b>						
<u>Financial liabilities</u>						
Trade payables	37,053.76	-	37,053.76	19,706.81	-	19,706.81
Other payables	226.61	-	226.61	146.11	-	146.11
Debt Securities	69,933.61	-	69,933.61	9,835.31	-	9,835.31
Borrowings (other than debt securities)	5,001.33	-	5,001.33	8,058.87	-	8,058.87
Lease liability	149.38	651.62	801.00	66.95	250.63	317.58
Other financial liabilities	53.53	-	53.53	39.57	-	39.57
<u>Non-financial liabilities</u>						
Current tax liabilities (net)	66.58	-	66.58	-	-	-
Provisions	60.70	-	60.70	24.70	-	24.70
Deferred tax liabilities (net)	-	118.47	118.47	-	47.77	47.77
Other non-financial liabilities	168.81	-	168.81	120.91	-	120.91
<b>Total Liabilities</b>	<b>112,714.31</b>	<b>770.09</b>	<b>113,484.40</b>	<b>37,999.23</b>	<b>298.40</b>	<b>38,297.63</b>



**44. Ultimate beneficiary**

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

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

**45. Relationship with Struck off Companies**

The Company do not have any relationship and transaction with struck off companies during the FY 21-22.

**46(a). Disclosure pertaining to stock statement filed with banks or financial institutions**

The Company has availed of the facilities (secured borrowings) from the Lenders inter alia on the condition that, the Company shall provide or create or arrange to provide or have created, Security interest by way of a first pari passu charge of the Hypothecated 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."

**46(b). Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 for the financial year ended 31 March 2022**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
1. Debt-Equity ratio [Debt securities+Borrowings (other than debt securities)] / Total Equity	1.08	0.64
2. Debt service coverage ratio [EBIDTA/ (Principal + Interest on O/S Principal)]	0.07	0.13
3. Interest service coverage ratio [EBIDTA/ (Finance cost less interest on lease)]	1.95	4.45
4. Networth [Total Equity] (₹ In Lakhs)	69,534.20	27,863.78
5. Net Profit after tax (₹ In Lakhs)	1,684.39	554.63
6. Earnings per share (Basic/Diluted) (₹)	0.54	0.42
7. Total debts to total assets [Debt securities+Borrowings (other than debt securities)] / Total Assets	0.41	0.27
8. Operating margin [PBT/ Revenue from Operations]	18.21%	24.11%
9. Net profit margin [PAT/ Revenue from Operations]	13.55%	15.26%

**Note :**

Details of debenture redemption reserve, Current ratio, Long term debt to working capital, Bad debts to Accounts receivable ratio, Current liability ratio, Debtors turnover and Inventory turnover is not applicable to the Company.





47. The Ind AS financial results of the Company for the year ended March 31, 2021, were audited by the S R B C & CO LLP Chartered Accountants, the predecessor auditor who have expressed an unqualified opinion.
48. Previous year's figures have been regrouped, wherever necessary, to make them comparable with those of the current period.

On behalf of the Board of Directors

As per our report of even date

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



S Sreenivasan  
Chairman



Manish Jain  
Manager and CEO



Rajen Ashar  
Partner  
Membership number: 048243



Bhalchandra Deodhar  
Chief Financial Officer



Ravi Dugar  
Company Secretary

Pune: 25 April 2022

