

# REPORT ON CORPORATE GOVERNANCE

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and considering all stakeholders' interest while conducting business.

This report details the corporate governance policies and practices of Bajaj Finance Ltd. (the 'Company', 'Bajaj Finance' or 'BFL') for FY2025 and outlines compliance with requirements of the Companies Act, 2013, as amended, (the 'Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (the 'SEBI Listing Regulations'), and the Regulations of the Reserve Bank of India ('RBI') for Non-Banking Financial Companies (the 'RBI Regulations') as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures go well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws.

## Philosophy

For us, corporate governance is a reflection of principles rooted in our values and policies and also embedded in our day-to-day business practices. The commitment of Bajaj group to the highest standards of corporate governance predates the provisions of the SEBI Listing Regulations. Ethical dealings, transparency, fairness, disclosure, and accountability are the main thrusts of the working of the Bajaj group. The Company maintains the same tradition and commitment.

## Key elements of Bajaj Finance's Corporate Governance

- Compliance with applicable law.
- Proactive adherence to the regulations.
- Benchmarking and adopting best practices among banks, peers and other leading organisations.
- Number of Board and Committee meetings are more than the statutory requirement, including meetings dedicated for discussing strategy, operating plans, and risks.
- Directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the executive management as required.
- Panel of independent directors with outstanding track record and reputation.
- Independent Assurance on arm's length of Related Party Transaction(s).
- Audit Committee comprising only of independent Board members with Independent Directors chairing all Statutory Committees of the Board.
- Pre-briefing sessions with the Committee's Chair with statutory auditors, internal auditor, chief risk officer, chief human resources officer, and members of executive management who are the process owners.
- Independent discussions by the Committee with chief internal auditor, chief risk officer, and chief compliance officer without presence of Managing Director and other members of senior management on a quarterly basis.
- Separate meeting of independent directors without presence of non-independent directors or executive management.
- Confidential Board evaluation process where each Board member evaluates the performance of every director, Committees of the Board, the Chairman of the Board, and the Board as a whole.
- Complete and detailed information provided to Board members in advance to enable them to evaluate matters carefully for meaningful discussions.
- Representation of the Company via non-executive and independent directors on the Board of its material subsidiary which ensures an institutionalised structure of control over subsidiary.
- Half-yearly communication from the Chairman to all shareholders/debentures holders of the Company giving an update on the Company's performance.
- Presentations on Regulatory updates to the Risk Management Committee on a quarterly basis to keep them abreast of the evolving laws.
- Terms of reference of various committees in line with best practices and governance guidelines.

- Adoption of key governance policies in line with the best practices, which are made available to stakeholders for downloading from the Company's website. These *inter alia* include:
  - Whistle-Blower Policy/Vigil Mechanism;
  - Policy of Materiality and dealing with related party transactions;
  - Dividend Distribution Policy;
  - Policy on Prevention of Sexual Harassment at Workplace;
  - Fair Practices Code in English and all vernacular languages;
  - Employee Charter on Human rights;
  - Equal Employment Opportunity and Non-Discrimination Policy;
  - Policy for Compensation of Key Managerial Personnel ('KMP') and Senior Management;
  - Data Privacy Policy;
  - Responsible and Sustainable Business Conduct Policy;
  - Code of ethics and personal conduct;
  - Tax governance policy;
- Various policies adopted by the Company can be accessed at <https://www.aboutbajajfinserv.com/finance-investor-relations-policies-and-codes>

## Board of Directors

The Board of Directors ('Board') and its Committees play significant role in upholding and furthering the principles of good governance which translates into ethical business practices, transparency, and accountability in creating long-term stakeholder value.

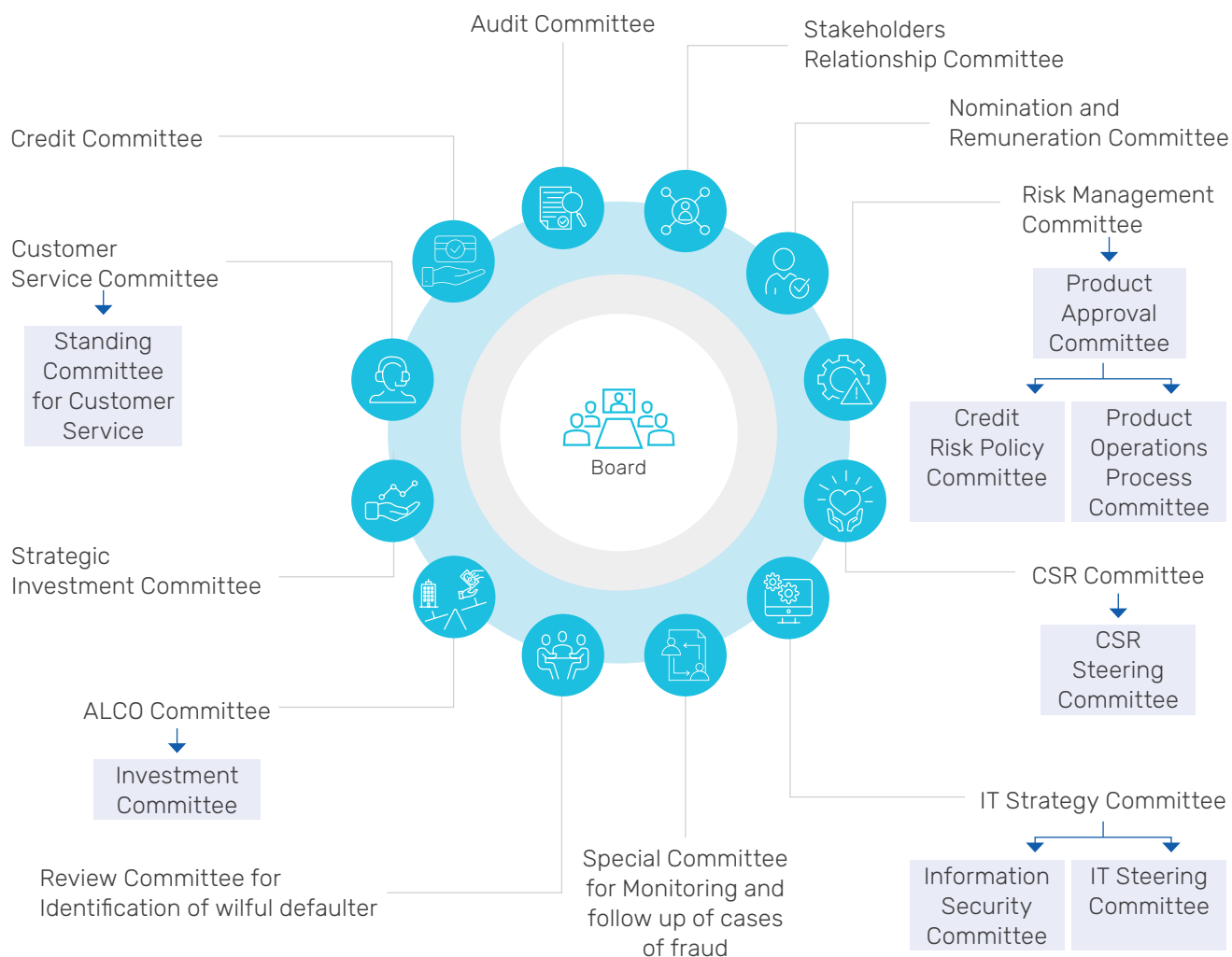
In line with the commitment to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of Governance and Management.

The responsibilities of the Board, *inter alia*, include formulation of overall strategy for the Company, reviewing major plan of actions, setting performance objectives, laying down the Code of Conduct for all members of the Board and the Senior Management team, formulating policies, conducting performance review, monitoring due compliance with applicable laws, reviewing and approving the financial results, enhancing corporate governance practices and ensuring the best interest of the shareholders, the community, environment and its various stakeholders.

All the directors of the Board have confirmed that they are not debarred from holding the office of director by virtue of any order by SEBI or any other authority. The directors have confirmed that neither they nor any other company on which they serve as directors have been identified as a wilful defaulter/large defaulter. All the directors have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations.

The Board has constituted several Board sub-Committees. The remit of these Committees are governed by the regulations, operational requirements and such other matters requiring special and expert attention. Further, during the year an extensive review of terms of reference of various committees was carried out to align them with updated regulations, best practices and various governance guidelines.

## Board and Committees



## Composition of the Board

In compliance with the SEBI Listing Regulations, the Company has an optimum combination of executive and non-executive directors with a woman independent director. The Company has a non-executive Chairman. According to the provisions of the SEBI Listing Regulations, if the non-executive Chairman is related to promoter, at least one half of the Board of the Company should consist of Independent Directors.

As on 31 March 2025, the Board of the Company consisted of eleven directors, of whom two were executive, seven were non-executive independent (including one-woman independent director) and two were non-executive non-independent. The Board does not have any institutional nominee director.

The Company is in compliance with the SEBI Listing Regulations.

## Changes in the composition of Board during FY2024 and FY2025

Details of changes in composition of the Board during the year under review and previous year i.e., for the period from 1 April 2023 to 31 March 2025 is given below:

Sr. No.	Name of director	Capacity	Nature of change	Effective date
1.	Anup Saha	Executive director	Appointment	1 April 2023
2.	Rakesh Bhatt	Executive director	Appointment	1 April 2023
3.	Dr. Arindam Bhattacharya	Independent director	Appointment	1 April 2023
4.	D J Balaji Rao	Independent director	Cessation*	28 November 2023
5.	Rakesh Bhatt	Executive director	Resignation	31 January 2024
6.	Anup Saha	Deputy Managing director	Re-designation	1 April 2024
7.	Tarun Bajaj	Independent director	Appointment	1 August 2024
8.	Ajay Kumar Choudhary	Independent director	Appointment	1 February 2025

\*Ceased on account of demise.




















































































The Board, based on the recommendation of Nomination and Remuneration Committee ('NRC'), appointed Rajeev Jain as Vice-Chairman for term of 3 years with effect from 1 April 2025 and re-designated Anup Saha as Managing Director of the Company for remaining term of 3 years i.e., from 1 April 2025 till 31 March 2028.

## Number of meetings of the Board

The calendar for the Board and Committee meetings are fixed in advance for the entire year and informed to directors well in advance to ensure their participation at all the meeting(s) and with an objective to plan their travel accordingly. Besides the quarterly Board meetings, meetings are also scheduled in the month of March and September every year to facilitate the Board to devote additional time on annual operating plan and strategic matters. The Board and Committee meetings are scheduled such that two full days are collectively dedicated for deliberations.

During FY2025, the Board met eight times, viz., 5 April 2024, 25 April 2024, 7 June 2024, 23 July 2024, 13 September 2024, 22 October 2024, 29 January 2025 and 20 March 2025. The gap between two consecutive meetings has been less than 120 days.

## Attendance record of directors for FY2025

Name of the directors	No. of Board meetings held during FY 2025								Attendance at the last AGM held in July 2024
	5 April 2024	25 April 2024	7 June 2024	23 July 2024	13 September 2024	22 October 2024	29 January 2025	20 March 2025	
CHAIRMAN, NON-EXECUTIVE DIRECTOR									
Sanjiv Bajaj									
INDEPENDENT DIRECTORS									
Dr. Naushad Forbes									
Anami N Roy									
Pramit Jhaveri									
Radhika Haribhakti									
Dr. Arindam Bhattacharya			✗						
Tarun Bajaj <sup>#</sup>	N.A.	N.A.	N.A.	N.A.					N.A.
Ajay Kumar Choudhary <sup>§</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.		N.A.
VICE CHAIRMAN									
Rajeev Jain <sup>*</sup>									
MANAGING DIRECTOR									
Anup Saha <sup>@</sup>									
NON-EXECUTIVE DIRECTOR									
Rajiv Bajaj			✗						

  Attended    × Absent

Notes:

- Sanjiv Bajaj and Rajiv Bajaj are related as brothers. None of the other directors are related *inter se*.
- <sup>#</sup>Tarun Bajaj has been appointed as an Independent Director with effect from 1 August 2024.
- <sup>§</sup>Ajay Kumar Choudhary has been appointed as an Independent Director from 1 February 2025.
- <sup>\*</sup>Rajeev Jain has been elevated as Vice-Chairman with effect from 1 April 2025.
- <sup>@</sup>Anup Saha has been re-designated as Managing Director with effect from 1 April 2025.

The summary of composition of Board, number of meetings held during FY2025, attendance record, total compensation for the year, and shareholding in the Company is provided below:

Sr. No.	Name of Director, DIN and category	Director since	% of meetings attended in last 3 years	Remuneration (₹ in crore)			No. of shares held in the Company as on 31 March 2025
				Salary and others	Sitting Fee	Commission**	
CHAIRMAN, NON-EXECUTIVE DIRECTOR							
1.	Sanjiv Bajaj (DIN: 00014615) Promoter Group	18 January 2005	100	-	0.34	5.06	530,792
INDEPENDENT DIRECTORS							
2.	Dr. Naushad Forbes (DIN: 00630825)	1 April 2019	95	-	0.24	0.96	-
3.	Anami N Roy (DIN: 01361110)	1 April 2019	100	-	0.31	1.20	-
4.	Pramit Jhaveri (DIN: 00186137)	1 August 2021	100	-	0.32	1.28	-
5.	Radhika Haribhakti (DIN:02409519)	1 May 2022	100*	-	0.20	0.76	-
6.	Dr. Arindam Bhattacharya (DIN: 01570746)	1 April 2023	88*	-	0.14	0.56	724
7.	Tarun Bajaj (DIN: 02026219)	1 August 2024	100*	-	0.05	0.20	-
8.	Ajay Kumar Choudhary (DIN: 09498080)	1 February 2025	100*	-	0.01	0.04	-
VICE CHAIRMAN							
9.	Rajeev Jain® (DIN: 01550158)	1 April 2015	100	26.32	-	-	169,950
MANAGING DIRECTOR							
10.	Anup Saha§ (DIN: 07640220)	1 April 2023	100*	12.99	-	-	-
NON- EXECUTIVE DIRECTOR							
11.	Rajiv Bajaj (DIN: 00018262) Promoter Group	2 May 1994	91	-	0.07	0.28	1,000

Notes:

1. \*% of meetings attended is calculated based on the number of Board meetings attended post the appointment.
2. \*\*The Commission will be paid post adoption of financial statements.
3. ®Rajeev Jain has been elevated as Vice-Chairman with effect from 1 April 2025.
4. §Anup Saha has been re-designated as Managing Director with effect from 1 April 2025.

Rajeev Jain, Vice-Chairman and Anup Saha, Managing Director are entitled to Employee Stock Options as per Employee Stock Option Scheme, 2009. Apart from the above, no other Directors hold any convertible instruments.

## Resignation of independent director during FY2025

No Independent Director resigned during the financial year 2025.

## Board diversity

In compliance with the provisions of the SEBI Listing Regulations, the Board through NRC has devised a policy on Board Diversity. The Board comprises adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The directors are persons of eminence in areas of financial services, technology, banking, business transformation and strategy, audit and risk management, finance, law, administration, research, and investment banking, etc. and bring with them experience/skills which add value to the performance of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality.

## Core skills/expertise/competencies

A brief profile of the directors is available on the website of the Company at <https://www.aboutbajajfinserv.com/finance-people-and-committees-board-of-directors>. As stipulated under Schedule V of the SEBI Listing Regulations, core skills/ expertise/ competencies as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors. The chart/ matrix of such core skills/ expertise/ competencies, along with the names of directors who possess such skills is given below:

Sr No.	Core skills/ expertise/ competencies
1.	Management & Governance
2.	Financial Services
3.	Consumer behaviour, sales, marketing and customer experience
4.	Technology and Innovation
5.	Understanding of accounting and financial statements
6.	Risk, Assurance and Internal Controls
7.	Regulatory, Public policy and economics
8.	Human Resource
9.	Business Transformation & Strategy

Name of directors	Skills/ Expertise/ Competencies								
	Management & Governance	Financial Services	Consumer behaviour, sales, marketing and customer experience	Technology and Innovation	Understanding of accounting and financial statements	Risk, Assurance and Internal Controls	Regulatory, Public policy and economics	Human Resource	Business Transformation & Strategy
Sanjiv Bajaj	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Naushad Forbes	✓	-	✓	✓	✓	✓	✓	✓	✓
Anami N Roy	✓	✓	-	-	✓	✓	✓	✓	-
Pramit Jhaveri	✓	✓	✓	✓	✓	✓	✓	✓	✓
Radhika Haribhakti	✓	✓	-	-	✓	✓	-	✓	✓
Dr. Arindam Bhattacharya	✓	-	-	✓	✓	-	✓	✓	✓
Tarun Bajaj	✓	✓	✓	-	✓	✓	✓	✓	✓
Ajay Kumar Choudhary	✓	✓	-	✓	✓	✓	✓	✓	✓
Rajeev Jain	✓	✓	✓	✓	✓	✓	✓	✓	✓
Anup Saha	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rajiv Bajaj	✓	✓	✓	✓	✓	✓	-	✓	✓

## Opinion of the Board

The Board confirms that, in its opinion, the independent directors fulfil the conditions specified under the SEBI Listing Regulations and the Act and are independent of the Management of the Company.

## Non-executive directors' compensation

The Company believes that non-executive directors' ('NEDs') including independent directors compensation must reflect the time, effort, attendance and participation in Board and Committee meetings. The payment is proportionate to attendance and ensures directors' remuneration is commensurate with their time, effort, attendance, and participation.

The members of the Company vide special resolution passed at the Annual General Meeting ('AGM') of the Company held on 27 July 2022 have, approved the payment of commission up to a sum not exceeding one percent of the net profits of the Company, calculated in accordance with the provisions of Section 198 of the Act, to be paid and distributed among the directors of the Company or some or any of them (other than the Managing Director/Whole-time Directors) in such amounts, subject to such ceiling/s and in such manner and in such respects, as may be decided by the Board of Directors from time to time during the five years commencing from 1 April 2022.

In view of increased demands on Non-executive Directors' participation in the Board and Committee meetings and the greater responsibilities shouldered by them in the interest of higher level of excellence in corporate governance, the commission has been increased from ₹ 400,000 to ₹ 500,000 per meeting of the Board and/or Committees (except for Corporate Social Responsibility Committee, Credit Committee and Review Committee for wilful defaulter's Identification) effective 1 May 2025.

The NRC and the Board, at its meetings held on 29 April 2025, approved payment of Commission of ₹ 3.70 crore to Sanjiv Bajaj for FY2025 for the additional time and commitment devoted by him for reviewing businesses, mentoring and supervising the senior leadership team of the Company, at the request of the management. Being a non-executive director, he will also be entitled to sitting fees as payable to other NEDs. The total compensation payable to Sanjiv Bajaj does not exceed 50% of the total remuneration payable to all NEDs. Hence, approval of shareholders is not required under regulation 17(6) of the SEBI Listing Regulations. Further, prior approval of the Audit Committee has also been obtained for the said payment of remuneration in terms of provisions of regulation 23 of the SEBI Listing Regulations.

The total commission payable to all directors, however, will be within the maximum permissible ceiling prescribed under Act.

The commission is paid to the directors after the adoption of audited financial statements by the shareholders at the AGM.

The directors are also entitled to a sitting fee at ₹ 100,000 per meeting for every meeting of the Board and/or Committee (except Corporate Social Responsibility Committee) attended by them.

The Company does not have a stock option programme for any of its directors other than the Vice-Chairman and the Managing Director.

### Information placed before the Board

The Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by key members of Senior Management on important matters from time to time. Directors have separate and independent access to the officers of the Company. In addition to items required to be placed before the Board for its noting and/or approval, information is provided on various significant items.

In terms of quality and importance, the information supplied by Management to the Board is far ahead of the mandate under the Act and SEBI Listing Regulations. The independent directors of the Company met on 20 March 2025 and assessed especially from the perspective of whether these aided the Board and its Committees to effectively and reasonably perform their duties. The independent directors expressed their satisfaction on the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

Pursuant to the various regulatory requirements and considering business needs, the Board is apprised on various strategic, business, compliance and regulatory matters. During FY2025 it, *inter alia*, covered the following:

- Business plans, forecast and strategic initiatives;
- Changes in regulatory landscape and Company's preparedness;
- Succession planning and organisation structure;
- Supervisory concerns raised by regulators;
- Performance of subsidiaries and associate companies;
- Status of compliance with Act, SEBI regulations, RBI Regulations and shareholder related matters;
- Review of investments made by the Company;
- Review of various policies framed by Company from time to time;
- Risk management system;
- Compliance with corporate governance standards;
- Deliberations of committees;
- Functioning of customer grievance redressal mechanism; and
- Awareness on cyber security.



## Directors and Officers liability insurance ('D&O policy')

The Company has in place a D&O policy which is renewed every year. It covers directors (including independent directors) of the Company and its subsidiaries. It also covers Company's nominee on the Board of investee companies. The Board is of the opinion that quantum and risk presently covered is adequate.

## Orderly succession to Board and Senior Management

One of the key functions of the Board of Directors is selecting, compensating, monitoring, and when necessary, replacing key managerial personnel and overseeing succession planning.

Pursuant to regulation 17(4) of the SEBI Listing Regulations, the framework of succession planning for appointment of director/Senior Management is placed before the Board for its review from time to time.

Succession planning is a critical element of the human resources strategy at the Company. In selecting between a 'build versus buy' talent model, the Company places a larger emphasis on building talent. This strategy is enabled by hiring most of our employees near the entry level and grooming them using a 'grow from within' career management framework.

## Directorships and memberships of Board Committees

**Table 1: Number of directorship/committee positions of directors as on 31 March 2025 (including the Company)**

Sr. No.	Name of director	No. of directorships	Directorships			Committee positions in listed and unlisted public companies	
			In equity listed companies	In unlisted public companies	In private limited companies	As member (Including as chairperson)	As chairperson
1.	Sanjiv Bajaj	18	6	4	8	5	-
2.	Dr. Naushad Forbes	13	5	1	7	6	1
3.	Anami N Roy	6	5	-	1	6	4
4.	Pramit Jhaveri	4	3	-	1	2	-
5.	Radhika Haribhakti	7	5	1	1	7	3
6.	Dr. Arindam Bhattacharya	5	4	-	1	5	-
7.	Tarun Bajaj	5	4	-	1	5	1
8.	Ajay Kumar Choudhary	7	2	4	1	5	2
9.	Rajeev Jain	2	2	-	-	2	-
10.	Anup Saha	1	1	-	-	-	-
11.	Rajiv Bajaj	11	5	2	4	-	-

Note:

For the purpose of considering the limit of committees in which a director can serve, all public limited companies, whether listed or not, have been included, whereas all other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded. Only the Audit Committee and the Stakeholders Relationship Committee are considered for the purpose of reckoning committee positions.

None of the directors hold office as a director, including as an alternate director, in more than 20 companies at the same time. None of them has directorships in more than 10 public companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary companies of a public company are included, while directorships in dormant companies and Section 8 of the Act are excluded. For the purpose of reckoning the directorships in listed companies, only equity listed companies have been considered.

As per declarations received, no director serves as an independent director in more than seven equity listed companies or in more than three equity listed companies if he/ she is a whole-time director/ managing director in any listed company. The independent directors have also confirmed that they are not on the Board of more than three NBFCs [NBFC-Middle Layer ('NBFC-ML') or NBFC-Upper Layer ('NBFC-UL')] at the same time in line with RBI Scale Based Regulations.

Pursuant to RBI Scale Based Regulations, Key Managerial Personnel do not hold any office (including directorships) in any other NBFC-ML or NBFC-UL except for directorship in a subsidiary.

None of the directors were a member in more than 10 committees, nor a chairperson in more than five committees across all public companies in which he/she was a director.

Notwithstanding the number of directorships, as highlighted herein, the outstanding attendance record and participation of the directors in Board/Committee meetings indicates their commitment and ability to devote adequate time to their responsibilities as Board/Committee members.

### Directorship in listed companies (including debt listed companies)

**Table 2: Name of listed entities where directors of the Company held directorships as on 31 March 2025 (including the Company)**

Sr. No.	Name of director	Name of listed entity	Category
1.	Sanjiv Bajaj	Bajaj Auto Ltd.	Non-executive, Non-independent
		Bajaj Finance Ltd.	Chairman, Non-executive, Non-independent
		Bajaj Finserv Ltd.	Chairman and Managing Director
		Bajaj Holdings & Investment Ltd.	Managing Director and CEO
		Bajaj Housing Finance Ltd.	Chairman, Non-executive, Non-independent
		Maharashtra Scooters Ltd.	Chairman, Non-executive, Non-independent
2.	Dr. Naushad Forbes	Bajaj Auto Ltd.	Non-executive, Independent
		Bajaj Finance Ltd.	
		Bajaj Finserv Ltd.	
		Bajaj Holdings & Investment Ltd.	
3.	Anami N Roy	Zodiac Clothing Company Ltd.	Non-executive, Independent
		Bajaj Auto Ltd.	
		Bajaj Finance Ltd.	
		Bajaj Finserv Ltd.	
4.	Pramit Jhaveri	Bajaj Housing Finance Ltd.	Non-executive, Independent
		Siemens Ltd.	
		Bajaj Finance Ltd.	
5.	Radhika Haribhakti	Bajaj Finserv Ltd.	Non-executive, Independent
		Larsen & Toubro Ltd.	
		Bajaj Finance Ltd.	
		Bajaj Finserv Ltd.	
6.	Dr. Arindam Bhattacharya	EIH Associated Hotels Ltd.	Non-executive, Independent
		NOCIL Ltd.	
		Torrent Power Ltd.	
		Bajaj Finance Ltd.	
7.	Tarun Bajaj	Bajaj Holdings & Investment Ltd.	Non-executive, Independent
		Bajaj Housing Finance Ltd.	
		Info Edge (India) Ltd.	
		Bajaj Finance Ltd.	
8.	Ajay Kumar Choudhary	Hindustan Unilever Ltd.	Non-executive, Independent
		The Tata Power Company Ltd.	
		Tech Mahindra Ltd.	
9.	Rajeev Jain	Aurionpro Solutions Ltd.	Non-executive, Independent
		Bajaj Finance Ltd.	
10.	Anup Saha	Bajaj Finance Ltd.	Vice-Chairman*
		Bajaj Housing Finance Ltd.	Vice-Chairman, Non-executive, Non-independent
11.	Rajiv Bajaj	Bajaj Finance Ltd.	Managing Director**
		Bajaj Auto Ltd.	Managing Director and CEO
		Bajaj Electrical Ltd.	Non-executive, Non-independent
		Bajaj Finance Ltd.	
		Bajaj Finserv Ltd.	
		Bajaj Holdings & Investment Ltd.	Vice-Chairman, Non-executive, Non-Independent

\*Elevated as Vice-Chairman with effect from 1 April 2025.

\*\*Re-designated as Managing Director with effect from 1 April 2025.

## Certificate on qualification of Directors

The Company has received a certificate from Shyamprasad D. Limaye, practicing company secretary, to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as a director of the Company by SEBI/Ministry of Corporate Affairs ('MCA') or such other statutory authority for FY2025. The certificate forms a part of this Annual Report.

## Review of legal compliance reports

The Board periodically reviews compliance report with respect to the various laws applicable to the Company, as prepared and placed before it by the Management. The Company Secretary, Chief Compliance Officer and other senior management personnel heading functions provides detailed compliance report to the Board on a periodic basis.

## Code of Conduct

The SEBI Listing Regulations requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of Directors prescribed in the Act.

The Company has a Board approved Code of Conduct for Board members and Senior Management of the Company. The Code of Conduct is reviewed periodically. The Code has been placed on the Company's website and can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/code-of-conduct-for-directors-and-senior-management-v5pdf?scl=1&fmt=pdf>

All the Board members and Senior Management personnel have affirmed compliance with the Code for the year ended 31 March 2025. A declaration to this effect signed by the Managing Director forms a part of this Annual Report.

## Maximum tenure of independent directors

In terms of the Act, independent directors shall hold office for a term of up to five consecutive years on the board of a company but shall be eligible for re-appointment upon passing of a special resolution by the Company and disclosure of such appointment in the board's report. The tenure of the independent directors is in accordance with the provisions of the Act.

## Formal letter of appointment to independent directors

The Company has issued a formal letter of appointment/re-appointment to independent directors in the manner provided in the Act. As per regulation 46(2) of the SEBI Listing Regulations, the terms and conditions of appointment/re-appointment of independent directors are placed on the Company's website and can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/appointment-letter-independent-director-27-nov-2023pdf?scl=1&fmt=pdf>

## Familiarisation programme

On an ongoing basis, the Company endeavours to keep the Board including independent directors abreast with matters relating to the industry in which the Company operates, its business model, Cyber Security, Risk Analytics and concepts, Long Range Strategy, Fraud Risk Management and root cause analysis, Operational Risk Management, Operational Resilience, and changes in Regulatory Environment and preparedness of the Company, etc.

The Board is also regularly apprised on the major developments in the Company between two meetings.

The independent directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

The familiarisation details for FY2025 can be accessed at the link: <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/familiarisation-programme-fy-2025-v1pdf?scl=1&fmt=pdf>

## Whistle-Blower Policy/Vigil Mechanism

The Company has a Whistle-Blower Policy encompassing Vigil Mechanism pursuant to the requirements of the Section 177(9) of the Act and regulation 22 of the SEBI Listing Regulations and meeting the requirements under applicable RBI regulations.

This mechanism enables directors, employees and value chain partners to report confidentially to the Management, without fear of victimisation, any unacceptable and/or unethical behaviour, suspected or actual fraud, violation of the Company's Code of Conduct or ethics policy and instances of leak or suspected leak of unpublished price sensitive information which are detrimental to the organisation's interest. It provides safeguards against victimisation of directors/employees/value chain partners who avail of the mechanism. It also allows them to share their inputs or raise their concerns anonymously at the dedicated link provided for it.

The policy has been appropriately communicated to the employees within the organisation and has also been hosted on the Company's website which can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/whistle-blower-policy-with-times-stamppdf?scl=1&fmt=pdf>

Employees of the Company are required to undergo mandatory online learning module on Code of Conduct including Whistle-Blower Policy and affirm that they have understood and are aware of vital aspects of the policy.

During FY2025, no person was denied access to the Audit Committee. During FY2025, 535 complaints were received by Company out of which 19 are pending for resolution as on 31 March 2025.

### Details of material subsidiaries

The Company has one material subsidiary viz., Bajaj Housing Finance Ltd. ('BHFL').

The details of the same are as under:

Sr. No.	Particulars	Information about BHFL
1.	Date of incorporation	13 June 2008
2.	Place of incorporation	Pune
3.	Registered office	Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi Pune - 411 035
4.	Name of the Joint Auditors	A. Mukund M Chitale & Co., Chartered Accountants B. Singhi & Co., Chartered Accountants
5.	Date of appointment of Auditors	22 July 2024
6.	Period of appointment of Auditors	3 years, from the conclusion of 16th AGM till conclusion of 19th AGM
7.	Other details	<ul style="list-style-type: none"> <li>BHFL ceased to be unlisted wholly-owned subsidiary of the Company, pursuant to listing of its equity shares on BSE Limited and National Stock Exchange of India Limited.</li> <li>It is registered as Housing Finance Company with National Housing Bank (Registration No. 09.0127.15).</li> <li>It is also classified in the Upper Layer pursuant to RBI Scale Based Regulations.</li> </ul>

The Policy on 'material subsidiaries', as approved by the Board, is available on the Company's website and can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/policy-for-determining-material-subsidary-v5pdf?scl=1&fmt=pdf>

In addition to above, the Company has a wholly-owned subsidiary viz., Bajaj Financial Securities Ltd. ('BFinsec') and two associate companies viz., Snapwork Technologies Private Ltd. and Pennant Technologies Private Ltd. Details of the subsidiaries and associates including their performance and businesses, are given in the [Directors' Report](#).

### Loans and advances

The Company, being NBFC in the upper layer is governed by RBI Scale Based Regulations on loans and advances. The said guidelines, *inter alia*, covers grant of loan, advances, guarantee, awarding of contracts, etc. to directors and their relatives, any company in which any of the directors or their relatives are major shareholders/ director/ manager/ employee/ guarantor and any firm in which directors or their relatives are partners/ manager/ employer/ guarantor. Accordingly, details of aggregate amount of loans and advances sanctioned by the Company forms part of the Annual Financial Statement.

The Company and its subsidiaries have not provided any loans and advances in the nature of loans to firms/ companies in which the directors are interested within the meaning of provisions of Section 184 of the Act.

## Share Capital

As of 31 March 2025, the paid-up capital of the Company was ₹ 124.29 crore consisting of 621,428,652 equity shares of face value of ₹ 2 fully paid-up.

In FY2024, the Company made preferential allotment of 1,550,000 warrants convertible into equivalent number of equity shares to Bajaj Finserv Ltd., promoter and the holding company, at a conversion price of ₹ 7,670 per share, pursuant to the provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI ICDR Regulations').

In accordance with the terms of issue and as per the provisions of SEBI ICDR Regulations, 25% of issue price amounting to ₹ 297.21 crore was received by the Company at the time of subscription as initial payment and balance ₹ 891.64 crore will be received at the time of conversion i.e., within a period of 18 months from the date of allotment of the warrants.

During the year under review, the Company allotted 1,550,000 equity shares of the face value of ₹ 2 each to Bajaj Finserv Ltd. on conversion of warrants and receipt of balance 75% of the issue price amounting to ₹ 891.64 crore.

Further details on change in share capital is given in the [Directors' Report](#).

## Utilisation of funds raised through Preferential Allotment

On 2 November 2023, the Company allotted 1,550,000 warrants convertible into equivalent number of equity shares at a price of ₹ 7,670 per warrant aggregating to ₹ 1,188.85 crore on receipt of an amount of ₹ 297.21 crore being 25% of the issue price, on a preferential basis, to Bajaj Finserv Ltd., promoter and holding company in accordance with the SEBI ICDR Regulations and the Act.

On 26 March 2025, upon the request of Bajaj Finserv Ltd., the Company allotted 1,550,000 equity shares of the value of ₹ 2 each to the Bajaj Finserv Ltd. on conversion of warrants and receipt of balance 75% of the issue price amounting to ₹ 891.64 crore.

Pursuant to the provisions of regulation 32(7A) of the SEBI Listing Regulations, the Company has fully utilised the funds raised through Preferential Issue ('PI') for the objects stated in the offer document and notice seeking members' approval i.e., repaying loans, commercial papers, non-convertible debentures, interest thereon and general corporate purposes.

CARE Ratings Ltd., monitoring agency, has issued reports confirming utilisation of funds as per stated objects. The said report is available on the Company's website at <https://www.aboutbajajfinserv.com/finance-investor-relations-stock-exchange-filings> Statement of fund utilisation pursuant to regulation 32 of the SEBI Listing Regulations has also been filed with the stock exchanges for PI.

## Related party transactions ('RPT')

All related party transactions entered during FY2025 were in the ordinary course of business and at arm's length. The Company had engaged an independent law firm to review the transactions carried out with related parties during FY2025, to affirm that the transactions are at arm's length nature of such transactions. The said firm, based on its review has concluded that the aforementioned transactions are at arm's length. Prior approval of the Audit Committee was obtained for all related party transactions entered during FY2025. Details of such transactions were placed before the Audit Committee for its review on a quarterly basis.

During FY2025, the Company also entered into a Material Related party transaction with Bajaj Housing Finance Ltd., subsidiary of the Company and approval of the Members was sought by way of Postal Ballot pursuant to Regulation 23 of the SEBI Listing Regulations.

A statement containing disclosure of transactions with related parties as required under Indian Accounting Standard 24 (Ind AS 24) including transaction with promoter/promoter group holding 10% or more shareholding in the Company, if any is set out separately in this Annual Report. Disclosures relating to related party transactions are filed with the stock exchanges on a half-yearly basis.

During FY2025, there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The policy is given below as required pursuant to RBI Scale Based Regulations. It is also hosted on the Company's website at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/policy-on-materiality-of-and-dealing-with-rpt-v5pdf?scl=1&fmt=pdf>

## Policy on materiality of related party transactions and dealing with related party transactions

### Background

Pursuant to regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Board of Directors of Bajaj Finance Ltd. (the Company) at its meeting held on 14 October 2014 had approved a Policy on Materiality of and dealing with related party transactions. Pursuant to SEBI circular dated 9 May 2018, which notified certain amendments effective from 1 April 2019, the Policy was revised by the Board at its meeting held on 12 March 2019.

### Policy:

In supersession of the existing Policy, the Policy on Materiality of and dealing with Related Party Transactions, which is to be read together with Regulation 23 of the said Regulations and relevant provisions of the Companies Act, 2013 is accordingly being revised as under:

1. The terms 'Related Party', 'Related Party Transactions', 'Relative', 'Material RPTs', 'Arms' length transaction', 'Omnibus Approval' and such other terms will carry the meaning as stated under the Companies Act, 2013 or SEBI Listing Regulations as amended from time to time.
2. Related Party Transactions (RPTs), including subsequent material modifications thereof of the Company covered under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations will be approved by the Audit Committee of the Board from time to time, subject to such exceptions as are provided therein.

For the above purpose, 'material modifications' as defined by the Audit Committee would refer to the following:

Material modification will mean and include any modification to an existing RPT having variance of 20% of the existing limit or ₹ 1 crore whichever is higher, as sanctioned by the Audit Committee/Shareholders, as the case may be. Provided further that:

- With effect from April 1, 2023, a related party transaction to which the subsidiary of a listed entity is a party, but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary.
  - Remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.
3. Prior Consent of the Board and the Shareholders would be taken in respect of all RPTs, including material modifications thereof, except in the following cases:
    - i) Where the transactions are below the threshold limits specified in the Companies Act, 2013 and Rules thereunder or the SEBI Listing Regulations, as may be applicable;
    - ii) Where the transactions are entered into by the Company in its ordinary course of business and are on arms' length basis;
    - iii) Payments made with respect to brand usage or royalty where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, do not exceed five percent of the annual consolidated turnover as per the last audited financial statements of the Company;
    - iv) Where the transactions to be entered into individually or taken together with previous transactions during a financial year do not exceed ₹ 1,000 crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower;
    - v) Transactions entered into between the Company and any of its wholly-owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval;
    - vi) Transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.



4. Notwithstanding the above, approval of the Board and shareholders would be necessary, where the RPTs exceed the following threshold limits:

Sr. No.	Description	Threshold limits (₹ in crore)
1.	Sale, purchase or supply of any goods or materials or securities	1,000
2.	Borrowing including by way of deposits	
3.	Selling or otherwise disposing off or buying of any property including by way of leave and license arrangement	
4.	Availing or rendering of any services including lending	

The above policy is subject to review from time to time and at least once in every three years.

### Audit Committee

Pursuant to the Act, SEBI Listing Regulations and RBI Regulations, the Company has an Audit Committee. All members are non-executive independent directors. Members of the Committee are considered financially literate and are deemed to have necessary accounting or financial management related expertise in terms of SEBI Listing Regulations.

The Board reviews the working of the Committee from time to time to bring about greater effectiveness and to ensure compliance with the various requirements under the Act, SEBI Listing Regulations and RBI Regulations.

The terms of reference of the Committee are in accordance with the Act, SEBI Listing Regulations and RBI Regulations. These broadly include oversight of the Company's financial reporting process and disclosure of its financial information, review of financial statements, review of compliances and review of systems and controls, approval or any subsequent modification of transactions with related parties, review statement of deviations, if any, review Management letters/letters of internal control weaknesses issued by the statutory auditors, review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. The updated terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-audit-committeepdf?scl=1&fmt=pdf>

### Meetings and attendance

During FY2025, the Audit Committee met six times viz., on 25 April 2024, 22 July 2024, 22 October 2024, 29 January 2025, 21 February 2025 and 20 March 2025. The meetings were scheduled well in advance and not more than 120 days elapsed between any two consecutive meetings.

In addition to the members of the Audit Committee, these meetings were attended by Chief Financial Officer, Internal Auditor, Chief Risk Officer, Chief Compliance Officer, Chief Operating Officer, statutory auditors and other senior executives who were considered necessary for providing inputs to the Committee.

The Company Secretary acted as the secretary to the Audit Committee.

Anami N Roy, Chairman of the Committee, was present at the AGM of the Company on 23 July 2024, to answer shareholders' queries.

Dr. Naushad Forbes ceased to be member of the Committee from close of business hours on 20 March 2025 and Tarun Bajaj was inducted as member of the Committee with effect from 21 March 2025.

**Table 3: Composition of the Audit Committee and attendance record of the members for FY2025**

Sr. No.	Name of director	Member of Committee since	Category	No. of Meetings held during FY2025 (6)	
				Entitled to Attend	Attended
1.	Anami N Roy	10 July 2021	Chairman, Non-executive, independent	6	6
2.	Dr. Naushad Forbes*	19 May 2020	Non-executive, independent	6	6
3.	Pramit Jhaveri	1 August 2021	Non-executive, independent	6	6
4.	Dr. Arindam Bhattacharya	1 April 2023	Non-executive, independent	6	6
5.	Tarun Bajaj**	21 March 2025	Non-executive, independent	-	-

\*Ceased to be member of the Committee w.e.f. 20 March 2025

\*\*Inducted as member of the Committee w.e.f. 21 March 2025

During FY2025, the Board had accepted all recommendations of the Committee.

## Nomination and Remuneration Committee

Pursuant to the Act, SEBI Listing Regulations and RBI Regulations, the Company has constituted a Nomination and Remuneration Committee ('NRC').

The terms of reference of the Committee are in accordance with the Act, SEBI Listing Regulations and RBI Regulations. These broadly include formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and Senior Management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of Remuneration Policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board, devising a policy on Board diversity and such other matters as may be prescribed by the Act, SEBI Listing Regulations and RBI Regulations. Updated terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-nrcpdf?scl=1&fmt=pdf>

The Committee acts as the Compensation Committee for administration of the Company's Employee Stock Option Scheme, 2009.

## Meetings and attendance

During FY2025, the Committee met four times viz., on 25 April 2024, 12 September 2024, 27 January 2025 and 20 March 2025.

Radhika Haribhakti, Chairperson of the Committee, was present at the AGM of the Company held on 23 July 2024, to answer shareholders' queries.

**Table 4: Composition of the NRC and attendance record of the members for FY2025**

Sr. No.	Name of director	Member of Committee since	Category	No. of Meetings held during FY2025 (4)	
				Entitled to attend	Attended
1.	Radhika Haribhakti	1 May 2022	Chairperson, Non-executive, independent	4	4
2.	Sanjiv Bajaj	14 October 2009	Non-executive, non-independent	4	4
3.	Anami N Roy	17 March 2020	Non-executive, independent	4	4

During FY2025, the Board had accepted all recommendations of the Committee.

The Company has in place performance evaluation criteria for Board, Committees, Chairperson and Directors. The criteria for evaluating Independent Directors includes, *inter alia*, their ability to bring external expertise and independent judgment that enhances the objectivity of the Board's deliberations—particularly on matters related to strategy, performance, resource allocation, key appointments, risk management, and standards of conduct. It also considers their commitment to devote adequate time and attention to professional obligations, enabling independent decision-making in the best interest of all stakeholders.

These criteria are hosted on the website of the Company and can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/performance-evaluation-criteria-27-january-2025-finalpdf?scl=1&fmt=pdf>

## Risk Management Committee

Pursuant to the RBI Regulations and SEBI Listing Regulations, the Company has constituted a Risk Management Committee ('RMC').

The terms of reference of RMC, *inter alia*, includes formulation of a detailed Risk Management Policy, reviewing and guiding the Management on various risks associated with the business of the Company, ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks, overseeing and reviewing implementation of operational risk management and operational resilience framework, to promote a strong risk culture and reviewing status of 'Risk Appetite/Limit' of the Company based on its 'Risk Capacity'. The updated terms of reference of the Committee can also be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-risk-management-committeepdf?scl=1&fmt=pdf>

The Company has a risk management framework duly approved by the Board. The details of Risk Management and various mitigants are covered in detail in [Management and Discussion Analysis](#) and in the [Directors' Report](#).



Anup Saha and Ajay Kumar Choudhary were inducted as members of the Committee with effect from 21 March 2025. Anami N Roy ceased to be member of the Committee from close of business hours on 20 March 2025.

Fakhari Sarjan, Chief Risk Officer, Sandeep Jain, Chief Financial Officer and Chief Operating Officer and Deepak Bagati, Chief Operating Officer ceased to be member of the Committee with effect from 22 October 2024.

### Meetings and attendance

During FY2025, the Committee met six times viz., on 25 April 2024, 23 July 2024, 13 September 2024, 22 October 2024, 28 January 2025 and 19 March 2025.

**Table 5: Composition of the RMC and attendance record of the members for FY2025**

Sr. No.	Name of director/ member	Member of Committee since	Category	No. of Meetings held during FY2025 (6)		No. of shares held as on 31 March 2025
				Entitled to attend	Attended	
1.	Pramit Jhaveri	1 April 2022	Chairman, Non-executive, independent	6	6	Nil
2.	Sanjiv Bajaj	20 October 2015	Non-executive, Non-independent	6	5	530,792
3.	Anami N Roy <sup>®</sup>	10 July 2021	Non-executive, independent	6	6	Nil
4.	Ajay Kumar Choudhary <sup>**</sup>	21 March 2025	Non-executive, independent	-	-	Nil
5.	Rajeev Jain	21 May 2008	Vice-Chairman, executive <sup>§</sup>	6	6	169,950
6.	Anup Saha <sup>**</sup>	21 March 2025	Managing Director, executive <sup>&amp;</sup>	-	-	Nil
7.	Fakhari Sarjan <sup>#</sup>	12 March 2019	Senior Executive, Chief Risk Officer	4	4	Nil
8.	Sandeep Jain <sup>#</sup>	3 February 2016	Senior Executive, Chief Operating Officer and Chief Financial Officer	4	4	91,211
9.	Deepak Bagati <sup>#</sup>	29 January 2020	Senior Executive, Chief Operating Officer	4	3	Nil

Notes:

<sup>®</sup> Ceased to be the member of the Committee w.e.f. 20 March 2025.

<sup>\*\*</sup> Inducted as member of the Committee w.e.f. 21 March 2025.

<sup>#</sup> Ceased to be member of the Committee w.e.f. 22 October 2024.

<sup>§</sup> Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

<sup>&</sup> Re-designated as Managing director of the Company w.e.f. 1 April 2025

During FY2025, the Board had accepted all recommendations of the Committee.

### Stakeholders Relationship Committee

Pursuant to the Act and SEBI Listing Regulations, the Company has constituted a Stakeholders Relationship Committee ('SRC').

The terms of reference of the Committee, *inter alia*, includes to resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, etc., to approve issuance of duplicate share certificate (letter of confirmation) in lieu of original share certificate lost or misplaced, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards in respect of various services rendered by the Registrar and Share Transfer Agent ('RTA') and review various measures and initiatives taken for reducing the quantum of unclaimed dividends. The updated terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-stakeholder-relationship-committeepdf?scl=1&fmt=pdf>

More details on this subject and on shareholders' related matters including unclaimed suspense account have been furnished in [General Shareholder Information](#).

### Meetings and attendance

During FY2025, the Committee met once on 20 March 2025 to review the status of investors' services rendered. The Company Secretary was present at the said meeting.

The Committee was apprised of the major developments on matters relating to investors. The Committee also reviewed the service standards of the Company's RTA and the measures taken for timely and effective investors grievance redressal that can facilitate better investor services and relations.

**Table 6: Composition of the SRC and attendance record of the members for FY2025**

Sr. No.	Name of director	Member of Committee since	Category	No. of Meetings held during FY2025 (1)	
				Entitled to attend	Attended
1.	Radhika Haribhakti	1 May 2022	Chairperson, Non-executive, independent	1	1
2.	Sanjiv Bajaj	11 May 2010	Non-executive, non-independent	1	1
3.	Dr. Arindam Bhattacharya	30 January 2024	Non-executive, independent	1	1

R Vijay, Company Secretary, acts as the Compliance Officer.

Radhika Haribhakti, Chairperson of the Committee, was present at the AGM of the Company held on 23 July 2024, to answer shareholders' queries.

During FY2025, the Board had accepted all recommendations of the Committee.

**Table 7: Details of the investor complaints received during FY2025**

No. of complaints outstanding at the beginning of the year	No. of complaints received	No. of complaints not solved to the satisfaction of the shareholders	No. of complaints solved	No. of pending complaints at the end of the year
0	68	0	63	5

### Duplicate Share Certificate Issuance Committee

To meet the requirement of the Act and SEBI Listing Regulations, the Company has constituted a Duplicate Share Certificate Issuance Committee (DSCIC) of the Board to approve the issuance of duplicate share certificate in lieu of original share certificate lost or misplaced.

DSCIC was dissolved w.e.f. 29 April 2025 with the approval of the Board and its terms of reference were subsumed in SRC.

### Meeting and Attendance

During FY2025, the Committee met once on 20 March 2025.

**Table 8: Composition of the Duplicate Share Certificate Issuance Committee and attendance record of the members for FY2025**

Sr. No.	Name of director	Category	No. of Meetings held during FY2025 (1)	
			Entitled to attend	Attended
1.	Sanjiv Bajaj	Chairman, Non-executive, non-independent	1	1
2.	Dr. Naushad Forbes	Non-executive, independent	1	1
3.	Rajeev Jain	Vice-Chairman, executive <sup>@</sup>	1	1

<sup>@</sup>Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

### Information Technology (IT) Strategy Committee

Pursuant to Master Direction – Information Technology Framework issued by RBI for NBFC Sector, the Company has constituted an IT Strategy Committee.

### Meeting and attendance

During FY2025, the Committee met four times viz., on 24 April 2024, 15 July 2024, 11 October 2024 and 14 January 2025 as required under the above Master Direction.

Sanjiv Bajaj ceased to be member of IT Strategy Committee with effect from close of business hours on 20 March 2025. Further, Anup Saha and Ajay Kumar Choudhary are inducted as the member of the Committee with effect from 21 March 2025.

Anurag Chottani, Chief Operating Officer, Rajendra Bisht, Senior Head-IT and Mudit Mehrish, Chief Information Officer ceased to be member of the Committee from close of business hours of 22 October 2024.

**Table 9: Composition of the IT Strategy Committee and attendance record of the members for FY2025**

Sr. No.	Name of director/member	Member of Committee since	Category	No. of Meetings held during FY2025 (4)		No. of shares held as on 31 March 2025
				Entitled to attend	Attended	
1.	Dr. Naushad Forbes	17 March 2020	Chairman, Non-executive, Independent	4	4	Nil
2.	Ajay Kumar Choudhary**	21 March 2025	Non-executive, independent	-	-	Nil
3.	Sanjiv Bajaj*	13 September 2017	Non-executive, non-independent	4	4	530,792
4.	Rajeev Jain	13 September 2017	Vice-Chairman, executive <sup>@</sup>	4	3	169,950
5.	Anup Saha**	21 March 2025	Managing Director, executive <sup>§</sup>	-	-	Nil
6.	Anurag Chottani <sup>&amp;</sup>	13 September 2017	Senior Executive, Chief Operating Officer	3	3	5,386
7.	Rajendra Bisht <sup>&amp;</sup>	12 March 2019	Senior Executive, Senior Head-IT	3	3	Nil
8.	Mudit Mehrish <sup>&amp;</sup>	25 April 2024	Senior Executive, Chief Information Officer	2	2	9,002

\*Ceased to be member of the Committee w.e.f. 20 March 2025.

& Ceased to be member of the Committee w.e.f. 22 October 2024.

\*\*Inducted as member of the Committee w.e.f. 21 March 2025.

@ Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

§ Re-designated as Managing Director of the Company w.e.f. 1 April 2025.

The Chief Information Security Officer is a permanent invitee to the IT Strategy Committee.

The terms of reference of the Committee, *inter alia*, includes evaluation of risks related to cyber security/information security and review of Business Continuity Plan /Disaster Recovery Plan. The updated terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-it-committeepdf?scl=1&fmt=pdf>

During FY2025, the Committee reviewed IT Infrastructure Projects, Information Security Projects, Governance Framework, Cyber Security, System Audit Reports, etc.

During FY2025, the Board had accepted all recommendations of the Committee.

## Customer Service Committee

To strengthen the customer engagement and monitoring process, the Company has suo-moto constituted a Customer Service Committee headed by an independent director.

### Meeting and attendance

During FY2025, the Committee met six times viz., on 25 April 2024, 9 July 2024, 13 September 2024, 22 October 2024, 27 January 2025 and 20 March 2025.

Dr. Naushad Forbes and Rajeev Jain ceased to be member of Customer Service Committee from close of business hours on 20 March 2025. Further, Anup Saha and Tarun Bajaj were inducted as the member of the Committee with effect from 21 March 2025.

**Table 10: Composition of the Customer Service Committee and attendance record of the members for FY2025**

Sr. No.	Name of director	Member of Committee since	Category	No. of Meetings held during FY2025 (6)	
				Entitled to attend	Attended
1.	Pramit Jhaveri	14 March 2022	Chairman, Non-executive, independent	6	6
2.	Sanjiv Bajaj	14 March 2022	Non-executive, non-independent	6	6
3.	Rajeev Jain*	14 March 2022	Vice-Chairman, executive <sup>@</sup>	6	6
4.	Dr. Naushad Forbes*	14 March 2022	Non-executive, independent	6	6

Sr. No.	Name of director	Member of Committee since	Category	No. of Meetings held during FY2025 (6)	
				Entitled to attend	Attended
5.	Anup Saha**	21 March 2025	Managing Director, executive <sup>§</sup>	-	-
6.	Tarun Bajaj**	21 March 2025	Non-executive, independent	-	-

\*Ceased to be member of the Committee w.e.f. 20 March 2025.

\*\*Inducted as member of the Committee w.e.f. 21 March 2025.

<sup>§</sup> Re-designated as Managing Director of the Company w.e.f. 1 April 2025.

<sup>@</sup> Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

The terms of reference of the Committee, *inter alia*, includes overseeing implementation of service enhancement initiatives across the Company, review adherence to Fair Practices Code, grievance redressal and issues bearing on the quality of services rendered by the Company. The updated terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-customer-service-committeepdf?scl=1&fmt=pdf>

During FY2025, the Committee reviewed, *inter alia*, customer service and grievance related matters and also had discussions with internal ombudsmen. Details of various initiatives with respect to customer service are provided in the [Directors' Report](#) and [Management Discussion and Analysis](#).

During FY2025, the Board had accepted all recommendations of the Committee.

### Review Committee for Wilful Defaulter's Identification ('Review Committee')

In line with the RBI Guidelines, the Company is required to constitute a committee for identifying non-cooperative borrowers as specified in the said guidelines. Accordingly, the Company had constituted a Committee to assess Wilful Defaulters. To review the proposals made by this Committee, a Review Committee of the Board was also constituted. The identification order becomes final only upon confirmation by the Review Committee.

Pursuant to the RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters issued on 30 July 2024, the Company has reconstituted the Committee to assess Wilful Defaulters and renamed it as the "Identification Committee" for identifying wilful defaulters. The role of the Review Committee remains unchanged.

The terms of reference of the Committee, *inter alia*, includes review of the order passed by Identification Committee after considering written representation, if any forwarded by non-cooperative borrower(s)/Wilful Defaulters and pass necessary orders upholding/rejecting the order passed by identification committee.

### Meeting and attendance

During FY2025, the Committee met once on 21 March 2025 to review the wilful defaulters and large defaulters identified by the Identification Committee.

Sanjiv Bajaj ceased to be member of Review Committee from close of business hours on 20 March 2025. Further, Anup Saha was inducted as the member of the Committee with effect from 21 March 2025.

**Table 11: Composition of the Review Committee and attendance record of the members for FY2025:**

Sr. No.	Name of Director	Member of Committee since	Category	No. of Meetings held during FY2025 (1)	
				Entitled to attend	Attended
1.	Anup Saha**	21 March 2025	Chairman, Managing Director, executive <sup>§</sup>	1	1
2.	Sanjiv Bajaj*	15 September 2015	Non-executive, non-independent	-	-
3.	Rajeev Jain	15 September 2015	Vice-Chairman, executive <sup>@</sup>	1	0
4.	Radhika Haribhakti	27 July 2022	Non-executive, independent	1	1
5.	Anami N Roy	19 May 2020	Non-executive, independent	1	1

\*Ceased to be member of the Committee w.e.f. 20 March 2025.

\*\*Inducted as member of the Committee w.e.f. 21 March 2025.

<sup>@</sup> Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

<sup>§</sup> Re-designated as Managing Director of the Company w.e.f. 1 April 2025.

The terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-for-review-committeepdf-2?scl=1&fmt=pdf>.

## Strategic Investment Committee

To expand the Company's strategic footprint, it explores various investment opportunities in financial services, technology, and related areas. To facilitate the Board with appropriate recommendations on these strategic investments, the Board had constituted a Strategic Investment Committee. It comprises majority of independent directors. An Independent director chairs the meetings of the Committee.

The terms of reference of the Committee, *inter alia*, includes to evaluate, scrutinise, consider and recommend to the Board, strategic investment opportunities and business acquisitions in companies, bodies corporate and other entities, recommend and review terms and conditions of investment, to obtain or review outside legal or other professional advice or reports, review and recommend all investments including investments and disinvestments by the Company in its subsidiaries and affiliates, etc. The updated terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-sicpdf?scl=1&fmt=pdf>

## Meeting and Attendance

During FY2025, the Committee met six times viz., on 25 April 2024, 7 June 2024, 22 October 2024, 8 January 2025, 28 January 2025 and 19 March 2025.

Rajeev Jain was inducted as the member of the Committee with effect from 21 March 2025.

**Table 12: Composition of the Strategic Investment Committee and attendance record of the members for FY2025:**

Sr. No.	Name of member	Member of Committee since	Category	No. of meetings held during FY2025 (6)	
				Entitled to attend	Attended
1.	Pramit Jhaveri	26 July 2023	Chairman, Non-executive, independent	6	6
2.	Radhika Haribhakti	26 July 2023	Non-executive, independent	6	6
3.	Anami N Roy	26 July 2023	Non-executive, independent	6	5
4.	Sanjiv Bajaj	26 July 2023	Non-executive, non-independent	6	6
5.	Rajeev Jain*	21 March 2025	Vice-Chairman, executive®	-	-

\* Inducted as member of the Committee w.e.f. 21 March 2025.

®Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

During FY2025, the Board had accepted all recommendations of the Committee.

## Special Committee for Monitoring and follow up of cases of fraud

In line with Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) issued by RBI, the Company has constituted a special committee of the Board on 22 October 2024, for prevention, early detection and timely reporting of incidents of fraud. The Committee is headed by an Independent Director.

The terms of reference of the Committee, *inter alia*, includes review and monitoring the cases of fraud including root cause analysis and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds, oversee effectiveness of fraud risk management, etc. The terms of reference of the Committee can be accessed at <https://www.aboutbajajfinserv.com/content/dam/bajajfinserv/web/in/en/global/document/corporate/bfi-new/bfi-investor-relations/shareholders-information/terms-of-reference/terms-of-reference-of-fmc.pdf>

## Meeting and Attendance

During FY2025, the Committee met once on 27 January 2025.

**Table 13: Composition of the Special Committee for monitoring and follow up of cases of fraud and attendance record of the members for FY2025:**

Sr. No.	Name of member	Member of Committee since	Category	No. of meetings held during FY2025 (1)	
				Entitled to attend	Attended
1.	Anami N Roy	22 October 2024	Chairman, non-executive, independent	1	1
2.	Tarun Bajaj	22 October 2024	Non-executive, independent	1	1
3.	Rajeev Jain	22 October 2024	Vice-Chairman, executive <sup>®</sup>	1	1
4.	Anup Saha	22 October 2024	Managing Director, executive <sup>§</sup>	1	1

<sup>®</sup> Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

<sup>§</sup> Re-designated as Managing Director of the Company w.e.f. 1 April 2025.

During FY2025, the Board had accepted all recommendations of the Committee.

### Credit Committee

A board level committee has been constituted on 20 March 2025 to review and sanction credit facilities for various lines of businesses as per the delegation matrix approved by the Board. The terms of reference of the Committee can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/terms-of-reference-of-credit-committeepdf?scl=1&fmt=pdf>

**Table 14: Composition of the Credit Committee:**

Sr. No.	Name of member	Member of Committee since	Category
1.	Anami N Roy	20 March 2025	Chairman, non-executive, independent
2.	Radhika Haribhakti	20 March 2025	Non-executive, independent
3.	Rajeev Jain	20 March 2025	Vice-Chairman, executive <sup>®</sup>
4.	Anup Saha	20 March 2025	Managing Director, executive <sup>§</sup>

<sup>®</sup> Elevated as Vice-Chairman of the Company w.e.f. 1 April 2025.

<sup>§</sup> Re-designated as Managing Director of the Company w.e.f. 1 April 2025.

### Asset Liability Management Committee

Pursuant to the RBI Guidelines, the Company has in place an Asset Liability Management Committee. The Committee comprises of Managing Director/Executive Directors and other senior executives of the Company.

The Managing Director chairs the meetings of the Committee.

The role of the Committee is to oversee the implementation of the Asset Liability Management system and review its functionality periodically covering liquidity risk management, management of market risks, funding and capital planning, profit planning etc.

The Committee meets on a monthly basis. The Board is updated on the decisions of the Committee.

### Investment Committee

Pursuant to the RBI Guidelines, the Company has in place an Investment Committee. The Committee comprises of senior executives of the Company. The Managing Director chairs the meetings of the Committee.

The role of the Committee is to review the investment strategy, asset allocation, investment decision and other operating guidelines, monitor the changing environment in the money market/capital market and accordingly, recommend changes to the investment strategy for execution and also review the audit reports on Treasury operations and provide directions for corrective actions, if any.

The said Committee meets on a monthly basis. The Board is updated on decisions of the Committee.

### Remuneration of Directors

#### Pecuniary relationship/transaction with non-executive directors

During FY2025, there were no pecuniary relationship/transactions of any non-executive directors with the Company, other than receiving remuneration as directors.



## Criteria of making payments to non-executive directors

Details of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgement. They also oversee the corporate governance framework of the Company.

The criteria of making payments to non-executive directors is placed on the Company's website and can be accessed at <https://cms-assets.bajajfinserv.in/is/content/bajajfinance/criteria-for-payments-of-remuneration-to-non-executive-directors-v3pdf?scl=1&fmt=pdf>

## Details of remuneration of directors

Additionally, the details of remuneration payable to all non-executive directors are provided in the Form MGT-7 ('annual return') which is hosted on the website of the Company and can be accessed at <https://www.aboutbajajfinserv.com/finance-investor-relations-annual-reports>

## Remuneration to Executive Directors

### » Rajeev Jain

Details of remuneration paid to Rajeev Jain, Managing Director ('MD') is provided in the annual return and elsewhere in this report. The tenure of the MD is of five years up to 31 March 2025 with a notice period of six months or salary in lieu thereof. On completion of tenure, Rajeev Jain has been appointed as Vice-Chairman for period of three years with effect from 1 April 2025. The performance pay/bonus of the MD is based on the performance of the Company and his contribution towards the same. There is no provision for payment of severance fees. During FY2025, 137,618 stock options were granted to the MD at a grant price of ₹ 7,329.15, being the closing market price on the NSE on the day preceding the day of grant. These grants will vest over a period of four years (25% every year) after a period of one year from the date of grant. The vested options will be exercisable over a period of five years from the date of vesting. The MD is also entitled to other perquisites and benefits mentioned in the agreement entered into with the Company. Further, the compensation payable to him is subject to Policy for Compensation of Key Managerial Personnel and Senior Management as per the RBI Regulations.

He is also on the Board of Bajaj Housing Finance Ltd. ('BHFL') as its Non-executive Vice-Chairman. In his capacity as a non-executive director, he draws sitting fees and profit linked commission from BHFL at par with other non-executive directors in terms of its remuneration policy. The total remuneration (sitting fees and commission) drawn for FY2025 is ₹ 99 lakh. He has also been awarded one time grant of stock options of Bajaj Finserv Ltd. ('BFS'), holding company, during FY2023. All options will vest entirely post completion of 5 years from the grant date.

### » Anup Saha

Details of remuneration paid to Anup Saha, Deputy Managing Director is provided in the annual return and elsewhere in this report. Anup Saha has been re-designated as Managing Director with effect from 1 April 2025. The tenure of the Anup Saha is of five years up to 31 March 2028 with a notice period of six months or salary in lieu thereof. The performance pay/bonus of Anup Saha is based on the performance of the Company and his contribution towards the same. There is no provision for payment of severance fees. During FY2025, Anup Saha was granted 50,246 stock options at a grant price of ₹ 7,329.15, being the closing market price on the NSE on the day preceding the day of grant. These grants will vest over a period of four years (25% every year) after a period of one year from the date of grant. The vested options will be exercisable over a period of five years from the date of vesting. He is also entitled to other perquisites and benefits as approved by the shareholders.

Further, the compensation payable to him is subject to Policy for Compensation of Key Managerial Personnel and Senior Management as per the RBI Regulations. He has also been awarded one time grant of stock options of BFS during FY2023. All options will vest entirely post completion of 5 years from the grant date.

## Management discussion and analysis

This is given as a separate section in the Annual Report.

## Disclosure of material transactions

Pursuant to the SEBI Listing Regulations, senior management is required to make disclosures to the Board relating to all material, financial and commercial transactions, where they had or were deemed to have had personal interest that might have been in potential conflict with the interest of the Company at large. As per the disclosures submitted by the Senior Management, there were no such transactions during FY2025.

## Compliances regarding Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, ('SEBI PIT Regulations') the Company has a Board approved Code of Conduct to regulate, monitor and report trading by Designated Persons ('Code of Conduct') and a code of practices and procedures for fair disclosure of unpublished price sensitive information ('Code of Fair Disclosure'). Wherever non-compliance by a Designated Person concerned was observed, penalty was levied, and the amount was remitted to the SEBI stipulated fund.

By frequent communications, the Company also makes aware the Designated Persons of their obligations under the SEBI PIT Regulations. The Audit Committee and the Board at its meeting held on 20 March 2025 had reviewed the compliance in terms of regulation 9A(4) of SEBI PIT Regulations and confirmed that the systems for internal control with respect to Insider Trading Regulations are adequate and are operating effectively.

## Means of communication

Quarterly and annual financial results are published in the Business Standard and Lokmat. An abridged version of the financial results is also published in all editions of the Mint, Hindu Business Line, Economic Times, Financial Express, Amar Ujala and Hindustan Times.

The Company's website, viz., <https://www.aboutbajajfinserv.com/finance-investor-relations-financial-results> under the section of 'investor relations', contains all important information including financial results, various policies framed/approved by the Board, presentations made to the media, analysts and institutional investors, schedule and transcripts of earnings call with investors, matters concerning the shareholders, etc.

All financial and other vital official news releases and documents under the SEBI Listing Regulations are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

## Information on general body meetings and details of special resolution(s) passed

### A. Details of the AGMs held during last three years:

Details of AGM	Date and time of AGM	Details of special resolution(s) passed at the AGM	Voting percentage of shareholders participated		
			Particulars	% favour	% Against
35th AGM – Through VC Deemed Venue: Registered office	27 July 2022 at 3:30 P.M.	1. Appointment of Radhika Haribhakti as an independent director for a period of 5 consecutive years effective 1 May 2022.	All shareholders	94.08	5.92
			Non-promoter category	81.54	18.46
		2. Issue of non-convertible debentures through private placement.	All shareholders	99.31	0.69
			Non-promoter category	97.90	2.10
		3. Payment of commission to non-executive directors for a period of five years commencing from 1 April 2022.	All shareholders	98.41	1.59
			Non-promoter category	95.17	4.83
36th AGM – Through VC Deemed Venue: Registered office	26 July 2023 at 3:30 P.M.	1. Issue of non-convertible debentures through private placement.	All shareholders	99.35	0.65
			Non-promoter category	98.10	1.90
		2. Alteration of Articles of Association of the Company.	All shareholders	100.00	0.00
			Non-promoter category	99.99	0.00



Details of AGM	Date and time of AGM	Details of special resolution(s) passed at the AGM	Voting percentage of shareholders participated		
37th AGM Venue: Hyatt Regency, Viman Nagar, Pune	23 July 2024 at 3:30 P.M.	1. Appointment of Tarun Bajaj (DIN: 02026219) as an independent director for a term of five consecutive years w.e.f. 1 August 2024.		%	%
			<b>Particulars</b>	<b>favour</b>	<b>Against</b>
			All shareholders	99.92	0.08
			Non-promoter category	99.79	0.21
		2. Issue of non-convertible debentures through private placement		%	%
			<b>Particulars</b>	<b>favour</b>	<b>Against</b>
			All shareholders	99.39	0.61
			Non-promoter category	98.34	1.66

## B. Details of special resolution passed through Postal Ballot during last year

During FY2025, the Company had sought approval of the members through postal ballot, the details of the same are given below:

### I. Postal Ballot notice dated 29 January 2025:

#### a) Details of voting:

Sr. No.	Items of special business	Voting percentage of shareholders participated		
1.	Appointment of Ajay Kumar Choudhary (DIN:09498080) as an Independent Director for a term of five consecutive years with effect from 1 February 2025		%	%
		<b>Particulars</b>	<b>favour</b>	<b>Against</b>
		All shareholders	98.86	1.15
		Non-promoter category	96.97	3.03

The Company had appointed Shyamprasad D Limaye, Practicing Company Secretary (FCS No. 1587, CP No. 572) as Scrutiniser for conducting the postal ballot including remote e-voting process in a fair and transparent manner.

It can be seen from the above, all resolutions proposed by the Board have been passed with overwhelming majority by the shareholders. The percentage of votes in favour, when reckoned to the exclusion of promoters/ promoter group category has also received overwhelming majority.

## C. Special Resolutions proposed to be conducted through postal ballot

The Company did not propose any special resolutions through postal ballot. However, the following ordinary resolutions were placed for approval of the Members (through remote e-voting) through postal ballot notice dated 29 April 2025:

- Appointment of Rajeev Jain (DIN: 01550158) as an Executive Director of the Company designated as Vice-Chairman with effect from 1 April 2025.
- Re-designation of Anup Saha (DIN: 07640220) as Managing Director of the Company and revision in remuneration with effect from 1 April 2025.
- Sub-division of equity shares of the Company;
- Alteration of Capital Clause of the Memorandum of Association of the Company; and
- Issue of Bonus Shares.

## D. Procedure for postal ballot

Pursuant to the provisions of the Act, postal ballot notice is dispatched only through electronics means at the registered email addresses of the members. The Company also provides instructions to register the mail address to the members who have not registered the same, to enable the Company to provide all communications through email.

In compliance with the provisions the Company provides facility to the members to exercise votes only through electronic voting system ('remote e-voting').

The Company also publishes notice in the newspapers for the information of the members. Voting rights are reckoned on the equity shares held by the members as on the cut-off date.

Pursuant to the provisions of the Act, the Company appoints a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submits his consolidated report to the Chairman and the voting results are announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges. The resolution, if passed by requisite majority, is deemed to have been passed on the last date specified by the Company for remote e-voting.

### Details of capital market non-compliance, if any

A fine of ₹ 50,000 was levied by BSE Ltd. for delayed intimation of payment of interest and principal in respect of 4 ISINs of privately placed Non-Convertible Debentures in FY2023. The aforementioned intimations pertain to June 2021, November 2021 and September 2022. The Company has paid the requisite fine. There has been no delay or default in the payment of interest or principal to the debenture holders.

Apart from aforesaid penalty, no other penalty or stricture has been imposed on the Company by any of the stock exchanges, SEBI, or any other statutory authority, in any matter related to capital markets, during the last three years.

### Details of non-compliance with requirements of Companies Act, 2013

During the year under review there has been no instances of default in compliance with the requirements of the Act, including with respect to compliance with accounting and secretarial standards.

### Details of penalties imposed by Regulatory Authorities

During FY2025, following orders were passed by regulatory authorities:

- IRDAI issued an order dated 15 July 2024, levying a penalty in aggregate of ₹ 2 crore for violation of provisions of IRDAI Regulations as below:
  - Penalty of ₹1 crore with respect to reconciliation of commission and professional fees received and that reported to the Authority in violations of Regulations-31 (3) and 23(g) of IRDA (Registration of Corporate Agents) Regulations, 2015.
  - Penalty of ₹1 crore with respect to maintenance of records of customer documentation in violations of Regulations-25 (2) (ix) and Para-I (4) of Schedule-VII of Regulations-25 (1), Regulations-26 (1) and Regulations-30 (ii) of IRDAI (Registration of Corporate Agents) Regulations, 2015.
- Director General of GST Intelligence (DGGI), Kochi Zonal Unit issued show cause notice (SCN) alleging that the fixed amount of upfront interest collected from customers in B2B business should be considered as fee/service charge and accordingly is liable to GST. The amount of GST demanded vide above referred SCN is ~ ₹ 342 crore (excluding interest and penalty) for the period from July 2017 to March 2024. In the said SCN, DGGI has also proposed an equal amount of penalty and interest till the date of payment of the said tax.

### Compliance with covenants

During the year under review, the Company has complied with the all covenants relating to loans availed and debt securities issued.

### Compliance Certificate

The Managing Director and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under the SEBI Listing Regulations.

### Report on Corporate Governance

This section read together with the information given in the [Directors' Report](#), the section on [Management Discussion and Analysis](#) and [General Shareholder Information](#), constitute the compliance report on Corporate Governance for FY2025.

The Company has been submitting the quarterly corporate governance compliance report to the stock exchanges as required under regulation 27(2) of the SEBI Listing Regulations.

## Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given below:

Number of complaints filed during FY2025	10
Number of complaints disposed of during FY2025	9
Number of complaints pending at the end of FY2025	1

### Fees paid to statutory auditors

Deloitte Haskins & Sells ('Deloitte') and G. M. Kapadia & Co. ('G. M. Kapadia') were appointed as joint statutory auditors of the Company effective 17 November 2021 to conduct audit of accounts of the Company for the FY2022, 2023 and 2024 respectively.

- Fees paid to Deloitte Haskins & Sells and G. M. Kapadia & Co., by BFL including all entities in their network firm/entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (₹ in lakh)	
		Deloitte	G. M. Kapadia
1.	Audit Fees	-	-
2.	Fees for other services	7.49	5.82

Further, G. M. Kapadia & Co. was appointed as statutory auditor of BFinsec, subsidiary of the Company effective 16 November 2021 to conduct audit till FY2026.

- Fees paid to G. M. Kapadia & Co., by BFinsec including all entities in their network firm/entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (₹ in lakh)
1.	Audit Fees	5.00
2.	Fees for other services	3.00

Price Waterhouse LLP ('PwC') and Kirtane and Pandit LLP ('KP') were appointed as joint statutory auditors of the Company effective 23 July 2024 for 3 years to hold office till the AGM scheduled in 2027 for audit of Financial Statements for FY 2025, 2026 and 2027 as per RBI Guidelines.

- Fees paid to Kirtane and Pandit LLP, on a consolidated basis, and Price Waterhouse LLP, including all entities in their network firm/entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (₹ in lakh)	
		KP	PwC
1.	Audit Fees	41.08	98.10
2.	Fees for other services	27.05	18.22

### Senior Management

Details of Senior Management Personnel(s) ('SMTs') as on 31 March 2025 pursuant to provisions of Schedule V (C) (5B) of the SEBI Listing Regulations are as follows:

Sr. No.	Name of SMTs	Designation
1.	Ajay Sharda	Chief - Debt Management Services
2.	Amit Raghuvanshi	President - Cars, Two-Wheeler and Sales Finance
3.	Anand Bagri	Senior Executive Vice President - Treasury
4.	Anand Kumar	President - Microfinance
5.	Anupam Sirbhaiya	President and Chief Human Resources and Administration Officer
6.	Anurag Chottani	Chief Operating Officer
7.	Babu Rao	General Counsel

Sr. No.	Name of SMTs	Designation
8.	Deepak Bagati	Chief Operating Officer
9.	Deepak Reddy	President - Rural Lending, Gold Loans & Insurance Businesses
10.	Fakhari Sarjan	Chief Risk Officer
11.	Dr. Gauri Chandratreya	Executive Vice President - Corporate Audit Services
12.	Harjeet Toor	Deputy Chief Executive Officer*
13.	Kurush Irani**	President - Corporate Social Responsibility
14.	Manav Mianwal	President - Digital Platforms
15.	Manish Jain	Deputy Chief Executive Officer*
16.	Mudit Mehrish	Deputy Chief Information Officer
17.	Neelesh Sarda	Chief Compliance Officer
18.	Nitin Neema	Executive Vice President - Operations, Credit and Service
19.	Nitish Asthana	President - Payments
20.	Prashant Verma	Chief Information and Security Officer
21.	Sandeep Jain	Chief Operating Officer and Chief Financial Officer
22.	Sidhaant Dadwal	Deputy Chief Executive Officer*
23.	R Vijay	Company Secretary
24.	Vivek Likhite®	President - Corporate Audit Services

\*Elevated as Deputy Chief Executive Officer w.e.f. 1 May 2025.

\*\*Ceased to be Senior Management w.e.f. 29 April 2025.

®On account of attaining age of superannuation ceased to be Senior Management.

During the year under the review there were no changes in the list of SMTs.

### Disclosure of certain types of agreements binding listed entities

The Company has not entered into agreements with shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the Company or impose any restrictions or create any liability upon the Company.

### Compliance of mandatory and discretionary requirements

#### Mandatory

The Board of Directors periodically reviews the compliance of all applicable laws. The Company has complied with all the mandatory requirements of the SEBI Listing Regulations including but not limited to the provisions of regulations 17 to 27 and 46(2)(b) to (i) of the said Regulations.

#### Discretionary

The Company has also complied with the discretionary requirements as under:

#### 1. Shareholder rights

A half-yearly declaration of financial performance including summary of significant events in the preceding six months is sent to members.

#### 2. Modified opinion(s) in audit report

The Company confirms that its financial statements are with unmodified audit opinion.

#### 3. Separate posts of Chairperson and the Managing Director

The positions of Chairperson and Managing Director are held by two different persons who are not related to each other.

### Auditors' certificate on Corporate Governance

The Company has obtained a certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down under the SEBI Listing Regulations. This certificate is annexed to the [Directors' Report](#).

**Declaration by the Chief Executive Officer/Managing Director**

[Regulation 34(3) read with schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Board of Directors

**Bajaj Finance Ltd.**

I, Anup Saha, Managing Director of Bajaj Finance Ltd. hereby declare that all the Board members and senior managerial personnel have affirmed compliance with the Code of Conduct of the Company laid down for them for the year ended 31 March 2025.

**Anup Saha**

Managing Director

29 April 2025

Pune